

AUDIT REPORT

AUDIT YEAR 2022 - 23

**ON THE ACCOUNTS OF
LOCAL GOVERNMENTS
DISTRICT TANK**



AUDITOR GENERAL OF PAKISTAN

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

B.Key Audit Findings of the Report .

- 01 **Non-consolidation of accounts of Local Govts-Rs.408.371 million**
- 02 **Unauthorized cheques payments to DDOs instead of vendors -Rs. 45.239 million.**
- 03 **Unverified payment on account of arrears of pay & allowances-Rs.117.632 million.**
- 04 **HR/ Employees related irregularities were noticed in four cases amounting to Rs. 28.217 million.**
- 05 **Procurement related irregularities were noticed in eight cases amounting to Rs. 62.796 million.**
- 06 **Issues in management of account with commercial banks amounting to Rs. 39.70 million were noticed in six cases.**
- 07 **Value for money amounting to Rs.39.734 million was noticed in six cases.**
- 08 **Others, including cases of accidents, negligence etc were noticed in eight cases amounting to Rs.39.81 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.



B. RECOVERIES AT THE INSTANCE OF AUDIT

As a result of audit, a recovery of Rs 24.05 million was pointed out in this report. Recovery amounting to Rs. 0.245 million was affected till finalization of the report.



AUDIT RECOVERIES

RS. 24.05 MILLION

Recovery pointed out by the Audit

RS. 0.245 MILLION

Recovery verified by the Audit

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. Recovery of Rs. 0.245 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 reason able 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 DAO. No review was carried out of the performances.
- TMAs did not follow the accounting procedure given in the APPM.
- No system of monitoring was found to track the progress of District Government towards its objectives. No internal Auditor was appointed. Annual Review of internal control was also not carried out.



A. SCOPE OF AUDIT

This office is mandated to conduct audit of 89 formations working under 04 PAOs. Total expenditure and receipts of these formations were Rs. 4,063.34 million and Rs.394.244 million receipts, respectively for the financial year 2021 - 22.

Audit coverage relating to expenditure for the current audit year comprises 07 formations of 04 PAOs having a total expenditure of Rs. 2,885.776 million for the financial year 2021 -22. In terms of percentage, the audit coverage for expenditure is 71.02 % of auditable expenditure.

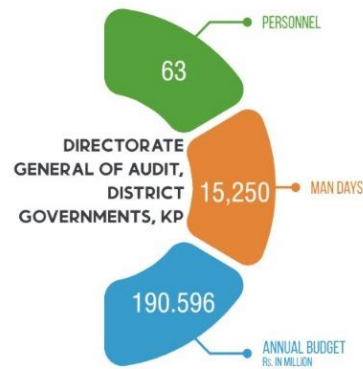
Audit coverage relating to receipts for the current audit year comprises formations of 02 PAOs (2 TMAs) having Rs.394.244 million receipts for the financial year 2021 -22. In terms of percentage, the audit coverage for receipts is 100.00% of auditable receipts.

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 1 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.



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 Tank 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 76 VCs/NCs in district Tank.



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 Tank 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

ABBREVIATIONS AND ACRONYMS

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

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





CHAPTER-01

PUBLIC FINANCIAL MANAGEMENT



CHAPTER-1

Public Financial Management

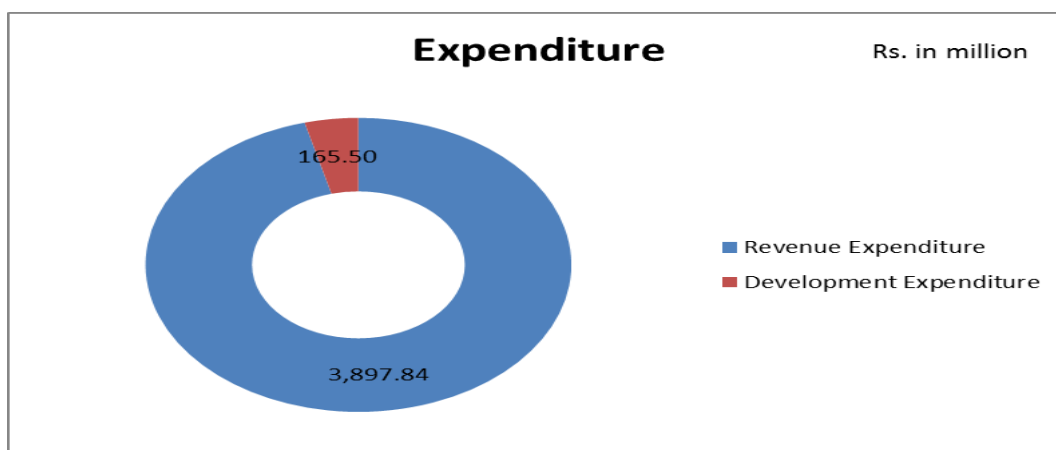
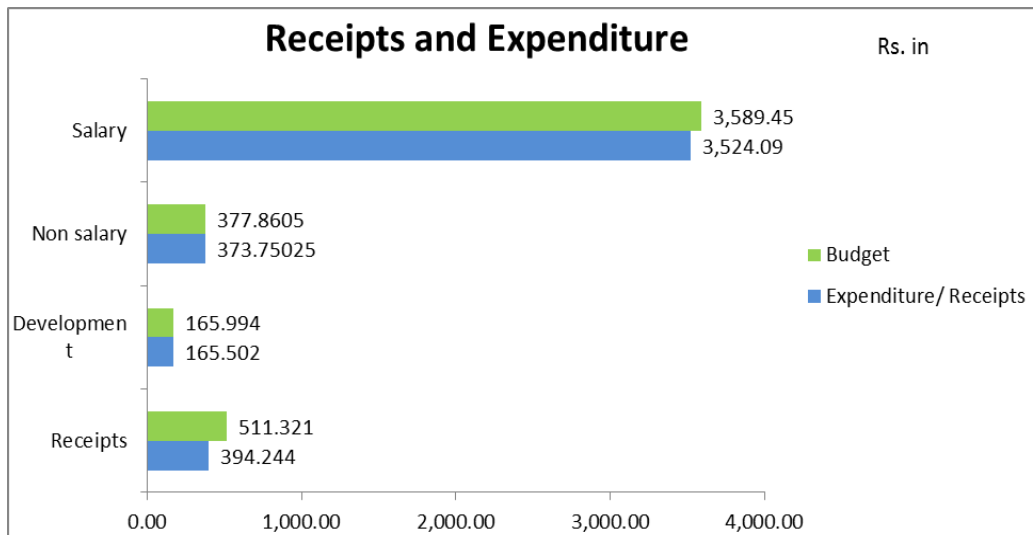
1.1 Sectoral Analysis

In compliance to the Notification of Local Government, Election and Rural Development Department issued on 4th September, 2019, Councils of all tiers of District Government were stood dissolved on the culmination of their respective tenure on 29th August, 2019. The same notification authorized Deputy Commissioners (DCs), Tehsil/Town Municipal Officer (TMOs) and Assistant Director LG & RDD to perform functions of respective Nazameen as envisaged under 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 Tank is headed by Deputy Commissioner who is Principal Accounting Officer of the budget grant allocated to the 11 offices devolved at district level. Similarly, Tehsil Municipal Administration is headed by Tehsil Municipal Officer who is its Principal Accounting Officer. whereas, Assistant Director LGE & RDD is the Principal Accounting Officers for Village/Neighborhood Councils.

In District Tank, Funds amounting to Rs.4,133.31 million were allocated to 89 formations working under 04 PAOs. Out of which, expenditure of Rs.4,063.34 million was made resulting into excess of Rs 69.97 million. Receipts of Rs. 394.244 million were collected through the formation during the financial year 2021-22. Audit coverage relating to expenditure for the current audit year comprises 14 formations of 04 PAO having total expenditure of Rs. 2,885.776 million for the financial year 2021-22. In terms of percentage, the audit coverage for expenditure is 71.02 % of auditable expenditure. Similarly, audit coverage for receipts is 100.00 %.

(Rs. in million)

2021-22	Budget	Actual Expenditure/ Receipts	Excess/ (Saving)	Expenditure audited	%age
Salary	3,589.45	3,524.09	-65.36	2,885.776	71.02
Non-salary	377.8605	373.75025	-4.11		
Development	165.994	165.502	-0.49		
Total	4,133.31	4,063.34	-69.97	2,885.776	71.02
Receipts	511.321	394.244	-117.08	394.244	100.00%



According to Section 36(3) of Local Government Act 2013, the District Accounts Officer was required to consolidate accounts of Local Government on quarterly and annual basis. However, District Accounts Officer, Tank did not reflect Rs. 408.371 million into the consolidated financial statement of Local Government, Tank. which resulted into qualified opinion on the accounts of Local Government Tank.

District Government, Tank 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 for District Government, D.I.Khan 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, Finance Department, Khyber Pakhtunkhwa could not provide District Accounts Office, Tank with prescribed format and necessary trainings to compile the accounts of TMAs and Village/Neighborhood councils and then reflect the same in the consolidated financial statement of the district, which resulted in disclaimer of its accounts by the Auditor General of Pakistan. Moreover, Internal Audit function could not be established as provided in sub section 4 of section 37 of 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 426 primaries, 31 middles, 27 secondary and 10 higher secondary schools in District Tank. The estimated Teacher Student Ratio is 1:86 at primary, 1:81 at middle, 1:63 at secondary and 1:75 at the level of higher secondary schools. District Tank literacy rate is 39%, the Gross Enrollment Rate (GER) is 47 %, and the Net Enrollment Rate (NER) is 47 % at the primary level. On budgetary front, District Education office, Tank succeeded in spending 96%, Salary and 94.51 % non-salary budgets.

District Education Offices in Tank enrolled 78,354 in boy's schools while 52,154 students were enrolled in female Government schools. Similarly, annual average of teacher attendance rate and student attendance rate as per independent Monitoring Unit (IMU) data were approximately 95% & 91% respectively. Furthermore, 73% schools in district Tank 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 63 % against the assigned targets.

Health

Health is another important sector of District Tank with a total of 99 health facilities spread across the district, among which 03 are urban while the rest are rural based. Their further break-up is 17 BHUs, 7 CDs, 4 HOSP and 03 RHC with the total catchment area population of approximately 6.521 million 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, 6,182 babies were born in health facilities. Out of them 71 deaths were recorded. Lab investigations and diagnostic facilities were also fully utilized as 75,074 lab tests. 35,752 X-rays, 14,245 ultrasounds and 9,354 ECGs were done in both primary and secondary health facilities in district Tank. Figures of immunization from EPI register are also very impressive as 13,542 pregnant women received TT-2 vaccines, 9,546 kids under 12 months received full immunization. 11,543 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 patient's treatment and other lab investigations etc.

Social Welfare

In Social Welfare and Women Empowerment sector, budgetary allocations were focused on providing social cushion to the deprived and marginalized segments of society especially, women and children. In the proposed development plan, the department had continued to proceed with its

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

Rehabilitation center for drug addicts have treated 19 patients during the year Furthermore, various vocational and industrial trainings were provided by the Social Welfare Department. However, keeping in view the spread of drug use and incidence of poverty, the efforts made by Social Welfare office are not likely to bring about any visible improvement in the short or long run unless more resources are diverted to this sector. There is no official Panahgah in District Tank.

Municipal Services

Tehsil Municipal Administrations, District Tank 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, Tank 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.

Assistant Director Local Government

Assistant Director Local Government, Election and Rural Development Tank look after the affairs of 76 village/ neighborhood councils. Assistant Director Local Government, Election and Rural Development Tank failed to implement promoting plantation of trees, landscaping and beautification of public places, regulating establishing cattle ponds and providing protection against stray animals and mobilizing community for maintaining trees, culverts, bridges and buildings.

1.2 AUDIT PARAS (Financial Attest Audit)

1.2.1 Non compilation & consolidation of accounts of Local Governments- Rs. 408.371 million

According to section 36(3) of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2019, the District Accounts Officer shall, monthly 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 the Department.

During the certification audit of accounts of the District Accounts Officer, 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 Rs129.335. million and expenditure of Rs. 408.371 million respectively of TMAs. 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 2018-19, 2019-20 and 2020-21 amounting to Rs 916.368 million Rs. 440.194 million and Rs. 483.368 million respectively. However no corrective measures were taken.

As per decision of DAC meeting held in September 22 para stand till compilation of accounts as per rules.

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.23.679 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, Tank paid Rs. 23,768,943 as arrears/adjustment on account of Pay and Allowances amounting during 2021-22 which could not be verified due to non-production of arrears bills.

Irregularity occurred due to weak internal controls, which resulted in unauthorized issuance of cheques to DDOs. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs 316.548 and Rs 117.631 respectively. However, no corrective measures were taken.

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 payment under arrears of pay and allowances Rs. 45.240 million

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

During certification audit of office of the District Accounts Officer, Tank for the financial year 2021-22, while analyzing HR data it was noticed that arrears of pay and allowances of Rs. Rs.45,239,721 as paid. However, local office could not produce supporting documents for verification to audit.

The lapse occurred due to weak internal controls, which resulted into unverified expenditure. The similar observation was also pointed out during the financial years 2019-20 and 2020-21 amounting to Rs 41.284 and Rs 40.573 respectively. However, no corrective measures were taken.

When pointed out in September 2022, management stated that the matter will be investigated and action will be taken accordingly. However, no progress was shown till finalization of this report.

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.

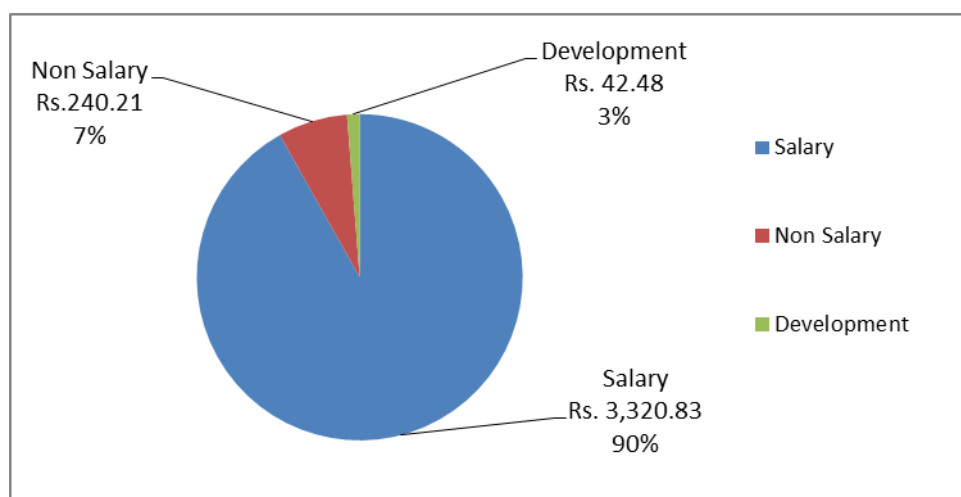
Audit Profile of the District Government Tank

(Rs in million)

S. No	Description	Total No	Audited	Expenditure audited FY 2021-22	Revenue /Receipts audited FY 2021-22
1	Formations	11	04	2,626.471	0.713

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

District Government Tank				
2021-22	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	3,381.01	3,320.83	60.19	-2.645
Non- Salary	244.574	240.216	4.36	-0.277
Developmental	43.891	42.485	1.41	16.514
Total	3,669.475	3,603.531	65.96	-2.124
Receipts				

EXPENDITURE 2021-22**(Rs in million)**

The savings of Rs. 65.96 million indicate weakness in the capacity of District Government Departments to utilize the allocated budget. Furthermore, the salary component was 90% of total expenditure whereas, non-salary component and Development expenditure was only 7% and 3% 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 144.61 million were raised in this audit report. This amount also includes recoverable of Rs 2.005 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Classified Summary of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	
A	HR/Employees related irregularities	13.50
B	Procurement related irregularities	39.71
C	Management of Accounts with Commercial Banks	51.59
2	Others, including cases of accidents, negligence etc.	39.81
	Total	144.61

2.3 Comments on the status of compliance with District Accounts Committee Directives

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

Sr. No.	Audit Year	DAC meeting
1.	2002-03	Not Convened
2.	2003-04	Not Convened
3.	2005-06	Not Convened
4.	2006-07	Not Convened
5.	2007-08	Not Convened
6.	2008-09	Not Convened
7.	2009-10	Not Convened
8.	2010-11	Not Convened
9	2011-12	Not Convened
10	2012-13	Not convened
11	2013-14	Not Convened
12	2016-17	Not Convened

13	2017-18	Not Convened
14	2018-19	Not Convened
15	2019-20	Not Convened
16	2020-21	Not Convened
17	2021-212	Not Convened

2.4 AUDIT PARAS

2.4.1 Irregularities

A. HR / Employee related

2.4.1.1 Irregular expenditure on account of hiring of teachers. Rs.11.700 million

As per Government of Khyber Pakhtunkhwa (Elementary & Secondary Education) department policy regarding double shifts in existing government schools for the year 2021-22, the stipend rates paid to the teachers for middle level schools classes (VI to VII) would be Rs.15000/month.

District Education Officer, Tank sub office SDEO (M/F) Jandola received an amount of Rs.11.700 million from Directorate of Elementary & Secondary Education (P&D) Khyber Pakhtunkhwa for hiring of teachers at fixed pay through Parent Teacher Council (PTC). Amount was transferred to the PTC without recruitment of teachers and assessment of needs. The current status regarding utilization and balance amount was also not available on record.

Irregularity occurred due to non-compliance of government policy, which resulted in wastage of government fund.

When pointed out in August 2022, management stated that record will be collected from schools and progress will be intimated to audit. However, no further details were provided to audit till finalization of this report.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for collection of complete record by DEO (M) from all schools and progress report may produce to audit for verification of hired teachers and unspent amount within one month, but no progress shown to audit in this regard.

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

AIR Para No. 05 (2021-22)

2.4.1.2 Overpayment to hired teachers by PTCs-Rs.1.800 million

As per Government of Khyber Pakhtunkhwa (Elementary & Secondary Education) department policy regarding double shifts in existing government schools for the year 2021-22, the stipend rates paid to the teachers for middle level schools classes (VI to VII) would be Rs.15000/month.

District Education Officer (Female) Tank, hired 24 No. of teachers out of PTC fund for double shift program and demanded Rs.25,000 per month instead of Rs.15,000/month for total period of 05 months& 05 days which resulted into over demand of Rs. 1.800 million as detailed below:-

Amount in Rs

S#	Name of Parent School	No. of teachers	Stipend demanded @Rs.25000/ month Rs	Actual Stipend to be paid @Rs.15000/ month Rs	Over demanded Rs
1	GGPS Bara Khel	04	610,000	310,000	300,000
2	GGPS Mamrez Pathan	04	610,000	310,000	300,000
3	GGPS KotAzam	04	610,000	310,000	300,000
4	GGPS Cheena	04	610,000	310,000	300,000
5	GGPS Gara Budha	04	610,000	310,000	300,000
6	GGPS Wanda Zalo	04	610,000	310,000	300,000
Total			3,660,000	1,860,000	1,800,000

Over payment of funds occurred due to non-compliance of government policy, which resulted into loss to Government.

When pointed out in August, 2022 management stated that after consultation of record reply will be furnished to audit.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for clarification from Director E&SE Department KP about implementation of rate of hiring teachers notification issued by E& SE department, whether applicable with immediate or otherwise, but no progress was shown till finalization of this report.

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

AIR Para No. 15 (2021-22)

B. Procurement related irregularities

2.4.1.3 Irregular expenditure on account of purchase of furniture- Rs.24.528 million

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

assets. The Deputy Commissioner being PAO of District Government has full powers to grant sanction. Furthermore, according rule 75 (8) (c) of District Government Budget Rules 2016 all materials received should be examined, counted, measured or weighed as the case may be, delivery should be taken in charge by a responsible Government officer, who should see that the quantity is complete and its quality is good, and he may record a certificate to that effect, and entered into stock register.

District Education Officer (Male & Female), Tank paid Rs.24.528 million to M/S Burhan Trading Company being lowest bidder on account of purchase of school furniture during 2021-22 as detailed below: -

(Rs in million)			
S.No	Office	Supplier	Amount
1	DEO (Male)	M/S Burhan Trading Company	15.480
2	DEO (Female)		9.048
Total			24.528

Audit observed the following irregularities:

- i. Notice for Inviting Tender (NIT) was issued by the Elementary & Secondary Education department, KP but financial sanction for incurring the expenditure was not obtained from the competent authority i.e. the Deputy Commissioner, Tank being a Principal Accounting Officer of devolved Offices under the rule ibid.
- ii. Full payment was made to the supplier, whereas payment was subject to the completion of supply & verification reports by the inspection committee.

Irregular expenditure occurred due to non-compliance of rules, which resulted into loss to govt. The same observation was also pointed out during the financial years 2017-18 & 2018-19 amounting to Rs.7,884,728 and Rs.24,429,210 respectively. However, no corrective measures were taken, resultantly total irregular expenditure of Rs.56,841,938.

When pointed out in August, 2022 management stated that payment was made after fulfillment of all codal formalities. However, detailed reply will be given with due course of time. Reply is not convincing as neither codal formalities were fulfilled nor detailed reply was provided.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for physical verification of quality & quantity of furniture by committee notified by E&SE Department KP dated: 28.01.2022 but no progress was shown till the finalization of this report.

Audit recommends fixing of responsibility and action against the person(s) at fault.

AIR Para No. 03 & 13 (2021-22)

2.4.1.4 Unauthentic expenditure on purchase of agriculture inputs–Rs.4.951 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, Tank incurred expenditure of Rs.5,950,960 on account of purchase of different agriculture inputs for use in demonstration plots during FY 2019-20 & 2020-21 as details given below:-

S.No	FY year	Head of Account	Expenditures (Rs)
1	2020-21	Agriculture inputs (Cost of other stores)	2,249,600
2	2019-20	Agriculture inputs (Cost of other stores)	3,701,360
Total			5,950,960

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. Furthermore, 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 about 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.

Unauthentic expenditure occurred due to non-compliance, which resulted into wastage of fund.

When reported in February 2022, management stated that complete record will be produced to audit in due course of time.

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

Audit recommends inquiry into the matter for fixing responsibility against the person(s) at fault.

AIR Para No. 05 (2020-21)

2.4.1.5 Irregular payments on account of national oil seed enhancement – Rs.3.760 million

Rule 75(6) of Khyber Pakhtunkhwa, District or City District Government Budget Rules 2016, requires that systematic internal checks are calculated to prevent and detect errors and irregularities in the financial proceedings and to guard against waste and loss of public money and stores.

District Director Agriculture, Tank paid Rs.3,760,000 vide cheque No 38139164 dated 27.04.2021 to Model Form Services Centre Tank on account of national oil seed enhancement during FY 2020-21. Audit observed following irregularities: -

- i. The amount was paid in lump sum instead of bill-to-bill payment / on work done basis.
- ii. Item wise detailed cost estimate and procurement detail was not available in support of payment.
- iii. Funds utilization and progress report was also not maintained in any official documents of office.

The lapse occurred due to non-compliance of rules, which resulted into irregular payment.

When reported in February 2022, management stated that expenditure paid against purchase of seeds and progress of expenditure will be shown in due course of time. Reply was not convincing as neither item-wise detail nor funds utilization report was produced due to which veracity of expenditure incurred could not be authenticated.

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

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

AIR Para No. 06 (2020-21)

2.4.1.6 Unauthorized advance payment on account of purchase of other stores items-Rs 2.796 million

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

District Health Officer, Tank incurred expenditure of Rs 2,796,317 on account of purchase of other store items during FY 2021-22, but items were not supplied till the date of audit i.e July, 2022. The amount of non-supplied items was drawn from Government Treasury just to utilize the available budget. As detail provided in Annexure-2

Unauthorized payment occurred due to non-compliance of rules, which resulted into non-supply of store items.

When pointed out in August 2022, management stated that all the purchases have been made according to the demand and fulfillment of codal formalities. However detailed reply will be given after consultation of record.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record by audit along with representative of DC office within one month, 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. 01 (2021-22)

2.4.1.7 Irregular payment to farmers on account of subsidy – Rs. 2.47 million

Para 18 (I) of GFR terms of contract must be precise, definite and there be no room for ambiguity. 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. Furthermore, under rule 283 of CTR, each head of office is responsible for the amount drawn is duly paid to person entitled to receive it and obtain acquaintance on bill.

District Director Agriculture, Tank paid subsidy amounting to Rs.2,478,500 to farmers during FY 2019-20. Details are provided at Annexure-3.

Audit observed the following irregularities: -

- i. Payment of subsidy was made without observing any approved criteria.
- ii. Record of ownership of land and area under cultivation and seeds production by the farmers were not maintained by the office.
- iii. Actual payee receipts of payment made were also not available on record.

Irregular payment of subsidy occurred due to non-adherence to rules, which resulted in, to loss to Government.

When reported in February 2022, management stated that complete record will be produced in due course of time. Reply was not convincing as in the absence of such documents the veracity of payment made could not be authenticated.

PAO was requested for convening of 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. 01 (2020-21)

2.4.1.8 Non-supply of medicines of Rs 2.687 million and non-imposition of penalty – Rs.188,124.

According to Para No. 18(ii) of the agreement between Government of Khyber Pakhtunkhwa Health Department and Suppliers, the supply of stock shall be completed within 30 days after the receipts of supply order. The supplier may avail 15 days extension with 3% penalty and another 15 days with 7% penalty on the cost of non-supplied items.

District Health Officer, Tank withdrew Rs. 2,687,520 on account of purchase of medicines for various sub-ordinates units during FY 2021-22, but medicines were not supplied till the date of audit i.e July, 2022. The amount of non-supplied items was drawn from Government treasury just to utilize the available budget. Moreover, the management did not impose the maximum penalty calculated @ 7% amounting to Rs188,124 on the suppliers concerned. Detail is given Annexure-4

The lapse occurred due to weak internal controls, which resulted in non-supply of medicines and loss to the Government. The same observation was also pointed out during the financial years 2018-19, 2019-20 and 2020-21 amounting to Rs. 11,652,498, 8,063,426 and Rs. 1,464,998 respectively. However, no corrective measures were taken, resultantly total non-supply of medicines for Rs.23,868,442.

When reported in August 2022, 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 02.10.2022, directed to keep the para stands for verification of record by audit along with representative of DC office within one month, but no progress was shown till the finalization of this report.

Audit recommends immediate supply of medicine and recovery amounting to Rs. 188, 124 of penalty amount from the suppliers.

AIR Para No. 05 (2021-22)

C. Management of Accounts with Commercial Bank

2.4.1.9 Irregular cash withdrawal from designated bank accounts – Rs. 18.810 million

As per Accountant General, Khyber Pakhtunkhwa letter No. DAG/PR/2019-20/08 dated 25.03.2019 endorsed by the Government of Khyber Pakhtunkhwa, Finance Department No SO/(Admn)/FD/3-19/2018 dated 01.04.2019, payment should be made only through vendor cross cheques and all payment through DDO should be stopped henceforth. Furthermore, according to Government of KPK Finance department letter No.BO (W&M)/6-5/2019-20 Dated Peshawar dated: 19thFebruary, 2020, “all the Principal Accounting officers and DDOs are advised to stop henceforth all cash payments and through open cheques payments” and also 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”.

District Director Agriculture, Tank made cash payment to supplier amounting to Rs. 18,810,798 under various head of accounts during FYs 2019-20 & 2020-21. Details are provided in Annexure-5.

Following irregularities were observed:-

- i. The pre-audit cheques were issued in favour of District Director Agriculture (Extension) Tank instead of vendor.
- ii. Payment was made to supplier in cash instead of crossed cheque.
- iii. Actual Payee Receipts (APR) of further cash disbursement to supplier were also not available on record.

Cash payment from designated bank accounts occurred due to weak internal control, which resulted in irregular payments.

When reported in February 2022, management stated that matter is noted for future compliance.

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

Audit recommends stoppage of cash payment from designated bank accounts besides inquiry and action against the person(s) at fault.

AIR Para No. 03 (2020-21)

2.4.1.10 Irregular retention of public money into bank account- Rs 13.650 million

According to Serial No.14, of the Government of Khyber Pakhtunkhwa, Finance Department letter No. BO.I/FD/5-8/2017-18 dated 30-06-17, “No department shall retain money in bank account, the department must remit all receipts to provincial account forthwith unless where departments/facilities have been specifically permitted under some statute/Act”.

Deputy Commissioner, Tank maintained bank account in the Bank of Khyber, No. 0106-003002986-166 for PDMA funds during the FY 2021-22. It was observed that a cash balance of Rs.13,649,665 was lying unspent till 30.06.2022. Neither fund was surrendered to Finance Department nor any proper justification for retention of funds was produced to audit.

The lapse occurred due to violation of Government rules which resulted in blockage of public money which could have been utilized elsewhere by the government.

When reported in August 2022, the management stated that detailed reply would be submitted after consultation of record. However, no progress was shown to audit till finalization of this report.

DAC in its meeting held on 02.10.2022, directed to keep the para stands to forward the case to Finance Department KP for approval of conversion of current account into PLS account, but no progress was shown till the finalization of this report.

Audit recommends immediate utilization or deposit of public money into Government treasury beside action against the person at fault.

AIR Para No 04 (2021-22)

2.4.1.11 Cash payment of funds from designated bank account – Rs.1.848 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”.

District Population Welfare Officer, Tank withdraws cash amounts for Rs.1,848,857 from designated bank account during FY 2020-21. However, local office could not produce details of further utilization of funds and acknowledgement / actual payee receipts for cash disbursement. Details are provided at Annex-6.

Cash payment from designated bank account occurred due to weak internal control, which resulted into misappropriation of public money.

When pointed out in January 2022, the management stated that in few cases vendors have no bank account and cash payment is made for payments of small bills, however actual payee receipt would be submitted to Audit in due course of time. Reply is not convincing as payment to vendor/ supplier must be made through crossed cheques i.e. “Payee Account Only”.

PAO was requested for convening of DAC meeting in January 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. 02 (2020-21)

2.4.1.12 Irregular cash payment of funds from bank account-Rs 3.642 million

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

Deputy Commissioner, Tank, withdrew Rs.3.642 million in cash from designated bank account during financial year 2021-22. The purpose of payment and further utilization and acknowledgment of cash disbursement was not available on record. Furthermore, cash book was not produced to verify the amount. Detail is given below:

S.No.	Month	Amount (Rs.)
1.	Jul-21	50,000
2.	Aug-21	80,000
3.	Jan-22	1,800,000
4.	Apr-22	50,000

5.	May-22	702,000
6.	Jun-22	960,000
Total		3,642,000

The lapse occurred due to violation of Government rules which resulted in blockage of public money which could have been utilized elsewhere by the government. The same observation was also pointed out during the financial year 2020-21 amounting to Rs. 13,550,379. However, no corrective measures were taken, resultantly total irregular payment of funds of Rs.17,192,379 from bank account.

When pointed out in August 2022, the management replied that in few cases vendors have no bank accounts and cash payment is made for small claims, however acquaintance roll will be produced to audit in due course of time. Reply is not convincing as no progress was shown to Audit till finalization of this report.

DAC in its meeting held on 02.10.2022, directed to keep the para stands to produce attested photocopies of actual payee receipt to audit for verification within one month, 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 03 (2021-22)

2.4.1.13 Irregular retention of public money into bank account-Rs 13.650 million

According to Serial No.14, of the Government of Khyber Pakhtunkhwa, Finance Department letter No. BO.I /FD/5-8/2017-18 dated 30-06-17, “No department shall retain money in bank account, the department must remit all receipts to provincial account forthwith unless where departments/facilities have been specifically permitted under some statute/Act”.

Deputy Commissioner, Tank maintained bank account in the Bank of Khyber, No. 0106-003002986166 for PDMA funds during the FY 2021-22. It was observed that a cash balance of Rs.13,649,665 was lying unspent till 30.06.2022. Neither fund was surrendered to Finance Department nor any proper justification for retention of funds was produced to audit.

The lapse occurred due to violation of Government rules which resulted in blockage of public money which could have been utilized elsewhere by the government. The same observation was also pointed out during the financial year

2020-21 amounting to Rs. 1,307,692. However, no corrective measures were taken, resultantly total irregular retention of funds of Rs.14,957,357 from bank account.

When reported in August 2022, the management stated that detailed reply would be submitted after consultation of record. However, no progress was shown to audit till finalization of this report.

DAC in its meeting held on 02.10.2022, directed to keep the para stands to produce copy of bank statement of respective Bank account to audit for confirmation of unspent amount in bank account and a certificate may also issue by ADC Relief about non utilization of funds other than relief activities, but no progress was shown till the finalization of this report.

Audit recommends immediate utilization or deposit of public money into Government treasury beside action against the person at fault.

AIR Para No 04 (2021-22)

2.4.2 Others, including cases of accidents, negligence etc

2.4.2.1 Un-verified payment of Stipend to Girls Students-Rs.11.075 million

According to Elementary & Secondary Education Department, KP, Peshawar letter No.DPC/E&SE/Stipend/2021-11 dated 10-3-2022, (i) Only girl students with 80% attendance of the school days will get stipend; (ii) The eligible girl students must be present in the school to receive the stipend from a Postman. The Head of the schools will only identify the students and endorse the payment to her; (iii) the disbursement must be completed of all the installments before 15th of April, 2022 and (iv) Relevant record of disbursement must be maintained at all schools, Circle and at the DEO Offices for further reference, audit and accounting purposes.

District Education Officer (Female), Tank paid Rs.11,074,620 to Senior Post Master, GPO Tank, for onward payments to Girls Students of Tank as Stipend during 2021-22 as per detail given below:-

S.No.	Cheque No. & Date	Amount (Rs.)
1.	No.1114695 dated 15-06-2022	5,445,708
2.	No.1181742 dated 30-6-2022	5,628,912
Total		11,074,620

Audit observed the following irregularities: -

- i. Record pertaining to enrolment of Girls Students and 80% attendance was not available on record to verify the payment of Stipend.
- ii. ID card/ form-B of students were not available.
- iii. The acknowledgment of payments received by the girls students duly endorsed/ verified by the heads of schools were not available on record to ascertain that the payment was actually, made or otherwise.
- iv. The local office neither made any reconciliation with the GPO nor made any correspondence regarding submission of acknowledgment of payment of stipend nor demanded unpaid money orders.
- v. Current status of utilization of funds was not available on record.
- vi. Status of returned amount of stipend was also not known by the department.

Un-verified payment occurred due to weak internal controls, which resulted into loss to govt.

When reported in August, 2022, management stated that record relating to stipend of girls students will be collected from GPO Tank and produced to audit.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record by audit within one month, but no progress was shown till the finalization of this report.

Audit recommends verification/clarification of such payment.

AIR Para No. 17 (2021-22)

2.4.2.2 Irregular payment on account of cost of free text books- 10.968 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.

District Education Officer (Male), Tank and SDEO Jandola paid Rs 10,968,000 to Text Book Board Peshawar on account of payment of free text books during 2021-22.

Following irregularities were observed:-

- i. The payment was made in advance and the books are not received till date of audit i.e 31-08-2022.
- ii. Cost per book was not mentioned on record.
- iii. Income & sales taxes were neither deducted nor exemption certificate from taxes of Text Book Board Peshawar was available on record.

Irregular payment occurred due to weak internal controls which resulted in to loss to Government.

When pointed out in August 2022, management did not respond to the preliminary observation. In the absence of detailed reply, the matter could not be justified.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record by audit within one month, 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)

2.4.2.3 Unauthorized payment of funds on simple receipt-Rs 6.943 million

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

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

Deputy Commissioner, Tank drew Rs.6,943,000 from Government treasury for Kamara works under head “others” during FY 2021-22. It was observed that the amount was drawn in lump sum on a simple receipt bill and amount was placed in designated bank account instead of transferring to executing agency i.e Agriculture Engineering for execution of work at site.

Payment of funds on simple receipt occurred due to weak internal controls, which resulted into unauthorized expenditure.

When reported in August 2022, the management stated that all the codal formalities have been fulfilled. However, detailed reply would be given after consultation of record.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of amount drawn on simple receipt in bank statement that all amount has been properly credited in the respective account and supporting vouchers in case of further payment for kamara work within one month, 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 (2021-22)

2.4.2.4 Irregular payment on account of CRC-Rs.4.005 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.

District Education Officer (Male), Tank incurred expenditure of Rs.4,005,439 on account of class room consumables during the year 2021-22.

Audit observed the following irregularities:

- i. Funds were drawn from treasury on simple receipt in lump sum from Govt treasury.
- ii. Expenditure was not reconciled on monthly basis.
- iii. Vouchers and detail of expenditure was not available in quarter concern.
- iv. No monitoring report regarding funds utilization and work progress was issued by the supervisory staff i.e DEO, Dy DEO, SDEOs.
- v. Bank statements of schools were not produced to confirm the payments and utilization of funds.

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

When reported in August 2022, the management stated that all the codal formalities are fulfilled by the PTCs. However, complete record will be produced to audit in due course of time.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record of one school in each Union Council within one month, but no progress was shown till the finalization of this report.

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

AIR Para No. 04 (2021-22)

2.4.2.5 Irregular expenditure on account of others -Rs.2.0844 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”.

Deputy Commissioner, Tank incurred expenditure of Rs.1,049,875 and Rs.1,034,540 under head Others and exhibition & fairs respectively during FY 2021-22. Details as per Annexure-7.

Audit observed the following irregularities:

- i. Quotations were not obtained from the open market to purchase items on economical rates.
- ii. Sum of Rs.791,435 was shown incurred during the month of June 2022, under head others without adopting tender system.
- iii. Huge expenditure was incurred on printing of pana flex banners & boards, distinction shields and heavy lunches on number of occasions without mentioning any detail of events managed / claimed.
- iv. The items so purchased were neither taken on relevant stock registers nor shown issued to concern.

Payments without codal formalities occurred due to weak internal controls, which resulted into irregular expenditure.

When pointed out in August 2022, the management stated that all the codal formalities have been fulfilled before incurrence of expenditure. However, stock register and other relevant record will be updated and produced to audit for verification in due course of time. Reply is not convincing as no record was shown to audit till finalization of this report.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record within one month, but no progress was shown till the finalization of this report.

Audit recommends fixing of responsibility and action against person(s) fault.

AIR Para No 07 & 05 (2021-22)

2.4.2.6 Loss to Government due to non-deduction of sales tax – Rs. 2.005 million

As per S.R.O. 660(I) /2007 dated 30-06-2007 provided in sales tax Act 1990, sales tax must be deducted @17% from the unregistered persons and @ 3.4% from the registered persons on supply of goods and services.

District Director On-Farm Water Management, Tank executed various water courses schemes amounting to Rs. 11,799,181 during FY 2020-21. While the local office did not deduct sales tax @ 17% from the bills of suppliers amount to Rs. 2,005,861. Details are provided at Annexure-8.

Non-deduction of sales tax occurred due to weak internal control, which resulted into loss to Government.

When pointed out in February 2022, the management stated that sales tax is not applicable on construction of watercourses. Reply is not convincing as no documentary evidence regarding exemption was produced in support of reply by the quarter concern.

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

Audit recommends recovery amounting to Rs. 2.005 million or production of sales tax exemption certificate from the contractors.

AIR Para No. 08 (2021-22)

2.4.2.7 Irregular expenditure on account of cost of other stores- Rs.1.717 million

Rule 30 of the Khyber Pakhtunkhwa Public Procurement Rules, 2014 stipulates that each procuring entity shall plan in advance its procurements.

Rule 11 KPPPR 2014 Mode of advertisement: The procuring entity shall engage in open competitive bidding.

According to Para-148 of GFR, all material received should be examined, counted, measured, weighed as the case may be, when delivery is taken, and they should be taken on charge by a responsible government officer who should see that quantities are correct and their quality is good, and record a certificate that he has actually received the materials and recorded them in the appropriated stock register.

District Health Officer Tank incurred expenditure of Rs. 1,717,646 on account of cost of other store items during FY 2021-22, as detail given in Annexure-9.

Following shortcomings were observed:-

- i. The purchases were made directly from the market without calling open tender and suppliers were not approved by MCC.
- ii. No demand was received from the quarter concerned for purchase of such items.
- iii. The physical verification report of store & stock by inspection committee was not produced.
- iv. Items purchased were not entered in main stock register.

Irregular expenditure occurred due to weak internal controls, which resulted into uneconomical purchase.

When pointed out in August 2022, management stated that all the purchases have been made according to the demand and fulfillment of codal formalities. Moreover, complete record will be scrutinized and detailed reply will be given accordingly.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record by audit along with representative of the Deputy Commissioner Tank within one month, 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)

2.4.2.8 Irregular procurement of equipments of Rs. 1.020 million

According to Rule 30 of KPPRA Rules-2014, each procuring entity shall plan its procurements with due consideration to transparency, economy, efficiency and timeliness, and shall ensure equal opportunities to all prospective bidders in accordance with section 22 of the Act.

District Health Officer, Tank incurred expenditure of Rs.1,020,040 on procurement of equipment during financial year 2021-22 as per following details.

S.No	Particular	Suppliers	Cheque No	Date	Amount Rs.
1	Printer	Sy Enterprises	1114671	14.06.2022	156,780
2	Deep Freezer	-do-	1114671	14.06.2022	118,000
3	Laptop	-do-	1114669	14.06.2022	700,000
4	USB 16GB 20 No	-do-	1114728	15.06.2021	45,260
Total					1,020,040

Following irregularities were noticed:-

- i. Open tendering system was not adopted.
- ii. Specification of the equipments was not obtained from the IT section /technical committee. Inspection report of section concerned was also not available on record.
- iii. Physical verification certificate to ascertain quantity and quality by the member of purchase committee was not available on record.
- iv. No delivery challan and receiving / handing taking certificate were available on record.
- v. Items so purchased were neither entered in relevant stock register nor shown issued.

Irregularity occurred due to weak internal controls which resulted into irregular procurement of equipments.

When pointed out in August 2022, management stated that equipments have been purchased after fulfilling of all codal formalities and no irregularity occurred.

DAC in its meeting held on 02.10.2022, directed to keep the para stands for verification of record by audit and certificate may issue by DDO about current position of old laptops/desktops within one month, but no progress was shown till the finalization of this report.

Audit recommends inquiry into the matter for fixing responsibility on the person(s) at fault

AIR Para No. 10 (2021-22)



CHAPTER-03

TEHSIL MUNICIPAL ADMINISTRATIONS



CHAPTER-3

Tehsil Municipal Administration

3.1 Introduction:

District Tank has two tehsils i.e. Tehsil Tank and Tehsil Jandola. The office of a Tehsil Municipal Administration is managed by the Tehsil. He is assisted by a Tehsil Officer (Finance), a Tehsil officer (Regulation) and Tehsil officer (Infrastructure).

According to section 22 of Local Government Act, 2013 the functions and powers of TMAs are briefly given as under:

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

Audit Profile of Tehsil Municipal Administration

(Rs in millions)

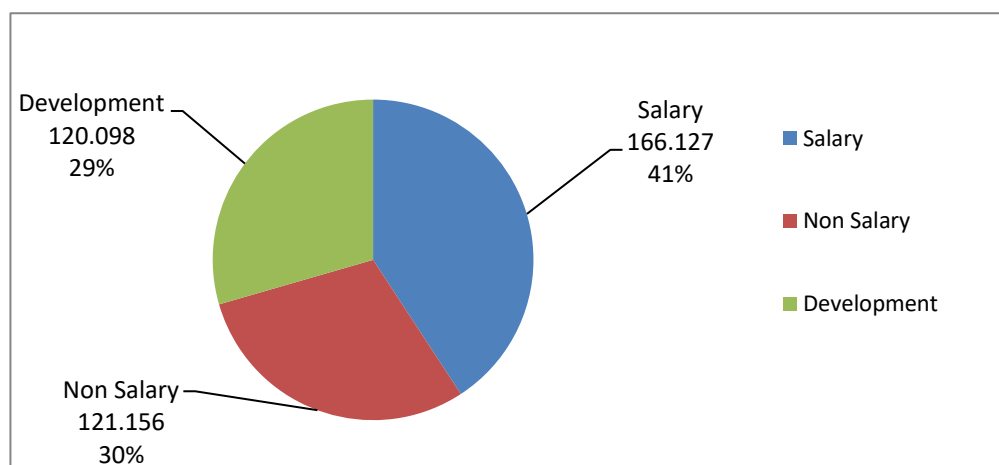
Sr No	Description	Total No.	Audited	Expenditure auditedFY2021-22 (Rs in million)	Revenue /Receipts auditedFY2021-22 (Rs in million)
1	Formations	02	02	211.742	394.993

3.1 b Comments on Budget and Accounts (Variance Analysis) (Rs in millions)

TMA				
2021-22	Budget	Actual Expenditure and Receipts	Excess/(Saving)	%age
Salary	170.652	166.127	-4.52	-2.65113
Non-Salary	120.689	121.156	0.47	0.386945
Development	119.768	120.098	0.33	0.275533
Total	411.109	407.381	-3.73	-0.90662
Receipt	511.321	394.993	-116.328	-29.45

EXPENDITURE 2021-22

(Rs in million)



The savings of Rs.3.73 million indicate weakness in the capacity of Tehsil Government Departments to utilize the allocated budget. Furthermore, the salary component was 41% whereas; non-salary component and development expenditure was only 30% and 29% 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 Administration 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.32.649 million were raised in this audit report. This amount also includes recoverable of Rs.20.659 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

S.No.	Classification	Amount (Rs. in million)
1	Irregularities	
A	Procurement related irregularities	-
B	HR/Employees related irregularities	1.806
C	Management of accounts with commercial banks	10.184
2	Value for money and service delivery issues	20.659
3	Others, including cases of accidents, negligence etc.	-
Total		32.649

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.	2002-03	N/A
2.	2003-04	N/A
3.	2005-06	N/A
4.	2006-07	N/A
5.	2007-08	N/A

6.	2008-09	N/A
7.	2009-10	N/A
8.	2010-11	N/A
9	2011-12	N/A
10	2012-13	Not convened
11	2013-14	Not Convened
12	2016-17	Not Convened
13	2017-18	Not Convened
14	2018-19	Not Convened
15	2019-20	Not Convened
16	2020-21	Not Convened

3.4 AUDIT PARAS

3.4.1 Irregularities

A. HR/Employees related irregularities

3.4.1.1 Irregular expenditure on account of payment to daily wages employees-Rs.1.806 million.

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

TMO, TMA Tank for the year 2021-22, appointed 87 numbers of regular sanitary staff for municipal services which draws a salary of Rs 32.740 million however the TMO also incurred expenditure of Rs 1.806 million on appointment of daily wages employees for municipal services. Audit observed the following irregularities:

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

Sr.No	Dated	Particular	Period	Amount in Rs
1	03/2022	Payment to daily wages	Mar-2022	420,000
2	4/2022	Payment to Daily wages employees	Apr-2022	525,000
3	6/2022	Payment to daily wages	June-2022	299,000
4	10/2022	payment to daily wages	Oct-2022	238,000
5	10/2022	payment to daily wages	Oct-2022	324,000
Total payment				1,806,000

Payments in violation of rules occurred due to non-compliance of rules which resulted in loss to TMA.

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

PAO was requested for convening of 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 No. 05 (2021-22)

B. Management of accounts with commercial Banks

3.4.1.2 Irregular payment of cash from bank account-Rs 7.227 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, Jandola withdrew cash- Rs. 7,226,933 from bank account No. 2007475748, The Bank of Khyber, D.I.Khan during financial year 2021-22, but details of further utilization and acknowledgment of cash disbursement was not available in record. Detail provided in Annexure-10

The lapse occurred due to non-compliance of rules, which resulted in irregular cash payments.

When pointed out in November 2022, management replied that cash payment was made where vendors have no bank accounts. However, actual payee receipt will be produced to Audit in due course of time. Reply is not tenable as no documented proof was provided to audit for authentication.

PAO was requested for convening of 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.

AIR Para No. 02 (2021-22)

3.4.1.2 Loss to Government due to non-opening of PLS account - Rs 2.957 million

According to Finance Department Khyber Pakhtunkhwa Peshawar letter No. 2/3-(F/L)/FD/2007-08/vol-IX dated 10.02.2014, the bank accounts in commercial banks for various departments/autonomous/corporation in KP and

directed that such accounts may be converted into PLS mode and profit earned may be deposited into government treasury under the relevant head of account not later than a week when declared by the bank.

Tehsil Municipal Administrator Tank retained an amount of Rs 26,871,593 as on 30-06-2022 in Bank of Khyber current bank account Nos. 010604855004 and No 010600305006 instead of PLS as required under the rules. Further Rs 114,554,053 was credited in the current bank of the local office, however public exchequer was deprived from profit @11% for Rs 2,957,374.

Rs. in million			
S. No	Current Bank Account	Credited during the year	Closing Balance
1	010604855004	42,608,824	26,871,593
2	010600305006	71,945,229	13,627
Total		114,554,053	26,885,220

Non conversion of account into PLS mode occurred due to violation of Government instructions, which resulted in loss to TMA.

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When pointed out in October 2022, management replied that letter will be issued to Bank for conversion the current account in to PLS, or new account will be open for PLS account. Reply is not tenable as no documented proof was shown to audit till finalization of this report.

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

Audit recommends conversion of current bank account into PLS mode.

AIR Para No. 04 (2021-22)

3.4.2 Value for money and service delivery issues

3.4.2.1 Non-realization of water charges Rs 16.765 million

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

TMO, TMA Tank incurred expenditure of Rs 38,482,032 on account of pay & allowances of WSS operating staff in addition to this expenditure of repair/maintenance and electricity charges of various WSS during 2021-22. However, the department realized Rs 76,660 against Rs 16,765,200 outstanding dues during 2021-22. A comparison above referred expenditure shows that very nominal revenue is collected against millions of expenditures.

Non realization of water charges indicates inefficient administrative and financial controls which resulted in loss to TMA due to non-realization of revenue which could be utilized on other value-added activities.

When pointed out in October 2022, management replied that recovery will be made from the water consumers. Reply is not tenable as no recovery made till date.

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

Audit recommends recovery of the amount Rs. 16. 765 million in question and action against the person(s) at fault.

AIR Para No. 02 (2021-22)

3.4.2.2 Non recovery of departmental dues–Rs. 1.427 million

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

TMO, TMA Tank did not recover outstanding amounts of Rs.1,426,500 from the various contracts during 2021-22, as per detail given below:-

Amount in Rs

S. No	Name of Contractor.	Contract years	Bid Amount (Rs)	Outstanding (Rs)
1.	Faiz Ullah S/o Zaray Khan Masood Gulshan Colony Tank	Cattle fair Dabara for 5-month w.e.f 1 st Feb 2021 to 30 th June 2022	9,015,000	191,500
2.	Faiz Ullah S/o Zaray Khan Masood Gulshan Colony Tank	General Bus Stand for 5-month w.e.f 1 st Feb 2021 to 30 th June 2022	2,055,000	765,000
3.	Inam Ullah S/o Maghaaz ullah	The Bazari Tank fee	1,230,000	424,900
4.	Faiz Ullah S/o Zaray Khan Masood Gulshan Colony Tank	Sign Board Tank	451,001	45,100
Total			12,751,001	1,426,500

Non recovery of departmental dues was occurred due to non-compliance of rules, which resulted in loss to TMA. The same observation was also pointed out during the financial year 2019-20 amounting to Rs. 1,920,000. However, no corrective measures were taken, resultantly total losses of Rs.3346500 to TMA.

When pointed out in October 2022, management replied that notices have already been issued against the defaulters to deposit the outstanding amount as soon as possible. Reply is not tenable as no recovery was made till date.

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

Audit recommends recovery amounting to Rs. 1.427 million and action against the person(s) at fault.

AIR Para No. 07 (2021-22)

3.4.2.3 Loss to Government due to non-recovery of income tax - Rs 1.275 million.

According to the terms & conditions of the agreement with the contractor state that “contractor will be bound to pay income tax @ 10% on the total bid amount.”. Furthermore Para 8 and 26 of GFR Vol-I states that each administrative department to see that the dues of the Government are correctly and promptly assessed, collected and paid into Government treasury.

TMO, TMA Tank did not recover income tax outstanding against various contractors during 2021-22. (as per detail given below).

Amount in Rs

S. No	Name of Contractor.	Contract years	Bid Amount (Rs)	Income tax outstanding (Rs)
1.	Faiz Ullah S/o Zaray Khan Masood Gulshan Colony Tank	Cattle fair Dabara for 5-month w.e.f 1 st Feb 2021 to 30 th June 2022	9,015,000	901,500
2.	Faiz Ullah S/o Zaray Khan Masood Gulshan Colony Tank	General Bus Stand for 5-month w.e.f 1 st Feb 2021 to 30 th June 2022	2,055,000	205,500
3.	Inam Ullah S/o Maghaaz ullah	The Bazari Tank fee	1,230,000	123,000
4	Faiz Ullah S/o Zaray Khan Masood Gulshan Colony Tank	Sign Board Tank	451,001	45,100
Total			12,751,001	1,275,100

Non recovery of income tax occurred due to non-compliance of the terms and condition of agreement, which resulted in loss to government. The same observation was also pointed out during the financial year 2017-18 amounting to Rs. 4,342,575. However, no corrective measures were taken, resultantly total losses of Rs.5,617,675 to the Government.

When pointed out in October 2022, management replied that notices have already been issued against the contractors to deposit the income tax amount to government treasury against proper head of account. Reply is not tenable as no progress was shown to audit till date

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

Audit recommends recovery amounting to Rs. 1.275 million and action against the person(s) at fault.

AIR Para No. 11 (2021-22)**3.4.2.4 Non-deposit of Sales Tax amounting to Rs. 1.193 million.**

According to Chapter-X- sales tax, section 36 (Sales Tax Act 1990) provides that “Sales Tax @ 17% may be recovered from the registered firms from the value of taxable supplies made to Government Offices.

Tehsil Municipal Officer Tank paid Rs.7,022,499 on account of Purchases/ supplies of miscellaneous items during 2021-22. On scrutiny it was observed that sales tax was deducted of Rs.1,193,824 from the suppliers, however the same was not credited into government treasury.

Non deposit of sales tax occurred due to non-adherence of Sales Tax Act, which resulted in loss to TMA. The same observation was also pointed out during the financial year 2016-17 amounting to Rs. 4,187,600. However, no corrective measures were taken, resultantly total losses of Rs.5,381,424 to the Government.

When pointed out in October 2022, management replied that due to weak TMA the due taxes have not been credited to government treasury, but it will be deposit later on. Reply is not tenable as recovery made till date.

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

Audit recommends that sales tax may be deposit into Government Treasury and action may be taken against the person(s) at fault.

AIR Para No. 13 (2021-22)



CHAPTER-04

ASSISTANT DIRECTOR LGE & RDD



CHAPTER-4

AD LGE &RDD

4.1 Introduction:

Assistant Director Local Government, Election and Rural Development Department in District Tank has 21 VCs/NCs. Each VC/NC has a Secretary. Assistant Director Local Government Election & Rural Development Department is Drawing and Disbursing Officer (DDO) for his office and PAO for VCs/NCs of the District Tank.

According to section 29 of the Khyber Pakhtunkhwa Local Government Act 2013 the authority and responsibilities of the District Government have been given as under:

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

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

Functions and Powers of the Village Council or Neighborhood Council includes:

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

Audit Profile of AD LG & RDD

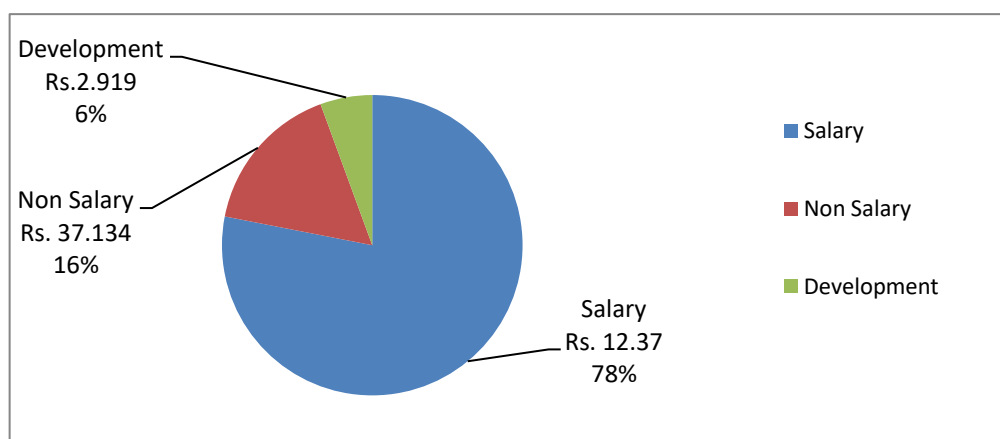
(Rs in million)					
Sr No	Description	Total No.	Audited	Expenditure auditedFY2021-22	Revenue /Receipts auditedFY2021-22
1	Formations (including VCs)	76	8	47.563	

4.1 b Comments on Budget and Accounts (Variance Analysis)

(Rs in millions)				
2021-22	Budget	Actual Expenditure/ Receipts	Excess/ (Saving)	% age
Salary	37.7925	37.13475	0.65775	-1.12627
Non salary	12.5975	12.37825	0.21925	-3.78262
Development	2.335	2.919	-0.584	-3.83562
Total	52.725	52.432	0.293	-8.74451
Receipts				

EXPENDITURE 2020-21

(Rs. in million)



The savings of Rs.0.293 million indicate weakness in the capacity of District Government Departments to utilize the allocated budget. Furthermore, the salary component was 78% whereas; non-salary component and development expenditure was only 16% and 6% respectively of total expenditure. Less development expenditure by the District Government was due to insufficient release and lack of interest of the Provincial Government towards development at District level. As a result, less development activity, job opportunities were not adequately provided to the larger population. Business operations were not increased and ultimately standard of living of the people was not improved and role of the District Government could not be seen in the development functions as required under Rules of Business 2015.

4.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 32.993 million were raised in this audit report. This amount also includes recoverable of Rs 1.193 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Classified Summary of Audit Observations

(Rs in million)		
Sr. No.	Classification	Amount
1	Irregularities	
A	HR/Employees related irregularities	12.911
B	Procurement related irregularities	-
C	Management of Accounts with Commercial Banks	1.014
2	Value for money and service delivery issues	19.068
3	Others, including cases of accidents, negligence etc.	-
Total		32.993

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

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

Sr.No.	Audit Year	VACs/NACs meeting
1	2016-17	Not convened
2	2017-18	Not convened
3	2018-19	Not convened
4	2019-20	Not convened
5	2020-21	Not convened
6	2021-22	Not convened

4.4 AUDIT PARAS

4.4.1 Irregularities

A. HR/Employees related irregularities

4.4.1.1 Irregular expenditure on account of Hiring of Janitors on daily wage basis-Rs 12.911 million.

According to Director Local Government SOP issued for hiring and utilization of Janitors vide officer letter No Director (LG)3-22/Misc/2013/962 dated Peshawar 11 June 2021.

Assistant Director LGE& RDD Tank paid Rs 12.911 million on account of Hiring of Janitors on Daily Wage basis for Sanitation in Village Councils during 2021-22. Audit observed the following irregularities-

- i. As per para 4 of SOPs, the AD (LG&RDD) are required to monitor the Janitor regular basis and have to submit report but no such report was available on record.
- ii. Para 8 of SOPs the AD LG&RDD are required to publish widely Email address, telephone No and mobile No to obtain feedback from public on performance of janitor which was not done.
- iii. As per para 7 of the SOP janitor must be assigned specific working area within the jurisdiction of the village council by the village secretary which was not done.

Hiring of staff in violation of rules occurred due to non-compliance of rules, which resulted in wastage of funds.

When pointed out in October 2022, management replied that after consultation of record proper reply will be submitted. Reply is not tenable as in absence of the above documents/ records audit is unable to ascertain the accuracy of the expenditures.

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

Audit recommends corrective action and fix responsibility against the person(s) at fault.

AIR Para No. 02 (2021-22)

B. Management of accounts with Commercial Banks

4.4.1.2 Un-authorized retention of public money in bank accounts - Rs.1.014 million

According to Para 6 of General Financial Rules Volume-I requires the prior approval of Government for opening of designated bank account in banks other than State Bank of Pakistan / National Bank of Pakistan.

Assistant Director (LGE& RDD) Tank retained Rs-1,014,354 in designated Bank account No. 010605111000 in Bank of Khyber Tank city during 2021-22.

Audit observed the following irregularities:-

- i. No approval of the competent authority regarding authorization of bank accounts was provided to audit.
- ii. Funds under contingency heads of Rs-1,345,615 were deposited in designated bank accounts which was required to be issued in the name of vendor /suppliers etc.
- iii. Rs 1,014,354 closing balance was in bank account on 30th June, 2022.without any justification.
- iv. Rs-455,297 opening balance in bank account of on dated 01.07.2022, disbursement of which is not known to audit.

Unauthorized retention of public money occurred due to non-compliance of rules, which resulted into blockage of public money.

When pointed out in October 2022, management stated that proper reply will be submitted after consultation with higher ups.

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

Audit recommends justification for retention of public money in a bank account.

AIR Para No. 09 (2021-22)

4.4.2 Value for money and service delivery issues

4.4.2.1 Un-authorized payment though simple receipt Rs 17.875 million

According to AG KPK Letter No. AGKP/Payments/Gen/2020-21 Dated 28.10.2021 all concerned are hereby directed not to entrain any claim that involves payment through Designated Account or Simple Receipt unless the claim is explicitly approved by the Additional Accountant General and or Accountant General KPK himself.

Assistant Director (LGE &RDD) Tank incurred and expenditure amounting to Rs 17.875 million for purchase of small sanitation tools, Hiring of Janitors and operational requirements etc through Simple receipt during 2021-22 without supporting vouchers.

Payment of funds on simple receipt occurred due to weak internal controls which resulted into unauthorized payment.

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

PAO was requested for convening of 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 No. 01 (2021-22)

4.4.2.2 Non-deposit of Sales Tax amounting to Rs. 1.194 million.

According to Chapter-X- Sales Tax, Section 36 (Sales Tax Act 1990) provides that “Sales Tax @ 17% may be recovered from the registered firms from the value of taxable supplies made to Government Offices.

Tehsil Municipal Officer Tank paid Rs. 7,022,499 on account of Purchases/ supplies of miscellaneous items during 2021-22. On scrutiny it was observed that sales tax was deducted of Rs.1,193,824 from the suppliers, however the same was not credited into government treasury.

When pointed out in October 2022, management replied that due to weak TMA the due taxes have not been credited to government treasury, but it will be deposit later on. Reply is not tenable as recovery made till date.

Non deposit of sales tax occurred due to non-compliance of Sales Tax Act, which resulted in loss to government. The same observation was also pointed out during the financial year 2017-18 amounting to Rs. 12,111,068. However, no corrective measures were taken, resultantly total losses of Rs.13,304,892 to the Government.

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

Audit recommends that sales tax may be deposit into Government Treasury and action may be taken against the person(s) at fault.

AIR Para No. 08 (2021-22)

ANNEXURES

Annexure-1

MFDAC

S.No.	Deputy Commissioner Tank	Amount in million (Rs)
1.	Irregular payment to vendor through DDO	0.174
2.	Irregular exp on a/c of purchase of stationary.	0.585
3.	Irregular exp on a/c of repair of transport.	0.650
4.	Non-accounting of store equipment	0.495
5.	Doubtful expenditure due to missing of vouchers	0.235
6.	Excess exp under head pay & allowances	0.329
7.	Non auction of condemned vehicle/machinery.	0
8.	Non-conducting of physical verification of stock & store.	0
9.	Irregular expenditure under head hot & cold weather charges	0.153
District Health Officer Tank		
10.	Doubtful payment on A/c of coal	0.812
11.	Irregular procurement of batteries	0.584
12.	Unauthorized payment of NPA	0.110
13.	Non deposit of District receipt into treasury	0.021
14.	Non deposit of District receipt into A/c IV	0.196
15.	Doubtful payment on A/c of polio campaign	0.500
16.	Loss due to non-deduction of HRA	0.355
17.	Irregular appointment of employees and salaries	0.382
District Education Officer Tank		
18.	Irregular Payment of tablet/PC	0.795
19.	Doubtful expenditure on account of repair of transport	0.356
20.	Un-authorized expenditure on advertisement	0.158
21.	Un-authorized payment of Conveyance Allowance	0.060
22.	Unauthorized Payment on account of Teaching Allowance	0.155
23.	Unauthorized grant of Special Allowance 2021	0.077
24.	Irregular payment on account Best award	0.675
25.	Irregular Purchase of Furniture without adopting Open Tender System	0.650
26.	Irregular Purchase of IT Equipment	0.878
27.	Doubtful & Un-economical expenditure on Transportation of Books	0.422
28.	Irregular expenditure on POL of vehicles on Log Books	0.300
29.	Doubtful expenditure on account of repair of transport	0.065
30.	Unauthorized Payment on account of Teaching Allowance	0.340
31.	Misappropriation of funds under head "Uniform"	0.021
32.	Non-deposit of 10 % Performance Guarantee	0.904
33.	Irregular Payment of tablet/PC	0.705
34.	Irregular payment of expenditure on account of TA/DA	0.793
35.	Over payment on account of POL charges	0.090

36.	Un-authorized expenditure on advertisement	0.160
37.	Misappropriation of funds under head "Uniform"	0.010
38.	Clearance of previous year's liabilities	0.066
39.	Unauthorized Payment on account of Teaching Allowance	0.084
40.	Non-recovery of Girl Guide Fund	0.060
41.	Misappropriation of funds under head "Uniform"	0.016
42.	Bogus payment on account of TA/DA	0.141
43.	Doubtful expenditure on account of repair of transport	0.090
44.	Unauthorized Payment on account of Pay & Allowances	0.177
TMA Tank		
45.	Suspected misappropriation on a/c of non depositing receipts	0.259
46.	Overpayment on a/c of Adhoc Relief allowance-2019	0.032
47.	Non preparation of appropriation finance accounts and financial statement	0
48.	Loss to TMA due to non recovery of rent outstanding.	0.604
AD LG Tank		
49.	Irregular exp on a/c of POL & repair of Govt vehicles of Rs. 0.567 million	0.101
50.	Overpayment of Rs. 0.553 million due to excess claim in cost factor	0.553
51.	Loss due to non-deposit of saving into Govt treasury.	0.233
52.	Loss to Govt due to non-approved items electricity resistivity survey	0.031
53.	Un-authorized draws of conveyance allowance.	0.126
54.	Overpayment on a/c of ARA-2019	0.006
55.	Irregular payment on a/c of pay & allowances with position code.	0.010
56.	Operation of current bank account due to non-opening of PLS Account.	0.148
57.	Non-maintenance of proper stock register.	0.848
58.	Non-maintenance of cash book.	0.786
District Director Agriculture		
59.	Irregular payment on account of Financial Assistance	0.600
60.	Irregular expenditure on account of POL.	0.495
61.	Non-conversion of Bank Account to PLS mode and loss	0.095
62.	Non auction of Unserviceable machinery	-
DO Live stock		
63.	Irregular expenditure on account of rent of buildings-	0.682
64.	Irregular expenditure under head purchase of medicine –	0.680
65.	Irregular expenditure under head POL	0.152
66.	Irregular expenditure on account of TA/DA-	0.176
DO Water Mgt		
67.	Unauthorized payment	0.836
68.	Unauthorized payment	0.673
69.	Non deposit of farmers shares in bank account	0.907
70.	Unauthorized payment	0.351

71.	Unauthorized expenditure on account of POL charges	0.593
72.	Loss to Govt due to non-deduction of stamp duty.	0.117
73.	Less deduction of income tax	0.530
74.	Less deduction of income tax	0.690
75.	Unauthorized expenditure on repair of vehicles	0.100
DO Population Welfare		
76.	Irregular expenditure under head rent of office buildings	0.665
77.	Irregular expenditure under head transportation of goods	0.326
78.	Overpayment on account of POL charges	0.148
79.	Doubtful expenditure on account of repair of transport	0.209
80.	Irregular payment on account of purchase of medicine	0.160
81.	Irregular expenditure on account of TA/DA	0.258

Annexure-2

Para 2.4.1.6

Detail showing unauthorized advance payment

S.No	Particular	Suppliers	Qty X Price	Cheque No	Date	Amount Rs.
1	Almayar Traders	BP Apparatus Atom	31X4800	1114647	14.06.22	117,800
2	Almayar Traders	Solar Panel per watt	1323X183	1114666	14.06.22	242,109
3	SY Enterprises	Dinner set	10X18333	1114668	14.06.22	183,330
4	SY Enterprises	Glass set	09X4500	1114668	14.06.22	40,500
5	SY Enterprises	Stapler Pin	100X125	1114669	14.06.22	12,500
6	SY Enterprises	Stock Register	20X2351	1114669	14.06.22	117,550
7	SY Enterprises	Surface cleaner	500X1900	1114669	14.06.22	950,000
8	SY Enterprises	VTM Tube	755X272	1114669	14.06.22	205,360
9	SY Enterprises	Vigo Tyre	04X70000	1114669	14.06.22	280,000
10	SY Enterprises	Patient History sheet	10X12,000	1114653	14.06.22	120,000
11	SY Enterprises	Ultrasound Pad	100X840	1114653	14.06.22	84,000
12	SY Enterprises	Receipt Book	787X152	1114653	14.06.22	119,624
13	SY Enterprises	Solar Panel per watt	1768X183	1114653	14.06.22	323,544
Total						2,796,317

Annexure-3**DP No. 2.4.1.7****Detail Showing Irregular payment to farmers on account of subsidy**

Amount in Rs				
S.No	Cheque No	Date	Purpose	Amount (Rs)
1	38939095	29.06.20	Oil Seeds Subsidy	1,122,500
2	38939090	15.06.20	Wheat Seeds Subsidy	756,000
3	38939082	03.06.20	Wheat Seeds Subsidy	50,000
4	38939084	04.06.20	Wheat Seeds Subsidy	50,000
5	38939085	05.06.20	Wheat Seeds Subsidy	50,000
6	38938055	01.06.20	Wheat Seeds Subsidy	50,000
7	38939081	02.06.20	Wheat Seeds Subsidy	50,000
8	34348053	19.05.20	Wheat Seeds Subsidy	50,000
9	34348043	14.05.20	Wheat Seeds Subsidy	50,000
10	34348040	11.05.20	Wheat Seeds Subsidy	50,000
11	34348041	12.05.20	Wheat Seeds Subsidy	50,000
12	34348044	13.05.20	Wheat Seeds Subsidy	50,000
13	34348039	08.05.20	Wheat Seeds Subsidy	50,000
14	34348042	09.04.20	Oil Seeds Subsidy	50,000
Total				2,478,500

Annexure-4**Para 2.4.1.8****Detail showing non-supply of medicines**

Amount in Rs								
S.No	Particular	Suppliers	Cheque No	Date	Qty	Price/ Unit-(Rs)	Amount (Rs)	Penalty (Rs)
1	Betnisol drop	GSK Karachi	1114308	30.05.22	6,000	33.01	198,060	13,864
2	lindosporin drop	GSK Karachi	1114308	30.05.22	6,000	21	126,000	8,820
3	Vintoline drop	GSK Karachi	1114308	30.05.22	12,000	1.12	13,440	940
4	Folitag tab	Nabi Qasim	1114307	30.05.22	500,000	0.48	240,000	16,800
5	Polyfax eye drops	GSK Karachi	1114306	30.05.22	6,000	24.03	144,180	10,092
6	Polyfax Skin drops	GSK Karachi	1114306	30.05.22	12,000	56.07	672,840	47,098
7	Famotidine tab	Benson Pharma	1114330	31.05.22	300,000	1.43	429,000	30,030
8	Voreen 500 mg	Asian Continental	1114322	31.05.22	600,000	1.44	864,000	60,480
Total							2,687,520	188,124

Annexure-5**DP No. 2.4.1.9****Detail showing Irregular cash payment from designated bank**

Amount in Rs			
S.No	Cheque No	Date	Amount (Rs)
1	5942-00=-8-34347987	23.10.19	50,000
2	5942-00=-8-34347992	24.10.19	180,000
3	5942-00=-8-34347995	29.10.19	20,880
4	5942-00=-8-34347993	29.10.19	13,820
5	5942-00=-8-34347994	06.11.19	48,330
6	5942-00=-8-34347996	07.11.19	8,340
7	5942-00=-8-34347999	22.01.20	22,500
8	5942-00=-8-34348000	22.01.20	7,280
9	5942-00=-8-34348001	22.01.20	6,000
10	5942-00=-8-34348003	04.02.20	45,278
11	5942-00=-8-34348004	04.02.20	50,000
12	5942-00=-8-34348005	13.02.20	50,000
13	5942-00=-8-34348006	18.02.20	7,000
14	5942-00=-8-34348007	19.02.20	50,000
15	5942-00=-8-34348008	21.02.20	50,000
16	5942-00=-8-34348009	24.02.20	50,000

17	5942-00=-8-34348011	02.03.20	50,000
18	5942-00=-8-34348012	03.03.20	50,000
19	5942-00=-8-34348013	04.03.20	50,000
20	5942-00=-8-34348014	05.03.20	50,000
21	5942-00=-8-34348015	06.03.20	50,000
22	5942-00=-8-34348016	09.02.20	50,000
23	5942-00=-8-34348017	10.03.20	50,000
24	5942-00=-8-34348018	01.04.20	13,300
25	5942-00=-8-34348019	06.40.20	49,264
26	5942-00=-8-34348020	06.40.20	26,710
27	5942-00=-8-34348021	06.40.20	28,732
28	5942-00=-8-34348022	07.04.20	50,000
29	5942-00=-8-34348023	08.04.20	50,000
30	5942-00=-8-34348024	10.04.20	50,000
31	5942-00=-8-34348025	13.04.20	50,000
33	5942-00=-8-34348027	14.04.20	50,000
34	5942-00=-8-34348028	21.04.20	31,230
35	5942-00=-8-34348029	22.04.20	44,636
36	5942-00=-8-34348030	23.04.20	46,000
37	5942-00=-8-34348031	24.04.20	50,000
38	5942-00=-8-34348032	28.04.20	50,000
39	5942-00=-8-34348033	29.04.20	50,000
40	5942-00=-8-34348034	30.04.20	50,000
41	5942-00=-8-34348035	04.05.20	50,000
42	5942-00=-8-34348036	05.05.20	50,000
43	5942-00=-8-34348037	07.05.20	50,000
44	5942-00=-8-34348038	08.05.20	50,000
45	5942-00=-8-34348039	11.05.20	50,000
46	5942-00=-8-34348040	12.05.20	50,000
47	5942-00=-8-34348041	13.05.20	50,000
48	5942-00=-8-34348042	14.05.20	50,000
49	5942-00=-8-34348044	15.05.20	162,512
50	5942-00=-8-34348045	15.05.20	115,350
51	5942-00=-8-34348045	18.05.20	50,000
52	5942-00=-8-34348046	18.05.20	50,000
53	5942-00=-8-34348047	18.05.20	50,000
54	5942-00=-8-34348048	19.05.20	50,000
55	5942-00=-8-34348049	20.05.20	44,400
56	5942-00=-8-34348052	21.05.20	39,230
57	5942-00=-8-34348054	28.05.20	50,000
58	5942-00=-8-34348055	01.06.20	50,000
59	5942-00=-8-38939081	02.06.20	50,000
60	5942-00=-8-38939082	03.06.20	84,000
61	5942-00=-8-38939083	03.06.20	50,000
62	5942-00=-8-38939084	04.06.20	50,000

63	5942-00=-8-38939085	05.06.20	50,000
64	5942-00=-8-38939086	06.06.20	50,000
65	5942-00=-8-38939087	08.06.30	50,000
66	5942-00=-8-38939088	09.06.20	50,000
67	5942-00=-8-38939089	11.06.20	50,000
68	5942-00=-8-38939090	15.06.20	756,000
69	5942-00=-8-38939092	24.06.20	84,912
70	5942-00=-8-38939093	24.06.20	129,300
71	5942-00=-8-38939094	24.06.20	78,396
72	5942-00=-8-38939095	29.06.20	1,122,000
73	5942-00=-8-38939096	29.06.20	62,000
74	5942-00=-8-38939098	30.06.20	63,398
75	5942-00=-8-38939101	30.06.20	30,000
76	5942-00=-8-38939100	30.06.20	30,000
77	5942-00=-8-38939097	30.06.20	60,000
78	Cash payment 20-21	-	13,150,000
Total			18,810,798

Annexure-6

DP No. 2.4.1.11

Detail showing Cash payment of funds from designated bank Account

S.No.	Month	Amount (Rs)
1.	Jul-20	78,350
2.	Aug-20	0
3.	Sep-20	143,382
4.	Oct-20	0
5.	Nov-20	298,219
6.	Dec-20	36,042
7.	Jan-21	0
8.	Feb-21	156,535
9.	Mar-21	40,550
10.	Apr-21	20,500
11.	May-21	0
12.	Jun-21	1,075,279
Total		1,848,857

Annexure-7**Para 2.4.2.5****Detail showing irregular expenditure****Amount in Rs**

S. No	Cheque Number	Date	Head of Account	Amount
1.	No. 1115402	18.11.2021	Others	61,950
2.	No. 1115718	15.03.2022	Others	99,245
3.	No. 1115988	13.04.2022	Others	97,245
4.	No. 1181084	17.06.2022	Others	99,450
5.	No. 1181079	17.06.2022	others	98,295
6.	No. 1181294	22.06.2022	others	99,450
7.	No. 1181292	22.06.2022	others	99,050
8.	No. 1181295	22.06.2022	others	99,450
9.	No. 1181258	22.06.2022	others	99,050
10.	No. 1181290	22.06.2022	others	99,145
11.	No. 1181289	22.06.2022	others	97,545
12.	No. 1115249	25.10.2021	exhibitions and fair	99,700
13.	No. 1115428	24.11.2021	exhibitions and fair	98,700
14.	No. 1180524	07.12.2021	exhibitions and fair	99,700
15.	No. 1115748	18.03.2022	exhibitions and fair	99,000
16.	No. 1181263	22.06.2022	exhibitions and fair	97,200
17.	No. 1181264	22.06.2022	exhibitions and fair	99,600
18.	No. 1114373	03.06.2022	exhibitions and fair	97,250
19.	No. 1115747	18.03.2022	exhibitions and fair	98,880
20.	No. 1114374	03.06.2022	exhibitions and fair	96,550
21.	No. 1114587	14.06.2022	exhibitions and fair	99,960
22.	No. 1115985	13.04.2022	exhibitions and fair	48,000
Total				2,084,415

Annexure-8**Para 2.4.2.6****Loss to Government due to non-deduction of sales tax****Amount in Rs**

S.No	Scheme	Payment	Sales Tax @ 17%
1	Juma khan water course umer khel	420,000	71,400
2	Anwar jan water course umer khel	420,000	71,400
3	Ali marjan water course lakkimichenkhel	517,336	87,947
4	Saifurrehman water course kirimadatti	596,425	101,392
5	Mohd ismail water course mulazai	512,301	87,091
6	Dilawar khan water course kotgulan	825,000	140,250
7	Mirza shah water course kirri haider	825,000	140,250
8	Moh drafq water course tator	622,683	105,856
9	Ameer ahmad shah water course Ammakhel	694,464	118,059
10	Sirajud din water course girrisheikhan	595,446	101,226
11	Mohd Farooq water course mulazai	825,000	140,250
12	Hikmat shah water course kirishahnoor	825,000	140,250
13	Rafiullah water course mulazai	517,256	87,934
14	Imran khan water course jahaz ground	350,000	59,500
15	Waqasahmed water course jattar	634,217	107,817
16	Shafiqur rehman water course jattar	722,461	122,818
17	Abdur Rasuf water course Tank	197,470	33,570
18	Ummer khan water course jammalmamrez	700,000	119,000
19	Murtaza Ahmed kundi water course shah Alam	999,122	169,851
Total		11,799,181	2,005,861

Annexure-9**Para 2.4.2.7****Irregular expenditure on account of cost of other stores**

Amount in Rs						
S. No	Suppliers	Particular	Qty x Price	Cheque#	Date	Amount
1	ICI Pakistan Ltd	Abhay Tabvacc:	800x39	1114367	03.06.2022	511,200
2	Al-Mayar Traders	H. Tally sheet	5.10x40,000	1181022	17.06.2022	204,000
3	Al-Mayar Traders	Visual seige	5.10x27615	1181022	17.06.2022	140,836
4	Al-Mayar Traders	Pregnancy strip	10,000x25	1181022	17.06.2022	250,000
5	Al-Mayar Traders	Blood sugar kit	6x22000	1181022	17.06.2022	132,000
6	Al-Mayar Traders	SGPT/ALT	10x7000	1181022	17.06.2022	70,000
7	Al-Mayar Traders	Uniform	48x6000	1181022	17.06.2022	288,000
8	SY Enterprises'	Thermometer Chap	03x470	1114723	25.06.2022	1,410
9	SY Enterprises	Refrigerator	01x97,000	1114723	25.06.2022	97,000
10	SY Enterprises'	Ambobig adult	02x11600	1114723	25.06.2022	23,200
Total						1,717,646

Annexure-10**Para 3.4.1.2****Irregular payment of cash from bank account**

Amount in Rs		
S#	Date	A/c #
1	Sep-2021	1,168,234
2	Oct-2021	472,660
3	Nov-2021	1,261,058
4	Dec-2021	782,500
5	Jan-2022	789,966
6	Feb-2022	821,385
7	Mar-2022	355,600
8	Apr-2022	962,000
9	Jun-2022	613,530
Total		7,226,933
