



**AUDIT REPORT
ON THE ACCOUNTS OF
TOWN MUNICIPAL ADMINISTRATIONS
CITY DISTRICT LAHORE**

AUDIT YEAR 2014-15

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ACL	Audit Command Language
ADP	Annual Development Programme
B&R	Buildings and Roads
BDD	Budget Demand - Development
CAATs	Computer Assisted Audit Techniques
CCB	Citizen Community Board
CFT	Cubic Feet
DAC	Departmental Accounts Committee
DGBT	Data Gunj Baksh Town
DNIT	Draft Notice Inviting Tenders
FCR	Final Completion Report
I&S	Infrastructure and Services
IPSAS	International Public Sector Accounting Standards
NAM	New Accounting Model
MB	Measurement Book
MRS	Market Rate System
PAO	Principal Accounting Officer
P&C	Planning & Coordination
PCC	Plain Cement Concrete
PFR	Punjab Financial Rules
PDG & TMA	Punjab District Governments & Tehsil Municipal Administration
PLA	Personal Ledger Account
PLGO	Punjab Local Government Ordinance
RCC	Re-inforced Concrete Cement
RDA	Regional Director Audit
SAP	System Application Product
SFT	Square Feet
SOP	Standing Operating Procedure
TMA	Town/Tehsil Municipal Administration
TO	Town Officer
TST	Triple Surface Treatment
T&P	Tools & Plants
UA	Union Administration

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to audit the accounts of the provincial governments and the accounts of any authority or body established by, or under the control of the provincial government. Accordingly, the audit of all receipts and expenditures of the Local Fund and Public Accounts of Tehsil / Town Municipal Administrations of the Districts is the responsibility of the Auditor General of Pakistan.

The report is based on audit of accounts of various offices of Town Municipal Administrations of City District Lahore for the financial year 2013-14. The Directorate General of Audit District Governments Punjab (North) Lahore, conducted audit during 2014-15 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs1.00 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

The audit results indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to prevent recurrence of such violations and irregularities.

The observations included in this Report have been finalized after discussion of Audit Paras with the management. However, no Departmental Accounts Committee meetings by the PAO were convened despite repeated requests.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, shall cause it to be laid before the Provincial Assembly of Punjab.

Islamabad
Dated:

(Rana Assad Amin)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit (DGA), District Governments, Punjab (North), Lahore is responsible to carry out the Audit of District Governments, Tehsil / Town Municipal Administrations and Union Administrations of three (03) City District Governments and sixteen (16) District Governments. Its Regional Directorate of Audit, Lahore has Audit jurisdiction of District Governments, TMAs and UAs of one (01) City District Government i.e. Lahore and four (04) District Governments i.e. Kasur, Sheikhpura, Okara and Nankana Sahib.

The Regional Directorate of Audit Lahore has a human resource of 20 officers and staff, total of 5,706 man days and annual budget of Rs. 27.061 million for the financial year 2014-15. It has mandate to conduct Financial Attest, Regularity Audit, Compliance with Authority and Performance Audit of programmes & projects. Accordingly, Directorate General Audit, District Governments Punjab (North), Lahore carried out audit of various offices of eight (08) TMAs of District Lahore for financial year 2013-14.

Each Town Municipal Administration in City District Lahore conducts its operations under Punjab Local Government Ordinance, 2001. It comprises one Principal Accounting Officer (PAO) i.e Town Municipal Officer and acts as coordinating and administrative officer, responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and Bye-laws. The Punjab Local Government Ordinance, 2001 requires the establishment of Tehsil/Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil / Town Nazim / Tehsil / Town Council / Administrator in the form of budgetary grants.

Audit of TMAs of City District Lahore was carried out with a view to ascertaining that the expenditure was incurred with proper authorization and in conformity with laws / rules / regulations, economical procurement of assets and hiring of services etc.

Audit of receipts / revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules, there was no leakage of revenue and not kept outside Government Account/Local Fund.

a) Scope of Audit

Total expenditure of eight (08) out of nine (09) TMAs of City District Lahore for the Financial Year 2013-14 under the jurisdiction of DG District Audit (North) Punjab was Rs. 2395.08 million covering eight (08) PAO and eight (08) formations. Out of this, the Directorate General Audit (North) Punjab audited an expenditure of Rs. 1583.481 million, which in terms of percentage, was 66% of the auditable expenditure.

Total receipts from own sources of eight (08) Town Municipal Administrations of Lahore District for the financial year 2013-14, were Rs. 1678.245 million. Directorate General Audit Punjab (N), audited receipts of Rs. 1170.351 million which was 70% of total receipts.

b) Recoveries at the instance of Audit

Recovery of Rs. 316.261 million was brought into the notice of the executive but no action to recover was affected till compilation of this report.

c) Audit Methodology

Audit was performed through understanding the business process of TMAs with respect to functions, control structure, prioritization of risk areas by determining the significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment and the audited entity before starting field audit activity.

d) Audit Impact

A number of improvements, as suggested by audit, in maintenance of record and procedures, have been initiated by the concerned departments. However, audit impact in shape of change in rules has not been significant due to non-convening of regular PAC meetings. Had PAC meetings been regularly held, audit impact would have been manifold.

e) Comments on Internal Control and Internal Audit Department

Internal control mechanism of TMAs of Lahore was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like withdrawal of public funds against the entitlement of employees. Negligence

on the part of TMA authorities may be captioned as one of important reasons for weak Internal Controls.

Section 115-A (1) of PLGO, 2001 empowers Nazim of each TMA to appoint an Internal Auditor but the same was not appointed in TMAs of Lahore.

f) Key audit findings of the report

- i. Non-production of record of Rs. 322.998 million in 03 cases.¹
- ii. Irregularity & Non-Compliance of Rs. 154.798 million in 18 cases.²
- iii. Recoveries of Rs. 316.261 million in 11 cases.³

Audit paras for the audit year 2014-15 involving procedural violations including internal control weaknesses and poor financial management not considered worth reporting are included in MFDAC (Annex-A).

g) Recommendations

- i. The PAO needs to take appropriate action for non-production of record.
- ii. Departments need to comply with the Public Procurement Rules for economical and rational purchases of goods and services.
- iii. The PAO needs to make efforts for expediting the realization of various Government receipts.
- iv. Inquiries need to be held to fix responsibility for losses, unauthorized / irregular payments and wasteful expenditure.

¹Para 1.5.1.1, 1.6.1.1, 1.9.1.1

²Para 1.2.2.3, 1.2.2.4, 1.3.2.2, 1.3.2.3, 1.4.2.2-1.4.2.4, 1.5.2.1, 1.5.2.2, 1.5.2.4, 1.6.2.2, 1.6.2.2-1.6.2.4, 1.8.2.2-1.8.2.4 & 1.9.2.1

³Para 1.2.2.1, 1.2.2.2, 1.2.2.5, 1.3.2.1, 1.4.2.1, 1.5.2.3, 1.6.2.1, 1.7.2.1, 1.7.2.2, 1.8.2.1, 1.9.2.2

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

Rs. in million

Sr. No.	Description	No.	Budget
1	Total Entities (PAOs) in Audit Jurisdiction	9	3,156.97
2	Total formations in audit jurisdiction	9	3,156.97
3	Total Entities (PAOs) Audited	8	2,926.61
4	Total formations Audited	8	2,926.61
5	Audit & Inspection Reports	8	2,926.61
6	Special Audit Reports	--	--
7	Performance Audit Reports	--	--
8	Other Reports	--	--

Table 2: Audit observation regarding Financial Management

Rs. in million

Sr. No.	Description	Amount Placed under Audit Observation
1	Asset management	--
2	Weak Financial management	316.261
3	Weak Internal controls relating to Financial Management	154.798
4	Others	322.998
Total		794.057

Table 3: Outcome Statistics

Rs. in million

Sr. No.	Description	Expenditure on Acquiring Physical Assets (Procurement)	Civil Works	Receipts	Others	Total Current year	Total last year
1	Outlays Audited	-	1,184.06	1,678.245	1,211.021	*4,073.326	5,410.985
2	Amount Placed under Audit Observation / Irregularities of Audit	-	99.560	237.114	457.383	794.057	1,254.375
3	Recoveries Pointed Out at the instance of Audit	-		237.114	79.147	316.261	228.879
4	Recoveries Accepted /Established at the instance of Audit	-	-	237.114	79.147	316.261	228.879
5	Recoveries Realized at the instance of Audit	-	-	-	-	-	-

* The amount mentioned against Serial No.1 in column of "Total Current Year" is the sum of Expenditure and Receipts whereas the total expenditure for the current year was Rs. 2,395.08 million.

Table 4: Irregularities pointed out

		Rs. in million
Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations, principle of propriety and probity in public operation	154.792
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	--
3	Accounting Errors ¹ (accounting policy departure from NAM, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	--
4	Quantification of weaknesses of internal control systems.	--
5	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	316.261
6	Non-production of record	322.998
7	Others, including cases of accidents, negligence etc.	--
Total		794.057

Table 5 Cost-Benefit

		Rs. in million
Sr. No.	Description	Amount
1	Outlays Audited (Items 1 of Table 3)	4,073.326
2	Expenditure on Audit	1.804
3	Recoveries realized at the instance of Audit	--
4	Cost Benefit Ratio	--

The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan.

CHAPTER 1

1.1 Town Municipal Administrations of City District Lahore

1.1.1 Introduction

TMA consists of Town Nazim, Town Naib Nazim and Town Municipal Officer. Each TMA comprises five (05) Drawing and Disbursing Officers i.e. TMO, TO (Finance), TO (I&S), TO (Municipal Regulation), TO (P&C). The main functions of TMAs are as follows:-

1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which TMA is responsible within the framework of the spatial/master plans for the City District;
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations;
3. Enforce all municipal laws, rules and bye-laws governing TMA's functioning;
4. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils;
5. Propose taxes, cess, user fees, rates, rents, tolls, charges, surcharges, levies, fines and penalties under Part-IV of the Second Schedule and notify the same;
6. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties;
7. Manage properties, assets and funds vested in the Town Municipal Administration;
8. Develop and manage schemes, including site development in collaboration with City District Government and Union Administration;
9. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice;
10. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction;
11. Maintain municipal records and archives.

1.1.2 Comments on Budget and Accounts (Variance Analysis)

Total Budget of eight (08) TMAs selected for audit was Rs. 2,926.606 million (inclusive Salary, Non-salary and Development) whereas the expenditure incurred (inclusive Salary, Non-salary and development) was Rs. 2,395.081 million showing savings of Rs. 531.525 million which in terms of percentage was 18.20% of the final budget (detailed below). Less utilization of development budget (23%) deprived the community from getting better municipal facilities.

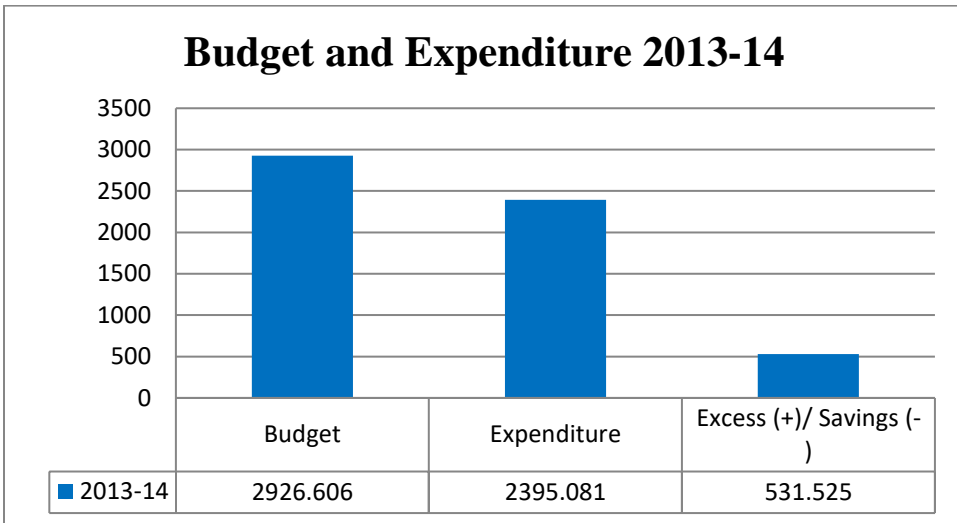
Rs. in million

FY 2013-14	Budget	Expenditure	Savings	%age of Savings
Salary	657.009	598.624	58.385	8.9
Non-salary	729.687	612.397	117.290	16.1
Development	1,539.910	1,184.060	355.850	23.1
Total	2,926.606	2,395.081	531.525	18.2

The budgeted outlay was Rs. 2,926.606 million of eight (08) TMAs includes PFC award of Rs. 475.391 million whereas total expenditure incurred by the TMAs during 2013-14 was Rs. 2,395.081 million with a savings of Rs. 531.525 million (detailed below). This is indicative of the fact that the TMAs had sufficient funds to meet the expenditure from their own sources and there was no need of any injection of PFC award.

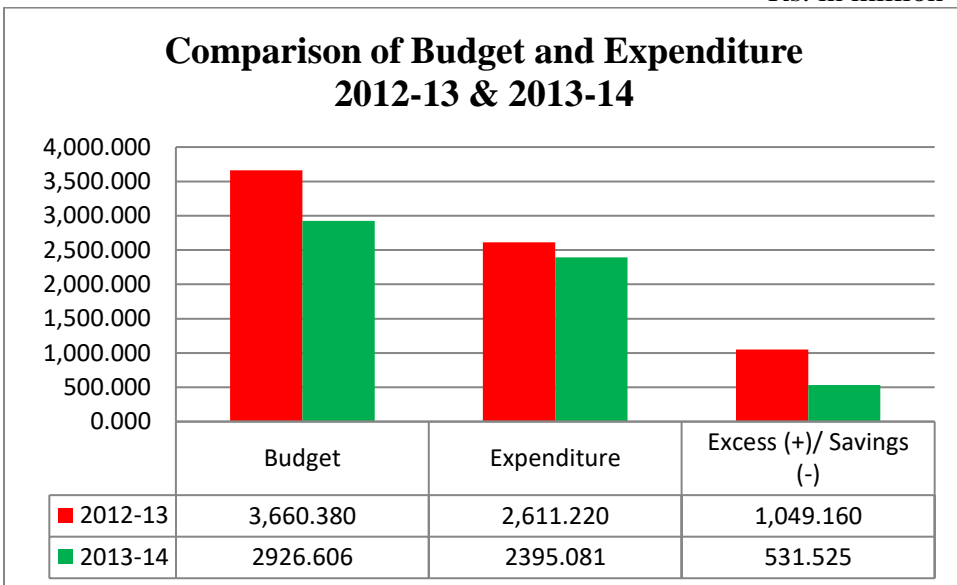
TMA	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Savings	%age of Savings
	Own receipt including OB	PFC award	Total Receipts				
Data Gunj Bakhsh Town	281.032	41.832	322.864	301.631	228.633	72.998	24.2
Ravi Town	192.200	70.000	262.200	241.530	172.138	69.392	28.7
Aziz Bhatti Town	144.329	55.000	199.329	192.834	118.618	74.216	38.5
Nishtar Town	443.630	97.427	541.057	515.968	473.187	42.781	8.3
Gulberg Town	427.504	51.042	478.546	456.369	298.008	158.361	34.7
Shalamar Town	70.106	30.090	100.196	85.553	83.993	1.559	1.8
Samanabad Town	224.20	70.000	294.20	264.202	207.452	56.75	21.5
Allama Iqbal Town	858.521	60.000	918.521	868.521	813.052	55.469	6.4
Total	2641.522	475.391	3116.913	2926.606	2395.081	531.525	18.2

Rs. in million



The comparative analysis of the budget and expenditure of current and previous financial year is depicted as under:

Rs. in million



There was savings in the budget allocation of the financial year 2012-13 and 2013-14 as follows:

Financial Year	Budget	Expenditure	Savings	%age of Savings
2012-13	3,660.380	2,611.220	1,049.160	28.66
2013-14	2,926.606	2,395.081	531.525	18.20

The management needs to justify the saving when the development schemes have remained incomplete.

1.1.3 Brief Comments on the Status of Compliance on MFDAC Audit Paras of Audit Report 2013-14

Audit paras reported in MFDAC of last year audit report which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annex-A.

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab:

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2009-10 to 2011-12	55	Not convened
2	2012-13	27	Not convened
3	2013-14	74	Not convened

1. AUDIT PARAS

1.2 TMA, Allama Iqbal Town

1.2.2 Non-compliance / Irregularities

1.2.2.1 Overpayment of Electricity Charges on Account of Street Lights -Rs. 79.147 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

LESCO charged electricity bills to the TMA Allama Iqbal Town on account of street lights for 11 hours per day without keeping in view the load shedding time that was atleast 04 hours during the charged time span. Management of TMA Allama Iqbal Town paid Rs. 211.010 million to LESCO which involved an amount of Rs. 76.73 million (211.010 x 4 /11) on account of load shedding time. Further, payment of Rs. 2.416 million was made against disconnected connections of street lights. This resulted in overpayment of Rs. 79.147 million.

Audit holds that overpayment was made due to poor financial discipline and weak internal controls.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery of overpayment and fixing responsibility against the person(s) at fault besides lodging claim with LESCO for overpayemnt under intimation to Audit.

[AIR Para: 1&2]

1.2.2.2 Non-recovery of Arrears on Account of Rent of Shops -Rs. 33.863 million

According to Section 118 of the Punjab Local Government Ordinance, 2001 read with Rule 12 of the Punjab Local Government (Taxation) Rules 2001, failure to pay any tax and other money claimable under this Ordinance shall be an offence and amount shall be recovered as arrears of land revenue.

Management of TMA Allama Iqbal Town did not recover arrears of Rs. 33.863 million (detailed below) on account of rent of shops, which shows that no serious efforts were made for the recovery of government dues.

Period	Recoverable (Rs. in million)
1997 to 2011	27.119
2011 to 31.12-2014	6.744
Total	33.863

Audit holds that non-recovery of arrears was due to defective financial discipline and weak internal controls causing non-recovery of arrears of Rs. 33.863 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery of arears and fixing responsibility against the person(s) for non-recovery of government dues under intimation to Audit.

[AIR Para: 12]

1.2.2.3 Purchases without Advertisement at PPRA Website – Rs. 8.243 million

According to Rule 12(1) of Punjab Procurement Rules, 2009 procurements over one hundred thousand rupees shall be advertised on the PPRA website in the manner and format specified by PPRA from time to time. As per Rule 12 (2) of the Rules, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

Management of TMA Allama Iqbal Town drew Rs. 8.243 million on procurement of different items during the financial year 2013-14. Each job order's cost was over one hundred thousand rupees but the purchases were made through limited tender enquiry instead of open tendering process as detailed below:

Sr. No.	Description of Purchases	Date of purchase	Rs. in million
1	Purchase of sign boards	22.11.13	0.174
2	Purchase of flexes	22.11.13	0.065
3	Purchase of flexes	30.06.14	0.766
4	Purchase of flexes	25.01.14	0.669
5	Purchase of flexes	04.03.14	1.141

6	Purchase of flexes	14.12.14	0.553
7	Purchase of flexes	02.12.13	0.475
8	Purchase of iron frame stands	12.10.13	1.236
9	Hiring of tentage	19.10.13	2.009
10	Purchase of plastic sheets	11.10.13	1.155
Total			8.243

Audit is of the view that incurring expenditure without advertisement on PPRA website was due to defective financial discipline and non-compliance of Punjab Procurement Rules.

This resulted in irregular purchase of Rs. 8.243 million without advertisement at PPRA Website.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for purchases without advertisement at PPRA website under intimation to Audit.

[AIR Para No.4,5,6,7&8]

1.2.2.4 Unauthorized payment of Rent of Buildings – Rs. 3.993million

According to Serial No. 5 of the Punjab Delegation of Financial Powers Rules 2006, payment of rent of office buildings is subject to the rent assessment made by the Excise and Taxation Department.

During audit of TMA Allama Iqbal Town Lahore for the period 2013-14, it was noticed that rent of Rs. 3.993 million for office building was paid without assessment by the Excise and Taxation Department.

Audit is of the view that unauthorized payment was made due to defective financial discipline.

This resulted in unauthorized payment of rent of buildings Rs. 3.993 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for unauthorized payment under intimation to Audit.

[AIR Para No.15]

1.2.2.5 Non-recovery of Water Rates – Rs1.394 million

According to Rule 76 of PDG & TMA (Budget) Rules 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head.

The examination of Demand and Collection Register of TMA Allama Iqbal Town for the financial year 2013-14 revealed that an amount of Rs. 4.606 million was recovered on account of water rates out of total recoverable amount of Rs. 6.0 million, resulting in non-recovery of Rs. 1.394 million.

Audit holds that due to inefficient working, TMO did not make recovery before close of the financial year resulting in recoverables of Rs. 1.394 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery and fixing responsibility against the person(s) for non-recovery of government dues under intimation to Audit.

[AIR Para:11]

1.3 TMA, Samanabad Town

1.3.2 Non-compliance / Irregularities

1.3.2.1 Less Realization of Receipts than Targets – Rs. 36.960 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and, in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Samanabad Town collected Rs. 36.140 million on account of various heads of income against target figure of Rs. 73.100 million. This resulted in less realization of receipts worth Rs. 36.960 million.

Head	Target (Rs)	Income realized (Rs)	Less Realization (Rs)
UIP tax share	70,000,000	34,288,136	35,711,864
Sign board/ Advertisement fee	1,350,000	442,872	907,128
Fee for license and permits	1,350,000	1,175,600	174,400
Enforcement fine	400,000	233,000	167,000
Total	73,100,000	36,139,608	36,960,392

Audit is of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for non-achievements of financial targets under intimation to Audit.

[AIR Para No.16]

1.3.2.2 Unauthorized Payment without Approval of the Rates – Rs. 10.744 million

According to Finance Department's letter No. RO (Tech) FD. 18-23/2004 dated 21st September, 2004 rate for item of carpeting shall be fixed and approved by the Chief Engineer concerned on the basis of different stages of bitumen i.e. 3% to 6% and payment will be made to the contractor as per job mix formula for bitumen used in the work.

Scrutiny of record of TMA Samanabad revealed that an item of plant premix bituminous carpeting was executed / made to the contractors for Rs. 10.744 million without obtaining approval of rate for the item from the Chief Engineer in violation of rule ibid.

Audit is of the view that approval of plant premix bituminous carpeting was not obtained due to negligence and weak internal controls. This resulted in unauthorized payment of Rs. 10.744 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the officer(s) for making payment without approval of rates under intimation to Audit.

[AIR Para No.12]

1.3.2.3 Unverifiable purchases of Street Lights–Rs. 2.000 million

According to Rule 3(4) of the PLG (Accounts) Rules, 2001 all accounts shall be maintained up to date and every transaction shall be accounted for as soon as it is made. Further, as per Finance Department letter No. FD (MR) MW/1-4/92 dated 26th September 1992, if entries in the stock register are not available or if the concerned officials are not present at the time of audit and record is not shown to auditors, the entries made and record produced afterward would not be accepted.

During audit of TMA Samanabad Town, it was noticed that street lights amounting to Rs. 2.000 million were purchased during 2014-15 but the same were not accounted for in the stock register. In the absence of

entry in the stock register and consumption account, the authenticity of purchases worth Rs. 2.00 million could not be rendered legitimate.

Audit is of the view that non-accountal of street lights was due to poor inventory management and negligence.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault for non-accounting of material under intimation to Audit.

[AIR Para No.16]

1.4 TMA, Data Gunj Bakhsh Town

1.4.2 Non-compliance / Irregularities

1.4.2.1 Less Realization of Receipts –Rs. 38.022 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Data Gunj Bukhsh Town collected Rs. 46.478 million on account of different receipts against the target figure of Rs. 84.500 million. This resulted in less realization of receipts worth Rs. 38.022 million as detailed below:

Head	Target (Rs)	Income realized (Rs)	Less Realization (Rs)
UIP Tax	76,000,000	40,878,529	35,121,471
Building Plan Fee	7,500,000	5,285,650	2,214,350
Enforcement (Fines)	200,000	100,100	99,900
Fines by TO R	500,000	213,500	286,500
Sale of Material (I&S)	300,000	0	300,000
Total	84,500,000	46,477,779	38,022,221

Audit is of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for non-achievement financial targets under intimation to Audit.

[AIR Para No.1]

1.4.2.2 Purchases without Advertisement at PPRA Website – Rs. 7.281 million

According to Rule 12(1) of Punjab Procurement Rules, 2009 procurements over one hundred thousand rupees shall be advertised on the PPRA website in the manner and format specified by PPRA from time to time. As per Rule 12 (2) of the Rules, all procurement opportunities over two million rupees should be advertised on the PPRA’s website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

Management of TMA Data Gunj Bukhsh Town drew Rs. 7.281 million on purchase of below mentioned items during the financial year 2013-14. Job orders costing Rs. 4.531 million for Punjab Sports Youth Festivals were over one hundred thousand rupees but purchases were made through limited tender enquiry instead of open tendering process. Job orders costing Rs. 2.750 million were split up in order to avoid open tendering process.

Sr. No.	Description of Purchases	Rs. in million
1	Sports Material	2.235
2	Lunch Boxes, DJ Band etc.	0.701
3	Printing of Sports Merit Certificates	0.120
4	Banners, Steamers and Flexes	1.475
	Sub Total	4.531
5	P/O Banners, Flexes and other advertisement instruments in 25 transactions	1.723
6	Rent of vehicles for anti dangue compaign and Teh Bazari in 12 transactions	0.851
7	P/O Sports material in 3 transactions	0.176
	Sub Total	2.750
Total		7.281

Audit is of the view that incurring expenditure without advertisement on PPRA website was due to defective financial discipline and non-compliance of Punjab Procurement Rules.

This resulted in irregular purchase of Rs. 7.281 million without advertisement at PPRA Website.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No. 2 & 4]

1.4.2.3 Defective Execution of work of PCC Topping-Rs. 2.140 million

According to Rule 2.10 (1) of PFR Vol-I, every Government employee is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

During audit of TMA Data Gunj Bakhsh Town Lahore for the period 2013-14, it was observed that 1.5" thick marble strip was used to divide the 3" topping of PCC into panels. Apparently 1.5" thick marble strip was insufficient to divide into panels of 3" PPC topping due to overlapping. This resulted in defective execution of work to the tune of Rs. 2.140 million as detailed below.

Name of Scheme	Marble Strip (Rs)	PCC (Rs)
Const. of PCC Street & Repair of Sewerage Pathi Ground	21,364	846,817
Const. of PCC Javed Butt Street Australia Building	32,069	1,292,933
Total	53,433	2,139,750

Audit is of the view that the payment made on defective work leads to loose financial discipline.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.9]

1.4.2.4 Unauthorized Payment of Rent of Buildings-Rs. 1.078million

According to Serial No. 5 of the Punjab Delegation of Financial Powers Rules 2006, payment of rent of office buildings is subject to rent assessment by the Excise and Taxation Department.

During audit of TMA DGBT Lahore for the period 2013-14, it was noticed that rent of Rs. 1.078 million was paid for office building without assessment by the Excise and Taxation Department.

Audit is of the view that unauthorized payment was made due to defective financial discipline.

This resulted in unauthorized payment of rent of buildings worth Rs. 1.078 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for making payment without assessment of rent of E&T department and Rent Reasonability Certificate of the DCO under intimation to Audit.

[AIR Para No.12]

1.5 TMA, Gulberg Town

1.5.1 Non-production of Record

1.5.1.1 Non-production of Record – Rs. 5.156 million

According to Section 14 (1) (b) of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further Section 115 (6) of PLGO 2001, the officials shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.

Management of TMA Gulberg Town drew Rs. 5.156 million on account of youth affairs during 2013-14 but did not produce auditable record for audit scrutiny.

Audit is of the view that relevant record was not produced to Audit for verification which may lead to likely misappropriation and misuse of public resources. In the absence of record, authenticity, validity and accuracy of expenditure worth Rs. 5.156 million could not be verified.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends that matter be inquired and fix responsibility on the delinquent officers/ officials for non-production of record and ensure submission of record to audit for scrutiny.

[AIR Para No.6]

1.5.2 Non-compliance / Irregularities

1.5.2.1 Unauthorized Payment Without Approval of the Rates – Rs. 32.917 million

According to Finance Department's letter No. RO (Tech) FD. 18-23/2004 dated 21st September, 2004 rate for item of carpeting shall be fixed and approved by the Chief Engineer concerned on the basis of different stages of bitumen i.e. 3% to 6% and payment will be made to the contractor as per job mix formula or bitumen used in the work.

Scrutiny of record of TMA Gulberg revealed that an item of plant premix bituminous carpeting was executed / made to the contractors for Rs. 32.917 million without obtaining approval of rate for the item from the Chief Engineer in violation of rule *ibid*.

Audit is of the view that approval of plant premix bituminous carpeting was not obtained due to inefficient financial management and poor performance. This resulted in unauthorized payment of Rs32.917 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for payment without approval of rates under intimation to Audit.

[AIR Para No.01]

1.5.2.2 Purchases Without Advertisement at PPRA Website – Rs. 31.560 million

According to Rule 12(1) of Punjab Procurement Rules, 2009 procurements over one hundred thousand rupees shall be advertised on the PPRA website in the manner and format specified by PPRA from time to time. As per Rule 12 (2) of the Rules, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

Management of TMA Gulberg Town drew Rs. 31.560 million on purchase of street lights and hiring of tents & lights for Ramzan Bazars during the financial year 2013-14. Job orders costing Rs. 28.405 million were over one hundred thousand rupees but purchases were made through

limited tender enquiry instead of open tendering process. Job orders costing Rs. 3.155 million were split up in order to avoid open tendering process. Moreover, purchases were also not accounted for in the stock register.

Audit is of the view that incurring expenditure without advertisement on PPRA website was due to poor procurement management, poor inventory management and non-compliance of Punjab Procurement Rules.

This resulted in irregular purchase of Rs. 31.560 million without advertisement at PPRA Website.

The observation was discussed with the management but no tenable reply was furnished. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any tenable reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for purchases without advertisement at PPRA website under intimation to Audit.

[AIR Para No.3 &5]

1.5.2.3 Less Realization of Receipts– Rs. 28.482 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Ravi Town collected Rs. 59.568 million on account of different receipts against the target figure of Rs. 88.050 million. This resulted in less realization of receipts worth Rs. 28.482 million as detailed below:

Head	Target(Rs)	Income realized(Rs)	Less Realization (Rs)
Property UIP	80,000,000	53,643,995	26,356,005
Building Plan Fee	5,000,000	3,552,685	1,447,315
Magistrate Fines	50,000	8,000	42,000
Road Cuts	3,000,000	2,363,004	636,996
Total	88,050,000	59,567,684	28,482,316

Audit is of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery and fixing responsibility against the person(s) for non-recovery of government dues under intimation to Audit.
[AIR Para No.3]

1.5.2.4 Unauthorized Payment Without Mandatory Test of Mild Steel Bars – Rs. 2.195 million

According to Finance Department's Notification No. RO (TECH) FD.2-3/2004 dated 2nd August, 2004 laid down that if steel of Pakistan Steel Mill Karachi is provided in the T.S. Estimate and reinforced accordingly then the invoice and manufacturer certificate must be provided with the paid voucher otherwise the rates of M.S. bars shall be reduced by Rs 4500 per ton or Rs 4.50 per Kg. The quality tests of Mild Steel Bars as per specification are however, mandatory.

Town Officer (I&S) Gulberg Town paid Rs. 2.195 million on account of 21031 kgs steel but neither invoice & manufacture certificate were obtained nor documentary evidence of steel quality test was available on record. Moreover, TO (I&S) did not reduce the rate of M.S. bars by Rs. 4.50 per kg in the absence of requisite invoices / certificates, resulting in overpayment of Rs. 94,639.

Audit is of the view that payment of steel was made without quality tests and invoices due to inefficient financial management.

This resulted in unauthorized expenditure of Rs2.195 million and overpayment of Rs0.095 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

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

1.6 TMA, Nishtar Town

1.6.1 Non-production of Record

1.6.1.1 Non-production of Record – Rs311.617 million

According to Section 14 (1) (b) of Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further Section 115 (6) of PLGO 2001, the officials shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.

Management of TMA Nishtar Town drew Rs311.617 million during 2013-14 but did not produce vouched account for audit scrutiny as detailed below:

Sr. No.	Description	Amount in Rs
1	Electricity bill of the month of July-2013	168,554
2	Electricity bill of the month of August-2013	28,677
3	Electricity bill of the month of July-2013	53,887
4	Rent of tentage for BakarMandi LDA Avenue-I Lahore	3,987,855
5	Rent of lights, Generators and sound systems at LDA Avenue-I	2,379,870
6	Bill of flex board for BakarMandi LDA Avenue-I	980,403
7	Log books	12,341,017
8	Repair & Maintenance register of Vehicles	1,472,622
9	MBs	290,203,949
10	Residences allotment register	0
11	Stock register of immovable / movable properties	0
12	Stock register of consumable items	0
	Total	311,616,834

Audit is of the view that relevant record was not produced to Audit for verification which may lead to likely misappropriation and misuse of public resources.

In the absence of record, authenticity, validity and accuracy of expenditure worth Rs311.617 million could not be verified.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends that matter be inquired and fix responsibility on the delinquent officers/ officials for non-production of record and ensure submission of record to audit for scrutiny.

[AIR Para No.5&10]

1.6.2 Non-compliance / Irregularities

1.6.2.1 Less Realization of Receipts– Rs34.906 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Nishtar Town collected Rs36.623 million on account of various heads of income against target figure of Rs79.717 million. This resulted in less realization of receipts worth Rs34.906 million.

Head	Target (Rs. in million)	Income realized (Rs. in million)	Less Realization (Rs.in million)
Map fee	12.000	2.466	9.534
Urban Immovable Property	60.000	28.792	22.792
House Tax	1.997	0.286	1.710
Challan ticketing	0.320	0.230	0.320
Auction of unserviceable stores	2.000	1.718	0.281
License fee	3.000	2.848	0.152
Slaughter house	0.100	0.022	0.078
Board Rent fees	0.300	0.261	0.039
Total	79.717	36.623	34.906

Audit was of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery and fixing responsibility against the person(s) for non-achievements of financial targets under intimation to Audit.

[AIR Para No.20 to 27]

1.6.2.2 Irregular Expenditure without Advertisement at PPRA Website–Rs17.705 million

According to Rule 12(1) of Punjab Procurement Rules, 2009 procurements over one hundred thousand rupees shall be advertised on the PPRA website in the manner and format specified by PPRA from time to time. As per Rule 12 (2) of the Rules, all procurement opportunities over two million rupees should be advertised on the PPRA’s website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

Management of TMA Nishtar Town drew Rs17.705 million on account of purchase of various items (detailed below) during 2013-14. Each job order’s cost was over one hundred thousand rupees but the purchases were made through limited tender enquiry instead of open tendering process as detailed below:

Sr. No.	Description of Purchases	Rs. in million
1	Purchase of street lights	4.012
2	Expenditure on account of Metro Bus	0.304
3	Purchase of energy savers	0.422
4	Expenditure on account of Anti-dengue campaign	1.075
5	Purchase of patch work material	5.430
6	Execution of work at LDA Avenue –I	3.545
7	Horse Manure Catcher and license number plates	0.810
8	Purchase of sports items	2.107
Total		17.705

Audit is of the view that incurring expenditure without advertisement on PPRA website was due to defective financial discipline and non-compliance of Punjab Procurement Rules.

This resulted in irregular purchase of Rs. 17.705 million without advertisement at PPRA Website.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for purchases without advertisement at PPRA website under intimation to Audit.

[AIR Para No.2,7,8,12,13,14,18&19]

1.6.2.3 Unverifiable Purchases–Rs. 8.658 million

According to Rule 3(4) of the PLG (Accounts) Rules, 2001 all accounts shall be maintained up to date and every transaction shall be accounted for as soon as it is made. Further, as per Finance Department letter No. FD (MR) MW/1-4/92 dated 26th September 1992, if entries in the stock register are not available or if the concerned officials are not present at the time of audit and record is not shown to auditors, the entries made and record produced afterward would not be accepted.

During audit of TMA Nishtar Town, it was noticed that Sodium Lights, Patch Works, Flex and Steamers amounting to Rs. 8.658 million were purchased during 2014-15 but the same were not accounted for in the stock register. In the absence of entry in the stock register and consumption account, the authenticity of purchases worth Rs. 8.658 million could not be rendered legitimate.

Audit is of the view that non-accountal of street lights was due to poor inventory management and negligence.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.16]

1.6.2.4 Unauthorized Payment to Work Charge Employees - Rs1.585 million

According to Clause-VI of Government of the Punjab, Finance Department letter No.FD.SO(Goods)44-4/2010 dated 9th August 2010, no contingent paid/daily wages staff shall be appointed without obtaining the prior approval of Finance Department.

Management of TMA Nishtar Town paid an amount of Rs. 1.585 million to 119 workers as work charge / daily wages employees during 2013-14. The payment was held unauthorized as prior approval of the Finance Department was not obtained.

Audit is of the view that due to poor financial discipline and weak internal controls, work charge employees were appointed without the approval of competent authority.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for making appointments without following government policy under intimation to Audit.

[AIR Para No.3]

1.6.2.5 Unauthorized Payment on Account of Steel Without Mandatory test – Rs. 1.195 million

According to Finance Department's Notification No. RO (TECH) FD.2-3/2004 dated 2nd August, 2004 laid down that if steel of Pakistan Steel Mill Karachi is provided in the T.S. Estimate and reinforced accordingly then the invoice and manufacturer certificate must be provided with the paid voucher otherwise the rates of M.S bars shall be reduced by Rs 4500 per ton or Rs 4.50 per Kg. The quality tests of M.S. steel bars as per specification are however, mandatory.

TO (I&S) Nishtar Town paid Rs. 1.195 million on account of 10519 kgs steel but neither invoice & manufacture certificate were obtained nor documentary evidence of steel quality test was available on record. Moreover, TO (I&S) did not make good the recovery from the contractors regarding purchase of Mild Steel Bar @ Rs. 4.50 per kg worth Rs. 47,335.

Audit is of the view that payment of steel was made without quality tests and invoices due to inefficient financial management and poor performance.

This resulted in unauthorized expenditure of Rs1.195 million and overpayment of Rs0.047 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

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

[AIR Para No.30]

1.7 TMA, Shalamar Town

1.7.2 Non-compliance / Irregularities

1.7.2.1 Non-recovery of Arrears– Rs19.277 million

According to Section 118 of the Punjab Local Government Ordinance, 2001 read with Rule 12 of the Punjab Local Government (Taxation) Rules 2001, failure to pay any tax and other money claimable under this Ordinance shall be an offence and amount shall be recovered as arrears of land revenue.

Management of TMA Shalamar did not recover arrears of Rs. 19.277 million on account of slaughter house fees, TTIP and licensing fee as detailed below:

(Rs. in million)				
Description of arrears receipts	Financial year	Recoverable	Recovery	Balance
Slaughter house	2002-03	1.409	1.203	0.206
Slaughter house	2003-04	1.190	0.574	0.616
Slaughter house	2006-07	1.625	1.225	0.802
TTIP	2004-05	28.500	27.790	0.710
TTIP	2005-06	70.000	53.257	16.743
Licensing fee	Prior to 2013-14	0.200	0	0.200
Total		102.924	84.049	19.277

Audit holds that arrears of government dues were not recovered due to negligence on part of the management and resulted in loss of revenue of Rs. 19.277 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery fixing responsibility against the person(s) for non-recovery of government dues under intimation to Audit.

[AIR Para No.1&12]

1.7.2.2 Less Realization of Receipts– Rs4.945 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Shalamar Town collected Rs2.555 million on account of building fee against the target figure of Rs7.500 million. This resulted in less realization of receipts worth Rs4.945 million.

Audit is of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any tenable reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery and fixing responsibility against the person(s) for non-recovery of government dues under intimation to Audit.

[AIR Para No.2]

1.8 TMA, Ravi Town

1.8.2 Non-compliance / Irregularities

1.8.2.1 Less Realization of Receipts– Rs28.758 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Ravi Town collected Rs23.042 million on account of different receipts against the target figure of Rs51.800 million. This resulted in less realization of receipts worth Rs28.758 million as detailed below:

Head	Target (Rs)	Income realized (Rs)	Less Realization (Rs)
Share of Property Tax	40,000,000	16,843,752	23,156,248
Building Plan Fee	8,000,000	5,380,136	2,619,864
Magistrate Fines	500,000	283,000	217,000
Road Cuts	2,500,000	237,340	2,262,660
Board Rent Fee	800,000	297,300	502,700
Total	51,800,000	23,041,528	28,758,472

Audit is of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for non-achievements of financial targets under intimation to Audit.

[AIR Para No.1]

1.8.2.2 Unauthorized Purchase of Non-scheduled Items - Rs. 9.372 million

According to Para 4(iii & iv) of CSR, the rates for various components of the non-scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of

composite rates sanctioned by the Superintending Engineer for non-Schedule items shall be sent to the Secretary, Standing Rates Committee.

Town Officer (I&S) Ravi Town made payment of Rs 9.372 million on account of non-scheduled items during FY 2014-15. Technical sanctioned estimate did not enclose the analysis of rates of non-scheduled items duly approved by the competent authority due to which the appropriateness and authenticity of rates in Technical Sanctioned Estimate could not be verified.

Audit is of the view that incurring expenditure without approval of the competent authority was due to poor financial management and non-compliance of Rules. This resulted in unauthorized purchases of Rs. 9.372 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.2 &3]

1.8.2.3 Unverifiable Expenditure Due to Non-maintenance of Consumption Account of Road Material- Rs1.247 million

According to Rule 2.9(d) of D.F.R read with Rule 15.2 of PFR Vol-I and Para 2.43 of B&R Code, the Divisional Officer is required to maintain clear accounts of all stores received by him, separate estimate should be made for each work and to make these accounts available for audit.

Town Officer (I&S) Ravi Town purchased road materials of Rs. 1.247 million for repair and maintenance of roads but detailed estimates, Road Metal Return (RMR) Register, Material at Site Register and RD wise measurement in MB were neither available on record nor shown to audit. In the absence of above record, the authenticity of material purchased and consumed could not be verified.

Audit is of the view that non-maintenance of aforementioned record was due to defective financial discipline and non-compliance of Rules.

This resulted in unverifiable expenditure of road material Rs. 1.247 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.8]

1.8.2.4 Purchases without Advertisement at PPRA Website – Rs1.149 million

According to Rule 12(1) of Punjab Procurement Rules, 2009 procurements over one hundred thousand rupees shall be advertised on the PPRA website in the manner and format specified by PPRA from time to time.

Management of TMA Ravi Town drew Rs1.149 million on rent of tents for Itwaar Bazar during the financial year 2013-14. Transactions were split in order to avoid open tendering process and sanction of the higher authority.

Sr. No.	Description of Purchases	Date of purchase	No. of transactions	Rs. in million
1	Rent of tents for Itwaar Bazar	30.04.14	19	0.474
2	Rent of tents for Itwaar Bazar	May -14	16	0.400
5	Rent of tents for Itwaar Bazar	June-14	11	0.275
	Total		46	1.149

Audit is of the view that incurring expenditure without advertisement on PPRA website was due to defective financial discipline and non-compliance of Punjab Procurement Rules.

This resulted in irregular purchase of Rs. 1.149 million without advertisement at PPRA Website.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for purchases without advertisement at PPRA website under intimation to Audit.

[AIR Para No.9]

1.9 TMA, Aziz Bhatti Town

1.9.1 Non-production of Record

1.9.1.1 Non-production of Record – Rs. 6.225million

According to Section 14 (1) (b) of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor-General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further Section 115 (6) of PLGO 2001, the officials shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.

Management of TMA Aziz Bhatti Town paid Rs. 6.225 million to CCBs during 2013-14 but did not produce auditable record for audit scrutiny. It is worth mentioning here that schemes were started in previous years but remained incomplete even lapse of several years.

Audit is of the view that relevant record was not produced to Audit for verification which may lead to likely misappropriation and misuse of public resources.

In the absence of record, authenticity, validity and accuracy of expenditure worth Rs6.225 million could not be verified.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends that matter be inquired and fix responsibility on the delinquent officers/ officials for non-production of record and ensure submission of record to audit for scrutiny.

[AIR Para No.2]

1.9.2 Non-compliance / Irregularities

1.9.2.1 Irregular Expenditure without Advertisement at PPRA Website –Rs11.737 million

According to Rule 12(1) of Punjab Procurement Rules, 2009 procurements over one hundred thousand rupees shall be advertised on the PPRA website in the manner and format specified by PPRA from time to time. As per Rule 12 (2) of the Rules, all procurement opportunities over two million rupees should be advertised on the PPRA’s website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

Management of TMA Aziz Bhatti Town drew Rs11.737 million on account of purchase of various items (detailed below) during 2013-14. Each job order’s cost was over one hundred thousand rupees but the purchases were made through limited tender enquiry instead of open tendering process as detailed below:

Sr. No.	Description of Purchases	Rs. in million
1	Conducting Sports Festivals except cash prizes	3.091
2	Purchase of manhole covers	3.062
3	Purchase of street lights	1.780
4	Purchase of Dengue Material	1.118
5	Purchase of energy savers	1.113
6	Purchase of pedestal fans	0.934
7	P/L of tuff tiles	0.639
Total		11.737

Audit is of the view that incurring expenditure without advertisement on PPRA website was due to defective financial discipline and non-compliance of Punjab Procurement Rules.

This resulted in irregular purchase of Rs. 11.737 million without advertisement at PPRA Website.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for purchases without advertisement at PPRA website under intimation to Audit.

[AIR Para No.3,4,6,7,8,11&13]

1.9.2.2 Less Realization of Receipts– Rs10.507 million

According to Rule 13 (i& ii) read with 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures.

Management of TMA Aziz Bhatti Town collected Rs7.543 million on account of different receipts against the targeted figure of Rs18.050 million. This resulted in less realization of receipts worth Rs10.507 million as detailed below:

Sr. No.	Head of Income	Budget(Rs)	Receipt(Rs)	Less recovery(Rs)
2	Map fee	10,000,000	6,081,449	3,918,551
4	NOC for Trades	200,000	0	200,000
5	Magistrate fine	800,000	564,395	235,605
6	Fine by enforcement inspectors	800,000	490,400	309,600
7	Fee for fair agriculture show etc	100,000	41,950	58,050
8	Road cutting charges	5,700,000	181,768	5518232
9	Advertising fee	250,000	57,512	192,488
10	Enlistment fee	200,000	126,000	74,000
Total		18,050,000	7,543,474	10,506,526

Audit is of the view that less collection of receipts was made due to inefficient financial management and poor performance and resulted in loss of revenue to the government.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in May, 2015. Neither any tenable reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing responsibility against the person(s) for non-achievements of financial targets under intimation to Audit.

[AIR Para No.1]

ANNEXES

PART-I
Memorandum for Departmental Accounts Committee
Paras pertaining to current audit year 2014-15

S. No	TMA Name	Description of Para	Nature of Para	Rs. in million
1	Gulberg Town	Doubtful consumption of POL	Irregularity	8.103
2		Irregular payment on account of base course due to excess mileage	Irregularity	1.864
3		Non-verification of Receipts record	Irregularity	3.643
4		Irregular payment on Repair of vehicles and machinery due to non-availibility of history sheet	Irregularity	2.520
5		Overpayment due to non-utilization of old material	Recovery	1.485
6		Loss due to non-auction of unserviceable Teh- Bazari stores	Recovery	0.500
7		Overpayment due to non-deduction of Shrinkage from earth work	Recovery	0.300
8		Over payment on account of manholes	Recovery	0.025
9		Excess payment on account of quantity executed over and above of TS estimates	Recovery	0.219
10		Overpayment on account of excavation of earth and removal of malba	Recovery	0.196
11	Samanabad Town	Expenditure in excess of budget allocation	Irregularity	11.314
12		Loss due to non recovery of Bakar Mandi Fee Share	Irregularity	12.400
13		Irregular Payment of House Building Advance	Irregularity	0.450
14		Unathentic licensing fee due to non-conduction of survey of manufacturer, vendor and trader	Recovery	1.499
15		Less-allocation of funds for Sports & Youth Activities	Irregularity	4.568
16		Non-utilization of CCB funds	Irregularity	1.000
17		Non-reconciliation with the Bank	Recovery	84.060
18		Non-reconciliation of Expenditure and Receipts	Irregularity	317.960
19		Loss due to non-deposit of income tax	Recovery	0.887
20		Unauthorized payment of Pre-mixed bitumen Carpeting	Irregularity	0.817
21		Unauthorized Payment for Removal of Malba	Recovery	0.167
22		Non-reconciliation of TTIP income	Irregularity	59.339
23		Expenditure of POL without maintenance of log book	Irregularity	1.614
24		Unauthorized collection of Sign Board/advertisement Fee	Irregularity	0.443
25		Less collection of Map fee	Recovery	0.350

S. No	TMA Name	Description of Para	Nature of Para	Rs. in million
26		Loss due to non-imposition of 10% penalty	Recovery	0.685
27		Loss due to non-disposal of old material	Recovery	0.113
28	Aziz Bhatti Town	Unauthorized and doubtful payment of repair work as detailed estimate was not provided	Irregularity	1.981
29		Doubtful Consumption of POL due to improper maintenance of log book	Irregularity	1.003
30		Unauthentic Govt. receipt due to non-conduction of survey of manufacturer, vendor and trader	Irregularity	0.975
31		Doubtful Consumption of POL due to improper maintenance of log book	Irregularity	0.903
32		Unauthorized and doubtful payment to contractor	Irregularity	0.356
33		Overpayment to contractor due to payment of excessive rates on account of manholes	Recovery	0.286
34		Unauthorized and doubtful payment to contractor	Irregularity	0.228
35		Wastage of public money due to favour of contractor	Irregularity	0.192
36		Overpayment to contractor due to excess earth filling	Recovery	0.149
37		Unauthorized and doubtful payment for carriage of tuff tiles	Irregularity	0.130
38		Unauthorized and doubtful payment to contractor	Irregularity	0.111
39		Overpayment to contractor due to payment of overhead charges	Recovery	0.106
40		Overpayment to contractor due to excess lead for earth filling	Recovery	0.103
41		Overpayment to contractor due to payment of excessive rates	Recovery	0.081
42		Wastage of public money due to unauthorized favour of contractor	Irregularity	0.061
43	Shalimar Town	Unauthorized and doubtful payment to contractor as detailed estimate was not provided	Irregularity	4.500
44		Unauthentic Govt. receipt due to non-conduction of survey of manufacturer, vendor and trader	Recovery	0.933
45		Unauthorized and doubtful payment to contractor as detailed estimate was not provided	Irregularity	0.700
46		Unjustified payment to contractor	Irregularity	0.592
47		Doubtful payment for flood arrangement	Irregularity	0.500
48		Unauthorized and doubtful payment to contractor as detailed estimate was not	Irregularity	0.300

S. No	TMA Name	Description of Para	Nature of Para	Rs. in million
		provided		
49		Doubtful payment for material for wall chalking	Irregularity	0.300
50		Unauthorized payment to contractor	Irregularity	0.214
51		Unauthorized and doubtful payment to contractor as detailed estimate was not provided	Irregularity	0.194
52		Unauthorized purchase of deep freezer and pedestal fans	Irregularity	0.155
53		Unauthorized and doubtful payment to contractor as detailed estimate was not provided	Irregularity	0.139
54		Overpayment to contractor due to payment of unjustified item	Recovery	0.139
55		Overpayment to contractor due to payment of unjustified item	Recovery	0.106
56		Unauthorized and doubtful payment to contractor as detailed estimate was not provided	Irregularity	0.105
57		Overpayment to contractor due to payment of unjustified item	Recovery	0.064
58		Overpayment to contractor	Recovery	0.053
59		Unauthorized and doubtful payment to contractor as detailed estimate was not provided	Irregularity	0.050
60		Loss to government due to non-collection of professional tax	Recovery	0.040
61		Overpayment to contractor	Recovery	0.025
62	Nishtar Town	Doubtful Payment without acknowledgement	Irregularity	0.651
63		Loss to Government due to non-deduction of conveyance Allowance	Recovery	0.120
64		Overpayment on account of contractor profit	Recovery	0.815
65		Irregular Expenditure On account Of Repair of Vehicle	Irregularity	0.066
66		Less/non-deduction Of Sales Tax	Recovery	0.738
67		Non-verification of GST Invoices	Irregularity	0.271
68		Overpayment to Contractor for RCC	Recovery	0.125
69		Non-deduction of Shrinkage Charges	Recovery	0.384
70		Overpayment to Contractor for MS Bars	Recovery	0.047
71	Ravi Town	Non-maintenance of log book	Irregularity	8.237
72		Doubtful expenditure on purchase of street lights as Union Councils of the town were also incurred expenditure on street lights	Irregularity	4.307
73		Unjustified payment as rate analysis of base and sub-base coarse was not provided	Irregularity	4.179
74		Loss due to removal of excavated	Recovery	1.331

S. No	TMA Name	Description of Para	Nature of Para	Rs. in million
		malba		
75		Loss to the Government due to Wall chalking	Recovery	0.344
76		Irregular payment on Repair of vehicles and machinery as history sheets were not available	Irregularity	1.078
77		Doubtful payment for mixing charges of patch work material on Asphalt Plant	Irregularity	1.025
78		Overpayment	Recovery	0.207
79		Overpayment for RCC	Recovery	0.133
80		Overpayment due to non-deduction of Shrinkage from earth work	Recovery	0.117
81	Data Gunj Baksh Town	Less allocation of budget for Sports / Youth Activities	Irregularity	6.565
82		Non-preparation of monthly progress report of Development expenditure	Irregularity	30.485
83		Less utilization of Development Budget	Irregularity	22.016
84		Misclassification of Rent of Tentage for ItwarBazar / Ramzan Bazar	Irregularity	3.963
85		Improper maintenance of log book	Irregularity	2.520
86		Non-preparation of record M&R work under I&S Branch	Irregularity	2.00
87		Unauthorized payment without approval of Rate Analysis	Irregularity	0.649
88		Misclassification of expenditure head	Irregularity	0.491
89		Expenditure on personal advertisement of Government officials	Irregularity	0.221
90		Unauthorized payment of contractor's profit	Irregularity	0.153
91		Overpayment in Sand-filling	Recovery	0.056
92		Continuous decreasing of TMA's income	Irregularity	-
93		Loss to the Govt.due to non conduction of survey of manufacturer, vendor and trader Loss in Fines / Penalties by Regulations branch	Recovery	-
94		Non-preparation of Income & Expenditure statement	Irregularity	-
95	TMA Allama Iqbal Town	Non-deduction of harrow sand	Recovery	0.271
96		Irregular expenditure on rent of Folk Lifter as rent paid was more than its cost.	Irregularity	2.503
97		Loss due to theft of street lights	Recovery	0.452
98		Non-recovery of contractor renewal fee	Recovery	0.487
99		Less deduction of income tax	Recovery	0.065
100		Loss due to non-deduction of property	Recovery	0.297

S. No	TMA Name	Description of Para	Nature of Para	Rs. in million
		tax on office buildings		
101		Non-allocation of funds for CCBs	Irregularity	106.536

PART-II
Memorandum for Departmental Accounts Committee
Paras pertaining to audit year 2013-14

Para 1.1.3

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
1	TMA Allama Iqbal Town	Wrong classification of expenditure	Misclassification	5.858
2		Excess expenditure than budget allocation	Irregularity	0.537
3		Overpayment for Sand filling	Recovery	0.309
4		Overpayment for Street Lights material	Recovery	0.367
5		Unauthorized retention of Government money	Irregularity	0.375
6		Misclassification of expenditure	Misclassification	0.129
7		Unauthorized repair of vehicle	Irregularity	0.097
8		Overpayment by incorrect application of rates	Recovery	0.116
9		Loss due to negligence of driver	Irregularity	0.085
10		Overpayment for MS Deformed Bars.	Recovery	0.886
11		Wasteful expenditure on Marble Patti	Irregularity	0.271
12	Aziz Bhatti Town	Unauthentic receipt due to non-conducting of survey	Irregularity	59.316
13		Irregular expenditure on Pay & Allowances	Irregularity	51.540
14		Irregular and wasteful expenditure on POL	Irregularity	2.814
15		Irregular expenditure on street lights	Irregularity	2.745
16		Unauthorized Expenditure due to Misclassification	Misclassification	2.644
17		Non-verification of Receipts record	Irregularity	1.876
18		Verification of Sales tax	Irregularity	1.084
19		Irregular expenditure	Irregularity	0.908
20		Irregular expenditure	Irregularity	0.817
21		Non verification of Patch work Material	Irregularity	0.742
22		Irregular expenditure	Irregularity	0.588
23		Doubtful payment	Irregularity	0.581
24		Irregular expenditure	Irregularity	0.495
25		Non verification of encroachment stock & store	Irregularity	-
26		Overpayment for Sand Filling	Recovery	0.016
27		Overpayment for Tuff Tiles	Recovery	0.244
28		Loss due to non-auction of confiscated goods	Irregularity	0.050
29		Un-authorized purchased from	Irregularity	0.461

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
		unregistered firm		
30		Non- Reconciliation of Receipts	Irregularity	22.876
31		Non-reconciliation of expenditure	Irregularity	70.468
32		Non-compilation of works by CCBs	Irregularity	1.700
33		Non-achievement of financial targets	Irregularity	47.428
34		Loss to the government of millions of rupees	Irregularity	0
35		Wasteful expenditure	Irregularity	0.252
36		Loss due to non auctioned of empty drums	Recovery	0.015
37		Loss due to non auction of unserviceable vehicles	Recovery	0.100
38		Non deduction of security & income tax	Recovery	0.274
39		Unauthorized Utilization of CCB Funds	Irregularity	29.00
40		Non conduction of survey of manufacturer, vendor and trader	Irregularity	5.549
41		Irregular purchase of street lights material	Irregularity	3.327
42		Doubtful Expenditure on Carpeting	Irregularity	2.247
43		Unauthorized maintenance of stock register	Irregularity	2.00
44		Unauthorized Expenditure on Patch work	Irregularity	1.963
45	DataGunj Bakhsh Town	Unauthorized payment of rent of office building	Irregularity	1.594
46		Unauthorized PCC flooring without Marble strip	Irregularity	1.074
47		Unauthorized use of POL	Irregularity	0.760
48		Overpayment for Sand filling	Recovery	0.234
49		Non recovery of POL charges	Recovery	0.101
50		Overpayment for Tuff Tiles	Recovery	0.060
51		Unauthorized Payment of Conveyance Allowances	Irregularity	0.090
52		Irregular expenditure due to wrong classification	Irregularity	0.076
53		wasteful expenditure on Marble Patti	Irregularity	0.220
54		Un authorized expenditure	Irregularity	14.440
55		Non-utilization of CCB funds	Irregularity	-
56		Over payment		0.141
57	Gulberg Town	Unauthorized payment of Carriage charges	Irregularity	0.286
58		Un authorized expenditure on Contingent Paid Staff	Irregularity	9.447
59		Un-authorized payment on	Irregularity	0.313

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
		account of POL and loss due to installation of heavy duty generator		
60		Un justified payments to WAPDA	Irregularity	17.879
61		Non deposit of Renewal Fee from contractors	Irregularity	0.310
62		Unauthorized payment due to deviation from the original work / estimate	Irregularity	0.907
63		Un authentic payments on sports activities	Irregularity	0.315
64		Non imposition of penalty	Recovery	5.151
65		Un authorised drawl of POL	Irregularity	0.180
66		Non deposit of pension contribution of Erstwhile Zila Council Employees	Irregularity	0.371
67		Unjustified payment of hire charges of vehicles	Irregularity	0.287
68		Unauthentic Govt. receipt due to non-conducting of survey	Recovery	9.502
69		Non transparent expenditure of hiring of tents for Itwaar Bazars	Irregularity	9.443
70		Irregular expenditure on street lights	Irregularity	8.748
71		Irregular and wasteful expenditure on POL	Irregularity	7.483
72		Non-verification of Receipts record	Irregularity	7.357
73		Unauthorized Expenditure due to Misclassification	Misclassification	1.778
74		Non verification of Income of ticket challan from Enforcement Inspectors	Irregularity	1.700
75	Nishtar Town	Non recovery of deposits of ticket challan from Enforcement Inspectors	Recovery	0.80
76		Overpayment	Recovery	0.472
77		Irregular expenditure	Irregularity	0.448
78		Non recovery of License Fees	Recovery	0.207
79		Overpayment	Recovery	0.198
80		Non realization of Road Cut Charges	Recovery	0.085
81		Unauthorized Repair of Transformer	Irregularity	0.062
82		Non recovery of Government Receipts	Recovery	0.011
83		Non recovery of Income Tax	Recovery	0.008
84		Over payment of Conveyance allowance	Recovery	0.583
85	Ravi Town	Irregular Payment	Irregularity	0.159

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
86		Expenditure on account of removal of Malba	Irregularity	0.100
87		Irregular Expenditure On Account Of Repair of Vehicle	Irregularity	0.092
88		Irregular Expenditure On Account Of Purchase of Streamers with wooden Frames	Irregularity	0.510
89		Irregular Expenditure on Repair of Furniture	Irregularity	0.103
90		Non Collection of Professional Fee	Recovery	-
91		Overpayment to Contractor for MS Bars	Recovery	0.022
92		Irregular payment of repair of Machinery and Equipment	Irregularity	0.074
93		Doubtful Payment	Irregularity	0.50
94		Irregular Transfer Of Funds	Irregularity	83.50
95		Non-Accountal Of Material	Irregularity	3.40
96		Non-Deduction Of Sales Tax	Recovery	1.647
97		Loss Of Million Of Rupees	Irregularity	0
98		Irregular Expenditure	Irregularity	1.215
99		Misclassification	Misclassification	0.805
100		Non-Obtaining Of Additional Security	Recovery	0.720
101		Unauthorized Expenditure on Pay & Allowances	Irregularity	0.648
102		Doubtful Payment	Irregularity	0.500
103		Irregular Expenditure on Fog Spray	Irregularity	0.175
104		Irregular Expenditure On Account Of Purchase of Flex Sheets	Irregularity	0.074
105		Un-Authentic Payment	Irregularity	0.061
106		Non- Collection of Professional Tax	Recovery	0
107		Non Collection Of Late Payment Charges	Recovery	0.030
108		Irregular expenditure on account of BaqarMandi	Irregularity	2.140
109		Non-Deduction Of Sales Tax	Recovery	0.712
110	Samanabad Town	Non reconciliation of expenditure and income	Irregularity	381.197
111		Non reconciliation of TTIP income	Irregularity	48.332
112		Loss due to non-disposal of old material	Irregularity	0.105
113		Non forfeiture of securities	Irregularity	0.433
114		Non-recovery of liquidated damages due to delay in completion of work	Recovery	0.550
115		Irregular expenditure of POL	Irregularity	0.116

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
116		Un-authentic receipt on account of license and permit fee	Irregularity	1.242
117		Irregular payment on account of Tuff Tile	Irregularity	0.627
118		Un-justified payment for removal of Malba	Irregularity	0.169
119		Recovery on account of non utilization of excavated earth	Recovery	0.494
120		Waste-full expenditure on account of PCC 4" topping	Irregularity	0.521
121	Shalamar Town	Non-verification of Receipts record	Recovery	8.876
122		Non recovery of deposits of ticket challan from Enforcement Inspectors	Recovery	0.900
123		Irregular expenditure	Irregularity	0.660
124		Loss to the Government due to Wall chalking	Irregularity	0.276
125		Overpayment	Recovery	0.125
126		Non-deduction of Shrinkage of Earth Filling	Irregularity	0.056
127		Irregular payment on repair of Machinery and Equipment	Irregularity	1.255
128		Fake payment	Recovery	0.997
129		Un-authorized drawl of Pay and allowances	Irregularity	0.793
130		Un-authorized use of TMA Vehicle	Irregularity	0.369
131		Irregular payment on Repair of Transport	Irregularity	0.756
132		Overpayment	Recovery	0.602
133		Non-transparent system of Receipts	Irregularity	0.475
134		Non-deduction of Shrinkage Earth Filling	Irregularity	
135		Overpayment	Recovery	0.122
136		Overpayment	Recovery	0.113
137		Loss due to non verification of income tax	Irregularity	6.373
138	Wahga Town	Non recovery of professional Tax	Recovery	0.095
139		Non recovery of government receipt On account of ticking challans	Recovery	0.131
140		Non allocation of CCB funds	Irregularity	17.5
141		Unauthorised expenditure of POL of generator	Irregularity	0.320
142		Unjustified Expenditure due to Payment of Pending Liabilities	Irregularity	0.303
143		Unauthorized Expenditure of POL	Irregularity	0.073
144		Loss due to Non-imposition of	Recovery	0.934

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
		Penalty		
145		Unauthorised expenditure	Irregularity	0.642
146		Unauthorized Expenditure on Pay & Allowances Due to Shifting of Head Quarter	Irregularity	0.162
147		Overpayment of contractor's profit	Recovery	0.181
148		Unauthorised expenditure of POL	Irregularity	0.887
149		Unauthorized expenditure without approval of rate analysis	Irregularity	0.129
150		Unauthorized deviation from the estimate	Irregularity	0.297
151		Unauthorised payment of Broken Glass	Irregularity	0.056
152		Loss due to less deduction of old material	Recovery	0.390
153		Unauthorized payment carriage charges	Irregularity	0.159
154		Unauthorized payment for MS Bars	Irregularity	0.620
155		Wrong payment of cement plaster	Irregularity	0.077
156		Wasteful expenditure on RCC Pipe	Irregularity	0.339
157		Wasteful expenditure on RCC Pipe	Irregularity	0.166
158		Doubtful expenditure on PCC without recording of thickness	Irregularity	0.537
159		Unauthorised expenditure	Irregularity	0.326
160		Irregular payment	Irregularity	19.377
161		Non collection 10% proforma security	Irregularity	0.800
162		Non recovery of professional Tax	Recovery	0.245
163		Non-recovery of government receipt On account of ticktingchallans	Recovery	0.131
164		Unjustified expenditure on dengue virus	Irregularity	0.387
165		Unauthorised payment of rent of building	Irregularity	2.688
166		Unauthorized payment to contingent paid staff	Irregularity	12.832
167		Unauthorised expenditure on consumption of POL	Irregularity	0.171
168		Loss due to unauthorized payment of crushstone	Irregularity	0.549
169		Overpayment of contractor's profit	Recovery	0370
170		Wasteful expenditure	Irregularity	0.038
171		Loss of government funds	Irregularity	0.693
172		Overpayment for Tuff Tiles	Recovery	0.265

Sr. No.	Formation Name	Subject	Nature of Irregularity	Amount (Rs. in million)
173		Overpayment due to purchase substandard tuff tiles	Recovery	1.65
174		Doubtfull expenditure	Irregularity	1.253
175		Unauthorised payment of Excavation of Earth and PCC charges on roadcut	Irregularity	0938
176		Loss due to non collection of departmental Charges	Recovery	0.96
177		Unjustified expenditure on unforeseen events	Irregularity	0.676
178		Unjustified expenditure	Irregularity	59.379
179		Irregular Payment of HBA	Irregularity	1.5

Annex – B

Rs. in million

TMA AllamaIqbal Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	106.409	95.428	10.981	10.3
Non-salary	335.966	292.827	43.139	12.8
Development	426.146	424.797	1.349	0.3
Total	868.521	813.052	55.469	6.4
TMA Aziz Bhatti Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	64.862	54.804	10.058	15.5
Non-salary	65.579	39.277	26.302	40.1
Development	62.393	24.537	37.856	60.7
Total	192.834	118.618	74.216	38.5
TMA Gulberg				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	79	58.263	20.737	26.2
Non-salary	57.645	34.546	23.099	40.1
Development	319.724	205.199	114.525	35.8
Total	456.369	298.008	158.361	34.7
TMA Ravi Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	86.68	84.912	1.768	2.0
Non-salary	39.85	38.228	1.622	4.1
Development	115	48.998	66.002	57.4
Total	241.53	172.138	69.392	28.7

TMA Nishtar Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	87.388	78.836	8.552	9.8
Non-salary	109.167	99.575	9.592	8.8
Development	319.413	294.776	24.637	7.7
Total	515.968	473.187	42.781	8.3
TMA Shalimar Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	56.5	56.499	0.001	0.0
Non-salary	25.403	23.863	1.54	6.1
Development	3.65	3.631	0.019	0.5
Total	85.553	83.993	1.56	1.8
TMA Data Gunj Bukhsh Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	111.8	111.6	0.2	0.2
Non-salary	51.12	42.071	9.049	17.7
Development	138.711	74.962	63.749	46.0
Total	301.631	228.633	72.998	24.2
TMA Samanabad Town				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	64.37	58.282	6.088	9.5
Non-salary	44.957	42.01	2.947	6.6
Development	154.875	107.159	47.716	30.8
Total	264.202	207.451	56.751	21.5

Grand Total				
Head	Budget	Expenditure	Excess(+) / Savings(-)	% age
Salary	657.009	598.624	58.385	8.9
Non-salary	729.687	612.397	117.290	16.1
Development	1,539.910	1,184.060	355.850	23.1
Grand Total	2,926.606	2,395.081	531.525	18.2