



**AUDIT REPORT
ON
THE ACCOUNTS OF
DISTRICT GOVERNMENTS
NORTH WAZIRISTAN**

AUDIT YEAR 2021-22

AUDITOR GENERAL OF PAKISTAN

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	i
Preface	iii
EXECUTIVE SUMMARY	iv
CHAPTER-1	1
Public Financial Management	1
1.1 Sectoral Analysis.....	1
1.2 AUDIT PARAS	6
CHAPTER-2.....	8
2.1 District Government North Waziristan.....	8
2.3 Classified Summary of Audit observations	9
2.4 Comments on the status of compliance with Zila Accounts Committee Directives	10
2.5 Audit Paras	11
2.5.1 Irregularities.....	11
HR/Employees related irregularities	11
Procurement relate irregularities	12
2.5.2 Value for money and service delivery issues	15
2.5.3 Others, including cases of accidents, negligence etc.....	16
CHAPTER-3.....	21
Tehsil Municipal Administration.....	21
3.1 Introduction	21
3.2 Comments on Budget and Accounts (Variance Analysis)	22
3.3 Classified Summary of Audit Observations	23
3.4 Comments on the status of compliance with Tehsil Accounts Committee Directives	23
3.5 AUDIT PARAS	24
3.5.1 Irregularities	24
Procurement related irregularities	28
3.5.2 Others, including cases of accidents, negligence etc.....	30
Chapter-4	37
AD Local Government Election & Rural Development	37
4.1 Introduction	37

4.2	Comments on Budget and Expenditure (Variance Analysis).....	39
4.3	Classified Summary of Audit Observations	40
4.5.	Audit Para	41
4.5.1	Fraud, embezzlement and misappropriation	41
4.5.2	Other including cases of accidents, negligence's etc.	43
	Annexures	49

ABBREVIATIONS AND ACRONYMS

AAC	Additional Assistant Commissioner
AC	Assistant Commissioner
AD	Assistant Director
AG	Accountant General
AIP	Accelerated Integrated Programme
AIR	Audit and Inspection Report
APPM	Accounting Policies and Procedures Manual
BHUs	Basic Health Units
C&W	Communication & Works
CCTV	Close Circuit Television
CHM	Clearing House Meeting
CLPC	Citizens- Police Liaison Committee
CNIC	Computerized National Identity Card
CPWA Code	Central Public Works Accounts Code
CVT	Capital Value Tax
DAC	District Accounts Committee
DAO	District Accounts Office
DC	Deputy Commissioner
DDA	District Director Agriculture
DDO	Drawing & Disbursing Officer
DEO	District Education Officer
DG	Director General
DHO	District Health Officer
DO	District Officer
DPR	Disabled Person Rehabilitation
FTR	Federal Treasury Rules
GFR	General Financial Rule
HPA	Health Professional Allowance
HR	Human Resource
INTOSAI	International Organization of Supreme Audit Institutions
KPPPRA	Khyber Pakhtunkhwa Public Procurement Regularity Authority
LED	Light Emitting Diode

LGA	Local Government Act
LGE & RDD	Local Government, Election & Rural Development Department
MCC	Medicine Coordination Cell
MFDAC	Memorandum for Departmental Accounts Committee
NPA	Non-Practice Allowance
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PPRA	Public Procurement Regularity Authority
PTC	Parents Teachers Council
TAC	Tehsil Accounts Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TS	Technical Sanction
WAPDA	Water & Power Development Authority
ZAC	Zila Account Committee

Preface

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 37 of Khyber Pakhtunkhwa Local Government Act, 2013 require the Auditor General of Pakistan to conduct audit of the account 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 and Assistant Director Local Government, Elections and Rural Development Department, in District North Waziristan for the financial year 2020-21. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 2021-22 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes systemic issues and significant audit findings. Relatively less significant issues are listed in Annex-1 of the Audit Report. The audit observations listed in Annex-1 shall be pursued with the Principal Accounting Officers at the DAC level. In all cases where Principal Accounting Officers do not initiate appropriate action, the audit observations will be brought to the notice of appropriate legislative forum through the next year's Audit Report.

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

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

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

Islamabad
Dated:

(Muhammad Ajmal Gondal)
Auditor General of Pakistan

EXECUTIVE SUMMARY

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

This Directorate General has a human resource of 61 officers and staff with of total of man-days 15250. The annual budget of amounting Rs172.467 million was allocated to the office during FY 2021-22. The office is mandated to conduct regularity audit, financial attest, performance audit and special studies.

Local Governments of District North Waziristan consist of three tiers, which perform their operations under Khyber Pakhtunkhwa Local Government Act 2013. Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants. Top Tier – the District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge (Administrator) of 08 devolved departments including AD Local Government Election & Rural Development Department. The second Tier- Tehsil Municipal Administrations have one PAO i.e. Tehsil Municipal Officer for each administration. There are three Tehsil Municipal Administrations in district North Waziristan. The third Tier-village and neighborhood councils have AD LGE & RDD as their Principal Accounting Officer.

a. Scope of audit

This office is mandated to conduct audit of 54 formations working under 05 PAOs. Total expenditure and receipt¹ of these formations were Rs. 4,097.178 million and nil, for the financial year 2020-21.

Audit coverage relating to expenditure for the current audit year comprises 54 formations of 05 PAO having a total expenditure of Rs. 2,520.466

¹ District Government has no receipts

million for the financial year 2020-21. In terms of percentage, the audit coverage for expenditure is 61.517% of auditable expenditure.

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 62.00 million was pointed out in this report. No recovery was affected till 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

Recovery of Rs. 62.00 million was pointed out by the audit, however positive audit impact depends on management willingness to implement internal control framework and recommendations of the audit.

e. Comments on Internal Control.

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

Comments on five components of internal control are given below:

The organizational structure followed in the local Government Offices was according to the LGA 2013

No activity i.e. risks identification, risk evaluation and appropriate responses were carried out in the local government.

Accounts were not submitted by TMA concerned through DAO. No review was carried out of the performances.

TMA's did not follow the accounting procedure given in the APPM.

No system of monitoring was found to track the progress of District Government towards its objectives. No internal Auditor was appointed. Annual Review of internal control was also not carried out.

f. Key Audit Findings of the Report

- i. Non-Compilation/Consolidation of Accounts of Local Governments- Rs295.948 million.²
- ii. Unauthorized payment to DDOs instead of crossed cheques to venders Rs 63.531million.³
- iii. Unverified payment on account of adjustments as arrear of pays and allowances Rs 1.611million.⁴
- iv. Reported cases of fraud, embezzlement and misappropriation amounting Rs. 48.002 million was noticed in two cases.⁵
- v. HR/Employees related irregularities were noticed in six cases amounting to Rs 121.446 million.⁶
- vi. Procurement related irregularities were noticed in three cases amounting to Rs 487.679 million.⁷
- vii. Value for money and service delivery issues was noticed in one case.⁸
- viii. Others, including cases of accidents, negligence etc. were noticed in twenty-two cases amounting to Rs 272.525 million.⁹

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

² Para no. 1.2.1

³ Para no. 1.2.2

⁴ Para no. 1.2.3

⁵ Para no. 4.5.1.1 to 4.5.1.2

⁶ Para no. 2.5.1.1 to 2.5.1.2 & 3.5.1.1 to 3.5.1.4

⁷ Para no. 2.5.1.3 to 2.5.1.4 &3.5.1.5

⁸ Para no. 2.5.2.1

⁹ Para no. 2.5.3.1 to 2.5.3.6, 3.5.2.1 to 3.5.2.8 and 4.5.2.1 to 4.5.2.8

g. Recommendations

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

CHAPTER-1

Public Financial Management

1.1 Sectoral Analysis

In compliance to the Notification of Local Government, Election and Rural Development Department issued on 4th September, 2019, Councils of all tiers of District Government were stood dissolved on the culmination of their respective tenure on 29th August, 2019. The same notification authorized Deputy Commissioners (DCs), Tehsil/Town Municipal Officer (TMOs) and Assistant Director LG & RDD to perform functions of respective Nazameen as envisaged under local Government Act,2013 till the installation of newly elected Local Governments. In the light of LGA 2013, District North Waziristan is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 08 offices devolved at district level. Similarly, Town Municipal Administration is headed by Town Municipal Officer who is the Principal Accounting Officer for the Town Municipal Administration whereas Assistant Director LGE & RDD is the Principal Accounting Officers for Village/ Neighborhood Councils.

In District North Waziristan, funds amounting to Rs 4,289.213 million were allocated to 54 formations working under 05 PAOs. Out of which, expenditure of Rs. 4,097.178 million was made resulting into saving of Rs.191.475million. Audit coverage relating to expenditure for the current audit year comprises 04 formations of 01 PAOs having a total expenditure of Rs.2,520.458 million for the financial year 2020-21. In terms of percentage, the audit coverage for expenditure is 61.517% of auditable expenditure.

District Government North Waziristan					
2020-21	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	Expenditures audited	%age
Salary	4032.436	3940.515	91.921	2520.466	61.52%
Non-Salary	256.217	156.663	99.554		
Developmental (A/C-IV)	0	0	0		
Total	4289.213	4097.178	191.475		
Receipts	0	0	0	2520.458	0

According to Section 36(3) of Local Government Act, 2013, the District Accounts Officer was required to consolidate accounts of Local Government on

quarterly and annual basis. However, District Accounts Officer, North Waziristan did not reflect Rs. 295.946 million into the consolidated financial statement of Local Government, North Waziristan.

District Government, North Waziristan was found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government Act 2013. The District Government could not establish & maintain Public Fund account as required under section 30 of LGA 2013. Similarly, it also failed to prepare, present and approve the budget estimates of receipts from district council for District Government, North Waziristan as required under section 18 of LGA 2013. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, North Waziristan 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 qualified of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of LGA 2013, as internal auditors were not posted in the District and Tehsil Councils. In addition, Asset management by District Government was yet another area it could not address as required under section 38 of the LGA 2013.

The Local 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 777 primaries, 82 middle, 01 higher secondary and 45 high schools including 01 Governor Model School in District North Waziristan. The estimated Teacher Student Ratio is 1:37 at primary, 1:23 at middle, 1:20 at secondary and 1:341 at the level of higher secondary schools. District North Waziristan literacy rate is 22% the Gross Enrollment Rate (GER) is 67.26%, and the Net Enrollment Rate (NER) is 58.97% at the primary level.

District Education Offices in North Waziristan were given target of enrolment of 69000 children for current year against which 66238 kids were enrolled. Similarly annual average of teacher's attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 81% & 69% respectively. Furthermore, 85.7% schools in district

North Waziristan were provided with all basic facilities like classrooms, water supply, group latrine, boundary walls and electrification.

Health

Health is another important sector of District North Waziristan, with a total of 64 health facilities spread across the district, among which 09 are urban while the rest are rural based. Their further break-up is 25 BHUs, 30 CDs, 5 MCHs, 3 type Ds and 1 RHC with the total catchment area population of approximately 274,651 as per survey carried out by Population censuses in 2017.

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

On mother and child health care front, 3,611 babies were born with 1580 and 2031 in primary and secondary health facilities respectively. Out of them, 03 infant maternal deaths were recorded. Lab investigations and diagnostic facilities were also utilized as 1429.746 Lab tests, 242.933 X-rays/ 1974 ultrasounds and 218 ECGs were done in primary and secondary health facilities in district North Waziristan. Figures of immunization from EPI register were also both very as 1580 pregnant women received TT-2 vaccines, 2411 kids under 12 months received full immunization, 2547 children under 12 months received 1st measles vaccines and 2918 kids under 12 received 3rd pentavalent vaccine. 1267 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 the social Welfare and Women Empowerment sector, budgetary allocations were focused on providing social cushion to the deprived and marginalized segments of society especially, women and children. In the proposed development plan, the department had continued to proceed with its

ongoing projects which included schemes for the wellbeing and safeguarding of destitute women, orphans, beggars, drug addicts, and special persons.

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

There is no DarulKafalas for biggers in District North Waziristan. Rehabilitation center for drug addicts did not exists in District North Waziristan. 13 Public awareness campaign /seminars held by the department with objective to increase public awareness to achieve desire objectives of social welfare. Furthermore, various vocational and industrial trainings were 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

Town Municipal Administrations, District North Waziristan did not fulfill some primary requirements envisioned as essential component of Local Government in the Khyber Pakhtunkhwa Local Government Act, 2013. The Local Government could not establish & maintain Tehsil Public Fund Account as required under the section 30 of LGA. Similarly, Town Account Officers were not appointed in TMAs. The accounts of receipt and expenditure were also not maintained in such form as prescribed by Auditor General of Pakistan and required under section 36 of LGA. Financial Statements, Finance Account and Appropriation Accounts of the TMAs were not prepared accordingly. Most importantly, Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, North Waziristan 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 qualified of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of LGA 2013,

as internal auditors were not posted in the TMAs to support the Council. In addition, Asset management by tehsil councils was yet another area it could not address as required under section 38 of the LGA 2013.

1.2 AUDIT PARAS

1.2.1 Non-Compilation/Consolidation of Accounts of Local Governments- Rs 295.948 million

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

During certification audit of the accounts of the DAO North Waziristan for the financial year 2020-21, audit observed incompleteness and incorrect presentation of the financial statements as the DAO failed to consolidate into the quarterly and annual accounts of the district, the Government and local resources, as required under section-36(3) of the Local Government Act, 2013. Receipts and expenditure of Rs 150.746 million and Rs 145.2 million respectively, of the TMAs are not reflected in accounts.

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

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

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

1.2.2 Unauthorized payments to DDOs instead of crossed cheques to vendors – Rs 63.531 million

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

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

District Accounts Officer North Waziristan, paid Rs. 63,531,757 to various DDOs instead of issuance crossed cheques to Vender/Payees Accounts.

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

As per decision of DAC meeting held in September 2021, Para stands for investigation of the matter and appropriate action.

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

1.2.3 Unverified payments on account of arrears of pay and allowances- Rs1.611 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 DAO North Waziristan for the year 2020-21 while analyzing HR data it was noticed that arrears of pay and allowances of Rs 1,611,146 was paid; however local office could not produce supporting documents for verification to audit.

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

As per decision of DAC meeting held in September 2021, Para stands for investigation of the matter and appropriate action.

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

CHAPTER-2

District Government North Waziristan

2.1 Introduction

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

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

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

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

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

Audit profile of District government North Waziristan

(Rs in million)

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2020-21	Revenue / Receipts audited FY 2020-21
1	Formations	07	4	2365.068	Nil

2.2 Comments on Budget and Accounts (Variance Analysis)

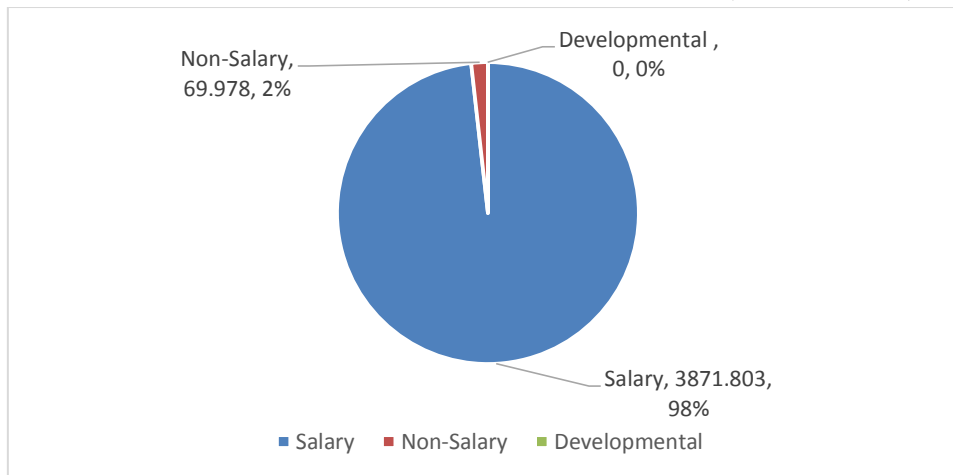
(Rs in million)

District Government North Waziristan				
2020-21	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	3955.187	3871.803	83.384	97.89%
Non-Salary	160.927	69.978	90.949	43.48%
Developmental	0	0	0	0
Total	4116.114	3941.781	174.333	
Receipts	0	0	0	0

The saving of Rs174.33 million indicates inefficiency in the capacity of Local Government Departments to utilize the amount allocated.

EXPENDITURE 2020-21

(Rs in million)



2.3 Classified Summary of Audit observations

Audit observations amounting to Rs 703.617 million were raised as a result of this audit. This amount also included recoverable of Rs62 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 (Rs)
1	Irregularities	-
A	HR/Employees related irregularities	74.655
B	Procurement related irregularities	485.824
2	Value for money and service delivery issues	0
3	Others, including cases of accidents, negligence etc.	143.138
Total		703.617

2.4 Comments on the status of compliance with Zila Accounts Committee Directives

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

Sr. No.	Audit Year	ZAC meeting
1	2020-21	Not Convened

2.5 AUDIT PARAS

2.5.1 Irregularities

A. HR/Employees related irregularities

2.5.1.1 Irregular payment on account of pay and allowance-Rs. 61.612 million

As per para 75(2) Khyber Pakhtunkhwa District or city 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 regulation both by his own office and subordinate disbursing officer.

The office of DHO North Waziristan paid Rs. 61,612,096 to various employees under the head of pay and allowances through fake position ID 9999999 during FY 2020-21. In most of the cases, the actual post was not available and demy ID was created just to activate the pay.

The lapse occurred due to weak internal control which resulted in un-verifiable payments.

When reported in august 2021, management stated that matter will be checked and reply will be given accordingly. No reply was furnished till finalization of this report.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends that Matter may be investigated for regularization of payment and fixing responsibility at person(s) at fault.

AIR Para No. -05 (2020-21)

2.5.1.2 Unauthorized payment of pay and allowance worth Rs. 13.043 million against the wrong post

As per para 75(2) Khyber Pakhtunkhwa District or city 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 regulation both by his own office and subordinate disbursing officer.

The office of DHO North Waziristan paid Rs. 13,043,058 under the head of pay and allowances to Male against the post of Female LHV during FY 2020-21. Male employees posted against female LHW post cannot perform duties keeping in view peculiarities of job meaning by salaries were paid without duties. Which meant that payment of salaries was made without of duties.

Irregular payment of salaries was made due to weak internal control which resulted in loss to Government.

When reported in august 21, management stated that matter will be checked and reply will be given accordingly. No reply was furnished till finalization of the report.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends that Matter may be investigated for fixing responsibility at person(s) at fault.

AIR Para No.-06(2020-21)

B Procurement relate irregularities

2.5.1.3 Irregular payment of Conditional Grant-Rs. 483.600 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.

Office of the District Education Officer (Male), North Waziristan transferred Rs.483,600,000under Conditional Grant for construction of additional Class Rooms, Water Supply and Group Latrine during the financial year 2020-21. Audit noticed the following irregularities:

- i. Progress Reports regarding execution and completion of works were not available on record to ascertain that the works were actually completed.
- ii. Bank Statements of PTC accounts of concerned Schools were also not produced to Audit to ascertain that fund were actually transferred to Bank Accounts and utilized accordingly.
- iii. The vouchers and other record were not available in the office.

Irregular payment occurred due to weak internal control which resulted into unverified execution of works.

When reported in August 2021, the management stated that code formalities are required to be full filled by the PTC, however detail record will be produced to Audit for verification. No record was produced to audit for verification.

Request of convening DAC meeting was made on 21.10.2021 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.-3&2(2020-21)

2.5.1.4 Irregular purchase of furniture–Rs.2.224 million

According to the 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.

Accordingly, to the order of honorable high court Peshawar dated 07.12.16, department concerned shall take care of healthy competition between different supply metrical and would not make it practice nor precedent to deprive others in the process of supply of items.

The office of District Education Officer Male/Female North Waziristan paid Rs 2,224,000 under head purchase of furniture during the FY 2020-21. Audit found the following irregularities:

1. No demand for purchase of furniture was made from schools.
2. No record of open bidding process was available in the office.
3. No acknowledgment of supplier was available on record that whether payment was received in from of cross cheque or DDO.
4. Neither stock register was maintained nor any record was posted in issue and consumption register.

The lapse occurred due to weak internal control which resulted in irregular purchase of furniture.

When reported in August 2021 management stated that all the codal formalities were fulfilled and Government rules were followed. The reply was not tenable.

Request of convening DAC meeting was made on 21.10.2021 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.-04 (2020-21)

2.5.2 Value for money and service delivery issues

2.5.2.1 Illegal occupation of Residential Accommodations without allotments and Non recovery of House Rent allowance

According to the standing orders of the Government of Khyber Pakhtunkhwa, the government servants, who have been provided with official designated accommodation, are not entitled for the drawl of House Rent Allowance (HRA) and 5% of their running pay will also be subjected.”

The office of Deputy Commissioner, North Waziristan its jurisdiction has a residential accommodation (Civil colony), where are 193 Nos of residential quarters/ Banglows situated in the premises adjacent were occupied by officers / officials since so long. However, neither House Rent Allowance was deducted nor 5% maintenance charges.

The lapse was occurred due to weak administrative control and resulted in loss to government.

When reported in July 2021, management stated that savings in the salary components will be adjusted in the revised estimates to cover the excess expenditure in other heads of accounts. Reply was not tenable as adjustment was not made.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends appropriate actions, to ensure recovery of Government dues from the officials/ officers from the date of occupation in addition to 5% maintenance charges. Further it is also recommended that District Government property may be vacated and allotments should be made properly to deserving District Government servants.

AIR Para No.-08(2020-21)

2.5.3 Others, including cases of accidents, negligence etc.

2.5.3.1 Irregular expenditure on account of damage houses Rs 34.960 million

As per para 75(2) Khyber Pakhtunkhwa District or city 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 regulation both by his own office and subordinate disbursing officer.

The office of Deputy Commissioner North Waziristan Tribal District paid Rs 34,960,000 during the financial year 2020-21, to various people for losses during operation Zerb-e-Azab.

Audit found that the estimates of the damaged houses were not prepared. And Actual payee receipts were also not available on record. Matter needs proper justification.

Laps occurred due to non-compliance of government rules which resulted into loss to government.

When reported in July 2021, management did not reply till finalization of this report.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends that the matter may be justified besides action against the person at fault.

AIRPara No.-15 (2020-21)

2.5.3.2 Irregular payment under head of merged district Rs. 10.1 million

A controlling officer must satisfy himself not only for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of its subordinates officers and to guard against waste and loss of public money and store, but also that the prescribed checks are effectively applied.

Deputy Commissioner North Waziristan in the Financial Year 2020-21, drew of Rs. 10,185,000 on account of expenditure under head “newly merged district” during 2020-21. Amount was paid to Malaks and Jirgaa’etc without any supporting documents except hand written receipts prepared by steno and the amounts were being misappropriated by the dealing hands.

The lapse occurred due to noncompliance of rules which resulted in loss to the public exchequer.

When reported in July 2021, management did not reply till finalization of this report.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends that the outstanding amount may be deposited immediately in treasury under intimation to audit.

AIR Para No.-13(2020-21)

2.5.3.3 Undue drawn of cheque for purchase of medicine-Rs 5.0 million

According to Para-290 of CTR Vol-I, no money should be drawn in advance from Government Treasury unless required for immediate disbursement or to prevent the lapse of budget grant. Moreover, Para-7 of GFR Vol-I lays down that money may not be removed from the public account for investment or deposit elsewhere without the consent of the Finance Department.

The office of District Health Officer, North Waziristan drew Rs.5,000,000 in advance from A/C No. IV for purchase of medicine in the month of June 2021 during FY 2020-21. Audit found the following irregularities:

1. Cheques were drawn in advance without supply of medicines.
2. Cheques were lapsed due to non-submission to bank on time.

The lapse occurred due to weak internal control which resulted in lapse of fund and non-supply of medicine on time.

When reported in august 2021, management stated that this office presented the cheques in bank but bank did not pay the amount. The reply of the department was not tenable.

Request for convening DAC meeting was made on 21.10.2021 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-012020-21

2.5.3.4 Excess expenditure due to defective budgeting-Rs.80.840 million

As per para 75(3) Khyber Pakhtunkhwa District or city District Budget Rules 2016, that the total expenditure shall kept within the limits of the authorized appropriations.

The office of DHO North Waziristan incurred excess expenditure amounting to Rs 80,840,185 over the allocated budget during the FY 2020-21 as detailed below.

Budget	Expenditure	Excess
1,017,522,089	1,098,362,274	80,840,185

The lapse occurred due to defective budgeting which resulted in excess expenditure.

When reported in august 2021, management stated that excess payment was made in salaries. The reply of the department was not tenable.

Request of convening DAC meeting was made on 21.10.2021 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-03 (2020-21)

2.5.3.5 Unauthorized payment through DDO-Rs 3.388million

According to 2.3.8 of APPM, the accounting system shall improve the control the minimize the risk of corruption and fraud. This objective shall be address of issuing of payment through direct bank transfer and cheques (to employee/vendor concerned) instead of payment through DDOs.

According to Finance Department letter No BO (W&M)/6-5/2019-20 dated 19/02/2020 states that in order to streamline management in the public account and observe fiscal discipline, it has been decided to stop forthwith all payment through open cheques or cash payments.

The office of District Education officer female North Waziristan drew Rs.3,388,767 from treasury on account of various heads during the year 2020-21 as detail below.

Cheque No	Date	Amount-Rs
1003979	11.06.2021	178,556
1003997	11.06.21	84,191
1003992	11.06.21	15400
1003994	11.06.21	26100
1003993	11.06.21	49020
2203697	24.06.21	2997000
1002830	28.05.21	38,500
Total		3,388,767

The lapse occurred due to weak administrative and financial control resulted in loss to government.

When reported in August 2021, management stated that Actual payee receipts will be produce to audit. No reply was submitted till finalization of this report.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

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

AIRPara-01(2020-21)

2.5.3.6 Unauthorized drawl of Social protection fund-Rs 8.850 million

According budget rules 74 A of KP “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 or on the part of his subordinate staff”.

The office of District Officer Social Welfare North Waziristan drew Rs 9,600,000 under head of A03970, (Social protection other 1081010) for financial assistances for the orphans during FY 2020-21. The fund was distributed @ rate 5000 per orphan and total fund spent on 150 orphans as per list of sweet home Marili North Waziristan was Rs.750000. However, amount shown spent against the social protection head was 9,600,000 resulting in excess payment of Rs.8,850,000 as detailed below:

S.No	Number of orphans	Amount drawn	Authorized amount	Essive Drawl
1	150 as per list of sweet home Mar Ali	9,600,000	750,000	8,850,000

Audit found other irregularities which are mentioned below:

1. Actual payee receipts were not available on record.
2. Bank statement of DSO north and sweet home was not produced.

The lapse occurred due to weak internal control and resulted in unauthorized drawl of fund.

When reported in November 2021 the department replied that detail reply will be submitted after consultation of record. No reply was submitted till finalization of this report.

Request of convening DAC meeting was made on 21.10.2021 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 09 (2020-21)

CHAPTER-3

Tehsil Municipal Administration

3.1 Introduction

District North Waziristan has three Tehsils i.e. Miranshah, Mirali and Razmak. 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 Act, 2013 the functions and powers of TMAs are briefly given as under:

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

Audit Profile of TMAs of District North Waziristan

(Rs in million)

Sr No	Description	Total Nos	Audited	Expenditure audited FY 2020-21	Revenue /Receipts audited FY 2020-21
1	Authorities/Autonomous Bodies etc under the PAO	3	3	145.2	150.746

3.2 Comments on Budget and Accounts (Variance Analysis)

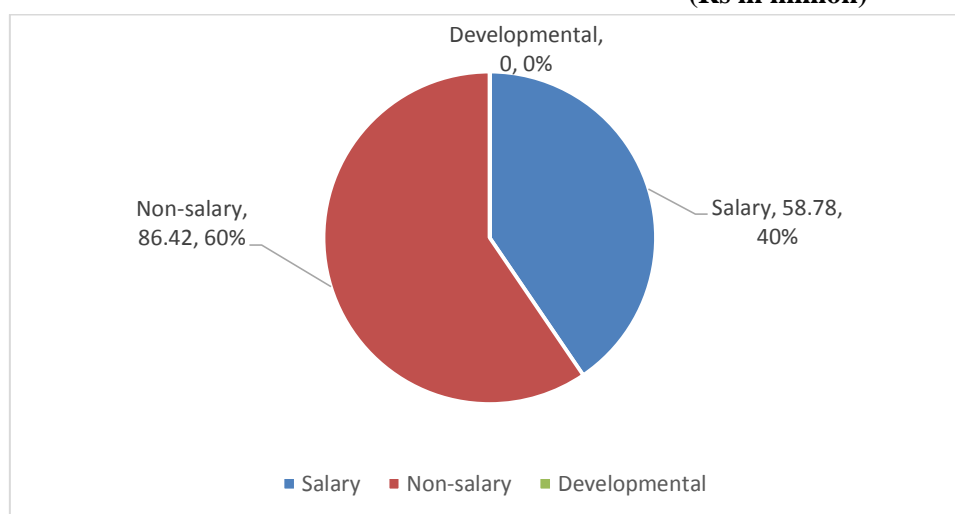
(Rs in million)

TMAs				
2020-21	Budget	Actual Expenditure/Receipts	(Saving)/Excess	%age
Salary	65	58.78	6.22	9.56923077
Non-salary	95	86.42	8.54	8.98947368
Developmental	0	0	0	
Total	160	145.2	14.76	
Receipts				

The savings of Rs.14.76 million indicates inefficiency in the capacity of Local Government Departments to utilize the allocated budget.

EXPENDITURE 2020-21

(Rs in million)



3.3 Classified Summary of Audit Observations

Audit observations amounting to Rs.73.406 million were raised in this audit report. This amount also includes recoverable of Rs. 10.19 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Sr. No.	Classification	Amount (Rs in million)
1	Irregularities	-
A	HR/Employees related irregularities	46.791
B	Procurement related irregularities	1.855
2	Others, including cases of accidents, negligence etc.	24.76
Total		73.406

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

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

Sr. No.	Audit Year	TAC meeting
1	2020-21	Not Convened

3.5 AUDIT PARAS

3.5.1 Irregularities

A. HR/Employees related irregularities

3.5.1.1 Irregular payment of pay and allowances-Rs. 19.480 million

As per para 75(2) Khyber Pakhtunkhwa District or city 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 regulation both by his own office and subordinate disbursing officer.

The office of TMA, Miranshah paid Rs. 19,480,606 on account of arrears of pay and allowance during FY 2020-21 to the employees of TMA as per the details attached Annexure-2.

Audit found the payment irregular as on following grounds:

01. The TMO could not justify payment of huge arrears, since these employees were rendering services from last five years without salaries.
02. Neither detailed documentation of arrears payments was available nor service books of concerned employees were produced to audit.
03. Attendance registers for above period was not provided to audit to authenticate the services of the above employees.

The Lapse occurred due to non-compliance of Government rules which resulted into loss to Government.

When reported in September 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was submitted by the department till finalization of this report.

Request of convening DAC meeting was made on 04.10.2021 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. 07(2020-21)

3.5.1.2 Unauthorized payment through DDO Rs 19.829 million

According to 2.3.8 of APPM, the accounting system shall improve the control to minimize the risk of corruption and fraud. This objective shall be address of issuing of payment through direct bank transfer and cheques (to employee/vendor concerned) instead of payment through DDOs.

According to Finance Department letter No BO (W&M)/6-5/2019-20 dated 19/02/2020 states that in order to streamline management in the public account and observe fiscal discipline, it has been decided to stop forthwith all payment through open cheques or cash payments.

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.

The office of TMA Miran Shah North Waziristan paid Rs. 19,829,317 during the FY 2020-21 on account of monthly pay and allowances through DDO instead of credit to their respective Bank Accounts.

S.No	Salary for the Month	Payment Method	Total Amount
01	06/2020	Through DDO	2,043,010
02	07/2020		2,026,113
03	08/2020		2,020,383
04	09/2020		1,983,171
05	10/2020		2,063,277
06	11/2020		2,058,277
07	12/2020		1,411,975
08	01/2021		2,083,458
09	02/2021		2,050,926
10	04/2021		2,088,727
	Total		19,829,317

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

When reported in September 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was submitted till finalization of this report.

Request of convening DAC meeting was made on 04.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing the responsibility against the person(s) at fault under intimation to audit.

AIR Para No 09 (2020-21)

3.5.1.3 Irregular payments on Account of Arrears of Pension -Rs.5.226 million

As per para 75(2) Khyber Pakhtunkhwa District or city 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 regulation both by his own office and subordinate disbursing officer.

The office of the TMA Miran Shah, paid Rs. 5,226,130 in FY 2020-21 to the following retired employees on account of Arrears of Pensions.

S.No	Name of Employees	Designation	Period of Arrear	Amount Paid
01	Haji Muhammad	Ex-Octroi Moharrir	07/2014 to 07/2020 (72 Months)	1,493,364
02	QismatKhela	Ex- Badragga	07/2017 to 07/2020 (49 Months)	425,427
03	Badshah Mar jan	Ex-Behshti	05/2010 to 07/2020 (10 years & 03 months)	910,181
04	AwazGul	Ex chowkidar	05/2010 to 07/2020 (10 years & 03 months)	1,050,254
05	GulSada Jan	Ex-Octroi Moharrir	07/2014 to 01/2018 (43 Months)	745,268
06	Yasim w/o late Faraz Khan	Ex- Badragga	07/2014 to 10/2020	601,636
Total				5,226,130

Audit held the payment irregular on the following grounds:

1. No reason for non-payment to pensioners since long period was not produced.
2. Life certificate of the pensioner was also not available in office.
3. No Inquiry was done in the matter.

Lapse occurred due to non-compliance of Government rules which resulted into irregular drawl of pension.

When reported in September 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. The reply of the department was not tenable.

Request of convening DAC meeting was made on 04.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing the responsibility against the person(s) at fault under intimation to audit.

AIRPara No 12(2020-21)

3.5.1.4 Irregular expenditure on account of payment to daily wages employees Rs. 2.256 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”.

The office of Tehsil Municipal Administration, Razmak, paid-Rs.2,256,400 during the FY 2020-21 on account of salaries to the daily wages employees (Detail in Annexure-3)

Audit found the following irregularities.

- i. Attendance registers of the daily wage employees were not available in the office.
- ii. Acknowledgements of the work done of the daily wage employees were not found.
- iii. Acknowledgments of payment were also not available in TMA.
- iv. No acquaintance role was found/ attached of the daily wages employees.
- v. CNICs of the daily wage employees are also not available.

The lapse occurred due to weak internal control which resulted in irregular of drawl of fund.

When reported in November 2021, the department replied that point is noted and needful will be done. No reply/progress report was submitted by the department till finalization of this report.

Request of convening DAC meeting was made on 21.03.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends that all the payment must be may be regularized or recovered from concerned besides fixing the responsibility against the person (s) at fault.

AIR Para No 06 (2020-21)

B. Procurement related irregularities

3.5.1.5.1 Unauthorized expenditure on purchase of vehicles-Rs. 1.855 million

According to Para-1 (b) of Government of Khyber Pakhtunkhwa Finance Department letter No. BO.I/FD/5-8/2019-20/Austerity Measure dated 01/07/2019 that there will be a complete ban on purchase of new vehicles until recommendation of the committee consisting of Secretary Finance, Secretary Administration, Secretary Transport, Secretary P&D and Secretary of the Department Concerned and approval of the Chief Minister KPK should be sought.

Para-2.65 of GFR-Chapter-V, states that the lowest rate quoted by contractor must be accepted.

The office of Tehsil Municipal Administration Mirali purchased Suzuki Cults of Rs.1,855,000 during the FY 2020-21 despite the fact that due to austerity measures Government of KPK imposed ban on purchases of new vehicles. The car was purchased without obtaining prior approval from the competent authority as required under the aforementioned rule. Further there is no documentary evidence i.e. vouchers from the vendors are found/attached which indicate that the car was purchased. The quotation process in the matter is also not available as per record.

Un-authorized expenditure occurred due to non-compliance of rules resulting in loss to the public exchequer.

When reported in November 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was received till finalization of this report.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends the justification and regularization of expenditure under intimation to audit.

AIR Para No 07 (2020-21)

3.5.2 Others, including cases of accidents, negligence etc.

3.5.2.1 Irregular expenditure without Pre-Audit -Rs. 3.775 million

According to District Government rules 2016 Serial No.36 under sub rule-2“payments authorized by the Tehsil Municipal Administrator are required to be pre-audited by the Resident Audit Officer of the office of the Director Local Fund Audit. The system of pre-audit has been prescribed to guard against the fraudulent and irregular drawl of money from the government exchequer.

The office of Tehsil Municipal Administration Mirali paid Rs. 3,775,434 during the FY 2020-21 on account of salary/non salary heads without the pre-audited process. The detail is in (Annexure-4).

Irregular expenditure occurred due to non-conducting of pre-audit, which resultant in loss to government.

When reported in November 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was received till finalization of this report.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends the justification and regularization of expenditure under intimation to audit.

AIR Para No 07 (2020-21)

3.5.2.2 Irregular Payments to DDOs instead of Crossed Cheques to employees/Vendors-Rs. 3.112 million

According to 2.3.8 of APPM, the accounting system shall improve the control the minimize the risk of corruption and fraud. This objective shall be address of issuing of payment through direct bank transfer and cheques (to employee/vendor concerned) instead of payment through DDOs.

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”.

The office of Tehsil Municipal officer, Mirali, North Waziristan paid-Rs. 3,122,206 during 2019-21 account of salary and non-salary heads and all the payment were made through DDO instead of direct credit to bank accounts of the venders/employees as per detail (Annexure-5&6).

Payments through DDOs occurred due to weak internal control and thus Audit was unable to authenticate the payment to the actual claimants.

When reported in November 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was received till finalization of this report.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends the justification and regularization of expenditure beside fixing the responsibility against the person (s) at fault under intimation to audit.

AIR Para No 03 (2020-21)

3.5.2.3 Irregular expenditure on account of purchase of miss item-Rs 1.005 million

Para 01 Chapter-II of KPPRA Rules 2014 requires that, “the Procuring entity shall use open competitive bidding as the principal method of procurement of goods over the value of Rs 100,000.

Chapter-V of KPPRA Rules 2014 requires that, “A procuring entity shall announce in an appropriate manner all proposed annual procurement and shall proceed accordingly without splitting or regrouping of any procurements so planned.

The office of Tehsil Municipal Officer, TMA Mirali paid-Rs 1,005,127 during the FY 2019-20 on account of supply of different items. Further items were neither entered in stock register nor approved by technical staff/ committee i.e. TO (I) section as detailed below:

S.No	Ch/date	Particular	Amount
2	38056065/ 13.5.2020	Purchase of Mass clear gel	271,400
3	414200/ 15.6.2020	Purchase of dengue spray	414,200
4	38056063/ 12.5.2020	Purchase of mise items	123,400

5	38056050/ 4.3.2020	Repair on renovation office	88,740
6	38056049/2.3.2020	supply of boards	107,387
		Total	1,005,127

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

When reported in November 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was received till finalization of this report.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery of the amount besides fixing of responsibility against the person (s) at faults under intimation to audit.

AIR Para No 02(2020-21)

3.5.2.4 Non-recovery of outstanding rent-Rs. 2.097 million

As para rules 71(1) of KP District or city District Budget Rules 2016 state that the receipt for a month shall be the figures of the receipts actually realized and credited in particular month.

The office of Tehsil Municipal Administration Mirali North Waziristan has shopping plaza and Markets etc allotted to various allottees on rent basis, and a huge amount-Rs2,097,959 was outstanding against the various allottees. Detail as under:

Sr. No.	Name of Allottee	Total No. of Shop	Monthly Rent	Outstanding
1	Complex Market Hadi Tehsil Mirali	50	2500 (2500x50x12)	1,500,000
2	Ali Khel Market	50	1210 (1210 x50x12)	726,000
3	Toori Market	50	1000 (1000x 50x12)	600,000
4	Akimkhel Market	50	Nil	0
	Total			2,826,000
	Received during the year			728,041
	Outstanding Rs			2,097,959

Non recovery of the rent outstanding is the violation of rules, which resulted in to loss to TMA.

When reported in November 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was received.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery from the defaulters concerned and deposit into TMA account beside fixing the responsibility against the person (s) at fault.

AIR Para No 1(2020-21)

3.5.2.5 Irregular expenditure without Pre-Audit -Rs. 2.335 million

According to District Government rules 2016 Serial No.36 under sub rule-2“payments authorized by the Tehsil Municipal Administrator are required to be pre-audited by the Resident Audit Officer of the office of the Director Local Fund Audit. The system of pre-audit has been prescribed to guard against the fraudulent and irregular drawl of money from the government exchequer.

The office of Tehsil Municipal Administration Razmak paid-Rs.2,335,256 during the FY 2020-21 on account of salary/non salary heads without the pre-audited process. The detail is in (Annexure-7).

Irregular expenditure occurred due to non-conducting of pre-audit, which resultant in loss to government.

When reported in November 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was received.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends the justification and regularization of expenditure under intimation to audit.

AIR Para No 01 (2020-21)

3.5.2.6 Non-recovery of outstanding rent-Rs. 4.118 million

As para rules 71(1) of KP District or city District Budget Rules 2016 state that the receipt for a month shall be the figures of the receipts actually realized and credited in particular month.

The office of Tehsil Municipal Administration Miranshah failed to recover the out-standing rent of shop of Rs. 4,118,100 for FY 2020-21.

Non recovery of the rent was due to weak and inadequate administrative and financial control.

When reported in September 2021, the department replied that amount will be recovered under intimation to audit. The amount was not recovered till finalization of this report.

Request of convening DAC meeting was made on 04.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery of outstanding amount and action against person(s) at fault.

AIR Para No 01 (2020-21)

3.5.2.7 Un reconciled receipt under various heads -Rs. 6.84 million

As per para 75(2) Khyber Pakhtunkhwa District or city 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 regulation both by his own office and subordinate disbursing officer.

The office of TMA Miran Shah did not reconciled receipt collected under various heads with the Bank statements during FY 2020-21.the variation recorded between the Cash book and designated Bank accounts reached to the tune of Rs 6,844,011 as detailed below: Further all the TMA expenditures for year is recorded in cash book those are reconciled with cash book receipts figures.

S.no	Description	Amount
1	HBL credited amount in the year	2,438,166
2	NBP credited amount during the year	11,064,357
3	Bank of Khyber Credited Amount	18,291,709
	Total credited amount as per Banks record.	31,794,232
	Receipt as Cash Book	24,950,221
	Difference	6,844,011

The variation was due to weak and inadequate administrative and financial control.

When reported in November 2021, the department replied that the point is noted for correction and detail reply will be submitted soon. No reply was submitted till finalization of this report.

Request of convening DAC meeting was made on 04.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends immediate inquiry in the matter to know where about of the government money besides fixing of responsibility against the person (s) at fault under intimation to audit.

AIRPara No. 04(2020-21)

3.5.2.8 Non-Deposit of Bank Profits-Rs. 1.478 million

According to Para 3(ix) of Khyber Pakhtunkhwa Finance Department Letter No. 2/3(F/L) 2019-20/Vol-XIII Dated Peshawar the 03rd February, 2020, in case of current account the same be converted to PLS mode and the profit earned on designated bank accounts be deposited in Government treasury immediately except where department /offices/autonomous & Semi-autonomous bodies / organizations/ corporations have been specifically permitted under some statute/act.

The office of Tehsil Municipal Administration Miran Shah failed to deposit Rs 1,478,661 in to government treasury during the FY 2020-21 as detailed below:

S.No	National Bank of Pakistan	Habib Bank Limited	Bank of Khyber
01	Rs. 681,356	Rs. 66,890	Rs. 730,415
		Total	1,478,661

The non-deposit of Profit of PLS bank accounts into Government treasury was occurred due to weak administrative and financial controls of rules which resulted into loss to Government.

When reported in September 2021, the department replied that point is noted and detail reply will be submitted after consultation of record. No reply was submitted.

Request of convening DAC meeting was made on 03.12.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends immediate deposit of fund in government treasury besides fixing the responsibility against the person (s) at fault.

AIR Para No 06 (2020-21)

CHAPTER-4

AD Local Government Election & Rural Development

4.1 Introduction

Assistant Director Local Government Election & Rural Development Department is Drawing and Disbursing Officer (DDO) for his office. NCs/VCs are not yet functional in the merged districts including District North Waziristan.

According to section 29 of the Khyber Pakhtunkhwa Local Government Act 2013, the authority and responsibilities of the District Government have been provided; wherein, functions and powers of Assistant Director, LG&RDD include:

- 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

Whereas, functions and powers of the Village Council or Neighborhood Council include:

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

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

- xix. Electing an Accounts Committee and review its recommendations on the annual statement of accounts and audit reports; and
- xx. Reporting cases of handicapped, destitute and of extreme poverty to district government.

Audit profile of AD LG & RRD of North Waziristan

(Rs. in million)

S. No.	Description	Total	Audited	Expenditure audited FY2020-21	Revenue /Receipts audited FY 2020-21
1	Formations	01	01	10.19	-

4.2 Comments on Budget and Expenditure (Variance Analysis)

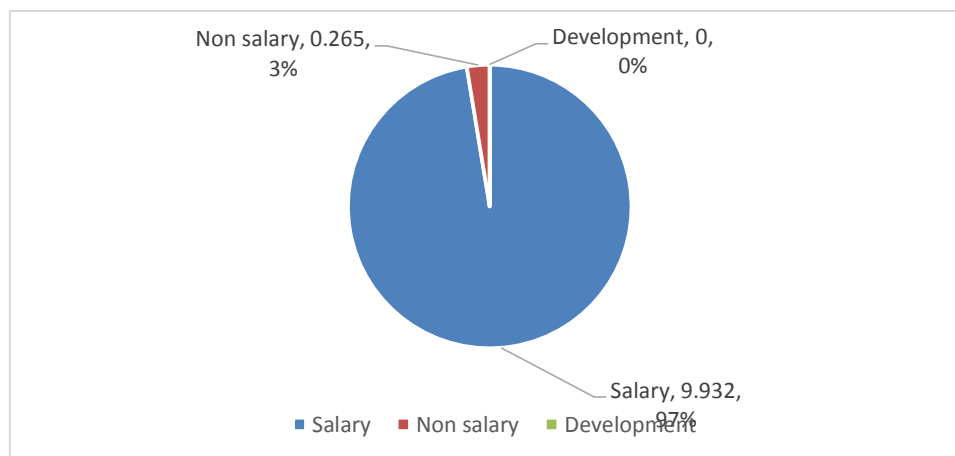
(Rs. in million)

AD LGE&RDD				
2020-21	Budget	Expenditure	Excess/(Saving)	%age
Salary	12.249	9.932	(4.027)	68.56%
Non salary	0.290	0.265	(0.025)	91.37%
Development	0	0	0	0
Total	13.099	10.197	(11.169)	

The saving of Rs. 11.169 million indicates inefficiency in the capacity of Local Government Departments to utilize the allocated budget.

EXPENDITURE 2020-21

(Rs in million)



4.3 Classified Summary of Audit Observations

Audit observations amounting to Rs.152.629 million were raised in this audit report. This amount also includes recoverable of Rs.16.00 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.	Fraud, Embezzlement and Misappropriation	48.002
2.	Others, Including Cases of Accidents, Negligence Etc	104.627
Total		152.629

4.5. AUDIT PARAS

4.5.1 Fraud, embezzlement and misappropriation

4.5.1.1 Suspected misappropriation on installation of water supply Schemes-Rs 20.887 million

Para 208 of CPWA Code, payments for all work done otherwise than by daily labor and for all supplies, are made to the suppliers/contractors on the basis of measurements recorded in measurement books.

The office of Assistant Director, (LGE & RDD), North Waziristan paid Rs 20,887,000 on execution of various developmental schemes (Pressure pumps/dug wells) under Rural Works Program in District North Waziristan ADP N0-615/180347(2019-20) during FY 2019-20.

Audit found that the cost of one pressure pump was multiplied with another 36 pumps, which was evidence that the engineer has not visited the sites for verification of work compilation as per PC one.

Lapse occurred due to administrative and financial control which resulted into loss to government.

When reported in April 2021, the Management stated that the reply will be submitted soon as per record. The reply the department is not satisfactory.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry in the matter and fixing of responsibility on person (s) at fault under intimation to audit.

AIR Para No. 01(2019-20)

4.5.1.2 Factious payment on account of developmental Schemas amounting Rs. 27.115 million

According to procurement planning chapter V (Miscellaneous Provisions) of Khyber Pakhtunkhwa Public Procurement Regulatory Authority 2014, each procuring entity shall plan its procurements with due consideration to transparency, economy, efficiency and timeliness, and shall ensure equal opportunities to all prospective bidders in accordance with section 22 of the Act. According to the condition of the NIT, the document must attach with the bid i.e.

(Enlistment / renewal copy, Original Tender form / BOQ / Valid PEC registration. Incomplete tender forms will not be accepted.

The Assistant Director (LGE&RDD) North Waziristan awarded developmental scheme “36 Nos. Solar based DWSS/Dug well in North Waziristan” to the contractor against ADP scheme No 615/180347ADP for the year 2019-2020”. Audit found the following irregularities:

1. Scheme Administrative Approval was not found in the expenditure file.
2. No PC-I and TS was available in the relevant file.
3. No Tender form/ BOQ were not found in the scheme.
4. Work order issued without mentioned completion period of the work.
5. No agreement deed with the contractor concerned.
6. List of Co-ordinates approved and the work carried out for the people are quite different from each other.
7. Before starting of work the exact location was not ensured.
8. No pictures before, during and after completion of works are available at office record.

The lapse occurred due to non-observing of codal formalities and d due to weak internal control resulted in loss to government.

When pointed out in October 2021 it was stated that detailed reply will be given after detailed checking of record. No reply was submitted till finalization to this report.

Request for DAC was made on 15.11.2021 which was not conveyed till finalization of this report.

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

AIR Para 11 2020-21

4.5.2 Other including cases of accidents, negligence's etc.

4.5.2.1 Un-transparent award of work -Rs 26.893 million and over payment – Rs 2.016 million.

Para 89 of CPWD Code read with KPPRA Rules 2014 requires the tendering in the most open and public manner and to execute work under proper agreement. Detail transparent procedure of NIT, tendering opening process and conclusion of contracts are given.

The office of Assistant Director, LGE & RDD, North Waziristan published NIT in daily news-papers required rates for the work Namely “Street Pavement at Chota Dattakhel” during FY 2019-20.

Contractors quoted their rates as follows.

Atta Global Construction Co. 20.00% Below

Zahid Ullah Dawar 12.50% Below

Audit found that lowest rate of 20.00% below quoted by Atta Global Construction Co was ignored and contract was awarded at higher rate which indicates that the tender process was based on favoritism as detailed below:

Payment required if awarded on 20.00 % below	= Rs 21,514,400
1. Payment made on 12.50 % below	= Rs 23,531,375
2. Overpayment	= Rs 2,016,975

Un-transparent award of work was occurred due to non-compliance of rules, which resulted in loss to Government.

When reported in April 2021, the Management stated that the reply will be submitted soon as per record. The reply the department is not tenable.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry, recovery besides regularization and action against the person(s) at fault.

AIR Para No.08 (2019-20)

4.5.2.2 Overpayment on account of unapproved item-Rs 1.089 million

As per Sr. No. 8 of Terms & Conditions contained under letter No. that work should be done as per attached BOQ and the payments be made accordingly for the quantities mentioned therein.”

The item Mobilization of plant for pressure pump / Hand Pump item code 24-75 has a rate of zero rupees.

The office of Assistant Director, (LGE & RDD), North Waziristan paid Rs-1,089,216 on account of mobilization of plant & equipment (NSI) in various developmental schemes (Inst. of 36 number solar base Dug wells/ p/ pumps with 3” HP submersible motor) under execution of RWP in District North Waziristan under Newly Merged Area ADP No. 960/180347 (2018-19) during FY 2019-20.

Audit found that the payment on mobilization charges @ Rs 30,256 was not admissible in the installation of pressure pumps. Due to which an amount of Rs 1,089,216 was overpaid to the contractor concerned.

Payment on execution of un-approved items is violation of rules which resulted into loss to the Government exchequer.

When reported in April 2021, the Management stated that proper reply will be submitted soon as per record. The reply the department is not tenable.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery in the matter and fixing of responsibility against the person (s) and fault.

AIRPara-05 2019-20

4.5.2.3 Authorized payment on account of un-approved item (Electric Resistivity Survey) -Rs 1.133 million

As per Sr. No. 8 of Terms & Conditions contained under letter No. that work should be done as per attached BOQ and the payments be made accordingly for the quantities mentioned therein.”

The office of Assistant Director, (LGE & RDD), North Waziristan paid Rs- 1,133,244 on account of conducting electric resistivity survey of the area in various developmental schemes (Inst. of 36 No. p/ pumps with 3” HP

submersible motor) under execution of RWP in District North Waziristan under Newly Merged Area ADP No. 960/180347 (2018-19) during FY 2019-20.

Audit found that that payment on electric resistivity survey @ Rs 31,479 was not admissible in the Inst. of pressure pumps. and Rs 1,133,244 was overpaid to the contractor.

Payment on execution of un-approved items is violation of rules which resulted into loss to the Government exchequer.

When reported in April 2021, the Management stated that proper reply will be submitted soon as per record. No reply was submitted.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery in the matter and fixing of responsibility against the person (s) and fault.

AIR 2019-20 Para-06

4.5.2.4 Non-imposition of penalty-Rs 3.237 million

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

The office of Assistant Director (LGE &RDD) North Waziristan awarded different developmental schemes (Installation of Pressure Pumps/ Dug wells) having total approved cost of Rs 32,370,000 to contractors during 2019-20. However, the schemes were not completed within the stipulated time and penalty of Rs 3,237,000 @10% of the estimated cost was required to be deducted for non-completion of work in time, but the same was not done.

Non imposition of penalty causes into a heavy loss to Public Revenue.

When reported in April 2021, the Management stated that the reply will be submitted soon as per record. No reply was submitted.

Request of convening DAC meeting was made on 21.10.2021 however meeting of DAC could not be convened till finalization of this report.

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

AIR Para 15 2019-20

4.5.2.5 Award of contract on higher rate-Rs 1.768 million

According to Rule 14(2)(b)(ix) of KP procurement rules 2014 the bid found to be the lowest evaluated bid shall be accepted

The office of AD LGRDD North Waziristan executed various works under the scheme Solarization of 36 Nos dug wells under Rural works program during FY 2020-21. It was observed that a contractor Cititek Pvt Ltd offered a rate of 10% below but its rate was not accepted with the plea of being non responsive and work was awarded to another contractor Pak Reliable engineering at rate of 0.5% due to award of contracts at higher rates Govt was put into loss of Rs 1,768,140. (Detailed in Annexure-8):

The laps occurred to due weak financial and administrative control which resulted in loss to government.

When pointed out in October 2021 it was stated that detailed reply will be given after detailed checking of record. No reply was submitted.

Request of convening DAC meeting was made on 15.11.2021 however meeting of DAC could not be convened till finalization of this report.

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

AIR Para 01 2020-21

4.5.2.6 Over /double payment of Rs. 8.2 million

Rule No. 75(2) of District Government Budget Rules 2016 states that 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.

The office of AD LGRDD North Waziristan paid Rs 8,254,357 to the contractor Ms KN construction co in the scheme Rural works programme in North Waziristan during FY 2020-21 vide MB No 36/AD page No 1 to 11 on the items resistivity survey and supply and fixing of 8inch Pvc pipe.

Audit found that the same items were paid again vide MB 36/AD page No 12 to 20. This resulted into double payment of these items which may thus be recovered from the persons at fault.

When pointed out in October 2021 it was stated that detailed reply will be given after detailed checking of record. No reply was submitted.

Request of convening DAC meeting was made on 15.11.2021 however meeting of DAC could not be convened till finalization of this report.

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

AIR Para 02(2020-21)

4.5.2.7 Unauthorized and wasteful expenditure-Rs 45.7 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-32 of CPWA Code, no work shall be executed without Administrative Approval / Technical Sanction and Budget allotment.

The office of AD Local Government North Waziristan paid-Rs 45,726,700 during FY 2020-21 on the installation of dug wells in various locations of the district as detailed below:

S.No	Name of scheme	Cost
1	Rural Works Programme in North Waziristan 36 No dug wells	27,114,700
2	Rural Works Programme in North Waziristan Solarization	18,612,000
Total		45,726,700

Audit found that:

1. The dug wells were installed in the homes of various people which were highly unauthorized.
2. No tests of water quality were conducted.
3. Dug wells 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. Coordinates of the pumps installed were not available in record.

5. It is not mentioned in MBs, Technical Sanction, Administrative Approval, DDC Minutes or bills of contractors as where the pressure pumps were installed.
6. The location of the pumps installed was neither approved by the DDC nor has the DC approved the exact location of installation of these dug wells in Administrative Approval and only a name of village or area has been mentioned due to which it is not possible to locate the dug well at site.
7. The Technical Sanction (when available) is also silent about the location of the dug wells.
8. Handing taking certificate from an agency of Government for Operation & Maintenance was also not available.
It was also not mentioned that which Govt Department has taken the schemes on its stock/asset register.

The lapse occurred due to weak financial and administrative control which resulted in loss to government.

When pointed out in October 2021 it was stated that detailed reply will be given after detailed checking of record. No reply was submitted.

Request of convening DAC meeting was made on 15.11.2021 which was not convened till finalization of this report.

Audit recommends inquiry and recovery besides fixing the responsibility against person(s) at fault.

AIR Para 05 2020-21

4.5.2.8 Irregular payment-Rs. 14.591 million

According to Finance Division Notification No. F. 1(1)/2020-SO (Dev-II iv) dated Islamabad, the 9th March, 2020 states “Land for the purpose of development scheme(s) where applicable, shall not form part of the cost estimates of the scheme. In case private land is offered by the community, its mutation in the name of designated government agency shall be affected prior to execution of the scheme. In exceptional cases, land acquisition will be processed under the provisions of Land Acquisition Act, 1894, with approval of the Steering Committee”.

The office of Assistant Director, LGE & RDD North Waziristan paid Rs. 14,591,383 during FY 2020-21 on account of different works of pavement of streets, retaining wall and drain at different UCs in District north Waziristan (Detail in Annexure-9), but same was not done.

The laps were occurred due weak administrative and financial control resulted in loss to government. Therefore, the matter is reported for conducting inquiry in to the case and action against person (s) at fault under intimation to Audit.

When pointed out in October 2021 it was stated that detailed reply will be given after detailed checking of record. No reply was submitted.

Request for DAC was made on 15.11.2021 which was not conveyed till finalization of audit report.

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

AIR Para 192020-21

ANNEXURES

Annexure-1

Detail of MAFDAC Paras

S. No	Department	Para No of AIR	Description/ caption of Paras	Amount
1	DHO North 2020-21	2	unauthorized payment of NPA	0.127
2		8	Irregular payment of P&A against wrong post (male charged Nurse) BPS 12	19.749
3		9	irregular payment of P&A against wrong post (NQ from out district)	6.798
4		10	Irregular P&W to official from out district	57.927
5		11	under age appointment salary	0.97
6		12	over age appointment and payment of Salaries	6.499
7		13	Irregular appointment and payment of salaries	16.798
8		14	Irregular appointment and payment of salaries	6.199
9		15	Irregular appointment and payment of salaries	9.834
10		16	irregular payment of arrear/adjustment	10.982
11		17	irregular appointment and payment of salaries to ghost employee	0.217
12		18	Cash paid salaries	6.399
13		19	payment to DDO instead of crossed cheques	2.368
14		20	unjustified payment under head of POL	2.498
15		21	salaries drawl on removal of staff	11.282
16		22	unjustified expenditures	9.917
17		23	over payment on account conveyance charges HRA	0.17
19	DC North 2020-21	1	Irregular expenditure on account of POL and repair of vehicle	8.335
20		2	Improper maintains of cash book	0
21		3	Irregular expenditure on purchase of plant & machinery	0.466
22		4	irregular and doubtful claimed on account TA/Da and overpayment Rs. 0176	1.185
23		5	improper maintains of stock register	3.426
24		6	operation of current bank account	29.159
25		7	non reconciliation of closing balance and un authorized retention without approval of finance department	47.171
26		9	un-authorized drawl of conveyance allowance	0.533
27		10	non recovery of Domicile certificate	0.086

28		12	Un authorized payment of HRA general	0.24	
29		13	un authorized expenditures	10.185	
30		14	No deposit of profit and Government treasury	0.086	
32	DEO M/F 2020 -21	5	Irregular execution of ADP Schemes	115.866	
33		6	Essive expenditure other more than budget	584.62	
34		7	excess expenditure	0.387	
35		8	unjustified payment	4	
36		9	irregular payment under various heads	1.016	
37		10	non collection /deposit of revenue	1.727	
38		11	advance payment on account science	2.67	
39		12	advance payment on account of purchase of furniture's	200	
40		13	advance payment on account of purchase of science equipment	4.215	
42		AD LG & RDD north 2020-21	2	over paid under head of non-approved item	0.786
43			3	loss to government due to non-approved item	0.818
44			4	unauthorized expenditures (with test)	42.492
45	7		irregular and unauthorized expenditures	57.276	
46	9		execution work without technical sanction	163.874	
47	10		non deduction of DRP	0.327	
48	11		loss on account of miscellaneous purchase	0.171	
49	12		irregular tender/Bidding process	32.162	
50	13		un transparent award of work and over payment of 2.016 million	0.289	
51	14		loss due non deposit of saving	4.02	
52	16		irregular diversion of diversion of developmental Scheme	1.245	
53	17		irregular expenditure due to non-conduction of rate analysis	0.91	
54	18		irregular appointment of chowkidar under 25% employee son quota and irregular payment of pay and allowance	0.089	
55	19		unauthorized drawl of conveyance allowance	0.6	
57	AD LG & RDD north 2019-20	3	loss due to over payment	1.089	
58		4	unauthorized expenditure	27.114	
59		6	unauthorized expenditure	39.116	
60		7	unauthorized expenditure	20.618	
61		8	unauthorized expenditure	0.04	
62		9	unauthorized expenditure	82.091	

63		10	Unauthorized drawl of conveyance	0.06
64		11	over payment of HRA	0.233
65		12	operation of current bank account	1.32
66		13	irregular appointment	0
67		15	non deduction of DRP	0.012
68		16	expenditure with sign of contract agreement	0.098
69		17	irregular payment	0.409
70		19	non deposit of saving	0.103
72	TMA Miranshah 2020-21	2	non achievement of targets	3.367
73		3	loss due non auctioning of	17.65
74		5	non dedication of taxes	0.048
		7	Suspected misappropriation	1.478
75		11	un authorized drawl of conveyance allowance	0.02
76		13	unauthorized payment of honoraria	0.024
77		14	irregular expenditure of POL	1.082
78		15	postponement of liability of arrears of pay and pension	25.074
79		16	non conduct of post audit reconciliation	17.249
80		17	Non preparation of appropriations, finance account	79.667
81		18	non maintains of rent collection register	0
82	TMA Mirali 2020-21	4	Doubtful payment on account of TA/DA	0.91
83		5	advance payments for purchase of MIS items	0.131
84		6	non credited of tax in government treasury	0.069
85		9	un-authorized payment of Conveyance charges	0.02
86		10	Factious payment o account of POL	0.03
87		11	irregular expenditure on account of repair and renovation	0.088
88		12	irregular payment to daily wages employees	0.81
89		13	irregular expenditure on account of purchase	0.713
90		14	loss due non auctioningofcontract	5.132
91	TMA Razmak 2020-21	2	Payment through DDO	4.643
92		3	Doubtful payment on account of TA/DA	0.182
93		4	Non credit of taxes in government treasury	0.647
94		5	loss due to non-auctioning to contract	4.623
95		7	concealment of record and doubtful expenditure	3.955

96		8	doubtful purchases	0.225
97		9	irregular expenditure on account sanitation charges	0.21
98		10	irregular expenditure on account of POL	0.369
99		11	non deduction of taxes	0.069
100		12	unjustified payment on account of honorarium	0.097
101		13	non maintains of cash book	4.723
103	Socail Welfare 2020-21	1	irregular expenditure on account of printing and publication	0.1
104		2	non deduction of tax from project employees' salaries	0.03
105		3	misappropriation amounting	0.55
106		4	irregular expenditures under head of TA/DA	0.1
107		5	irregular expenditure under head A03970 ADP project	0.829
108		6	Doubtful expenditures on account of refreshment	0.097
109		7	irregular expenditures on account of repair of vehicles	0.048
110		8	non maintenance of proper stock register	0
			Total	1836.5

Annexure-2
Para no 3.5.1.1

S.No	Name of Employees	Designation	Period of Arrear	Amount Paid
01	Sahib Rehman	Typist (BPS-07)	01/2013 to 03/2018(63 Months)	1,342,996
02	KalimUllah	Chowkidar	01/2013 to 03/2018(63 Months)	1,194,344
03	Ahmad Noor	Chowkidar	01/2013 to 03/2018(63 Months)	1,465,055
04	Atta Ullah Jan	BPS 02	01/2013 to 03/2016(47 Months)	1,016,350
05	Shahzada	Badragga	01/2013 to 11/2017 (59 Months)	1,186,650
06	Bakhtiar Ali	Badragga	01/2013 to 03/2018(63 Months)	1,465,055
07	Ghabir Khan	Driver	01/2013 to 08/2014 (20 months)	322,029
08	MumtazAkber	Rent Clerk	07/2015 to 12/2016 (18 Months)	633,729
08	Inyatullah Jan	NaibQasid	01/2013 to 11/2017 (58 Months)	1,055,343
09	HazratKhaliq	Badragga	01/2013 to 03/2018(63 Months)	14,650,55
10	Dhani	Badragga	01/2013 to 03/2018(63 Months)	1,200,000
11	NaikWali	NaibQasid	01/2013 to 03/2018(63 Months)	1,230,000
12	Noor Alam	Badragga	01/2013 to 11/2017 (59 months)	1,100,000
13	HakmatUllah	Cleaner	06/2015 to 12/2017 (31 months)	528,109
14	Gul Sharif	Chowkidar	01/2013 to 03/2018(63 Months)	1,490,000
15	RoiDaraz Khan	Badragga	01/2013 to 03/2018(63 Months)	1,499,175
16	IhsanUllah	NaibQasid	01/2013 to 03/2018(63 Months)	1,272,011
17	Said Rahman	Fire Man	01/2013 to 03/2018(63 Months)	1,465,055
			Total	19,480,606

Annexure-3
Para no. 3.5.1.4

Sr.No	Cheque/Bill No	Dated	Particular	Amount	Period
1	38056404	06/04/2021	Payment to daily wages	223300	Mar-21
2	38056067	19/05/2020	Payment to daily wages	202400	May-20
3	38056074	30.06.2020	payment to daily wages	212,200	Jun-20
4	38056402	04/03/2021	payment to daily wages	140,000	Mar-21
5	38056412	11/06/2021	payment to daily wages	223,300	May-21
6		03/02/2021	payment to daily wages	131,600	Jan-21
7	38056409	29/04/2021	payment to daily wages	216,200	Apr-21
8	38056385	30/11/2020	payment to daily wages	163,800	Nov,2020
9	38056381	02/11/2020	payment to daily wages	171,600	Oct,2020
10	38056380	30/09/2020	payment to daily wages	193,600	Sep,2020
11	38056378	02/09/2020	payment to daily wages	176,000	Aug, 2020
12	38056374	27/07/2020	payment to daily wages	202,400	July,2020
			Total	2,256,400	

Annexure-4
Para no. 3.5.2.1

Sr. No.	Particulars	Date	Amount
1	Purchases	02/03/2020	107387
2	Purchase of vehicle	Nil	1855000
3	Payment to TMO for POL and purchases	11/03/2020	15000
5	Payment to contractor for misc. expenditures	18/03/2020	29453
6	Payment to TMO for Misc. charges	26/03/2020	94158
7	Payment to AL Zaheer computers for purchases	26/03/2020	40500
8	Payment to TMO for POL charges	27/03/2020	24551
9	Payment o AnsarUllah (Assistant)	07/04/2020	86500
10	Payment to Riaz contractor	08/04/2020	44700
11	Payment to TMO for pay bills/TA/Transfer grant	26/02/2020	280362
12	cross cheque to TMO Miran shah for burial charges	20/04/2020	66500
13	Payment to AnsarUllah	23/04/2020	210600
14	Payment to SyedAnwar filling station	04/05/2020	30963
15	Payment to Riaz contractor	12.05.2020	123400
16	Payment to AnsarUllah	12.05.2020	81470
17	Payment to TMO	19/05/2020	280,708
18	Payment to AnsarUllah	19/05/2020	36005
19	Payment to SaeedAnwar	01/06/2020	23840
20	Payment to AnsarUllah	15/06/2020	26110
21	Payment to Syed Anwar	30/03/2020	21079
22	Payment to AnsarUllah	30/06/2020	297148
			3,775,434

Annexure -5
Para no 3.5.2.2

S.No	Date	DDO Payment	Total Amount
1	11/03/2020	Payment to TMO for POL and purchases	15000
2	26/03/2020	Payment to TMO for Misc charges	94158
3	07/04/2020	Payment o AnsarUllah (Assistant)	86500
4	26/02/2020	Payment to TMO for pay bills/TA/Transfer grant	280362
5	23/04/2020	Payment to AnsarUllah	210600
6	04/05/2020	Payment to TMO for pay of PUGF and daily wages employee	278442
7	12/05/2020	Payment to AnsarUllah	81470
8	19/05/2020	Payment to TMO	280,708
9	15/06/2020	Payment to AnsarUllah	26110
10	15/06/2020	Payment to Ansarullah in advance for purchase of Almirah	15000
11	30/06/2020	Payment to AnsarUllah	297148
			1,665,498

Annexure -6
Para no 3.5.2.2

S.No	Vr/date	Particular		Amount
1	Ch. No 38056083 dt 30.7.21	MehranUllah	Accountant/TOF Pay	13287
2	Ch. No 38056083 dt 30.7.21	Daily wages TMA Staff 7/2020	Pay of Staff	264000
3	Ch. No 38056084 dt 06.8.20	SherAfzal	TMO	63457
4	Ch. No 38056086 dt11.8.20	SherAfzal TA	TMO	6080
5	Ch. No 38056086 dt11.8.20	Purchase of mise items partition	TMA Office	24710
6	-do-	panaflix	cashier day	5500
7	-do-	purchase office furniture	TOF Office	17014
8	-do-			4736
9	Ch. No 38056088 dt20.8.20	POL Diesel , M OIL		10200
10	Ch. No 38056088 dt20.8.20	POL Diesel& Petrol , M OIL	TMA Vehicles	20798
11	Ch. No 38056089 dt01.9.20	Pay for the month 08/2020	TMO	63457
12	Ch. No 38056089 dt01.9.20	Pay for the month 08/2020	TO F	25745
13	Ch. No 38056089 dt01.9.20	Pay of daily wages staff 08/2020	TMA Staff	248800
14		SherAfzal TA	TMO	6935
15	Ch 38056084 dt 6.8.20	SherAfzal TA	TMO	63457
16	Ch 38056080 dt 13.7.20	Paid Honoraria	TMO,TOF. Accountant	179733
17	Ch 38056077 dt 1.7.20	purchase 250 Hyganic kit @5000	TMA Office	250000
18	Nil	paid to Ansarullah Misc. Expe	TMA employee	17800
19	Ch 38056075 dt 1.7.20	POL for the month 6/2020 PSO	Vehicle applied 2020	21079
20	Ch 38056096 dt 14.10.20	POL for month 09/2020	Vehicle applied 2020	36135
21	Ch 38056098 dt 27.10.20	POL for month 10/2020	Vehicleapplied 2020	25407
22	Ch 38056093 dt 2.10.20	Pay for the month 09/2020	TMO & TOF	88378
				1456708

Annexure-7
Para no 3.5.2.5

Cheque No	Particulars	Date	Amount
38057377	Plantation campaign	27/08/2020	165000
38057386	Boat purchases, Pena flax, PTCL bill	14/12/2020	70700
38057385	Stationery, POL, TADA, Daily wages, PUGF pay	30/11/2021	306074
38056371	Paid to Sudais enterprises for purchases kits	08/07/2020	250000
38056392	Paid to RehmatUllah and Murad welding for shed vehicle	11/01/2021	99528
38057381	TADA/Pay of PUGF and Non PUGF	02/11/2020	259492
38057378	TADA, purchases /Pay of PUGF and Non PUGF	02/09/2020	256880
38056379	Paid to TMO Razmak for arrangement of kullikitcheree	15/09/2020	49600
38056375	Paid to TMO Razmak for private hiring tractor	10/08/2020	190000
38056376	Paid to TMO Razmak for Misc expenditure	18/08/2020	137400
38056374	Paid to TMO Razmak Pay of PUGF, Non PUGF, purchases	27/07/2020	452742
38056373	Paid to TMO Razmak for honorarium	10/07/2020	97840
			2,335,256

Annexure -8
Para No. 4.5.2.5

S.No	Name of scheme	Bid Accepted	Bid offered	Loss
1	RWP Solarization of 36 Nos dug wells in north Waziristan: MarsiKhel,BoraKhel,Hakeemkhel Mirali	1,543,245	1,395,900	147,345
2	RWP Solarization of 36 Nos dug wells in north Waziristan: Dandi, Dirdoni,NawabMandi,tabbiGhulam khan	1,543,245	1,395,900	147,345
3	RWP Solarization of 36 Nos dug wells in north Waziristan: LagharayKhushali,saraibazar,Razmak,sleemikhel grid kalay	1,543,245	1,395,900	147,345
4	RWP Solarization of 36 Nos dug wells in north Waziristan: data khel, ghwabai	1,543,245	1,395,900	147,345
5	RWP Solarization of 36 Nos dug wells in north Waziristan: utmankhel, titimadakhel	1,543,245	1,395,900	147,345
6	RWP Solarization of 36 Nos dug wells in north Waziristan: dandaydarpakhel, kamsaroobi,Alikhel	1,543,245	1,395,900	147,345
7	RWP Solarization of 36 Nos dug wells in north Waziristan: Patti khel, hamzoni, lower spulga	1,543,245	1,395,900	147,345
8	RWP Solarization of 36 Nos dug wells in north Waziristan: khaddimirali, mohdkhel, sherkhel	1,543,245	1,395,900	147,345
9	RWP Solarization of 36 Nos dug wells in north Waziristan: zeba village, zarnai tehsil mirali	1,543,245	1,395,900	147,345
10	RWP Solarization of 36 Nos dug wells in north Waziristan: mirali bus stand mirali,	1,543,245	1,395,900	147,345
11	RWP Solarization of 36 Nos dug wells in north Waziristan: khadrimirali	1,543,245	1,395,900	147,345
12	RWP Solarization of 36 Nos dug wells in north Waziristan: dirnomispinwam	1,543,245	1,395,900	147,345
	Total Loss			1,768,140

**Annexure-9
Para No 4.5.2.8**

Sr No	Name of Contractor	Executi on Year	AD P No	Particulars	Date of commencem ent	Contract Amount
1	Tribal Global Construction Company	2018-19	944	improvement sewerage system in Mir Al/Miranshah	20/05/2019	1249931
	Tribal Global Construction Company	2018-19	944	Construction of street at tarakaiIssoriMiral	20/05/2019	1657021
	Tribal Global Construction Company	2018-19	944	Pavement of street at DayeeAlamKhel Tehsil Shewa	20/05/2019	3125015
2	Wahidullah	2018-19	944	Construction of street at TayyabKhel, Muhammad Khel, DattaKhel	20/05/2019	1249937
3	AlamDarazKhushaliTuri Khel	2018-19	944	Pavement of street at Ghulam Rest House and Tehsil office Ghulam Khan	20/05/2019	1485602
4	Sikandar Khan Wazir	2020-21	221 8	PCC street at MirogaiPatiKhel Tehsil Shawa	1/6/2021	1837439
	Sikandar Khan Wazir	2020-21	221 8	PCC street at PirSamadKot Muhammad Khel Tehsil Data Khel	1/6/2021	1500000
	Sikandar Khan Wazir	2020-21	221 8	PCC street at Malik Younas Khan sthar Kala DattaKhel Tehsil Spinwam	1/6/2021	1500000
	Sikandar Khan Wazir	2020-21	221 8	PCC street at KotkaAstyaqHur maz Tehsil HurmazMirali	1/6/2021	986438
					Total	14591383