



**AUDIT REPORT
ON THE ACCOUNTS OF
DISTRICT COUNCIL AND
MUNICIPAL COMMITTEES
DISTRICT SWAT**

AUDIT YEAR 2015-16

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
ADP	Annual Developmental Plan
AP	Advance Para
BOQ	Bill of Quantity
B&R	Building and Road
CPWA	Central Pubic Works Accounts Code
CSR	Composite Schedule of Rates
DAC	Departmental Accounts Committee
DCR	Demand & Collection Register
DG	Director General
GFR	General Financial Rules
LCB	Local Council Board
LGO	Local Government Ordinance
MC	Municipal Committee
MFDAC	Memorandum for Department Accounts Committee
MRS	Market Rate Schedule
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PATA	Provincially Administered Tribal Areas
PC-I	Planning Commission One
PLA	Personal Ledger Account
TMA	Tehsil Municipal Administration
RDA	Regional Directorate of Audit
RTA	Regional Transport Authority
SDA	Special Drawing Account
UBL	United Bank Limited
UCs	Union Councils

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 168 of Local Government Act 2012, require the Auditor-General of Pakistan to conduct audit of the receipts and expenditure of Local Fund of District Council and Municipal Committees.

The report is based on audit of the accounts of District Council Swat and Municipal Committees in District Swat for the Financial Year 2014-15. The Directorate General of Audit, District Governments, Khyber Pakhtunkhwa, Peshawar conducted audit on test check basis during 2015-16 with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit finding carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annexure-1 of the Audit Report. The Audit Observations listed in the Annexure-1 shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized in the light of written replies of the Departments. DAC meetings could not be convened despite repeated requests.

The Audit Report is submitted to the Governor of Khyber Pakhtunkhwa in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 168 of Khyber Pakhtunkhwa Local Government Act 2012 to be laid before appropriate legislative forum.

Islamabad
Dated:

(Rana Assad Amin)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Khyber Pakhtunkhwa, Peshawar, is responsible to conduct the audit of all District Councils, Municipal Committees (MCs) and Union Councils (UCs). Its Regional Directorate of Audit Swat has audit jurisdiction of District Councils, Municipal Committees and UCs of five Districts i.e. Swat, Shangla, Dir Lower, Dir Upper and Chitral.

The Regional Directorate Swat has a human resource of 07 officers and staff, constituting 251 man days. A budget of about Rs 11.002 million was allocated during 2015-16. It has the mandate to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly Regional Director Audit Swat carried out audit of the accounts of Municipal Committees and District Council Swat for the Financial Year 2014-15 and the findings included in the Audit Report.

District Council Swat and Municipal Committees in the District perform their functions under Khyber Pakhtunkhwa Local Government Act 2012. Administrative Secretary i.e Secretary Local Government and Rural Development Department, Khyber Pakhtunkhwa is the Principal Accounting Officer for these local bodies. According to financial provisions of the Act, the Secretary Local Government and Rural Development Department, Khyber Pakhtunkhwa authorizes the Annual Budget Statement for these local bodies in the form of budgetary grants.

a. Scope of audit

Out of the total expenditure of Municipal Committees and District Council, District Swat for the Financial Year 2014-15, the auditable expenditure under the jurisdiction of RDA was Rs 535.652 million. Out of this, RDA Swat audited an expenditure of Rs 374.956 million on test check basis which, in terms of percentage, is 70% of auditable expenditure.

The receipts of Municipal Committees and District Council, District Swat for the Financial Year 2014-15, were Rs 475.153 million. Out of this, RDA Swat audited receipts of Rs 332.607 million which, in terms of percentage, was 70% of auditable receipts.

The total expenditure and receipt of District Council and Municipal Committees, District Swat, for the Financial Year 2014-15 was Rs 1010.805 million. Out of this, RDA Swat audited the expenditure and receipt of Rs 707.563 million.

b. Recoveries at the instance of audit

Recovery of Rs 85.901 million was pointed out during the audit. However, no recovery was affected till finalization of this report. Out of the total recoveries, Rs 35.866 million was not in the notice of the executive prior audit.

c. Audit Methodology

Audit was conducted after understanding the business processes of District Council and Municipal Committees, District Swat, with respect to their functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity. Audit used desk audit techniques for analysis of compiled data and review of permanent files/record. Desk Audit greatly facilitated identification of high-risk areas for substantive testing in the field.

d. Audit Impact

Audit pointed out various irregularities of serious nature to the management. However, no impact was visible as the management failed to reply and the irregularities could not come to the light in the proper forum i.e. DAC.

e. Comments on Internal Control and Internal Audit department

The purpose of internal control system is to ensure effective operation of an organization. It consists of measures employed by the management to achieve objectives, safeguard assets, and ensure accuracy, timeliness and reliability of financial and accounting information for decision making.

One of the basic component of Internal Control System, as envisaged under Para 13 of GFR Volume-I, is Internal Audit which was not prevalent in District Council and Municipal Committees Swat. Neither rules for internal audit have been framed nor internal audit report as required was provided to audit.

f. Key Audit Findings of the report;

- i. Non Production of record of Rs 10.45 million were noted in two cases².
- ii. Irregularity & Non-compliance of Rs 142.182 million were noted in sixteen cases².
- ii. Internal Control of weakness amounting to Rs 72.934 million were noted in six cases².

1 Para 1.2.1.1, 1.2.1.2, 1.2.1.3, 1.2.1.4, 1.3.1.1, 1.4.1.1, 1.5.1.1, 1.6.1.1, 1.7.1.1, 1.7.1.2, 1.8.1.1, 1.8.1.2&1.8.1.3

2 Para 1.2.2.1, 1.2.2.2,1.2.2.3 & 1.8.2.1

g. Recommendations

- i. Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- ii. Strenuous efforts need to be made by the departments to recover long outstanding dues.
- iii. All sectors of MCs and District Council need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc to ensure that reported lapses are preempted and fair value for money is obtained from public spending.
- iv. Deduction of taxes on supplies and contracts need to be ensured.
- v. Inquiries need to be held to fix responsibility for losses, irregular payments and wasteful expenditure.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rs in million)			
S. No	Description	No.	Budget
1	Total Entities (PAO) in Audit Jurisdiction	01	1,240.946
2	Total formations in audit jurisdiction	07	1,240.946
3	Total Entities (PAO) Audited	01	707.563
4	Total formations Audited	07	707.563
5	Audit & Inspection Reports	07	707.563
6	Special Audit Reports	-	-
7	Performance Audit Reports	-	-
8	Other Reports	-	-

Table 2: Audit observations classified by Categories

(Rs in million)		
S. No	Description	Amount placed under audit observation
1	Asset management	-
2	Financial management	15.802
3	Internal controls	78.634
4	Violation of rules	131.133
5	Others	
Total		225.569

Table 3: Outcome Statistics**(Rs in million)**

S. No	Description	Expenditure on Acquiring Physical Assets Procurement	Civil Works	Receipts	Others	Total for the year 2014-15	Total for the year 2013-14
1	Outlays Audited	-	172.398	332.607	202.558	707.563	1,250.064
2	Amount Placed under Audit Observation /Irregularities of Audit		159.67	45.554	20.345	225.569	64.329
3	Recoveries Pointed Out at the instance of Audit		35.866	45.554	4.481	85.901	23.286
4	Recoveries Accepted /Established at the instance of Audit		-	-	-	-	8.566
5	Recoveries Realized at the instance of Audit		-	-	-	-	0

Table 4: Irregularities pointed out**(Rs in million)**

S. No	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations, principle of propriety and probity in public operation	142.185
2	Reported cases of fraud, embezzlement, thefts and misuse of public funds.	
3	Accounting Errors (accounting policy departure from NAM, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	
4	Quantification of weaknesses of internal control systems.	72.934
5	Recoveries and overpayment, representing cases of established overpayment or misappropriations of public monies	
6	Non-production of record	10.45
7	Others, including cases of accidents, negligence etc.	
Total		225.569

Table 5: Cost-Benefit

Sr. No	Description	Amount (Rs in million)
1	Outlays Audited (Items 1 of Table 3)	707.563
2	Expenditure on Audit	0.950
3	Recoveries realized at the instance of Audit	0
	Cost-Benefit	1:0

CHAPTER-1

1.1 Municipal Committees and District Council of District Swat

1.1.1 Introduction

District Swat has six Tehsils i.e. Mingora, Barikot, Bahrain, Khawazakhela, Matta and Kabal. There is a District Council and six Municipal Committees. District Council has a Chief Coordination Officer, District Officer (Finance), District Officer (Infrastructure) and District Officer (Regulation). Municipal Committees have Chief Municipal Officers, Municipal Officers (Finance), Municipal Officers (Infrastructure) and Municipal Officers (Regulation). District Council Swat has one Drawing and Disbursing Officer (DDO) i.e. Chief Coordination Officer & Chief Municipal Officer is the DDO of Municipal Committee. According to 1998 population census the population of District Swat is 1.006 million

1.1.2 Comments on Budget and Accounts (variance analysis)

A budget of Rs 758.134 million was allocated against which an expenditure of Rs 535.652 million was incurred by the District Council and Municipal Committees Swat with a savings of 222.481 million during 2014-15. Detail is given below:

(Rs in millions)

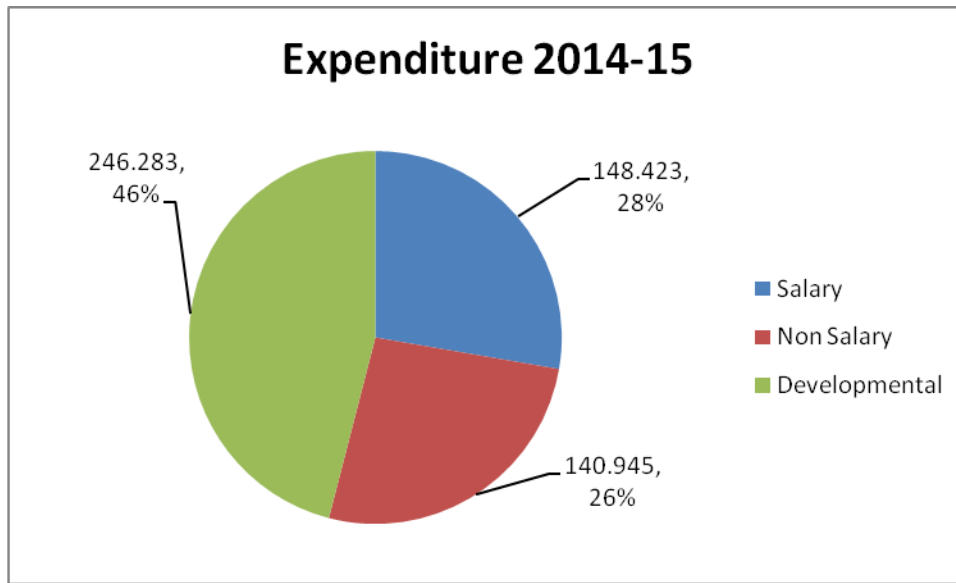
2013-14	Budget (Rs)	Expenditure (Rs)	Excess / Savings (Rs)	%age
Salary	156.849	148.424	-8.425	4%
Non Salary	163.677	140.946	-22.732	10%
Developmental	437.608	246.283	-191.325	86%
Total	758.134	535.653	-222.481	

A Receipts of Rs 482.812 million was projected against which an amount of Rs 475.153 million was realized by the District Council and Municipal Committees Swat with a short realization of Rs 7.659 million during Financial Year 2014-15. Detail is Given Below:

(Rs in million)

2014-15	Budget	Realization	Excess/ (Saving)	%age
Receipts	482.812	475.153	7.659	1.586%

(Rs in million)



1.1.3 COMMENTS ON THE STATUS OF COMPLIANCE WITH PAC DIRECTIVES

The audit report pertaining to the Audit Year 2014-15 has been submitted to the Governor of Khyber Pakhtunkhwa. Detail is as under:

S. No.	Audit Year	PAC meeting convened /Not convened
1	2014-15	Not Convened

MUNICIPAL COMMITTEE MINGORA

1.2 Municipal Committee Mingora Swat

1.2.1 Irregularity & Non compliance

1.2.1.1 Non recovery From Contractor on Account Of Salaries And Stationery Charges - Rs 2.560 Million

According to Clause 12 of the agreement of Water Rate Fee, the contractor would pay salaries of water rate recovery staff to TMA three days before the end of the month. Further, according to Para 26 of GFR Vol-I, it is the duty of departmental controlling officer to see that all sums due to government are regularly and promptly assessed, realized and duly credited in the public account.

Municipal Committee Mingora, Swat did not recover outstanding amount of Rs 2,560,544 on account of salary and stationery charges from the contractor who was awarded contract of water rate during the financial year 2014-15.

Audit observed that non recovery of salary and stationery charges occurred due to non compliance of rules, which resulted in loss to the Government.

When reported in July 2015, management stated that detailed reply will be given after scrutiny of record. However, no reply was given till finalization of this report.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

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

AP No.07 (2014-15)

1.2.1.2 Non crediting Of Profit Into Government Treasury - Rs1.921 Million

According to Para 07 & 26 of GFR Vol-I read with Finance Department KPK letter No.2/3-(F/L) FD/20017-08/Vol-IX dated 10-02-2014 that no funds shall be placed in any commercial banks from the PLA or Assignment Accounts without prior approval of the Finance Department and all existing current accounts duly sanctioned by the Finance Department should be converted into PLS mode and the profit earned be deposited into Government treasury under relevant head of account immediately and not later than a week when declared by the concerned bank.

Municipal Committee Mingora, Swat realized a sum of Rs1,920,587 on account of profit from the deposits of Government funds (received on account of deposit works) in designated bank account No.000214642302 UBL during 2014-15. As per above mentioned rule the profit was required to be credited into Government treasury but the local office did not deposit the amount.

Non crediting of profit into Government treasury was violation of rules.

When pointed out in July 2015, management stated that the profit amount received from various banks on PLS/Fixed was authorized by Finance Department to be included in the budget of TMA. Reply was not supported by any documentary evidence.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

Audit recommends immediate deposit of profit account into Government treasury besides fixing responsibility and action against the person(s) at fault.

AP No. 01 (2014-15)

1.2.1.3 Non recovery of Rent Of Shops –Rs 1.697 Million

According to Local Government Act 2012 Clause 179 (2) “all arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue”.

Municipal Committee Mingora, Swat failed to recover Rs 1,697,071 on account of rent of shops located in five General Bus Stands. The amount was recoverable only for the period 2014-15. The irregularity was pointed out in previous audit reports as well but no action was taken resulting into accumulation of receivables.

S.No	Particular	No of tenants	Amount outstanding (Rs)
1	Shah Dara Watky stand	04	96,175
2	Haji Baba stand	01	45,644
3	Shah Dara stand	04	240,090
4	G.B.S Air port road	44	194,999
5	G.B.S Mardan Raod	65	1,120,163
Total		117	1,697,071

Audit observed that non recovery of outstanding charges occurred due to non compliance of rules which resulted in loss to Government.

When reported in July 2015, management stated that detailed reply will be given after scrutiny of record. However, no reply was received till finalization of this report.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

Audit suggests recovery and disciplinary action against the staff who failed to recover the Government dues.

AP No. 02 (2014-15)

1.2.1.4 Non recovery Of Income Tax - Rs 1.485 Million

According to Section 82 of the Income Tax Ordinance, 2001 and Commissioner Income Tax Enforcement & Compliance Division Peshawar's letter No. CIT (E & C)/RTO-PR-2008-09/1739 dated 20.06.2009, a person belonging to tribal area but residing in taxable area is not entitled to exemption because he would become a resident person under Income Tax Ordinance. Further, according to Inland Revenue Officer, withholding tax unit –IX Mardan Letter No: E&C-XXII (B) MR/1233 dated 11.6.2015, Municipal Committee is required to ensure recovery of the income tax at the time of sale of property and goods through public auction @ 10% and deposit it into Govt. treasury.

Municipal Committee Mingora, Swat awarded contracts of water rate for Rs 10,850,000 and entry fee Fizagat Park for Rs 4,000,000 to the contractors of District Peshawar and Charsadda, respectively but the local office did not recover Income tax amounting to Rs1,485,000 from him during the Financial Year 2014-15.

Audit observed that payment without adjustment of income tax was violation of rule, which resulted in loss to Government.

When reported in July 2015, management stated that detailed reply will be furnished after scrutiny of record.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

Audit suggests recovery of Income Tax and its deposit into Government Treasury besides action against the person(s) at fault.

AP No. 06 & 11(2014-15)

1.2.2 Internal Control Weaknesses

1.2.2.1 Non collection of Outstanding Water Charges –Rs 24.393 Million

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

Chief Municipal Officer Mingora, Swat did not recover water user charges amounting to Rs 24,393,210 from 14,741 domestic users & 740 commercial users during the Financial Year 2014-15 as per detail given below:

S.No	Particulars	No. of connection	Water Charges
	Arrears upto June 2014	-	14,612,640
1	Domestic connections 2014-15	14,741	22,995,960
2	Commercial connections 2014-15	740	1,972,560
Total outstanding amount			39,581,160
Recovered through contactor & Departmental during 2014-15			15,187,950
Net outstanding amount of water charges			24,393,210

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

When reported in July 2015, management did not respond to the audit observation.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

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

AP No. 04 (2014-15)

1.2.2.2 Non imposition of 1% Penalty For Late Deposit Of Monthly Installment Rs13.706 Million

According to government of KPK local government department notification No AO-II/LCB/6-11/2011 dated 21/4/2011, Condition No.(iv)(b) 1% penalty per day for late deposit of monthly installment should be recovered.

Municipal Committee Mingora did not impose and recover Rs13,706,129 on account of 1% penalty for late deposit of monthly installment from contractors during 2014-15. Details at Annexure- 2

Non-imposition of penalty was due extending undue favor to contractors at the cost of the Council, which resulted in loss to Government.

When reported in July 2015, management stated that detailed reply will be furnished after scrutiny of record.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

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

AP No. 20 (2014-15)

1.2.2.3 Non imposition Of Penalty - Rs. 8.03 Million

According to Clause-2 of the Contract Agreement, the contractor has to pay compensation @ 1 per cent per day or maximum 10% of the estimated cost for the delay in completion of work.

Municipal Committee Mingora awarded work “Construction of Commercial Plaza Mingora” vide work order No.463-swat dated 20.09.2012 with estimated cost of Rs 80.300 million and a stipulated time period of two years. The contractor failed to complete the work within stipulated period. Subsequently time extension till 15.6.2015 was accorded by the competent authority. The contractor failed to complete the work even in extended time which was still in progress till August 2015. The local office was required to impose penalty @ 10% Rs. 8.03 million which was not done.

Non recovery of penalty occurred due to weak internal control, which resulted in loss to Government.

The irregularity was reported to the management in August 2015. No response was received.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

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

AP No. 12 (2014-15)

1.2.2.4 Overpayment Due To Non Exclusion Of Income Tax –Rs 6.066 Million

According to Finance Department Khyber Pakhtunkhwa letter NO.SO(Dev-II) FD/12-6/12-13 dated 20.06.2013, the CSR includes Income Tax which is in built in the item rates and the same rates are paid without adjustment of the non deductible Income Tax in the tax exempted areas resulting overpayment by the amount equal to deductible Income Tax.

Municipal Committee Mingora, Swat awarded a contract of 16 developmental works as per CSR 2009 at an estimated cost of Rs101,110,537 and paid Rs 96,932,080 during 2014-15. Income Tax @ 6% amounting to Rs 6,066,632 was not excluded from the estimates and hence not deducted from the amount paid to the contractor resulting into excess payment. Details at Annexure- 3.

Audit observed that payment without exclusion of income tax occurred due to weak internal control, which resulted in loss to Government.

When reported in July 2015, management did not respond to the audit observation.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

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

AP No. 16 & 24 (2014-15)

1.2.2.5 Non recovery of Outstanding Local Contract Fee –Rs 1.654 Million

According to Local Government Act 2012 Clause 179 (Collection and Recovery of Taxes, etc) under sub clause (1), Failure to pay any tax and other money claimable under this Act shall be an offence. (2) All arrears of taxes, rents and other moneys claimable by a Local Council under this Act shall be recoverable as arrears of land revenue.

Scrutiny of Demand & Collection Register (DCR) of Municipal Committee Mingora, Swat for the Financial Year 2014-15 revealed less recovery of Rs 1,653,780 from the water rate contractor for the year.

Non recovery of water rate occurred due to weak internal control, which deprived the Government from its due local revenue.

When reported in July 2015, management stated that detailed reply will be given after scrutiny of record. However, no reply was received till finalization of this report.

Request for convening of DAC meeting was made on 31st August, 2015, which was not convened till finalization of this report.

Audit recommends recovery of water rate from the contractor alongwith penalty @ 1% as per terms of the agreement and action against the staff.

AP No. 05 (2014-15)

MUNICIPAL COMMITTEE BARIKOT

1.3 Audit Paras Municipal Committee Barikot Swat

1.3.1 Non Production of record

1.3.1.1 Non production Of Record Rs 5.700 Million

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

Municipal Committee Barikot did not produce record of six (06) No developmental works amounting to Rs 5,700,000 of the financial year 2014-15. Detail is given below:

S.No	Name of work	Estimated Cost (Rs)
1	Pav: of streets at khankorai	1,400,000
2	Pav: of streets Ziarat	1,200,000
3	Pav: of streetsshahderai	1,000,000
4	Pav: of streets Golden&sam Deolai	1,200,000
5	Pav: of streets at UC barikot	600,000
6	Constt: of PCC road Uc Barikot	300,000
Total		5,700,000

Non production of record occurred due to weak internal and administrative control due to which audit was unable to certify the accounts and complete audit assignment.

When reported in September 2015, Management stated that the above 06 No. works files have been sent to the DC office Swat for approval of release of security and would be shown to audit in due course of time. Reply was not satisfactory as record was not produced to audit.

Request for convening of DAC meeting was made on 29th September, 2015, which was not convened till finalization of this report.

Audit recommends fixing of responsibility for non production of record and disciplinary action against the person(s) at fault besides production of record for audit.

AP # 38 (2014-15)

1.3.2 Irregularity & Non compliance

1.3.2.1 Irregular award Of Works Without Technical Sanctions And Agreements - Rs 3.265 Million

According to Government of Khyber Pakhtunkhwa Local Government Department Notification No.ACI/LCB/ESTT:/3-5/2005 dated 22.11.2005, the Engineers (in various scales) can accord Technical Sanction for the amounts mentioned below:

1. Engineers in BPS-18 up to Rs 4,000,000
2. Engineers in BPS-17 up to Rs 1,500,000
3. Engineers in BPS-16 up to Rs 500,000
4. Engineers in BPS-11 up to Rs 300,000

Further, Para 178 of GFR Vol-I & Para-56 of CPWA Code provides that the work must not be started/ executed without technical sanction.

Chief Municipal Officer Municipal Committee Barikot awarded two works, “Sanitation Scheme at Tehsil Muhallah” and “Drains at Bazar” with estimated costs of Rs 800,000 and Rs 2,456,000, respectively to two different contractors without Technical Sanctions and any written agreements. The award of works as well as payments of Rs342,681 made to the contractors was irregular and illegal.

Irregular expenditure without Technical Sanction was the violation of rules, which resulted in irregular payment.

The When pointed out in September 2015, management stated that the work orders had been issued to the contractors and the Technical Sanctions were in process and Contract Agreements would be executed with the contractors. Reply was not convincing as the works were executed without fulfilling codal formalities.

Request for convening of DAC meeting was made on 29th September, 2015, which was not convened till finalization of this report.

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

AP # 28 (2014-15)

1.3.2.2 Irregular Award Of Work- Rs 3.00 Million

According to Planning Department letter No. 820/8/DPD dated 18-06-2014, a work “Purchase of land for graveyard at Zakhela U/C Shamozaï” was approved by the DDC.

Chief Municipal Officer MC Barikot awarded a work “Const: of Boundary Wall at Graveyard Zarkhela” with an estimated cost of Rs 3,000,000 and paid Rs 2,700,000 to the contractor. The work was originally approved as “Purchase of land for graveyard Zarkhela” in the DDC meeting held on 13-06-2014. The local office executed the work “Const: of Boundary wall at Zarkhela” instead of “Purchase of land for Graveyard”.

Irregular award of work without approval was the violation of rules,

When reported in September 2015, Management stated that the work on site has been executed in light of Administrative Approval accorded by Deputy Commissioner Swat. Reply was not convincing as no DDC Minutes were shown to audit.

Request for convening of DAC meeting was made on 29th September, 2015, which was not convened till finalization of this report.

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

AP # 33 (2014-15)

MUNICIPAL COMMITTEE BAHRAIN

1.4 Audit Paras Municipal Bahrain Swat
1.4.1 Irregularity & Non compliance
1.4.1.1 Overpayment Due To Non Exclusion Of Income Tax –Rs 1.200 Million

According to Finance Department Khyber Pakhtunkhwa letter NO.SO(Dev-II) FD/12-6/12-13 dated 20.06.2013, the CSR includes Income Tax which is in built in the item rates and the same rates are paid without adjustment of the non deductible Income Tax in the tax exempted areas resulting overpayment by the amount equal to deductible Income Tax.

Municipal Committee Bahrain, Swat awarded a contract 30 developmental schemes as per CSR 2009 at an estimated cost of Rs 20,000,000 and paid Rs 19,512,503 during 2014-15. Income Tax @ 6% amounting to Rs 1,200,000 was not excluded from the estimates and hence not deducted from the amount paid to the contractor.

Audit observed that payment without exclusion of income tax occurred due to violation of rule, which resulted in loss to Government.

When reported in November 2015, Management stated that detailed reply would be furnished after scrutiny of record. Reply was not cogent as record was available with the department.

Request for convening of DAC meeting was made in November, 2015, which was not convened till finalization of this report.

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

AP No. 75 (2014-15)

MUNICIPAL COMMITTEE KHWAZAKHELA

1.5 Audit Paras Municipal Committee Khwazakhela
1.5.1 Irregularity & Non compliance
1.5.1.1 Non utilization Of Allocated Amount Under 30% Share Rs 2.85 Million

According to Para 2.22 (2) B&RD Code, after receipt of administrative approval from the competent authority, the Divisional Officer/MO(I) will take up the preparation of the detailed estimate, TS and to start the work by the contractors as soon as funds are allotted.

Chief Municipal Officer Municipal Committee Khawazkhala advertised 7 developmental schemes under 30 % ADP valuing Rs 2,850,000 in 2014-15. The works were not executed by the contractors till the date of audit. The local office neither forfeited 2% earnest money nor retendered the work after lapse of one year. Detail is as under.

(Amount in Rs)		
S.NO	Name of Schemes	Amount
1	Pavement of street at langer	500,000
2	Pavement of street at Ground mohallah	400,000
3	Pavement of street at Derai baba	700,000
4	Pavement of street at Bar Kaly	500,000
5	Providing & Fixing G.I Sheet for F/B	350,000
6	Pavement of street at near Police station	100,000
7	Pavement of street at Barhi	300,000
	Total	2,850,000

Audit observed that non utilization of fund occurred due to weak financial control.

When pointed out in October 2015, the management stated that detailed reply would be submitted after consulting record. No reply was furnished till finalization of this report.

Request for convening of DAC meeting was made in 1st December, 2015, which was not convened till finalization of this report.

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

AP No# 70 (2014-15)

MUNICIPAL COMMITTEE MATTA

1.6 Audit Paras Municipal Committee Matta

1.6.1 Non production of record

1.6.1.1 Non production Of Auditable Record -Rs 4.750 Million

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

Municipal Committee Matta did not produce record of six (07) No developmental works amounting to Rs 4,750,000 of the financial year 2014-15. Details is given below:

S.No	Name of work	E/Cost (Rs)
1	PCC Road UC Bartana	1,500,000
2	PCC Road Nowkhara Sakara	850,000
3	PCC Road Kharai Cham	500,000
4	PCC/ Sanitation Scheme Baidara	200,000
5	PCC Road chupryal	1,000,000
6	PCC street Kwaray Maira	500,000
7	PCC/ Sanitation Samabat Baidara	200,000
Total		4,750,000

Non production of record occurred due to weak internal and administrative control due to which audit was unable to certify the accounts and complete audit assignment.

When reported in October 2015, Management stated that the files and relevant record have been sent to DC office for release of security. Reply was not satisfactory as record was not produced to audit till finalization of this report.

Request for convening of DAC meeting was made in October, 2015, which was not convened till finalization of this report.

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

AP # 45 (2014-15)

1.6.2 Irregularity & Non compliance

1.6.2.1 Irregular execution Of Works Without TS - Rs 7.599 million

According to Government of Khyber Pakhtunkhwa Local Government Department Notification No.ACI/LCB/ESTT:/3-5/2005 dated 22.11.2005, the Engineers (in various scales) can accord Technical Sanction for the amount mentioned below:

1. Engineers in BPS-18 upto Rs 4,000,000
2. Engineers in BPS-17 upto Rs1,500,000
3. Engineers in BPS-16 upto Rs 500,000
4. Engineers in BPS-11 upto Rs300,000

According to Para 178 of GFR Vol-I & Para-56 of CPWA Code technical sanction is a prerequisite for award of any works contracts.

Chief Municipal Officer Municipal Committee Matta executed three (03) developmental works valuing Rs 7,599,794 during the financial year 2014-15. The amount paid was held irregular as Technical Sanctions were not obtained from LCB as the works were above 1.500 million.

Audit observed that the irregularity was occurred due to weak financial control.

When pointed out in October 2015, Management stated that technical sanctions would be obtained and would be shown to audit. Reply was not tenable as the works were executed without Technical Sanction.

Request for convening of DAC meeting was made on 29th September, 2015, which was not convened till finalization of this report.

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

AP # 40 (2014-15)

1.6.2.2 Non deposit of Additional Securities -Rs 1.482 Million

According to terms and conditions, if a contractor offers below rate, then the contractor shall require to deposit additional security equal to the rate offered by him.

Chief Municipal Officer MC Matta awarded 02 No. works amounting to 1,482,054 and work orders were issued to the contactors. The contractors offered below rates and did not deposit additional securities. Detail of additional securities and below rates is as under:

S. No.	Name of work	Estimated cost	Rate offered by contractor	Security to be deposited	Security Deposited	Difference (Rs)
01	Const: of Kacha Road at Charma, Barabro Shaltaloo Dherai and Rahim Abad	4,500,000	3,105,000	1,395,000	90,000	1,305,000
02	Deran Patay PCC Sanitation Scheme U/C Chupriyal	3,500,000	2,697,946	802,054	625,000	177,054
Total						1,482,054

Non deposit of additional securities was occurred due to weak financial control.

When reported in October 2015, Management stated that detail reply would be submitted after scrutiny of record. Reply was not convincing as no reply was submitted.

Request for convening of DAC meeting was made in October, 2015, which was not convened till finalization of this report.

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

AP # 48 (2014-15)

MUNICIPAL COMMITTEE KABAL

1.7 Audit Paras Municipal Committee Kabal
1.7.1 Irregularity & Non compliance
1.7.1.1 Unauthorized deposit Of Developmental Fund in Private Bank - Rs 10.00 Million And Non Deposit Of Bank Profit Into Government Treasury - Rs 0.164 Million

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

Chief Municipal Officer Municipal Committee Kabal received Rs 10,000,000 on account of MNA Fund NA-29 for execution of developmental schemes. The amount was drawn and deposited in United Bank Limited Kanju Swat Account No.000214163564 Saving Account without approval of Finance Department.

Furthermore an amount of Rs 163,820 was realized as bank profit on the developmental fund but the amount was not deposited into Government Treasury.

Audit observed that unauthorized transfer and non deposit of bank profit was due to weak financial controls, which caused in violation of rules and government orders.

When pointed out in November 2015, Management stated that profit would be deposited in to Government Treasury and the instructions of Government would be followed in future. Reply was not tenable as Government rules was violated.

Request for convening of DAC meeting was made on 20th November, 2015, which was not convened till finalization of this report.

Audit recommends inquiry and deposit of bank profit into Government Treasury besides fixing responsibility on the person(s) at fault.

AP # 65 (2014-15)

1.7.1.2 Overpayment Due To Non Exclusion Of Income Tax – Rs1.042 Million

According to Finance Department Khyber Pakhtunkhwa Notification NO.SO(Dev-II) FD/12-6/14-5 dated 21.04.2015, the Competent Authority has been pleased to direct that all Provincial Works Departments, while preparing Cost Estimates of developmental projects which fall in the tax exempted areas such as PATA, shall frame the same on Market Rate System-2015 (MRS-2015) but with 7% less cost to defray the amount added in the rate analysis of all works/construction/supply items to meet withholding tax.

Chief Municipal Officer Municipal Committee Kabal Swat executed 30 developmental schemes with an estimated cost of Rs 14,891,500 during financial year 2014-15 and paid on Market Rate System (MRS-2015) which includes 7% income tax. Deduction of Income tax was not made in the bills while estimates were prepared on MRS-2015 which resulted in loss of Rs1,042,405 as overpayment as detailed below:

S.No	Source of fund	No of Schemes	Allocation (Rs)	Income tax @ 7% (Rs)
01	30% Share ADP 2014-15	09	4,891,500	342,405
02	MNA Fund (2013-14)	18	10,000,000	700,000
	Total	27	14,891,500	1,042,405

Non deduction of income tax was violation of Government orders, which resulted in loss to the Government.

When pointed out in November 2015, Management stated that reply would be submitted after consulting record. No reply was furnished till finalization of the report.

Request for convening of DAC meeting was made on 20th November, 2015, which was not convened till finalization of this report.

Audit recommends recovery of Income Tax and action against the persons at fault under intimation to audit.

AP # 66 (2014-15)

DISTRICT COUNCIL SWAT

1.8 Audit Paras District Council Swat

1.8.1 Irregularity & Non compliance

**1.8.1.1 Unauthorized Execution Of Works Beyond The Technical Capacity
- Rs 97.20 Million**

According to Government of Khyber Pakhtunkhwa Local Government Department Notification No.ACI/LCB/ESTT:/3-5/2005 dated 22.11.2005, the Engineers (in various scales) can accord Technical Sanction for the amount mentioned below:

5. Engineers in BPS-18 up to Rs 4,000,000
6. Engineers in BPS-17 up to Rs 1,500,000
7. Engineers in BPS-16 up to Rs 500,000
8. Engineers in BPS-11 up to Rs 300,000

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

Chief Coordination Officer, District Council Swat awarded the following contracts with an estimated cost of Rs 97,200,000 to various contractors and incurred expenditure of Rs 22,997,699 till June 2015 without obtaining technical sanctions from the competent authority. Details at Annexure-4

Execution of developmental works without Technical Sanction was the non compliance of rules which was unauthorized.

When pointed out in October 2015, management stated that Technical Sanctions are in progress and would be shown to audit. Reply was not tenable as no documentary evidence was produced.

Request for convening of DAC meeting was made on 11th November, 2015, which was not convened till finalization of this report.

Audit recommends fixing responsibility on the persons at fault besides obtaining technical sanctions of the competent authority.

AP # 51 (2014-15)

1.8.1.2 Non recovery Of 1% Penalty From Lease Contractors Rs 4.104 Million

According to Para (4)(b) of the Model Terms & Conditions for the contracts notified by the Government of Khyber Pakhtunkhwa Local Government Department vide No. AO-II/LCB/6-11/2013 dated 20/12/2013, 1% penalty per day for late deposit of monthly installment should be recovered.

Chief Coordination Officer District Council Swat did not recover 1% penalty of Rs 4,104,280 from the lease contractor which needs recovery as detailed below:

Name of contract	Amount of installment	Due date	Paid date	Diff (Days)	1% Penalty (Rs)
2% Property Tax	7,382,000	31.7.14	19.8.14	19	1,402,580
	7,382,000	31.8.14	9.9.14	09	664,380
	7,382,000	30.9.14	9.10.14	09	664,380
	7,382,000	31.10.14	7.11.14	07	516,740
	7,382,000	31.12.14	6.1.15	06	442,920
	5,904,000	31.3.15	7.4.15	07	413,280
Total					4,104,280

Audit observed that non recovery of penalty was occurred due to weak management controls, which resulted in loss to council.

When reported in October 2015, Management stated that detail reply would be submitted after scrutiny of record. Reply was not convincing as no reply was submitted.

Request for convening of DAC meeting was made in October, 2015, which was not convened till finalization of this report.

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

AP # 58 (2014-15)

1.8.1.3 Non Imposition Of Penalty On Late Completion Of Developmental Schemes -Rs 2.616 Million

According to Clause 7 of the work order and Clause 2 of the Contract Agreement, penalty of 1% per day and up to maximum of 10% of the tender cost shall be imposed for delay in completion of work.

Chief Coordination Officer Swat did not impose 10% penalty of Rs 2,615,600 on various contractors for late completion of developmental schemes during 2014-15 as per detail attached. The schemes were not completed in the stipulated period which needs investigation. Details at Annexure-5

Audit observed that non recovery of penalty occurred due to lack of interest and weak management, which caused in blockage of Government money and loss to public of the area.

When pointed out in October 2015, the management stated that compliance will be made according to works rules.

Request for convening of DAC meeting was made on 11th November, 2015, which was not convened till finalization of this report.

Audit suggests investigation besides recovery of penalty and action against the person(s) at fault.

AP # 55 (2014-15)

1.8.2 Internal Control Weaknesses

1.8.2.1 Overpayment Due To Non Exclusion Of Income Tax– Rs 19.085 Million

According to Finance Department Khyber Pakhtunkhwa Notification NO.SO(Dev-II) FD/12-6/14-5 dated 21.04.2015, the Competent Authority has been pleased to direct that all Provincial Works Departments, while preparing Cost Estimates of developmental projects which fall in the tax exempted areas such as PATA, shall frame the same on Market Rate System-2015 (MRS-2015) but with 7% less cost to defray the amount added in the rate analysis of all works/construction/supply items to meet withholding tax.

Chief Coordination Officer District Council Swat executed 163 developmental schemes with an estimated cost of Rs 272,647,200 during financial year 2014-15 and paid on Market Rate System (MRS-2015s) which includes 7% income tax. Reduction of Income tax was not made in the bills while estimates were prepared on MRS-2015 which resulted in overpayment of Rs19,085,304 as detailed below:

S.No	Source of fund	No of Schemes	Allocation (Rs)	Income tax @ 7% (Rs)
01	Local Fund ADP 2013-14 Second Phase	62	39,647,000	2,775,290
02	DDF 2013-14	28	55,863,200	3,910,424
03	DDF 2014-15	18	75,337,000	5,273,590
04	Local Fund ADP 2014-15	55	101,800,000	7,126,000
	Total	163	272,647,200	19,085,304

Non deduction of income tax was violation of Government orders, which resulted in loss to the Government.

When pointed out in October 2015, Management stated that the Income tax amount @ 7% had been deducted at the time of preparation of cost estimates on MRS-2015. Quantities of the said PC-I were put for open and transparent e-tendering system. Hence no, overpayment had been made to contractors. Reply was not satisfactory as the PC-I/Cost estimates were prepared on 7% above the allocated cost and the same was deducted which has no effect on the approved cost and full MRS rates were paid which resulted in overpayment.

Request for convening of DAC meeting was made on 11th November, 2015, which was not convened till finalization of this report.

Audit recommends recovery and action against the persons at fault under intimation to audit.

AP # 51 (2014-15)

ANNEXURES

Annexure-1

Detail of MFDAC Paras

(Rs in million)

S.No	AP No	Caption	Amount
		MC Mingora	
1	03	Loss to Government due to non deposit of 3% RTA share of General Bus Stands Rs 2.175	2.175
3	08	Non-Reconciliation of expenditure Rs 2.747 million	2.747
4	09	Execution of schemes without technical sanction Rs 19.652 million	19.652
5	10	Unauthorized execution of works beyond the technical capacity - Rs 3.6 million and non imposition of penalty amounting to Rs 360,000	3.600
6	11	Non recovery of Income Tax from contractor Rs 400,000	0.400
7	13	Unauthorized retention of funds in Designated bank account – Rs7.044 million	7.044
8	14	Illegal retention of government money in private bank- Rs 9.008 million	9.008
9	15	Irregular & unjustified expenditure on repair of transport – Rs 3.255 million	3.255
10	17	Loss to Government due to non award of contract of Canteen AirPort Road –Rs 112,000	0.112
11	18	Loss to government due to non-deposit of Stamp Duty-Rs 93,050	0.093
12	19	Non utilization of fund on account of purchase of land for dumping ground Rs 60.00 million	60.00
14	21	Loss to the authority due to non award of contract in time Rs 2.414 million	2.414
15	22	Variation between Closing Balances of TMA Commercial Plaza Rs 330,431	0.330
16	23	Irregular expenditure without Contract Agreement – Rs 37.163 million	37.163
18	25	Non-deduction of Income Tax from advertisement charges– Rs 64,538	0.064

19	26	Unauthorized award of work amounting to Rs. 20.00 million and Non recovery of additional Security from the contractor Rs. 4.433 million	4.433
MC Barikot			
20	29	Blockage of Government money. Rs 1.200 million	1.200
21	30	Irregular award of works. Rs 35.000 million	35.00
22	31	Irregular payment on rent of office building. Rs 75,000	0.075
23	32	Non imposition of penalty on late completion of works. Rs 120,000	0.120
25	34	Non deduction of professional tax. Rs 150,000	0.150
26	35	Non deduction of income tax from developmental work. Rs 147,360	0.147
27	36	Less deposit of 2% property tax. Rs.113,000	0.113
28	37	Unauthorized expenditure on construction of Fire Brigade Shed. Rs 368,000	0.368
MC Matta			
31	39	Irregular award of works without agreements. Rs 13.589 million	13.589
32	41	Irregular execution of work without TS. Rs 2.476 million	2.476
33	42	Non imposition of penalty on late completion of works. Rs 500,000	0.500
34	43	Irregular change of nomenclature of work. Rs 1.500 million	1.500
35	44	Non deduction of professional tax. Rs 203,600	0.203
37	46	Non recovery of 1% penalty on late deposit of installment. Rs 475,079	0.475
38	47	Non deposit of Cost of tender forms. Rs 514,500	0.514
39	48	Non deposit of additional securities. Rs 1.482 million (Already included in report)	1.482
40	49	Irregular payment on account of honoraria. Rs 90,180	0.090
41	50	Execution of work below specification. Rs 170,000	0.170
MC Khawaza khela			
42	73	Doubtful expenditure on account of POL for fire Brigade Rs 90,646	0.090
43	71	Non-imposition of 1 % penalty on account of late deposits of installments by contractors Rs 37,312	0.037
44	72	Unauthorized payment on account of audit fee Rs100,000	0.100
MC Bahrain			
45	74	Irregular cash payments in violation of rules –Rs 3.275 million	3.275
46	76	Loss due to non deduction of income tax– Rs 3.010 million	3.010
47	77	Non production of auditable record - Rs 4.00 million	4.00
48	78	Non deduction of professional tax – Rs 463,200	0.463
49	79	Loss to government due to non-deposit of Stamp Duty-Rs 234,500	0.234

50	80	Non deposit of 0.5% contingency-Rs 150,000	0.150
51	81	Blocked of Government money RS 9.00 million	9.00
52	82	Irregular Payment to the contractor Rs 19.414 million	19.414
53	83	Excess expenditure than TS Rs 105,426 and non imposition of penalty amounting to Rs 20,000	0.105
54	84	Unauthorized advance payment –Rs 431,920 and non imposition of penalty Rs 80,000	0.511
55	85	Execution of schemes without technical sanction Rs 4.764 million	4.764
MC Kabal			
56	67	Excess expenditure on pay and allowances – Rs 1.802 million	1.802
57	68	Non deduction of professional tax– Rs123,200	0.123
District Council Swat			
58	54	Non-deposit of stamp duty-Rs 333,950	0.333
60	56	Non deduction of professional tax– Rs 0.848 million	0.848
61	57	Unjustified payment due to deviation from the approved BOQ/PC-I - Rs 3.630 million	3.630
63	59	Loss due to cancellation of lease contract Rs 260,000	0.260
64	60	Understatement of bank profit –Rs 2.268 million	2.268
65	61	Variation in closing balance of local fund– Rs 29.325 million	29.325
66	62	Irregular and unverified expenditure on POL Rs 464,575	0.464
67	63	Unauthorized payment of budget incentive Rs 163,600	0.163
67	64	Non conducting of physical verification of store/stocks	0

Annexure-2
(AP# 20)

Statement showing detail of penalty

General Bus Stand Mingora 2014-15					
S.No.	Due date	Paid Date	Diff (Days)	Amount of installment	Penalty 1% /day
1	31.7.2014	6.8.14	6	8,227,300	493,638
2	30.09.2013	15.10.2014	15	3,227,300	484,095
3	30.09.2013	23.10.2014	23	5,000,000	1,150,000
4	10.14	17.11.14	17	5,000,000	850,000
5	10.14	26.11.14	26	3,227,300	839,098
	11.14	16.12.2014	16	3,227,300	516,368
	11.14	29.12.14	29	5,000,000	1,450,000
	12.14	16.1.15	16	5,000,000	800,000
	12.14	22.1.2015	22	3,227,300	710,006
	Jan-15	13.2.15	13	8,227,300	1,069,549
	15-Feb	7.4.2015	37	8,227,300	3,044,101
	Mar-15	11.5.2015	11	8,227,300	905,003
	Total				12,311,858
Water Charges current & arrear					
1	31.1.2015	24.2.2015	24	2,006,000	481,440
2	2*2015	18.3.2015	18	2,000,000	360,000
	Mar-15	14.4.2015	14	1,004,620	140,647
	Mar-15	27.4.2015	27	1,000,000	270,000
	Apr-15	14.5.2015	14	1,015,600	142,184
					1,394,271
Grand Total					13,706,129

Annexure-3
(AP# 16)

Detail of Non Deduction of Income Tax

S.No	Name of Scheme	E/Cost(Rs)	Expenditure(Rs)	Income Tax (Rs)
1	B/topping of Road Mula Baba	3,600,000	3,255,338	195,320
2	Pavement of street UC Rahim Abad	2,000,000	2,000,000	120,000
3	Replacement of Rusted Pipe at Naway Kalay	1,565,000	1,417,894	85,074
4	Pavement of street at Baligram, Barkalay etc	2,000,000	2,000,000	120,000
5	pavement of street UC Malakanan Landikass	2,000,000	2,000,000	120,000
6	Pavement of street at sharif Abad Gul kada 1 etc	1,500,000	1,439,439	86,366
7	Drinking WSS at Banar, Ingaro Dehri etc	2,000,000	2,000,000	120,000
8	Pavement of street at Rang Mohala Gumbat Mira	2,000,000	2,000,000	120,000
9	Cosntruction of Chamber Banr Tubewell	300,000	276,000	16,560
10	Cost of Drain & Culvert at Gulshan Chowk	1,000,000	1,000,000	60,000
11	Const of Drain Culvert at Nishat Chowk	1,000,000	1,000,000	60,000
12	Const of Retaining wall at Mingora khawar	712,000	712,000	42,720
13	Cosntruction of Chamber Kanha baba Tubewell	320,000	240,000	14,400
14	Cosntruction of Chamber at Rahimabad	320,000	250,971	15,058
15	Const of Foot bridge & R/wall	763,537	763,537	45,812
16	Construction of MC Plaza Swat	80,030,000	76,576,901	4,818,000
Total		101,110,537	96,932,080	6,039,310

Annexure-4
(AP# 51)

Detail of schemes executed without Technical Sanctions

(Rs in million)

S.No	Source of fund	Name of scheme	Allocation	Expenditure
01	DDF -2013-14	Improvement of road at Shaltalo Dehrai	5.00	2.050
		Improvement of road at Tang Banr	5.00	3.524
		Construction of Janazgah at Babu, Langar, Chamtalai	5.70	3.574
		Beautification of District Headquarter including College Colony	6.00	0
02	DDF- 2014-15	Improvement of road from Gumkot to Nimogram	8.00	0
		Improvement of road from Rasha Gata to Topsin Sabonay	8.00	0
		Improvement of road from Saland to Rang Patay	8.00	0
		Improvement of road at Bashigram	8.00	3.489
		Improvement of road at Lakhar	8.00	2.756
		Improvement of road at Kowaray & Rayan Pattay	8.00	0
03	DLF- 2014-15	Improvement of road at Chail Kokarai	7.00	3.513
		Cosntruction of Bridge & Protection Wall at Chamtalai	7.00	0
		Construction of Bridge Abutments at Kargalo	5.00	0
Total			97.20	22.998

Annexure-5
(AP# 55)

Detail of 10% Penalty for late completion of Developmental Schemes during 2014-15

S.No	Scheme	W/order date	Required date of completion	Actual date of completion	Delay in days	Cost (Rs)	Penalty (Rs)
1	Improvement of Khwaja Abad Play Ground UC Gulkada	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	1,200,000	120,000
2	Improvement of Road Gulkada	15.1.2015	30.6.2015	30.7.2015	30 days	700,000	70,000
3	Improvement of Road at LRBT Odigram	15.1.2015	30.6.2015	7.8.2015	38 days	2,500,000	250,000
4	Improvement of road at Balat Shawar	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	1,600,000	160,000
5	Improvement of road at Shaltaloo Matta	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	5,000,000	500,000
6	Pavement of Streets New Colony Matta	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	1,500,000	150,000
7	Improvement of Grassy Ground	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	1,000,000	100,000
8	Improvement of Road at Tang Banr UC Pir Kaley	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	5,000,000	500,000
9	Improvement of road at Al-Farooq School Odigram	15.1.2015	30.6.2015	In progress	Still incomplete i.e. 30.10.2015	2,500,000	250,000
10	Improvement of road at Shahoo Kalam	30.5.2014	30.6.2014	In progress	Still incomplete i.e. 30.10.2015	5,156,000	515,600
Total						26,156,000	2,615,600