

AUDIT REPORT

AUDIT YEAR 2022 - 23

**ON THE ACCOUNTS OF
LOCAL GOVERNMENTS
DISTRICT SOUTH WAZIRISTAN**



AUDITOR GENERAL OF PAKISTAN

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

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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



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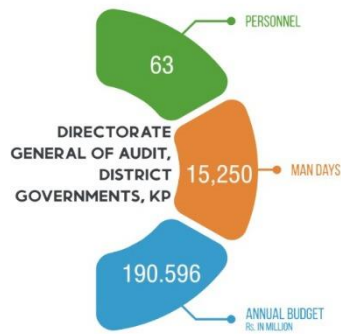
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ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval	KP	Khyber Pakhtunkhwa
AD	Assistant Director	KPPRA	Khyber Pakhtunkhwa Public Procurement Regulatory Authority
ADP	Annual Development Program	LGE & RDD	Local Government Election and Rural Development Department
AG	Accountant General	M&R	Maintenance and Repair
AIR	Audit and Inspection Report	lab	Laboratory
AP	Advance Para	MCC	Medicines Co-ordination Cell
APPM	Accounting Policies and Procedures Manual	MFDAC	Memorandum for Departmental Accounts Committee
BHUs	Basic Health Units	NACs	Neighborhood Accounts Committee
CCTV	Close Circuit Tele Vision	NC	Neighborhood Council
CDs	Civil Dispensaries	NER	Net Enrolment Rate
CMD	Chief Minister Directives	NSI	Non -Schedule Item
CTR	Central Treasury Rules	OPD	Out Patient Department
DAC	Departmental Accounts Committee	PAC	Public Accounts Committee
DAO	District Accounts Office	PAO	Principal Accounting Officer
DDO	Drawing and Disbursing Officer	PTC	Parent Teacher Council
DEO	District Education Officer	RCC	Re-in forced Cement Concrete
DFC	Divisional Forest Corporation	RHCs	Rural Health Centers
DG	Director General	SOPs	Standard Operating Procedures
DGHS	Director General Health Services	TAC	Tehsil Accounts Committee
DHO	District Health Officer	TH Q	Tehsil Headquarter
E&SED	Elementary & Secondary Education Department	TMA	Tehsil Municipal Administration
EPI	Expanded Program on Immunization	TS	Technical Sanction
FP	Family Planning	TT	Tetanus Toxoid
GER	General Enrolment Rate	VAC	Village Accounts Committee
GGPS	Government Girls Primary School	VC	Village Council
IHP	Integrated Health Project	WSS	Water Supply and Sanitation
IMU	Independent Monitoring Unit	XEN	Executive Engineer
INTOSAI	International Organization of Supreme Audit Institutions	ZAC	Zilla Accounts Committee

SUMMARY



The Directorate General of Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments in 35 Districts of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) D.I.Khan on behalf of the DG Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Government of 03 Districts namely; D.I.Khan, Tank and South Waziristan.

This Directorate General has a human resource of 63 officers and staff with a total of 15,250 man-days. The annual budget amounting to Rs 190,596 million was allocated to the office during FY 2022-23. The office is mandated to conduct regularity audit, financial attest audit, performance audit and special studies. Local Governments of District D.I.Khan consist of three tiers, which perform their operations under Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. Financial provisions of the Act describe the Local Consolidated Fund and Public Account for which annual Budget Statement is approved by the respective councils in the form of budgetary grants.

The local Government has following three Tiers:

- i. District Government:
- ii. Tehsil Municipal Administrations:
- iii. Village and Neighborhood Councils:

The District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is officer in charge of 11 devolved departments including AD Local Government Election & Rural Development Department (AD LGE & RDD). The Tehsil Municipal Administrations have one PAO i.e. Tehsil Municipal Officer for each administration. There are six Tehsil administrations in district D.I.Khan. The Village and neighborhood Councils have AD LGE & RDD as their Principal Accounting Officer. There are 149 VCs/NCs in district South Waziristan.



PREFACE

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

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

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

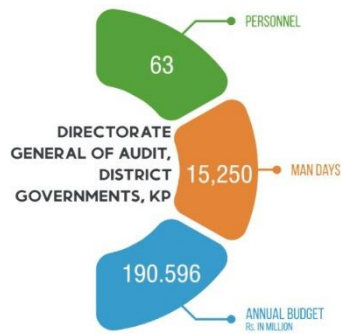
Some of the observations included in this report were finalized in the light of written replies of the departments whereas in most cases the departments did not submit written replies till the finalization of this report. DAC meetings were not convened despite reminders.

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

Islamabad
Dated:

(Muhammad Ajmal Gondal)
Auditor General of Pakistan

SUMMARY



The Directorate General of Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments in 35 Districts of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) D.I.Khan on behalf of the DG Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Government of 03 Districts namely; D.I.Khan, Tank and South Waziristan.

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A. SCOPE OF AUDIT

This office is mandated to conduct audit of 11 formations working under 05 PAOs. Total expenditure and receipts of these formations were Rs. 3,507.78 million and Rs.24.703 million receipts, respectively for the financial year 2021 - 22.

Audit coverage relating to expenditure for the current audit year comprises 07 formations of 5 PAOs having a total expenditure of Rs. 1918.202 million for the financial year 2021 -22. In terms of percentage, the audit coverage for expenditure is 54.68 % of auditable expenditure.

Audit coverage relating to receipts for the current audit year comprises formations of 03 PAOs (3 TMAs) having Rs.24.703 receipts for the financial year 2021-22. In terms of percentage, the audit coverage for receipts is 100.00 % of auditable receipts.

This audit report also include audit observations resulting from the audit of Expenditure of Rs. 31.591 million for the financial year 2020 -21 pertaining to 03 formations of 01 PAOs.

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. 28.686 million was pointed out in this report. Recovery amounting to Rs. 0.353 million was affected till the finalization of the 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 inspection, analytical procedures, observations and computation.

D. AUDIT IMPACT

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

i. A recovery of Rs.0.353 million was affected:

ii. Unauthorized payments through DDOs were reduced.

iii. Some offices converted their bank accounts from current to profit and loss sharing (PLS) mode and

iv. Bank profit deposited into Government treasury.

D. COMMENTS ON INTERNAL CONTROL:

Internal controls are designed to address risk and to provide reasonable assurance that in 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 Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019.
- No activity i.e. risks identification, risk evaluation and appropriate responses were carried out in the local government.
- Accounts were not submitted by TMAs concerned to the DCA. No review was carried out of the performances.
- TMAs did not follow the accounting procedure given in the APPM.
- No system of monitoring was found to track the progress of District Government towards its objectives. No internal Auditor was appointed. Annual Review of internal control was also not carried out.



B.Key Audit Findings of the Report .

01 Non compilation/Consolidation of Accounts of Local Governments of receipts and expenditures Rs.28.390 million.

02 Unauthorized cheques payments to DDOs instead of vendors - Rs 26.809 million.

03 Unverified payment on account of arrears of pay & allowances- Rs.9.767 million.

04 Irregularities related issues were noticed in 22 cases amounting to Rs. 310.451 million.

05 Value for money & Service delivery issues were noticed in 3 cases amounting to Rs. 10.472 million.

06 Others, including cases of accidents, negligence etc. were noticed in 10 cases amounting to Rs. 781.816 million.

Recommendation:

- TMA accounts needs to be consolidated at DAO level.
- Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- Matter needs investigation for unverified payment on account of arrears of pay & allowances.
- Departments need to strengthen internal controls I.E. Misappropriation of funds, HR/employees related irregularities, Procurement, financial, managerial, issues in management of account with commercial bank, value for money 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:
- Recovery of over payment of allowances needs to be made by the departments.
- The DAC meetings should be held more frequently





CHAPTER-01

PUBLIC FINANCIAL MANAGEMENT



CHAPTER-1

Public Financial Management

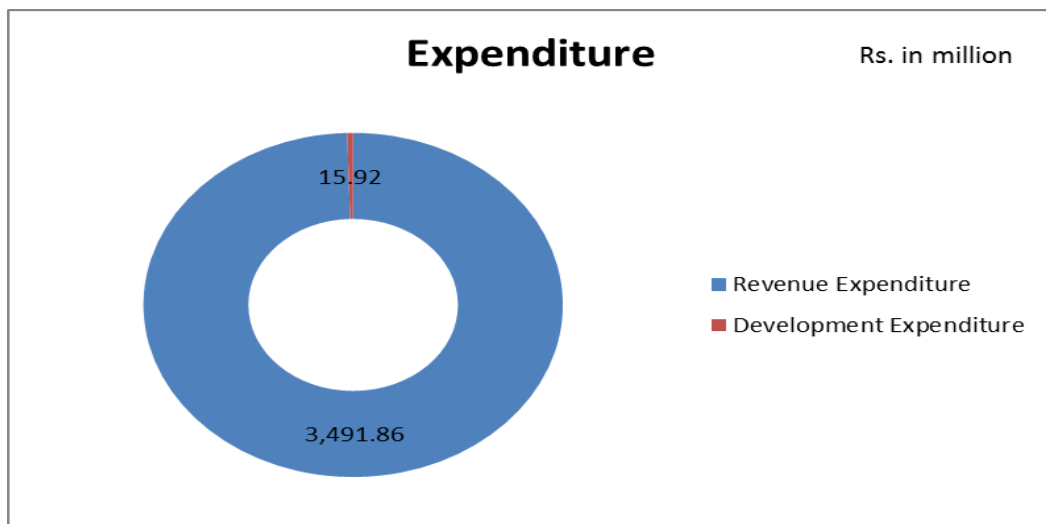
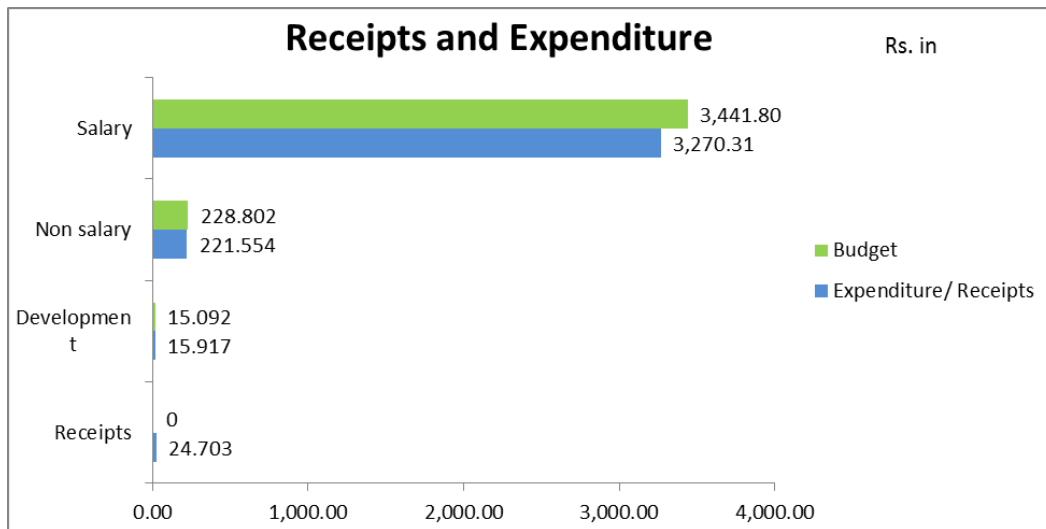
1.1 Sectoral Analysis

In compliance to the Notification of Local Government, Election and Rural Development Department issued on 4th September, 2019, councils of all tiers were stood dissolved on the culmination of their respective tenures on 29th August, 2019. The same notification authorized Deputy Commissioners, Tehsil/Town Municipal Officers and Assistant Directors LG&RDD to perform functions of respective Nazimeen as envisaged under Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, till the installation of newly elected local Governments. In the light of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, District South Waziristan is headed by Deputy Commissioner who is principal accounting officer of the budget grant allocated to 08 offices devolved at district level. Similarly, Tehsil Municipal Administration is headed by Tehsil Municipal Officer who is its principal accounting officer. Moreover, Assistant Director LGE&RDD is the principal accounting officer of the village/Neighborhood Councils.

In District South Waziristan, funds amounting to Rs 3,685.69 million were allocated to 46 formations working under 05 PAO. Out of which, expenditure of 3,507.78 million was made resulting into saving of Rs 177.91 million. Audit coverage relating to expenditure for the current audit year comprises 07 formations of 05 PAO having a total expenditure of Rs 1,918.202 million for the financial year 2021-22. In terms of percentage, the audit coverage for expenditure is 54.68 % of auditable expenditure.

(Rs. in million)

2021-22	Budget	Actual Expenditure / Receipts	Excess/ (Saving)	Expenditure audited	%age
Salary	3,441.80	3,270.31	-171.49	1918.202	54.68
Non-salary	228.802	221.554	-7.25		
Development	15.092	15.917	0.83		
Total	3,685.69	3,507.78	-177.91	1918.202	54.68
Receipts	0	24.703	24.70	24.703	100.00%



According to Section 36(3) of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, the District Accounts Officer was required to consolidate accounts of Local Government on quarterly and annual basis. However, District Accounts Officer, South Waziristan did not reflect Rs 15.828 million into the consolidated financial statement of Local Government, South Waziristan, which resulted into qualified opinion on the accounts of Local Government South Waziristan.

District Government, South Waziristan was found lagging behind in many areas envisioned as integral component of the Local Government in the Khyber Pakhtunkhwa Local Government (amendment) Act, 2019. The District Government could not establish & maintain Public Fund account as required under section 30 of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. Similarly, it also failed to prepare, present and approve the budget estimates of receipts from district council/ administrator for District Government, South Waziristan as required under section 34 of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019. The receipts collected as taxes/fees/rents under section 42 of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 were also not credited to the District Fund. Most importantly, the Finance Department, Khyber Pakhtunkhwa could not provide District Account Office, South 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 disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, as internal auditors were not posted in the District and Tehsil Councils. In addition, Asset management by District Government was yet another area it could not address as required under section 38 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019.

The Local government provided services in the following sectors.

Education

The education sector is one of the major sectors devolved at district level. Statistics show that there are 251 primaries, 35 middle, 06 higher secondary and 31 high schools in District South Waziristan. The estimated Teacher Student Ratio is 1:57 at primary, 1:68 at middle, 1:74 at secondary and 1:65 at the level of higher secondary schools. District South Waziristan literacy rate is 34.42% the Gross Enrollment Rate (GER) is 52% at the primary level. On budgetary front, District Education office, South Waziristan succeeded in spending 89.40 % of non-salary budgets.

District Education Offices in South Waziristan enrolled 30,421 boys and 14,564 girl students were enrolled in Government schools. Annual average of teacher's attendance rate and student attendance rate as per independent

Monitoring Unit (IMU) data were approximately 83% & 88 % respectively. Furthermore, 67.7% schools in district South Waziristan were provided with all basic facilities like classrooms, water supply, group latrine, boundary walls and electrification. However, administrative visits of DEO, DDEO and SDEO were only 64.3% against the assigned targets of 45%.

Health

Health is another important sector of District South Waziristan, with a total of 64 health facilities spread across the district, among which 08 are urban while the rest are rural based. Their further break-up is 03 THQ hospitals, 1 civil hospital, 26 BHUs, 02 CHCs, 29 CDs and 05 MCHs, with the total catchment area population of approximately 254,356 as per survey carried out by Health department in 2016-17.

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

On mother and child health care front, 1,352 babies were born with 452 and 2,546 in primary and secondary health facilities respectively. Out of them, no infant maternal deaths were recorded. Lab investigations and diagnostic facilities were also fully utilized as 7,541 lab tests, 589 x-rays, 984 ultrasounds and 458 ECGs were done in primary and secondary health facilities in district South Waziristan. Figures of immunization from EPI register were both very impressive as 4,875 pregnant women received TT-2 vaccines, 1,952 kids under 12 months received full immunization, 5,436 children under 12 months received 1st measles vaccines and 4548 kids under 12 received 3rd pentavalent vaccine. 1,521 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

Social welfare office does not exist in District South Waziristan.

Municipal Services

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

1.2 AUDIT PARAS (Financial Attest Audit)

1.2.1 Non compilation & consolidation of accounts of Local Governments- Rs.27.390 million

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

During the certification audit of accounts of the District Comptroller of Accounts, Tank for the financial year 2021-22 audit observed incompleteness and incorrect quarterly and annual accounts of the District, the Government and local resources, as required under section 36 (3) of Khyber Pakhtunkhwa Local Government (Amendment) Act 2019. Receipts and expenditure of Rs14,033,533. million and expenditure of Rs. 27,390,503 million respectively of TMAs were not reflected in the accounts. Same is the case with the receipts and expenditure of the VCs/NCs, the figures of which were not available at the time of audit.

Due to non-consolidation and compilation of accounts of TMAs and VCs/NCs, the Financial Statements of Local Governments remained incomplete which led to qualification of audit opinion. The similar observation was also pointed out during the financial year 2020-21 amounting to Rs. 15.818 million respectively. However no corrective measures were taken.

When reported in September 2022, the management replied that the matter is being referred to the Accountant General, Khyber-Pakhtunkhwa, Peshawar for proper incorporation in the books of accounts as this office have not received any guidelines for consolidation of accounts of Local Government.

In CHM, it was decided that the figures of expenditure need to be compiled as per format given by the Auditor General of Pakistan. However, no progress was reported by the DAO, South Waziristan till finalization of this report.

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

1.2.2 Unauthorized cheques payments to DDOs instead of vendors – Rs.26.809 million

According to Para 2.3.2.8 of the directions of APPM, the accounting system shall improve the control and minimize the risk of corruption and fraud, the objective shall be addressed by issue of payment through direct bank transfer and cheques (to employee/vendor concerned) instead of payment through DDOs. Furthermore, 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.

District Accounts Officer South Waziristan, paid Rs 26,809,054 to various DDOs instead of issuance crossed cheques to Vendor/Payees Accounts. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs 99.865 and Rs 54.509 respectively. However, no corrective measures were taken.

The lapse occurred due to weak internal controls, which resulted in unauthorized issuance of cheques to DDOs instead of vendors.

As per direction of DAC meeting held in September 22 para stand till corrective measures.

Matter should be investigated and regularized by ensuring to payment to supplier/vendors instead of DDOs as per APPM.

1.2.3 Unverified payments on account of arrears of pay and allowances- Rs9.767million

According to CTR Para 296 of 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.

While analyzing the HR-Data in the office of District Accounts Officer, South Waziristan it was revealed that a sum of Rs. 9,767,687 was paid as arrears of pay and allowances to employees of different departments during the financial

year 2021-22 whereas relevant documents were not produced and thus veracity of payment could not be verified.

The lapse occurred due to weak internal controls, which resulted into unverified expenditure. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs 56.076 and Rs 161.603 respectively. However, no corrective measures were taken.

When reported in September 2022, the management stated that the amount of arrears was paid after the pre-audit and adopted proper procedure.

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

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



CHAPTER-02

DISTRICT GOVERNMENT



CHAPTER 2

District Government

2.1 Introduction

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

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

- i. 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.
- ii. 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.
- iii. The district government shall be responsible to the people and the Government for improvement of governance and delivery of services within the ambit of authority devolved to it.

Audit Profile of the District Government South Waziristan

(Rs in million)

S. No	Description	Total No	Audited	Expenditure audited FY 2021-22	Revenue /Receipts audited FY 2021-22
1	Formations	07	03	1834.42	0.713

B) Comments on Budget and Accounts (Variance Analysis)

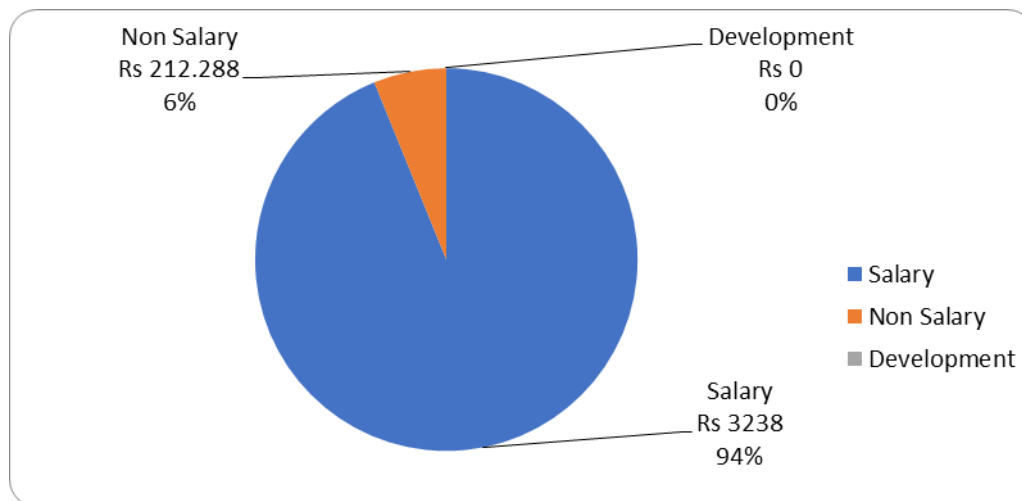
(Rs in million)

District Government South Waziristan				
2021-22	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	3421.894	3238.794	-183.10	-5.350
Non- Salary	219.52	212.288	-7.23	-3.294
Developmental	0	0	0.00	0
Total	3641.414	3451.082	-190.33	5.226
Receipts				

The savings of Rs. 190.33 million indicates the inefficiency in the capacity of Local Government Departments to utilize the amount allocated.

EXPENDITURE 2021-22

(Rs in million)



The savings of Rs. 451.80 million indicate weakness in the capacity of District Government Departments to utilize the allocated budget. Furthermore the salary component was 94% of total expenditure whereas Non-salary component and Development expenditure was only 6% and 0% respectively of total expenditure. Less developmental expenditure by the district Government was due to insufficient release and lack of interest of the provincial government towards development at district level as a result, less development activity, job

opportunities were not edictally provided to the larger population. Business operation was not increased and ultimately standard of living of the people was not improved and the role of district Government could not be seen in the development function as required under Rules of Business 2015.

2.2 Classified Summary of Audit observations

Audit observations amounting to Rs.1,058.003 million were raised as a result of this audit. This amount also included recoverable of Rs. 26.914 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Classified summary of audit observations

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	
A	HR/Employees related irregularities	40.863
B	Procurement related irregularities	60.142
C	Management of Accounts with commercial bank	183.236
2	Value for money and service delivery issues	0
3	Others including cases of negligence	773.762
	Total	1058.003

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

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

Sr. No.	Audit Year	ZAC meeting
1.	2020-21	Not convened
2.	2021-22	Not convened

2.4 AUDIT PARAS

2.4.1 Irregularities

A. HR/Employees related irregularities

2.4.1.1 Irregular payment on account of staff salaries –Rs16.497 million

According to Para 4.6.3.1 of the direction of APPM, the normal method of payment of monthly salaries of all Government employees shall be by credit transfer directly to a bank account of the employee. Furthermore, according to Para-157 of CTR Vol-I read with Finance Department and Accountant General Khyber Pakhtunkhwa letters dated 1-4-2019 & 25-3-2019, payment to Vendor/Supplier must be made through Crossed Cheques i.e. “Payee Account Only”

District Health Officer, South Waziristan, incurred expenditure of Rs.16,496,800 on account of staff salaries under project “Opening of 18 CHCs in South Waziristan” during Financial Year 2021-22. The detail is as under:

Amount in Rs		
S.No	Cheque No. & Date	Amount
1.	No. 2182076 dated: 06.04.2022	5,584,320
2.	No. 2182252 dated: 25.04.2022	4,188,240
3.	No. 2182415 dated: 17.05.2022	3,931,200
4.	No. 2182414 dated: 17.05.2022	2,793,040
Total		16,496,800

The amount was drawn through DDO instead of direct transfer to employee bank account. Moreover, actual payee receipts of payments and attendance of employees was not available on record.

Payment through DDO occurred due to non-compliance of the direction of the APPM, which resulted in irregular payment.

When pointed out in February 2022, management stated that all codal formalities have been fulfilled before the incurrence of expenditure. However relevant record will be produced to audit for verification in due course of time.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of record within 15 days, but no progress was shown till the finalization of this report.

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

AIR Para No. 02 (2021-22)

2.4.1.2 Wasteful expenditure on schools having no enrolment Rs 8.904 million

According to GFR 10 Volume – I read with rule 74 (1) (a) of Khyber Pakhtunkhwa District or City District Government Budget Rules 2016, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.

District Education Officer (Male/Female) South Waziristan, paid Rs 8.904 million on account of salaries to staff during FY 2021-22. These schools have no student enrollment as per details given Annexure-2.

Audit observed following irregularities: -

- i. Payment of salaries and other expenditure held wasteful in the absence of students.
- ii. ASDEO circle, SDEOs and DEO did not take any action against the zero-enrolment staff.

Payment of salaries against zero enrollment occurred due to non-compliance of rules, which resulted in wasteful expenditures.

When pointed out in August 2022, management stated that efforts will be made to enroll students.

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

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

AIR Para No.14 (2021-22)

2.4.1.3 Irregular payments of salaries through DDO instead of direct credit to employee's -Rs 6.822 million

According to Para 4.6.3.1 of the direction of APPM, the normal method of payment of monthly salaries of all Government employees shall be by credit transfer directly to a bank account of the employee.

Deputy Commissioner South Waziristan paid Rs.6,822,456 on account of Pay & Allowances during FY 2021-22. Payment was made through DDO in cash instead of direct credit to bank accounts of the respective employees. Moreover, actual payee receipts were also not available on record to verify the payments.

Payment through DDO occurred due to non-compliance of the direction of the APPM, which resulted into irregular payments of salaries. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs. 5,797,920 and 6,592,000 respectively. However, no corrective measures were taken, resultantly total irregular payments of salaries of Rs.19,212,376.

When pointed out in August 2022, management stated that the employees have no data in SAP system, as source form is under process. However, all actual payee receipts and record is available on record and can be verified.

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

Audit recommends direct credit of salary through bank accounts of the employees, produce record of manual payments of salaries for audit verification and action against the person(s) at fault.

AIR Para No.06 (2021-22)

2.4.1.4 Irregular cash payment of salaries of staff – Rs. 5.942 million

As per 4.6.3.1 of APPM, the normal method of payment of monthly salaries of all Government employees shall be by credit transfer directly to a bank account of the employee.

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

District Education Officer South Waziristan, drew Rs.5,941,661 from government treasury on account of salaries of staff through DDO during FY 2021-22 as detail given in Annexure-1. Payment of salaries was made in cash instead of direct credit transfer to a bank account of the employees. Moreover, service books of employees were also not available on record.

Payment of salaries in cash occurred due to non-adherence with Government rules which resulted into irregular expenditure.

When pointed out in August 2022, the management stated that employees concerned did not provide bank Account Numbers due to which payment was made in cash. Reply was not convincing as no cogent reason was given to justify the matter.

PAO was requested to convene DAC meeting in August 2021, which could not be convened till finalization of this report.

Audit recommends payment of salaries through direct credit system and immediate stoppage of payment of salaries through DDO.

AIR Para No. 02 (2021-22)

2.4.1.5 Irregular payment on account of staff salaries –Rs.2.700 million

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

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

District Health Officer, South Waziristan, incurred expenditure of Rs. 2,700,000 on account of staff salaries under project “National Program for Family Planning and Primary Health Care” during FY 2021-22.

The following irregularities were noticed:-

- i. Cheque was prepared in the name of DDO.
- ii. Actual payee receipts of payments and attendance register were not produced.

Irregularity occurred due to non-compliance, which resulted into irregular payment. The similar observation was also pointed out during the financial year

2020-21 amounting to Rs. 72,027,595. However, no corrective measures were taken, resultantly irregular payment of Rs.74,727,595.

When pointed out in February 2022, the management stated that all codal formalities have been full filled before the incurrence of expenditure. However relevant record will be produced to audit for verification in due course of time.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of salaries through in charge health facilities and political muharrors within 15 days, but no progress was shown till the finalization of this report.

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

AIR Para No.07 (2021-22)

B. Procurement related irregularities

2.4.1.6 Irregular expenditure on purchase of medicine – Rs. 23.649 million

According to Rule 74 (a) of the Khyber Pakhtunkhwa Budget rules 2016, every officer incurring or authorizing expenditure from district fund shall be guided by high standards of financial propriety. Among the principles on which generally greater emphasis is laid down that every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

District Director Livestock & Dairy Development, South Waziristan incurred expenditure of Rs. 23,649,345 on account of purchase of drugs & medicines from approved firms for supply of medicines during FY 2020-21. However, items purchased were held irregular on the following grounds.

- i. Sanction for purchase of medicine was not obtained from District Director.
- ii. Medicines were purchased without constituting the purchase committee.
- iii. Medicines were purchased without the specific demands/need assessment.
- iv. No proper arrangements were made for storage of medicines in the required temperature and were stored unsafe.

Irregular expenditure occurred due to non-compliance of rules, which resulted into violation of rules.

When reported in February 2022, management stated that the detail reply of the Para will be given after scrutiny of record.

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

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

AIR Para No.13 (2020-21)

2.4.1.7 Irregular purchase of medicine and Lab consumables Rs.7.740 million

According to Director General Health Services KP Notification No.2655-2754/DDC/DG HSKP dated 16.10.2020, the supply order of relevant item i.e Drugs, medicines, surgical, Disposables, medical devices & other non-drug items should be placed to the approved supplier on approved rates mentioned in the MCC list by Govt of Khyber Pakhtunkhwa. Furthermore, according chapter III of the KPPRA, 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/- rupees one hundred thousand” and “procurement from Rs. 50,000/- up-to Rs. 100,000/- shall be procured by inviting three quotations”.

District Health Officer, South Waziristan paid Rs. 7,740,864 to various firms on account of purchase of medicine and Lab consumables during FY 2021-21. It was observed that neither the items were purchased from MCC approved firms nor open tender system was adopted to obtain economical rates. Detail is given below:-

(Amount in Rs)

S. #	Voucher No & Date	Payee	Health facility	Amount
1	No. 103112373 dated 10.08.2021	Q-Med Pharma	MS Type-D Hospital, Mola Khan Sarai	4,123,264
2	No. Nill Dated 23.03.2022	Iceberg Pharma	MS Type-D Hospital, ToiKhula	1,514,100
3	No. Nill Dated 12.05.2022	Iceberg Pharma	MS Type-D Hospital, ToiKhula	2,103,500
Total				7,740,864

Irregular payment occurred due to non-compliance of the government instructions, which resulted into un-economical purchase. The similar

observation was also pointed out during the financial year 2019-20 amounting to Rs. 30,000,000. However, no corrective measures were taken, resultantly irregular payment of Rs.37,740,864.

When reported in July 2022, management replied that all the expenditure incurred after fulfillment of codal formalities. However, detail reply would be given after consultation of record.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of record within 15 days, but no progress was shown till the finalization of this report.

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

AIR Para No.12 &13 (2021-22)

2.4.1.8 Loss to Government due to non-refunding of 2% TMA Tax- Rs.3.295 million

According to Govt of Khyber Pakhtunkhwa Local Government Department Peshawar vide Notification No.SOG/ LG/7-4/Notification/2020-2013 dated 29.07.2020, hence forth the rate of local council tax on transfer of immovable property shall be exempted till 30th June 2022.

Deputy Commissioner, South Waziristan during the year 2021-22, received an amount of Rs.164,743,115 including 2% TMA property tax for acquisition of land. TMA property tax was abolished by the Govt. of Khyber Pakhtunkhwa but the DC office did not refund the amount of tax for Rs.3,294,863 to the land acquiring department after lapse of ample time as per details given Annexure-3.

Non-refunding of funds occurred due to non-compliance of government instructions, which resulted into loss to Government.

When pointed out in August 2022, management stated that the said amount is available in the account of DC South Waziristan and will be refunded to the concern after verification from TMA regarding exemption of taxes.

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

Audit recommends recovery amounting to Rs. 3.295 million and action against the person(s) at fault.

AIR Para No.09 (2021-22)

2.4.1.9 Unauthentic expenditure on purchase of agriculture inputs – Rs.2.036 million

Para 18 (I) of GFR terms of contract must be precise, definite and there be no room for ambiguity. Furthermore, according to rule 9 (2) (f) of Khyber Pakhtunkhwa, District and City District Governments, Budget Rules 2016, the function of Drawing & Disbursing officer is to keep the relevant record both accounting and operational, up to date and in an orderly manner.

District Director Agriculture, South Waziristan incurred expenditure of Rs.2,035,700 on purchase of different agriculture inputs for use in demonstration plots during Financial Year 2020-21 (detail is given below).

S. No.	Cheque No.& Date	Particulars	Amount (Rs.)
1.	No. 1321703 dated 17.02.2021	Purchase of Tomato Seed, DAP and Urea	555,840
2.	No. 1873509 dated 18.06.2021	Purchase of Tomato Seed	992,800
3.	No. 1873514 dated 18.06.2021	Purchase of DAP and Urea	487,060
Total			2,035,700

Audit observed the following irregularities;

- i. No agreement for demonstration plots with farmers was signed.
- ii. Identity of farmers could not be verified as NICs of the farmers were not available.
- iii. Acknowledgement / recipient signature of farmers was not found available.
- iv. No criterion for selection of plots of the beneficiaries was available on record
- v. Disbursement of seeds, fertilizer etc. were not confirmed as acknowledgment of the end users was not available on record.
- vi. Report of Technical / Inspection Committee for quality and quantity was not found on the record.

- vii. The local office failed to produce complete/detail list of demonstration plots in the district.
- viii. Whereabouts of outputs from the demonstration plots was also not produced to Audit.

Irregularity occurred due to non-adherence with rules, which resulted in unauthentic expenditure.

When pointed out in February 2022, the management stated that all codal formalities have been full filled before the incurrence of expenditure. However, no record was produced till finalization of this report.

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

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

AIR Para No.06 (2020-21)

**2.4.1.10 Irregular payment of funds without actual supply of medicines
Rs.1.814 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 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.

District Health Officer, South Waziristan issued supply orders amounting to Rs. 1,814,408 to MCC approved firms for supply of medicines during FY 2021-22 (detail given below). The DHO submitted AC bills along with vouchers endorsing the certificates of receipt of supply of medicines, while actual supply of medicines were not made till the date of audit.

(Amount in Rs)

S.No	Supplier	Cheque No. & Date	DDO Code	Amount-Rs
1.	HEAL Pharma, Peshawar	No. 1144758 dated: 06.06.2022	TW 6006	319,000
2.	Benson Pharma, Rawalpindi	No. 1144630 dated: 24.05.2022	TW 6006	178,000
3.	Stanley Pharma, Peshawar	No. 1144810 dated: 09.06.2022	TW 6006	652,658
4.	Saffron Pharma, Faisalabad	No. 1144813dated: 09.06.2022	TW 6006	410,800

5.	GSK Pak, Karachi	No. 1144815dated: 09.06.2022	TW 6006	253,950
Total				1,814,408

Irregular payment of funds occurred due to non-compliance of rules, which resulted into non supply of medicines. The similar observation was also pointed out during the financial year 2020-21 amounting to Rs. 20,426,717. However, no corrective measures were taken, resultantly irregular payment of Rs.22,241,125.

When reported in August 2022, the management stated that the supply of medicine will be completed soon and progress will be intimated to audit accordingly.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of record by ADC (F&P) within 15 days, but no progress was shown till the finalization of this report.

Audit recommends that immediate supply of medicine should be ensured and penalty for late supply may also be imposed.

AIR Para No.03 (2021-22)

C. Management of Accounts with Commercial Banks

2.4.1.11 Irregular retention of public money and non-conversion of Bank Account to PLS mode - Rs 21.609 million

Finance Department Khyber Pakhtunkhwa Peshawar vide letter No. 2/3-(F/L)/FD/2007-08/ Vol-IX dated 10.02.2014, has allowed sanction of bank accounts in commercial banks for various departments/autonomous/corporation in Khyber Pakhtunkhwa and directed that such accounts may be converted into PLS mode and interest /profit amounts accrued /earned on the funds placed in Commercial banks (PLS mode) may be deposited in Government Treasury. Furthermore, according to Government of Khyber Pakhtunkhwa, Finance Department letter No 2/3/(F/L)/FD/2018Vol-XII dated 03.07.2019, all the departments are required to reconcile the closing balances in all designated bank accounts with Finance Department latest by 15th July, 2019 along with duly verified bank statements for 2018-19.

District Health Officer, South Waziristan maintained current bank account with NBP having closing balance of Rs.21,609,913 during the FY 2021-22. The amount was lying unspent till 30.06.2022 in current account.

Unnecessary retention of public money occurred due to non-compliance of the government instructions, which resulted into loss to government.

When reported in August, 2022, management stated that amount pertains to different claims and will be disbursed and this office has written letter to NBP, saddam shopping center branch for conversion into PLS mode.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of record within 15 days, but no progress was shown till the finalization of this report.

Audit recommends immediate conversion of current bank accounts into PLS besides action against the person(s) at fault.

AIR Para No.04 &08 (2021-22)

2.4.1.12 Irregular payment of cash from bank account – Rs. 9.666 million

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

District Director, Agriculture, South Waziristan withdrew Rs.9,666,080 from designated bank account during FY 2020-21, but detail of further utilization and acknowledgment of cash disbursement was not available in record as per details given Annexure-4.

The Laps occurred due to due to non-compliance of rules, which resulted into irregular payment of cash from bank account.

When pointed out in February 2022, management stated that in few cases, vendors had no bank account therefore, cash payments were made. The amounts of such bills were small and actual payee receipts and acknowledgements will be produced in due course of time. However, no record was produced to Audit till finalization of this report.

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

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

AIR Para No.09 (2020-21)

2.4.1.13 Blockage of funds of DPS program -Rs.1.891 million

According to Para-290 of Treasury Rules Vol-I, no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent Lapse of budget grant.

Office of the District Education Officer (M&F), South Waziristan drew Rs.1,891,670 from Government Treasury vide Cheque No.1873638 dated 23-6-2021 under head “High Performing Schools” for onward payment to best teachers during FY 2021-22. The local office did not distribute the amount among the teachers and retained in the designated bank account despite a lapse of 2 months.

Irregularity occurred due to non-compliance of rules, which resulted into blockage of money.

When reported in August 2021, the management replied that Rs.1.891 million were drawn from Govt. Treasury and kept in designated bank account and will be disbursed by the Directorate E & SE during function. The amount was not disbursed till finalization of this report.

As such payment of money from government treasury just to prevent Lapse of budget grant was held irregular, which needs to be justified

AIR Para No 11 (2021-22)

2.4.1.14 Unjustified retention of public money amounting to Rs.153.253 million

According to Rule 4(2) of District Govt. Budget Rules 2016, the Head of Offices shall be responsible for ensuring that (i) adequate provisions exist for systematic internal checks to prevent and detect errors and irregularities in the financial proceedings of his subordinate offices,(ii) the internal controls are effectively applied, (iii) guarding against waste and loss of public money and (iv)

satisfactory arrangements exist for systematic and proper maintenance of office accounts and other ancillary record.

Deputy Commissioner South Waziristan received an amount of Rs.164,743,115 on account of land acquisition from Provincial Government during Financial Year 2021-22. An amount of Rs. 11,490,000 was transferred to the Assistant Commissioners for further payment to the land owners, whereas an amount of Rs.153,253,115 was still lying undisbursed in designated bank account of Deputy Commissioner till the date of audit as per details given Annexure-5.

Blockage of funds occurred due to non-compliance of rules, which resulted into unjustified retention of public money. The same observation was also pointed out during the financial year 2019-20 amounting to Rs. 19,413,500. However, no corrective measures were taken, resultantly blockage of funds for Rs.173,156,615.

When pointed out in August 2022, management stated that amount is lying with office of DC South Waziristan for further payment, but due to legal cases and codal formalities has not been disbursed.

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

Audit recommends immediate disbursement of funds to the land owners or surrender to Finance Department, KP.

AIR Para No.03 (2021-22)

2.4.1.15 Irregular retention of public money and non-conversion of Bank Account to PLS mode - Rs 21.610 million

Finance Department Khyber Pakhtunkhwa Peshawar vide letter No. 2/3-(F/L)/FD/2007-08/ Vol-IX dated 10.02.2014, has allowed sanction of bank accounts in commercial banks for various departments/autonomous/corporation in Khyber Pakhtunkhwa and directed that such accounts may be converted into PLS mode and interest /profit amounts accrued /earned on the funds placed in Commercial banks (PLS mode) may be deposited in Government Treasury. Furthermore, according to Government of Khyber Pakhtunkhwa, Finance Department letter No 2/3/(F/L)/FD/2018Vol-XII dated 03.07.2019, all the departments are required to reconcile the closing balances in all designated bank

accounts with Finance Department latest by 15th July, 2019 along with duly verified bank statements for 2018-19.

District Health Officer, South Waziristan maintained current bank account with NBP having closing balance of Rs.21,609,913 during the FY 2021-22. The amount was lying unspent till 30.06.2022 in current account.

Irregularity occurred due to non-compliance of government instructions, which resulted into unnecessary retention of public money and loss to government.

When reported in August, 2022, management stated that amount pertains to different claims and will be disbursed and this office has written letter to NBP, Saddam shopping center branch for conversion into PLS mode.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of record within 15 days, but no progress was shown till the finalization of this report.

Audit recommends immediate conversion of current bank accounts into PLS besides action against the person(s) at fault.

AIR Para No.04 &08 (2021-22)

2.4.1.16 Non-conversion of Bank Account to PLS mode - Rs 4.249 million

Finance Department Khyber Pakhtunkhwa Peshawar vide letter No. 2/3-(F/L)/FD/2007-08/ Vol-IX dated 10.02.2014, has allowed sanction of bank accounts in commercial banks for various departments/autonomous/corporation in Khyber Pakhtunkhwa and directed that such accounts may be converted into PLS mode and interest /profit amounts accrued /earned on the funds placed in Commercial banks (PLS mode) may be deposited in Government Treasury under the relevant head of account not later than a week when declared by the bank.

District Director Agriculture, South Waziristan maintained bank account NBP No.4039820969 with cash closing balance for Rs.4,249,000 during the FY 2020-21 and were operated in current account mode but were not converted into PLS mode due to which government sustained loss of profit.

Non-conversion of bank accounts into PLS occurred due to non-compliance of the rules, which resulted in loss to government.

When reported in January, 2022, the management stated that this office has received no instruction from Department for opening of PLS account, however contrary to the local office claim, letter has already been written to NBP, Tank Branch for conversion to PLS mode.

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

Audit recommends immediate conversion of current bank accounts into PLS besides action against the person(s) at fault.

AIR Para No.02 (2020-21)

**2.4.1.17 Irregular retention of money into designated bank account–
Rs.4.125 million**

Government of NWFP Finance Department letter No. BOU/FD/3-10/97-98/WMP Sum/Vol dated 21st January 2002 provides that unspent balances in the respective designated bank accounts as well as in the accounts of the PTA at the end of the financial year shall be treated as lapsed and shall have to be refunded to the Government Treasury.

District Director Livestock & Dairy Development, South Waziristan retained a balance of Rs.4,124,846 in designated bank account No.4039818794 as on 30th June 2021. However, it was neither disbursed nor surrendered to Finance department KP.

Irregular retention of funds in bank account occurred due to non-compliance of government instructions, which resulted into blockage of public money.

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

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

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

AIR Para No.10 (2020-21)

2.4.2 Others, including cases of accidents, negligence etc

2.4.2.1 Non-Disbursement of Citizen Losses Compensation Funds - Rs.6.800 million

According to Rule 3(7) of Khyber Pakhtunkhwa Delegation of Financial Powers Rules, 2018, every officer entrusted with financial powers shall observe the principles of economy i.e. getting full value for money, spending money for the specified purpose and in the manner prescribed by relevant law and rules.

Deputy Commissioner South Waziristan, received Rs. 707.520 million on account of Citizen Losses Compensation Program (CLCP) to be distributed among effecties of partially and fully damaged houses during 2021-22. Funds amounting to Rs.700.720 million was transferred to the Assistant Commissioner Ladha, which were not disbursed till the date of audit as detail accounts and actual payee receipts were not available on record. Furthermore, a balance of Rs.6.800 million was retained in the designated bank account of Deputy Commissioner.

Blockage of fund occurred due to non-compliance of rules, which resulted in non-disbursement of citizen losses compensation fund.

When pointed out in August 2022, management stated that the amount was not disbursed due to non-fulfillment of codal formalities, however complete report will be provided after completion of the task in due course of time.

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

Audit recommends immediate disbursement of funds after fulfillment of codal formalities.

AIR Para No.02 (2021-22)

2.4.2.2 Unauthorized payment of funds in advance –Rs.27.418 million

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

Treasury Rule 130 of treasury requires that money may not be withdrawn from the public exchequer without presentation of bills.

Deputy District Health Officer, South Waziristan draw an amount of Rs.27,418,000 in advance on simple receipt bill for Type-D Hospital Sholam for purchase of medicine and paid to Trans Continental Pharma Private Ltd for deposit in their designated bank account maintained in Peshawar instead of bill to bill payment to vendors. Moreover the pre-audit function was also not performed at DAO level.

Irregularity occurred due to non-compliance of rules which resulted into unauthorized payment of funds.

When reported in August 2022, the management replied that all the expenditure has been incurred after fulfillment of codal formalities. However, detail reply would be given after consultation of record. Reply was convincing as in the absence of detailed reply the matter could not be justified.

DAC in its meeting held on 10.09.2022, directed to keep the para stands for verification of record in the light of MoU signed with the Government within 15 days, but no progress was shown till the finalization of this report.

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

AIR Para No. 14 (2021-22)

2.4.2.3 Irregular payment on account of Rehmat Ul Alamin Scholarship- Rs.2.250 million

According to Government of Khyber Pakhtunkhwa ESED letter No. SO(Imp-I)/R&I/1-55/RLA/2021 dated 20-11-2011 eligibility criteria for Rehmat Ul Alameen Scholarship is:

- i. Students from Government Schools.
- ii. At least 60% marks in SSC examination.
- iii. Must have secured admission in Intermediate Class
- iv. Must not be availing any other scholarship.

Office of the District Education Officer (M&F), South Waziristan, paid Rs.2,550,000 to BISE D.I.Khan on account of Rehmatul Lil Almin Scholarship during FY 2021-22. Audit held the payment irregular on the following grounds:-

1. Payment was made to BISE D.I.Khan without observing eligibility criteria by the Scholarships committee.
2. Name and schools of deserving student for said scholarship was not mentioned.
3. Where about of further disbursement of funds to the students was not known. No record was available to justify that whether funds were further distributed among deserving students or retained by the BISE D.I.Khan.

Irregular payment occurred due to non-compliance of government instructions, which resulted into loss to govt.

When pointed out in August 2022, management stated that complete record will be collected from BISE D.I.Khan and shown to audit.

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

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

AIR Para No.10 (2021-22)

2.4.2.4 Over payment on account of POL charges Rs. 1.745 million

As per minutes of the transport committee meeting circulated by Administration Department (transport section) vide Notification No. SOT (AD) TCR /2015 /KC dated 15.08.2017, the POL ceiling for all DHOs, DFOs & all other District level officers is fixed up-to 110 liters in a month.

Deputy Commissioner South Waziristan consumed Rs 1,745,256 on account of POL in excess of the permissible ceiling approved by Administration Department, KP, as per details given Annexure-6.

Consumption of POL over & above the permissible limit occurred due to non-compliance of the government instructions, which resulted into loss to public exchequer.

When pointed out in August 2022, management stated that detailed reply will be given after consultation of record and recovery will be made if admissible.

Request for DAC meeting was made in August 2022, which could not be convened till finalization of this report.

Audit recommends recovery amounting to Rs. 1.745 of overpayment from the officer concerned.

AIR Para No.11 (2021-22)

2.4.2.5 Overpayment on procurement of items of work – Rs. 25.169 million

According chapter III of the KPPRA, 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/- rupees one hundred thousand” and “procurement from Rs. 50,000/- up to Rs. 100,000/- shall be procured by inviting three quotations”.

According of PC-I of the AIP Project, the rates of angle iron was provided as Rs.600/- per unit and barbed wire as Rs 200 per kg.

District Director Agriculture, South Waziristan overpaid an amount of Rs.25,169,301 on procurement of Angle Iron and Barbed Wire to contractor M/S Marwat & Yousfzai under AIP project vide cheque No 1321699 dated 17.02.2021. The local office paid Rs. 1052 instead of Rs. 700 for Angle bar as mentioned in PC-1 and Rs. 225 instead of Rs. 200 for barbed Wire as mentioned in PC-1 resulting in loss of Rs. 5,600,000 and 1,660725 respectively. Moreover, tender documents were also not produced to Audit to authenticate the rates paid Details are provided below: -

S. No	Item purchased	Rate paid	Rate in PC-I	Diff:	Quantity Purchased	Overpayment (Rs.)
1.	Angle Iron	1,052	600	552	42,588	23,508,576
2.	Barbed Wire	225	200	25	66,429	1,660,725
Total						25,169,301

Over / excess payment was occurred due to non-compliance of rules, which resulted into overpayment from public exchequer.

When reported on February 2022, management stated that proper reply will be given after due course of time.

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

Audit recommends recovery amounting to Rs. 25.169 million from the contractor concerned and deposit in to government treasury.

AIR Para No.03 (2020-21)



CHAPTER-03

TEHSIL MUNICIPAL ADMINISTRATIONS



CHAPTER-3

Tehsil Municipal Administrations

3.1 Introduction

District South Waziristan has three Tehsils i.e. Ladha, Sarwakai and Wana. 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 Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019 the functions and powers of TMAs are briefly given as under:

- (a) Monitoring and supervising the performance of functionaries of Government offices located in the Tehsil,
- (b) Land management in the Tehsil, provision of municipal services, execution and management of development plans for improvement of municipal services and infrastructure.
- (c) Enforcing municipal laws, rules and bye-laws, Preventing and removing encroachments, regulate affixing of sign-boards and advertisements;
- (d) Financial management of the Tehsil such as, Preparation of budget and annual municipal development programs, 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 the District Government South Waziristan

(Rs. in million)

Sr. No.	Description	Total Nos	Audited	Expenditure audited FY 2021-22	Revenue /Receipts audited FY 2021-22
1	Authorities/Autonomous Bodies etc under the PAO	3	3	58.651	27.703

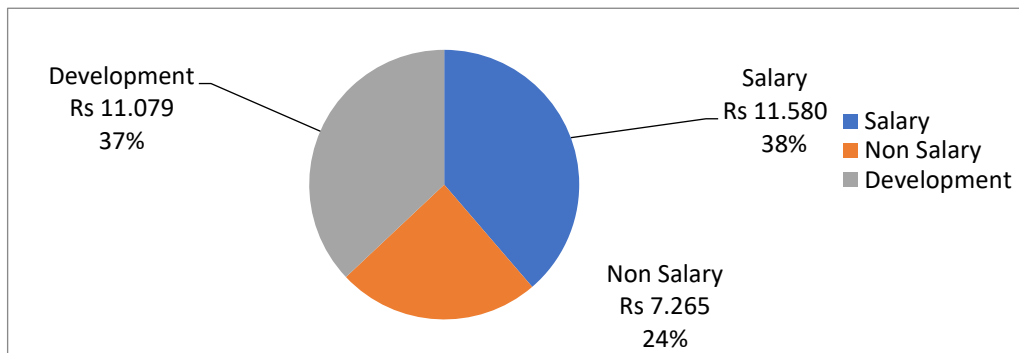
B. Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

TMA's				
2021-22	Budget	Actual Expenditure/ Receipts	Excess/ (Saving)	%age
Salary	11.780	11.580	0.201	0.777
Non salary	7.151	7.265	0.114	3.585
Development	10.252	11.079	0.830	8.045
Total	29.183	29.924	1.145	5.122
Receipts	0	24.703	27.703	100.00%

EXPENDITURE 2021-22

(Rs in million)



The excess expenditure of Rs.1.145 million indicates weakness in the capacity of the local institutions to allocate sufficient budget according to financial demands / requirements of the departments. Furthermore, the salary component was 38% of total expenditure whereas, non-salary component and

Development expenditure was only 24% and 37% respectively of total expenditure. More developmental expenditure by the Local Government will leads towards development at Tehsil level as a result, more development activity, job opportunities were edictally provided to the larger population. Business operation was increased and ultimately standard of living of the people was improved and the role of Tehsil Government could be seen in the development function as required under Rules of Business 2015.

3.2 Classified Summary of Audit observations

Audit observations amounting to Rs 26.751 million were raised as a result of this audit. Summary of the audit observations classified by nature is as under:

Table: Classified summary of audit observations

(Rs in millions)		
Sr. No.	Classification	Amount (Rs)
1	Irregularities	
A	HR/Employees related irregularities.	3.299
B	Procurement related irregularities	-
C	Management of accounts with commercial banks	15.398
2	Value for money	-
3	Others	8.054
Total		26.751

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

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

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

3.4 AUDIT PARAS

3.4.1 Irregularities

A. HR/Employees related issues

3.4.1.1 Doubtful expenditure on account of salaries of daily wages staff – Rs. 2.065 million

According to S.No 7(iii) of Local Government and Rural Development Department, Khyber Pakhtunkhwa, Recruitment policy guidelines 2019, in case of urgent needs, only daily wage staff shall be hired for specific time by the TMA or hiring entity for which the concerned branch shall maintain proper muster roll . However, such staff shall not continue for more than six months period.

According to Para-2.3.8 of the direction 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.

Tehsil Municipal Officer, Sarwakai paid Rs.2,065,238 on account of salaries of daily wages staff during financial year 2021-22. As detail provided in Annexure-7.

Audit observed the following irregularities:

- i. Daily wage staff was hired during the financial year despite fact that the hiring is only allowed for maximum of six months in case of emergency.
- ii. Cheques were prepared in the name of DDO instead of concerned employee.
- iii. Actual payee receipts were also not available in record.

Irregularity occurred due to non-compliance of the direction of APPM, which resulted into doubtful expenditure.

When pointed out in November2022, the management replied that all the codal formalities have been full filled before incurrence of expenditure. However relevant record will be produced to audit for verification in due course of time. Reply is not tenable as the daily wage staff can be hired for six months instead of a year.

Request for DAC meeting was made in November 2022, which could not be convened till finalization of this report.

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

AIR Para No.04 (2021-22)

3.4.1.2 Irregular expenditure on account of salaries of daily wages staff-Rs.1.230 million

According to S.No 7(iii) of Local Government and Rural Development Department, Khyber Pakhtunkhwa, Recruitment policy guidelines 2019, in case of urgent needs, only daily wage staff shall be hired for specific time by the TMA or hiring entity for which the concerned branch shall maintain proper muster roll . However, such staff shall not continue for more than six months period.

According to Para-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.

Tehsil Municipal Officer, Ladha paid Rs.1,230,835 on account of salaries of daily wages staff during financial year 2021-22, as detail provided in Annexure-8.

Audit observed the following irregularities:

- i. Daily wage staff was hired during the financial year despite fact that the hiring is only allowed for maximum of six months in case of emergency.
- ii. Cheques were prepared in the name of DDO instead of concerned employee. Moreover actual payee receipts were not available in record.

Payment of salaries through DDO occurred due to non-compliance of government guidelines, which resulted into irregular expenditure.

When pointed out in November2022, the management replied that all the codal formalities have been full filled before incurrence of expenditure. However relevant record will be produced to audit for verification in due course of time. Reply is not tenable as the daily wage staff should have been hired for six months instead of a year.

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

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

AIR Para No.07 (2021-22)

B. Management of accounts with commercial banks

3.4.1.3 Irregular retention of public money-Rs 4.345 million

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

Tehsil Municipal Officer, Sarwakai maintained bank account in the Bank of Khyber, Tank branch No. 0106-09782000 during the FY 2021-22. It was observed that a balance of Rs.4,345,067 was lying unspent till 30.06.2022 but neither fund was surrendered to Finance Department nor any proper claim of amount was available on record.

Blockage of funds occurred due to non-compliance of rules, which resulted in irregular retention of public money.

When pointed out in November 2022, the management stated that detail reply would be given after consultation of record in due course of time.

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

Audit recommends immediate deposit of public money into Government treasury.

Para 01 AIR (2021-22)

3.4.1.4 Irregular retention of public money-Rs.4.228 million

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

Tehsil Municipal Officer, Wana maintained bank account in the Bank of Khyber, Tank branch No. 0106-09987002 during the FY 2021-22. It was observed that a balance of Rs. 4,228,522 was lying unspent till 30.06.2022 but neither fund was surrendered to Finance Department nor any proper claim of amount was available on record.

Blockage of funds occurred due to weak internal controls, which resulted in irregular retention of public money.

When pointed out in November 2022, the management stated that detail reply would be given after consultation of record in due course of time.

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

Audit recommends immediate deposit of public money into Government treasury.

Para 05 AIR (2021-22)

3.4.1.5 Irregular cash payment from designated bank account-Rs.4.120 million

According to Para-157 of CTR Vol-I read with Finance Department and Accountant General Khyber Pakhtunkhwa letters dated 01-04-2019 & 25-03-2019, payment to Vendor/ Supplier must be made through Crossed Cheques i.e “Payee Account Only”.

Tehsil Municipal Officer, Wana withdraw cash amounts of Rs. 4,120,191 from bank account No. 0106-09987002, The Bank of Khyber, Tank branch during financial year 2021-22, but detail of further utilization and acknowledgment of cash disbursement was not available in record. Detail is as under:-

(Amount in Rs)

S.No.	Month	Amount
1.	April-2022	1,180,823
2.	May-2022	780,165
3.	June-2022	2,159,203
Total		4,120,191

Cash payment from designated bank account occurred due to non-compliance of rules, which resulted in suspected misappropriation of public money.

When pointed out November 2022, management replied that in few cases vendors have no bank accounts and cash payment is made for small claims, however actual payee receipt will be produced to Audit in due course of time. Reply is not tenable as no documented proof was shown to audit.

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

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

Para 05 AIR (2021-22)

3.4.1.6 Irregular retention of public money-Rs.2.705 million

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

Tehsil Municipal Officer, Ladha maintained bank account in The Bank of Khyber, Tank branch No. 0106-09781009 during the FY 2021-22. It was observed that a balance of Rs. 2,705,998 was lying unspent till 30.06.2022 but neither the fund was surrendered to Finance Department nor any proper claim of amount was available on record.

Blockage of funds occurred due to non-compliance of rules, which resulted in irregular retention of public money.

When pointed out in November 2022, the management stated that detail reply would be given after consultation of record in due course of time.

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

Audit recommends immediate deposit of public money into Government treasury.

Para 11 AIR (2021-22)

3.4.2 Others, including cases of accidents, negligence etc

3.4.2.1 Irregular expenditure of Rs.4.271 million

According to the Notification No AOI/LCB/ESTT/3-5/2005 dated 22-11-2005 Engineers in BPS 18 have TS Powers up to Rs 4 million, Engineers in BPS 17 up-to 1.5 million. Furthermore, according to guideline No 18.4 of the P&D Guideline 2015, Monitoring of projects shall be made by community, elected representatives, District P&D Department as internal monitoring and Provincial Planning Department through Divisional Directorate of Monitoring and Evaluation as external monitoring and also according to Government of Khyber Pakhtunkhwa circular No. Chief/Coord /P&D/01/05/GPS/-2015 dated 10-05-2016, the GPS coordinates should be included in the PC-I and no project shall be processed for consideration/ approval of competent development forum.

Tehsil Municipal Officer, Wana incurred expenditure of Rs. 4,271,392 on execution of various developmental schemes during 2021-22 as per detail given below.

(Amount in Rs)

S.No	Name of Scheme	Amount (Rs.)
1.	Construction of garbage collection points at main Agri Park	744,292
2.	Construction of Rehabilitation of existing drainage system main Agri Park	201,986
3.	Construction of street pavements at opposite veterinary hospital, Khowaja Street, main bazar, Wana	1,796,678
4.	Construction of street pavements at Toi Khullah Bazar, Wana	1,528,436
Total		4,271,392

Audit observed the following irregularities:

- i. The expenditure was incurred without technical sanction from the competent authority.
- ii. No NOC was obtained from the AD LG as the same nature of work is also being executed by the department in the district.
- iii. No measurement books were not available on record to verify the quantity of work executed at site.
- iv. Test Report for PCC (1:4:8) & (1:2:4) was not obtained from material testing Laboratory.
- v. Monitoring report by Divisional Monitoring Officer of the scheme was not available on record.

Violation of rules occurred due to non-compliance of rules, which resulted in irregular expenditure.

When pointed out in November 2022, the management replied that the schemes are executed after fulfillment of all codal formalities and schemes are physically executed at site. Reply is not tenable as the schemes were not got technically sanctioned.

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

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

Para 04 AIR (2021-22)

3.4.2.2 Doubtful payment due to non-adjustment of advances- Rs.1.600 million

According to Para-290 of CTR read with Para-136 of GFR Vol-1, no money should be drawn from Government Treasury unless required for immediate disbursement and adjustment thereof required to submit within prescribed period or return to head quarter before or on 30th. June.

Tehsil Municipal Officer, Wana paid advances of Rs. 1.600 million to various employees during 2021-22. It was observed that advances were paid for different purposes which were held doubtful as the concerned employees did not submit any supporting vouchers or documents for adjustment or utilization of advances up to 30-06-2022. In addition, open tender system was also not adopted.

(Amount in Rs)

S.No	Voucher No. & Date	Nature of advance	Payee	Amount
1.	No. 05 & Dated 14.07.2021	Eid Ul Azha	Khaliq Noor, SI	300,000
2.	No. 07 & Dated 14.12.2021	Cleanliness	Khaliq Noor, SI	200,000
3.	No. 08 & Dated 20.01.2022	Cleanliness	Khaliq Noor, SI	300,000
4.	No. 20 & Dated 20.03.2022	Election	Khaliq Noor, SI	500,000
5.	No. 01 & Dated 16.05.2022	Cleanliness	Khaliq Noor, SI	300,000
Total				1,600,000

Non adjustment of advances occurred due to non-compliance of rules, which resulted in suspected misappropriation of public money.

When pointed out in November 2022, management stated that reply would be given after consultation with record.

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

Audit recommends recovery amounting to Rs. 1.600 million of advances from the person concern.

AIR Para No.08 (2021-22)

3.4.2.3 Irregular payment to suppliers-Rs.1.134 million

According to Para-157 of CTR Vol-I read with Finance Department and Accountant General Khyber Pakhtunkhwa letters dated 1-4-2019 & 25-3-2019, payment to Vendor/ Supplier must be made through Crossed Cheques i.e“ Payee Account Only”. Furthermore, according to 2.3.8 of APPM, the accounting system shall improve the control 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.

Tehsil Municipal Officer, Ladha incurred expenditure of Rs.1,134,673 under various heads during financial year 2020-21, however the Payment was made in cash to suppliers concerned instead through cross cheques. Moreover, actual payee receipts were also not obtained, as detail provided in Annexure-9.

Cash payment occurred due to non-compliance of rules, which resulted in irregular expenditure.

When pointed out in November 2022, management stated that reply would be given after consultation with record.

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

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

Para 12 AIR (2021-22)

3.4.2.4 Irregular payment to suppliers-Rs 1.116 million

According to Para-157 of CTR Vol-I read with Finance Department and Accountant General Khyber Pakhtunkhwa letters dated 1-4-2019 & 25-3-2019,

payment to Vendor/ Supplier must be made through Crossed Cheques i.e“ Payee Account Only”. Furthermore, according to 2.3.8 of APPM, the accounting system shall improve the control 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.

Tehsil Municipal Officer, Sarwakai incurred expenditure of Rs.1,116,132 during financial year 2020-21, it was observed that payment was made in cash to suppliers concerned instead through cross cheques. Moreover, Actual Payee Receipts were also not obtained, as detail provided in Annexure-10.

Cash transactions occurred due to non-compliance of rules, which resulted into irregular payment.

When pointed out in November 2022, the management replied that all the codal formalities have been full filled before incurrence of expenditure. However relevant record will be produced to audit for verification in due course of time. Reply is not tenable as cash payment is not allowed.

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

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

Para 03AIR (2021-22)



CHAPTER-04

ASSISTANT DIRECTOR LGE & RDD



CHAPTER-4

Assistant Director, Local Government Election and Rural Development

4.1 Introduction

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

According to section 29 of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, 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 neighbourhood councils
- iii. Matters related to local taxes, grants, budget of village and neighbourhood councils
- iv. Coordination of activities relating to local council elections, population census and surveys in the district
- v. Rural Development Works including water supply, rural access roads, embankment and drainage works
- vi. Overseeing registration of births, deaths and marriages in village and neighbourhood councils
- vii. Review, evaluation and assessment of local government system, processes and procedures in the district particularly at the village and neighbourhood level
- viii. Collection, compilation and dissemination of primary data Training and research in the areas of local governance

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 neighbourhood council, including education, health, public health

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

(Rs. in million)

S. No	Description	Total Nos	Audited	Expenditure audited FY 2021-22	Revenue /Receipts audited FY 2021-22
1	Formations	01	01	25.131	Nil
Total		01	01	25.131	Nil

B. Comments on Budget and Accounts (Variance Analysis)

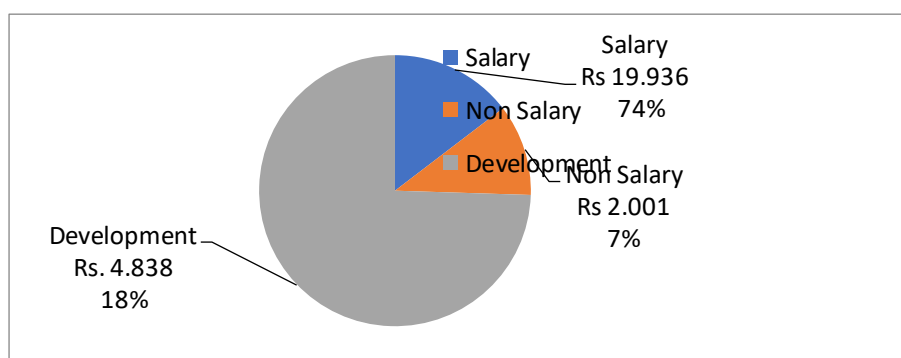
(Rs. in million)

AD LGE&RDD				
2021-22	Budget	Expenditure /Receipts	Excess/ (Saving)	%age
Salary	8.125	19.936	11.812	-1.86
Non salary	2.131	2.001	-.0130	-9.45
Development	4.840	4.838	-0.002	-3.56
Total	15.096	26.775	11.797	

The excess expenditure of Rs. 11.797 million indicates inefficiency in the capacity of Local Government Departments to control the expenditure within allocated budget.

EXPENDITURE 2021-22

(Rs in million)



The excess expenditure of Rs.11.797 million indicates weakness in the capacity of the local institutions to allocate sufficient budget according to

financial demands / requirements of the departments. Furthermore, the salary component was 74% of total expenditure whereas, non-salary component and Development expenditure was only 7% and 18% respectively of total expenditure. Less developmental expenditure by the Local Government was due to insufficient release and lack of interest of the provincial government towards development at Tehsil level as a result, less development activity, job opportunities were not edictally provided to the larger population. Business operation was not increased and ultimately standard of living of the people was not improved and the role of Tehsil Government could not be seen in the development function as required under Rules of Business 2015.

4.2 Classified Summary of Audit Observations

Audit observations amounting to Rs. 24.945 million were raised as a result of this audit. This amount also included recoverable of Rs. 1.772 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Classified Summary of Audit Observations

(Rs in million)		
Sr. No.	Classification	Amount (Rs)
1	Irregularities	
B	Procurement related irregularities	14.473
2	Value for money and service delivery issues	10.472
Total		24.945

4.3 Comments on the Status of Compliance with Village/Neighborhood Accounts Committee Directives

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Detail of Village/Neighborhood Accounts Committee meetings are given below:

Sr. No.	Audit Year	V/NAC meeting
1.	2020-21	Not convened
2.	2021-22	Not convened

4.4 AUDIT PARAS

4.4.1 Irregularities

A. Procurement related irregularities

4.4.1.1 Doubtful payment on account of purchase of land- Rs.14.473 million

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

Assistant Director LGE& RDD South Waziristan paid Rs 14,473,732 on account of AIP (Accelerated Developmental Program) during FY 2021-22 as detail below.

Detail of doubtful payment under AIP South Waziristan				
S.No	Scheme	Cheque No	Date	Payment-Rs
1	Cont: Bus Termenal Makeen	2182816	01.06.2022	11,410,639
2	Slaughter House Makeen	2415533	20.06.22	3,063,093
Total				14,473,732

Audit observed the following irregularities

- i. Payment was made to Deputy Commissioner South Waziristan instead of cross Cheques in the name of land owners.
- ii. It was not mentioned in record whether the payment was further made to landowners or still kept in the Bank account of Deputy Commissioner.
- iii. Payment was made without rate Analysis/assessment.
- iv. GPS coordinates of site of schemes were not mention/available in record.
- v. Sanction of expenditure was not obtained from competent authority.

Doubtful payment occurred due to non-compliance of rules, which resulted into irregular purchase of land.

When pointed out in October 2022, management replied that some record is missing due to flood and emergency situation in district, however record will be arranged and re-checked and reply will be given accordingly. Reply of the department was not satisfactory.

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

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

AIR Para- 07 (2021-22)

4.4.2 Value for money and service delivery issues

4.4.2.1 Doubtful expenditure on account of Water Supply Schemes- Rs.5.50 million

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

AD LGE & RDD South Waziristan executed various schemes amounting to Rs.5,500,000 of Drinking water supply schemes (installation of submersible/ Pressure pumps during 2021-22 as details provided below:-

Amount in Rs			
S.No	Name of Scheme	Payment-Rs	
1	Drinking water supply scheme for daraaminshawal	1,000,000	Water pumps not installed
2	Conts: of small drinking water supply scheme at jalal Ghani khel	1,000,000	Exact Location not mentioned.
3	Conts: of water supply scheme at Tangai Makin Said Wali	1,500,000	Water pumps not installed
4	Conts: of water supply scheme at Tangai Makin Said Wali	2,000,000	DO
Total		5,500,000	

Following irregularities were noticed,

- i. In most of the schemes water pumps were not installed.
- ii. Exact locations of Pumps were not mentioned in Technical Sanction.
- iii. Installations of Pumps were not acknowledged by the community.
- iv. Proper handing /taking to any Government Department for operation & maintenance was not made.
- v. Department has not taken the same on their stock register.

Execution of schemes in violation of rules occurred due to non-compliance of rules, which resulted in doubtful expenditures.

When pointed out in October 2022, management replied that some record is missing due to flood and emergency situation in district, however record will

be arranged and re-checked and reply will be given accordingly. Reply of the department was not satisfactory.

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

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

AIR Para- 16 (2021-22)

4.4.2.2 Irregular expenditure on account of execution of schemes-Rs.3.20 million.

As per Government of Khyber Pakhtunkhwa, Planning and Development, Civil Secretariat Peshawar Coordination Section Letter No 1060-67 dated 10.05.2016, no project shall be processed for consideration /approval of competent Forum without GPS coordinates. Furthermore, according to Guide line No 18.4 of the P&D guidelines 2015, monitoring of the projects shall be made by community, elected representatives, District P&D Department as internal monitoring and Provincial Planning Department through Divisional Directorate of monitoring and evaluation as external monitoring.

Assistant Director LGE &RDD South Waziristan paid Rs-3,200,000 on account of developmental schemes during the year 2021-22 as details provided below:-

S #	Name of scheme	Payment
1	Construction of Drinking water supply scheme Wirza Kila	400,000
2	Construction of Drinking water supply scheme and PCC Road Momin Khan Poti khel	400,000
3	Construction of Drinking water supply Younis kot Village Changmali	1,200,000
4	Construction of Drinking water supply scheme Ferman Barki Kanigurram	1,200,000
	Total	3,200,000

Audit observed the following irregularities:

- i. GPS Coordinates of schemes were not available on record.
- ii. Monitoring report by divisional monitoring officer was not available on record.
- iii. Non duplication certificate and Completion certificates were not available.

- iv. Pictures of the streets before commencement of work and after completion of schemes were not available in record .

Execution of schemes in violation of rules occurred due to non-compliance of rules, which resulted in doubtful expenditures.

The similar observation was also pointed out during the financial years 2019-20 & 2020-21 amounting to Rs. 2,700,000 and Rs. 4,843,465 respectively. However, no corrective measures were taken, resultantly irregular expenditure for Rs.10,743,465.

When pointed out in October 2022, management replied that some record is missing due to flood and emergency situation in district, however record will be arranged and re-checked and reply will be given accordingly. Reply of the department was not satisfactory.

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

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

AIR Pars-15 (2021-22)

4.4.2.3 Excess payment over approved cost Rs-1.773 million

According to Para 220 & 221 of CPWA Code, the Sub Divisional Officer, before making payments to the contractors is required to compare the quantities in the bills and see that all the rates are correctly entered and that all the calculations have been checked arithmetically.

Assistant Director LG&RDD South Waziristan overpaid Rs 1,772,546 on account of developmental schemes during FY 2021-22 as detail below.

Amount in Rs

S #	Scheme	Item	Cost paid	Cost allowed as per BOQ	Over payment
1	DWWS Dera Amin	PCC 1.3.6	278,950	4976	273,974
2	Do	HDPE Pipe	162,905	43,343	118,962
	Conts: of small drinking water supply scheme at jalalghani khel				180,881
3		10" bore	623,728	442,847	
4	Do	PVC PIPE	198,485	53,618	144,867

		8"dia			
5	Conts: of water supply scheme at Tangai Makin Said Wali	HDPE Pipe 40 mm	466,247	34,420	431,827
6	Conts: of water supply scheme at Wach Kalai	Solar 5000 watt	362,900	0	362,900
7	Do	PVC PIPE 8"dia 70 mm	259,135	0	259,135
Total					1,772,546

Overpayment occurred due to non-compliance of CPWA Code, which resulted into loss to Government.

When pointed out in October 2022, management replied that total cost remained within the limits of approved cost. Hence no overpayment was made. Reply of the department was not satisfactory.

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

Audit recommends recovery amounting to Rs. 1.773 million of overpayment.

AIR Para- 13 (2021-22)

ANNEXURES

Annexure-1

Detail of MFDAC Paras

(Rs in million)

S.No	Deputy Commissioner SW	Amount in million (Rs)
1.	Irregular & un-economical purchase of furniture	0.199
2.	Irregular Purchase of IT Equipment	0.403
3.	Non-conducting of Physical Verification Store & Stock.	0
4.	Irregular expenditure on account of repair of building	0.344
5.	Non-deduction of Income Tax u/s 236C	0.731
6.	Unauthorized payment on account of financial assistance	0.900
7.	Loss to Govt. due to unauthorized payment of electricity bills	0.612
8.	Un-authorized payment of Conveyance Allowance	0.316
9.	Non-deposit of Domicile Fee	0.144
10.	Non-conversion of current bank accounts into PLS	0
District Health Officer SW		
11.	Un-authorized payment of Conveyance Allowance	0.240
12.	Loss to Govt. due to unauthorized payment of NPA	0.480
13.	Doubtful expenditure due to missing of vouchers	0.651
14.	Irregular exp on a/c of purchase of furniture	0.276
15.	Irregular Expenditure under head cost of other store	0.551
16.	Non-accounting of store items under head machinery & Equipment	0.413
District Education Officer SW		
17.	Doubtful payment on A/c of adjustments	0.502
18.	Unauthorized payment on A/c of teaching allowance	0.085
19.	Under-age appointment and payment of salaries.	0.264
20.	Doubtful appointment and payment of salaries.	0.277
21.	Irregular procurement of goods.	0.520
ADLG SW		
22.	Un-economic expenditure on A/c of others.	0.300
23.	Irregular payment on A/c of rent of office building.	0.336
24.	Doubtful Expenditure on A/c of POL	0.150
25.	Non-deduction of Income Tax	0.348
26.	Non-deposit of receipts into treasury.	0.125
Distt: Director Live Stock & Dairy Development SWTD		
27.	Excess expenditure	12.450
28.	Irregular expenditure on a/c of transportation	0.0500
29.	Overpayment on a/c of POL	0.272
30.	Un justified payment of conveyance allowance	0.020
31.	Non recovery of income tax from pay	0.061
32.	Overpayment on a/c of transfer grant	0.041
33.	Irregular payment of TA/DA	0.049

34.	Non auction of condemn vehicle	0.0
35.	Irregular expenditure on a/c of POL	0.339
36.	Irregular expenditure on a/c of repair of vehicle	0.050
Distt Director Agriculture Ext SWTD		
37.	Loss due to non-deduction of income tax	0.405
38.	Irregular expenditure on a/c of training	0.500
39.	Irregular expenditure on a/c of motorcycle	0.976
40.	Irregular payment to vendor through DDO	0.587
41.	Irregular expenditure under head POL	0.300
42.	Non auction of condemn vehicle	0.0
43.	Non conducting of physical verification	0.0
Distt: population welfare officer SWTD		
44.	Irregular payment of cash	0.314
45.	Irregular expenditure	0.020

Annexure-2

DP No. 2.4.1.2

Detail showing wasteful expenditure on schools

Amount in Rs

S.No	School	Enrolment	Average Expenditure/ Month	Amount Rs
1	GPS Sam	0	Teacher Pay-Rs 30,000, Chowk: Pay-Rs 22,000, Electricity bill-Rs 1,000 Total-Rs 53,000	636,000
2	GPS Mir AwazKot	0		636,000
3	GPS TarikhTali	0		636,000
4	GHS GernalHaibatKhel	0		636,000
5	GPS SpinkaiRaghzai	0		636,000
6	GPS NaviKech	0		636,000
7	GPS WarzaAshangi	0		636,000
8	GPS UmerRaghzai	0		636,000
9	GPS KakaiRaghzai	0		636,000
10	GPS Ahmad Wam	0		636,000
11	GPS Bangiwala	0		636,000
12	GPS Birmal	0		636,000
13	GGPS GulatKot	0		636,000
14	GGPS Abdul SattarKot	0		636,000
Total				8,904,000

Annexure-3
DP No. 2.4.1.8

Detail showing Loss to Government due to non-refunding of tax
Amount in Rs

S#	Name of Scheme	Fund allocated for acquisition of land (Rs)	2% TMA Tax on acquisition of land (Rs)
1	Police Post Barwand	13,673,500	273,470
2	Police Post AngoorAdda	2,921,250	58,425
3	Land for DPO Office	8,856,000	177,120
4	District Head quarter Wana	105,500,000	2,110,000
5	Purchase of Sararogha Bazar	10,250,000	205,000
6	Bus Terminal	11,410,639	228,213
7	Slaughter House Makin	3,063,093	61,262
8	PHE Scheme	3,600,000	72,000
9	Wildlife Office	4,305,000	86,100
10	For Police Infrastructure	1,163,633	23,273
Total		164,743,115	3,294,863

Annexure-4
DP No. 2.4.1.12

Detail showing Irregular payment of cash from bank
Amount in Rs

S.No.	Month	Amount
1.	Jul-20	627,000
2.	Aug-20	0
3.	Sep-20	2,100,000
4.	Oct-20	299,000
5.	Nov-20	171,895
6.	Dec-20	861,284
7.	Jan-21	426,045
8.	Feb-21	1,174,000
9.	Mar-21	913,267
10.	Apr-21	225,145
11.	May-21	1,087,780
12.	Jun-21	1,780,664
Total		9,666,080

Annexure-5

DP No. 2.4.1.14

Detail showing unjustified retention of public money**Amount in Rs**

S#	Name of Scheme	Fund allocated	Transferred to Assistant Commissioner	Undisbursed lying with Tehsildar
1	Police Post Barwand	13,673,500	2,820,000	10,853,500
2	Police Post AngoorAdda	2,921,250	2,850,000	71,250
3	Land for DPO Office	8,856,000	5,820,000	3,036,000
4	District Head quarter Wana	105,500,000	0	105,500,000
5	Purchase of Sararogha Bazar	10,250,000	0	10,250,000
6	Bus Terminal	11,410,639	0	11,410,639
7	Slaughter House Makin	3,063,093	0	3,063,093
8	PHE Scheme	3,600,000	0	3,600,000
9	Wildlife Office	4,305,000	0	4,305,000
10	For Police Infrastructure	1,163,633	0	1,163,633
Total		164,743,115	11,490,000	153,253,115

Annexure-6

DP No. 2.4.2.4

**Detail showing over payment on account of POL charges
Vehicle # 1001 (Deputy Commissioner)****Amount in Rs**

S.No	Month	POL Ceiling	POL Drawn	POL Overdrawn	Rate/liter	Overpayment
1	21-Jul	300	539	239	112	26,768
2	21-Aug	300	533	233	114	26,562
3	21-Sep	300	503	203	147	29,841
4	21-Oct	300	344	44	130	5,720
5	21-Nov	300	515	215	145	31,175
6	21-Dec	300	590	290	147	42,630
7	22-Jan	300	585	285	146	41,610
8	22-Feb	300	384	84	159	13,356
9	22-Mar	300	610	310	148	45,880
10	22-Apr	300	646	346	147	50,862
Total						314,404

Vehicle # 1004 (Assistant Commissioner Ladha)

S.No	Month	POL Ceiling	POL Drawn	POL Overdrawn	Rate/liter	Overpayment
1	21-Jul	350	692	342	112	38,304
2	21-Aug	350	639	289	114	32,946
3	21-Sep	350	746	396	147	58,212
4	21-Oct	350	756	406	130	52,780
5	21-Nov	350	643	293	145	42,485
6	21-Dec	350	436	86	147	12,642
7	22-Jan	350	467	117	146	17,082
8	22-Feb	350	523	173	159	27,507
9	22-Mar	350	609	259	148	38,332
10	22-Apr	350	581	231	147	33,957
Total						354,247

Vehicle # 1006 (Assistant Commissioner Wana)**Amount in Rs**

S.No	Month	POL Ceiling	POL Drawn	POL Overdrawn	Rate/liter	Overpayment
1	21-Nov	350	400	50	145	7,250
2	21-Dec	350	450	100	147	14,700
3	22-Jan	350	500	150	146	21,900
4	22-Feb	350	440	90	159	14,310
5	22-Apr	350	454	104	148	15,392
6	22-May	350	450	100	147	14,700
Total						88,252

Vehicle # 1003 (Assistant Commissioner Sarwakai)**Amount in Rs**

S.No	Month	POL Ceiling	POL Drawn	POL Overdrawn	Rate/liter	Overpayment
2	21-Aug	350	451	101	114	11,514
3	21-Sep	350	563	213	147	31,311
4	21-Oct	350	558	208	130	27,040

5	21-Nov	350	567	217	145	31,465
6	21-Dec	350	434	84	147	12,348
7	22-Jan	350	392	42	146	6,132
8	22-Feb	350	400	50	159	7,950
9	22-Mar	350	681	331	148	48,988
10	22-Apr	350	541	191	147	28,077
Total						204,825

Vehicle # 1002 (Additional Deputy Commissioner General)

Amount in Rs

S.No	Month	POL Ceiling	POL Drawn	POL Overdrawn	Rate/liter	Overpayment
1	21-Jul	150	595	445	112	49,840
2	21-Aug	150	507	357	114	40,698
3	21-Sep	150	600	450	147	66,150
4	21-Oct	150	481	331	130	43,030
5	21-Nov	150	548	398	145	57,710
6	21-Dec	150	636	486	147	71,442
7	22-Jan	150	526	376	146	54,896
9	22-Mar	150	512	362	148	53,576
10	22-Apr	300	589	289	147	42,483
Total						479,825

Vehicle # 1005 (Additional Assistant Commissioner Ladha)

Amount in Rs

S.No	Month	POL Ceiling	POL Drawn	POL Overdrawn	Rate/liter	Overpayment
1	21-Jul	350	644	294	112	32,928
2	21-Aug	350	721	371	114	42,294
3	21-Sep	350	970	620	147	91,140
4	21-Dec	350	636	286	147	42,042
5	22-Jan	350	526	176	146	25,696
6	22-Feb	350	416	66	159	10,494
7	22-Mar	350	512	162	148	23,976
8	22-Apr	350	589	239	147	35,133
Total						303,703

Grand Total	1,745,256
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Annexure-7

DP No. 3.4.1.1

Detail showing Doubtful expenditure on account of daily wages

Amount in Rs

S.No	Voucher No. & Date	Amount
1.	No.03 dated: 24.08.2021	39,600
2.	No.12 dated: 29.09.2021	273,600
3.	No.04 dated: 13.10.2021	187,200
4.	No.01 dated: 01.11.2021	187,200
5.	No.02 dated: 06.12.2021	187,200
6.	No.01 dated: 04.01.2022	194,400
7.	No.06 dated: 31.01.2022	187,200
8.	No.07 dated: 07.04.2022	440,000
9.	No.02 dated: 30.05.2022	188,838
10.	No.01 dated: 15.06.2022	180,000
Total		2,065,238

Annexure-8

DP No. 3.4.1.2

Detail showing doubtful expenditure of salaries of daily wages

Amount in Rs

S.No	Cheque No. & Date	Amount
1.	No.39078056 dated: 13.07.2021	39,600
2.	No.39078065 dated: 30.07.2021	81,000
3.	No.39078080 dated: 16.09.2021	104,910
4.	No.39078081 dated: 16.09.2021	45,355
5.	No.39078087 dated: 01.10.2021	124,800
6.	No.39078088 dated: 01.10.2021	17,600
7.	No.39078095 dated: 29.10.2021	141,600
8.	No.38769093 dated: 06.12.2021	142,400
9.	No.38769099 dated: 04.01.2022	148,000
10.	No.38769112 dated: 08.03.2022	115,200
11.	No.38769133 dated: 08.05.2022	105,000
12.	No.38769147 dated: 28.06.2022	165,370

Total	1,230,835
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Annexure-9

DP No. 3.4.2.3

Detail showing Irregular payment to suppliers

Amount in Rs

S.No	Cheque No. & Date	Payee	Amount
1.	No. 39078054 dated: 12.07.2021	Tipu Printers	25,435
2.	No. 39078074 dated: 16.08.2021	(i)Tipu Printers, DIK. (ii)Al-Hafiz A one crockery Store, DIK (iii)Tipu Printers, DIK. (iv)Sudai Gift Center, Tank. (v)TawakalZarai Service, DIK.	199,651
3.	No. 38769101 dated: 12.01.2022	(i)Hashmat Karlu Copier Center, DIK.	38,220
4.	No. 38769113 dated: 13.03.2022	(i)Muneeb Burki Sanitory Store,DIK. (ii)Kashif Super Store, Tank	50,447
5.	No. 38769123 dated: 08.04.2022	(i)Sarhadi Tent Service, DIK.	74,800
6.	No. 38769129 dated: 14.04.2022	(i)Bashir Decoration and Tent Service, Tank	77,280
7.	No. 38769132 dated: 22.04.2022	(i)Bashir Decoration and Tent Service, Tank	77,280
8.	No. 38769134 dated: 08.05.2022	(i)Bashir Decoration and Tent Service, Tank	77,280
9.	No. 38769142 dated: 23.06.2022	(i)Shahid Tent and Decoration, DIK. (ii)HD Graphics, DIK. (iii)Sarhadi Tent and Catering Service, DIK.	137,480
10.	No. 38769144 dated: 23.06.2022	(i)Khan Zaman, Heavy Machinery Traders, DIK.	376,800
Total			1,134,673

Annexure-10**DP No. 3.4.2.4****Detail showing irregular payment to suppliers****Amount in Rs**

S.No	Cheque No. & Date	Payee	Amount
1.	No. 39681380 Dated:24.08.2021	Med Care International, Peshawar	40,320
2.	No. 39681381 Dated:24.08.2021	Noor Islam, Heavy Machinery Supplier, Wana	36,400
3.	No. 39681383 Dated:24.08.2021	HD Graphics and Printing Agency, D.I.Khan	92,882
4.	No. 39681385 Dated:03.09.2021	Pir Nursery Farm, Bannu	44,055
5.	No. 39681391 Dated:09.09.2021	Shahzeb Nursery Farm, Bannu	43,877
6.	No. 39681390 Dated:09.09.2021	Niaz Green Nursery Farm, Bannu	43,254
7.	No. 39681392 Dated:09.09.2021	(i) Al-Hafiz A- One crockery centre (ii) Sudais Gifts Tank	88,560
8.	No. 39681408 Dated:21.10.2021	Al-SaifTyre Centre, D.I.Khan	35,280
9.	No. 39681405 Dated:01.10.2021	Nisar Zarai Service, D.I.Khan	42,592
10.	No. 39681393 Dated:09.09.2021	Tipu Printers, D.I.Khan	37,908
11.	No. 39681422 Dated:12.01.2022	Hashmat karlo Photo copier Centre, D.I.Khan	38,220
12.	No. 39681426 Dated:31.01.2022	EFI Auto Electrician, D.I.Khan	36,160
13.	No. 39681431 Dated:31.01.2022	(i) TawakalZarai Service, D.I.Khan (ii) Bashir Decoration and Tents, Tank	79,346
14.	No. 39681437 Dated:04.04.2022	KotKut Filling Station, Tank	83,192
15.	No. 39681438 Dated:04.04.2022	Dar Motor Work Shop, D.I.Khan	21,060
16.	No. 39681442 Dated:04.04.2022	(i)Kamran Sanitary, D.I.Khan (ii)Hashir Electronics, D.I.Khan (ii)MakharZaraiAdwiat Centre, D.I.Khan	89,345
17.	No. 39681444 Dated:04.04.2022	Shakeel, General Order Supplier, D.I.Khan	79,360
18.	No. 39681445 Dated:08.04.2022	(i)Al-Shaikh Sweets, Tank (ii)Bashir Decoration and Tent Service, Tank	79,049
19.	No. 39681448 Dated:19.04.2022	(i)HD Graphics, D.I.Khan. (ii)Marhaba Stationery, D.I.Khan. (iii)Kotkut Filling station, Tank	165,212
20.	No. 47300548 Dated:24.06.2022	Nisar Zarai Service, D.I.Khan	32,850
Total			1,116,132