



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
TEHSIL MUNICIPAL ADMINISTRATIONS  
RAJANPUR**

**AUDIT YEAR 2013-14**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

CCB	Citizen Community Board
DAC	Departmental Accounts Committee
DGA	Director General Audit
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
MFDAC	Memorandum for Departmental Accounts Committee
PDG	Punjab District Government
PLGO	Punjab Local Government Ordinance
PLG	Punjab Local Government
POL	Petroleum Oil and Lubricants
RDA	Regional Directorate of Audit
TMA	Tehsil / Town Municipal Administration
TMO	Tehsil / Town Municipal Officer
TO (F)	Tehsil/Town Officer (Finance)
TO (I&S)	Tehsil/Town Officer (Infrastructure & Services)
TO (P&C)	Tehsil/Town Officer (Planning & Coordination)
TO (R)	Tehsil/Town Officer (Regulations)

## 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 District Government Fund and Public Account of District Government is the responsibility of the Auditor General of Pakistan.

The report is based on audit of the accounts of various offices of Tehsil Municipal Administrations of District Rajanpur for the Financial Year 2012-13. The Directorate General of Audit District Governments Punjab (South), Multan conducted audit during 2013-14 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more and also the non-compliant observations which were included in Annexure-1 of Audit Report for the Audit Year 2012-13. Relatively less significant issues are listed in the Annex-I of the Audit Report. The Audit observations listed in the Annex-I shall be pursued with the Principal Accounting Officer at the DAC level and in case the PAO does not initiate appropriate action, the Audit observations 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.

Most of the observations included in this Report have been finalized in the light of written responses and discussion in DAC meetings.

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

Islamabad  
Dated:

**(Muhammad Akhtar Buland Rana)**  
**Auditor General of Pakistan**

## **EXECUTIVE SUMMARY**

The Directorate General Audit, District Governments, Punjab (South), Multan, a Field Audit Office of the Auditor General of Pakistan is responsible to carry out the audit of all District Governments in Punjab (South) including Tehsil and Town Municipal Administrations. Its Regional Directorate of Audit D.G.Khan has audit jurisdiction of District Governments, TMAs and UAs of four Districts i.e. D.G.Khan, Rajanpur, Layyah and Muzaffargarh.

The Regional Directorate has human resource of 21 officers and staff, constituting 260 mandays and a budget allocation of Rs 11.953 million per Financial Year. It has the mandate to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance Audit of entities, projects and programs. Accordingly Regional Director Audit D.G.Khan carried out audit of the accounts of three TMAs of District Rajanpur for the Financial Year 2012-13 and the findings included in the Audit Report.

Each Tehsil Municipal Administrations in District Rajanpur is headed by a Tehsil Nazim / Administrator. He/she carries out operations as per Punjab Local Government Ordinance, 2001. Tehsil Municipal Officer being Principal Accounting Officer (PAO) acts as coordinating and administrative officer is responsible to control land use, division and development and to enforce all laws including Municipal Laws, Rules and By-laws. The financial provisions of Local Government Ordinance, 2001 require the establishment of Tehsil / Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil Council / Nazim / Administrator in the form of Budgetary Grants.

Total Development Budget of the above mentioned TMAs in District Rajanpur for the Financial Year 2012-13 was Rs 345.649 million and expenditure incurred of Rs 233.531 million showing savings of Rs 112.118 million in the year. Total Non development Budget for Financial Year 2012-13 was Rs 440.067 million and expenditure of Rs 368.812 million, showing savings of Rs 71.255 million. The reason of savings in Development and Non development Budgets is required to be explained by the concerned TMO.

Audit of TMAs of District Rajanpur was carried out with a view to ascertaining that the expenditure was incurred with proper authorization, in conformity with laws, rules, regulations and economy was ensured in procurement of assets and hiring of services and to review, analyze and comment on various Government policies regarding different sectors.

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 revenue did not remain outside Government account/ Local Fund.

**a. Scope of Audit (Audit of Expenditure and Receipts)**

Total Development Budget allocation for Financial Year 2012-13 was of Rs 345.649 million, out of which, total expenditure was Rs 233.531 million. Audit of the development expenditure of Rs 158.800 million was carried out, which was 68% of the total expenditure. Audit of Non Development expenditure of Rs 309.800 million out of total expenditure of Rs 368.812 million for these years was conducted, which is 84% of total expenditure. Therefore, total expenditure of the TMAs of District Rajanpur for the year was Rs 602.343 million, out of which, overall expenditure of Rs 468.600 million was audited, which is 78% of the total expenditure. Hence, there was 100% achievement against the planned audit activities.

Total overall receipts of the Tehsil Municipal Administrations, Rajanpur, for the Financial Year 2012-2013, were Rs 279.921 million, out of which overall receipt of Rs 251.929 million was audited which, is 90% of total receipts.

**b. Recoveries at the Instance of Audit**

Recovery of Rs 86.436 million were pointed out through various audit paras, but no recovery was effected till compilation of this Report. Out of the total recoveries Rs 14.154 million was not in the notice of the Executive before audit.

**c. Audit methodology**

Audit was conducted after understanding the business processes of TMA with respect to its functions, control structure, prioritization of risk areas by

determining their significance and identification of key controls. This helped the Auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity. Audit used desk audit techniques for analysis of compiled data and review of permanent files / record. Desk Audit greatly facilitated identification of high risk areas for substantive testing in the field.

**d. Audit Impact**

Significant issues like non-production of record, outstanding recoveries, financial irregularities and non-compliance of rules were provided by Audit PAOs agreed in DAC meetings to effect recoveries relating to water charges, conversion fee of private housing schemes, map fees, etc. This huge amount of outstanding recoveries would bring revenue to Government exchequer besides promulgation of rules and financial discipline.

In some cases, PAOs agreed to hold enquiries to rule out reasons for non-production of record to Audit/deviation from financial discipline, overpayments to contractors etc. and fix responsibilities accordingly.

**e. Desk Audit**

Desk review helped auditors in understanding the systems, procedures, environment of entity and identification of high risk areas for additional compliance testing in the field. The Audit Command Language (ACL) was applied centrally on the Payroll part of Appropriation Account. As a result, certain irregularities and overpayments were identified, which were communicated to field audit officers for verification and follow-up action.

**f. Comments on Internal Controls and Internal Audit Department**

Internal control mechanism of TMAs of District Rajanpur 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 ghost schemes. 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, Nazim of each District Government and Tehsil/Town Municipal Administration shall appoint an Internal Auditor but the same was not appointed in all TMAs of District Rajanpur.

**g. Key audit findings of the Report;**

- i. There were 02 cases pertaining to non production of record – Rs 37.226 million.<sup>1</sup>
- ii. Violation of rules / financial propriety amounting to Rs 69.376 million was noted in 11 cases.<sup>2</sup>
- iii. Non recovery of government dues amounting to Rs 85.418 million in 18 cases was noted.<sup>3</sup>
- iv. Overpayment involving an amount of Rs 1.018 million was noted in 01 case<sup>4</sup>.

Audit Paras for the audit year 2013-14 involving procedural violations including internal control weaknesses and irregularities not considered worth reporting are included in MFDAC (Annexure-A).

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<sup>1</sup>Para 1.3.1.1,1.4.1.1

<sup>2</sup>Para 1.2.1.5, 1.2.1.6, 1.2.1.8, 1.2.1.11, 1.3.2.1, 1.3.2.2, 1.3.2.4, 1.3.2.12, 1.3.2.13, 1.4.2.1, 1.4.2.3

<sup>3</sup>Para 1.2.1.1, 1.2.1.2,1.2.1.3, 1.2.1.4, 1.2.1.7, 1.2.1.9, 1.2.1.10, 1.2.1.12, 1.3.2.3, 1.3.2.5, 1.3.2.6,1.3.2.7, 1.3.2.8, 1.3.2.9, 1.3.2.10, 1.3.2.11,1.4.2.2,1.4.2.4

<sup>4</sup>Para 1.3.2.14



## **h. Recommendations**

The Principal Accounting Officer should ensure that the rules, regulations, instructions and procedures as laid down are followed in letter and spirit besides compliance of the following recommendations:

- i. Strengthening of internal controls
- ii. Production of record to audit for verification
- iii. Compliance of relevant laws, rules, instructions and procedures, etc.
- iv. Expediting recoveries pointed out by Audit as well as bringing other recoveries in the notice of management
- v. Holding of DAC meetings well in time
- vi. Proper maintenance of accounts and record
- vii. Appropriate actions against officers/officials responsible for negligence in performance of duties and achievement of targets
- viii. Addressing systemic issues to prevent recurrence of various omissions and commissions.

## SUMMARY, TABLES & CHARTS

**Table 1: Audit Work Statistics**

(Rupees in Million)

Sr. No.	Description	No.	Budget
1.	Total Entities (PAOs) in Audit Jurisdiction	03	785.716
2.	Total formations in audit jurisdiction	03	785.716
3.	Total Entities (PAOs) Audited	03	785.716
4.	Total Formations Audited	03	785.716
5.	Audit & Inspection Reports	03	785.716
6.	Special Audit Reports	Nil	Nil
7.	Performance Audit Reports	Nil	Nil
8.	Other Reports	Nil	Nil

**Table 2: Audit Observation Classified by Categories**

(Rupees in Million)

Sr. No.	Description	Amount Placed under Audit Observations
1.	Unsound asset management	-
2.	Weak Financial management	86.436
3.	Weak Internal controls relating to financial management	69.376
4.	Others	37.226
<b>Total</b>		<b>193.038</b>

**Table 3: Outcome Statistics****(Rupees in Million)**

<b>Sr. No.</b>	<b>Description</b>	<b>Expenditure on Acquiring Physical Assets (Procurement)</b>	<b>Civil Works</b>	<b>Receipts</b>	<b>Others</b>	<b>Total</b>	<b>Total Last Year</b>
1	Outlays Audited	175.633	215.743	258.607	115.496	765.479*	500.950
2	Amount Placed under Audit Observation / Irregularities Pointed out	-	22.611	83.768	86.659	193.038	66.174
3	Recoveries Pointed out at the instance of Audit	-	2.668	83.768	-	86.436	17.960
4	Recoveries Accepted / Established at the instance of Audit	-	-	-	-	-	-
5	Recoveries realized at the instance of Audit	-	-	-	-	-	-

\* The amount mentioned against Sr. No. 1 in column of "Total" is the sum of expenditure and receipt whereas the total expenditure was Rs 506.872 million.

**Table 4: Irregularities Pointed Out**

<b>(Rupees in Million)</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
1.	Violation of rules and regulations and violation of principle of propriety and probity in public operations.	69.376
2.	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	0
3.	Accounting Errors (accounting policy departure from NAM <sup>1</sup> 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.	0
4.	Quantification of weaknesses of internal control systems	0
5.	Recoveries and overpayments, representing cases of establishment overpayment or misappropriations of public monies	86.436
6.	Non production of record	37.226
7.	Others, including cases of accidents, negligence, non accountal of store etc.	0
<b>Total</b>		<b>193.038</b>

**Table 5: Cost - Benefit Ratio**

<b>(Rupees in Million)</b>			
<b>Sr. No.</b>	<b>Description</b>	<b>2013-14</b>	<b>2012-13</b>
1.	Outlays Audited (Items 1 of Table 3)	984.680	500.950
2.	Expenditure on Audit	0.075	0.075
3.	Recoveries realized at the instance of Audit	0	0
4.	Cost –Benefit Ratio	0	0

## CHAPTER-1

### 1.1 Tehsil Municipal Administrations, District Rajanpur

#### 1.1.1 Introduction

According 1998 population census, the population of District Rajanpur is 1.325 million. District Rajanpur comprises of three TMAs namely Rajanpur, Jampur and Rojhan. Business of TMAs is run through the Administrator and five Drawing & Disbursing Officers i.e. TMO, TO (I&S) TO (Finance), TO (P&C) and TO (Regulations) under Punjab Local Government Ordinance, 2001.

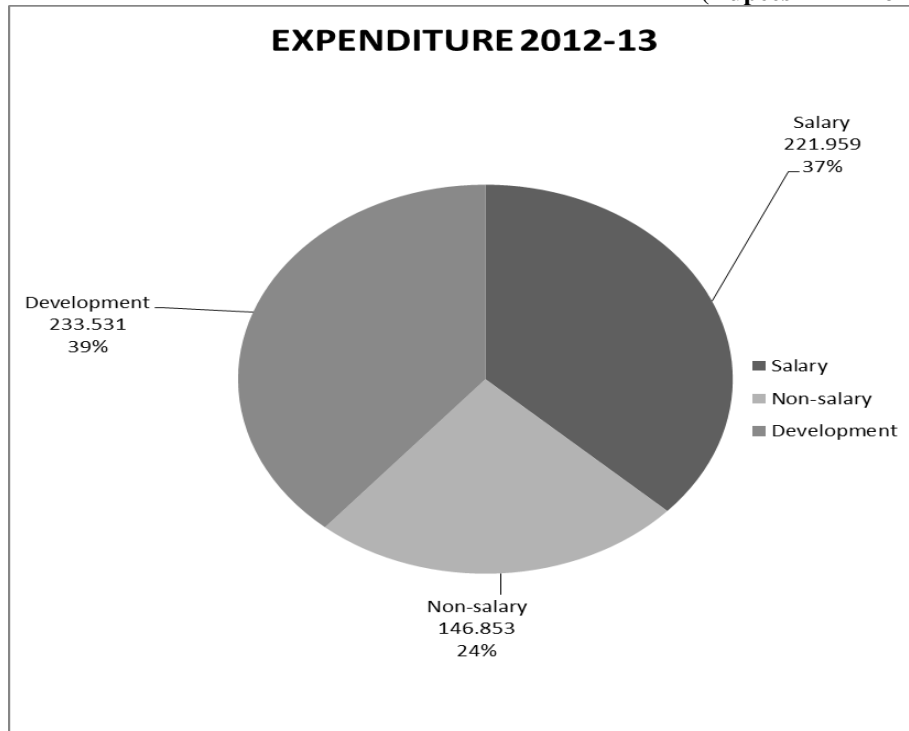
#### 1.1.2 Comments on Budget and Accounts (Variance Analysis)

The detail of budget and expenditure is given below in tabulated form

(Rupees in Million)

Sr. No.	Name of TMA	Head	Budget	Supplementary Grant	Revised / Final Grant	Actual Expenditure	Excess / (Savings)
1	TMA Rajanpur	Salary	140.339	-	140.339	126.437	(13.902)
		Non Salary	45.805	-	45.805	55.564	(9.759)
		<b>Sub Total</b>	<b>186.144</b>	-	<b>186.144</b>	<b>182.001</b>	<b>(4.143)</b>
		Development	76.536	-	76.536	68.136	(8.400)
		<b>Total</b>	<b>262.680</b>	-	<b>262.680</b>	<b>250.137</b>	<b>(12.543)</b>
2	TMA Jampur	Salary	75.970	-	75.970	65.334	(10.636)
		Non Salary	83.991	-	83.991	53.883	(30.108)
		<b>Sub Total</b>	<b>159.961</b>	-	<b>159.961</b>	<b>119.217</b>	<b>(40.744)</b>
		Development	219.438	-	219.438	135.093	(84.345)
		<b>Total</b>	<b>379.399</b>	-	<b>379.399</b>	<b>254.310</b>	<b>(125.089)</b>
3	TMA Rojhan	Salary	35.515	-	35.515	30.188	(5.000)
		Non Salary	58.447	-	58.447	37.406	(21.000)
		<b>Sub Total</b>	<b>93.962</b>	-	<b>93.962</b>	<b>67.594</b>	<b>(26.000)</b>
		Development	49.675	-	49.675	30.302	(19.000)
		<b>Total</b>	<b>143.637</b>	-	<b>143.637</b>	<b>97.896</b>	<b>(46.000)</b>

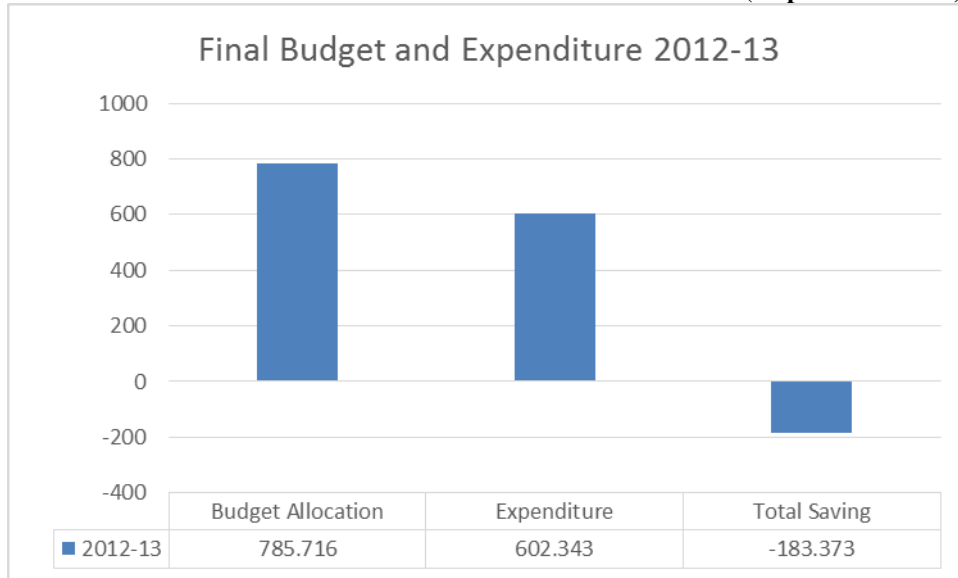
(Rupees in Million)



Details of the budget allocations, expenditures and savings of TMAs of District Rajanpur for three Financial Years are at **Annexure-B**.

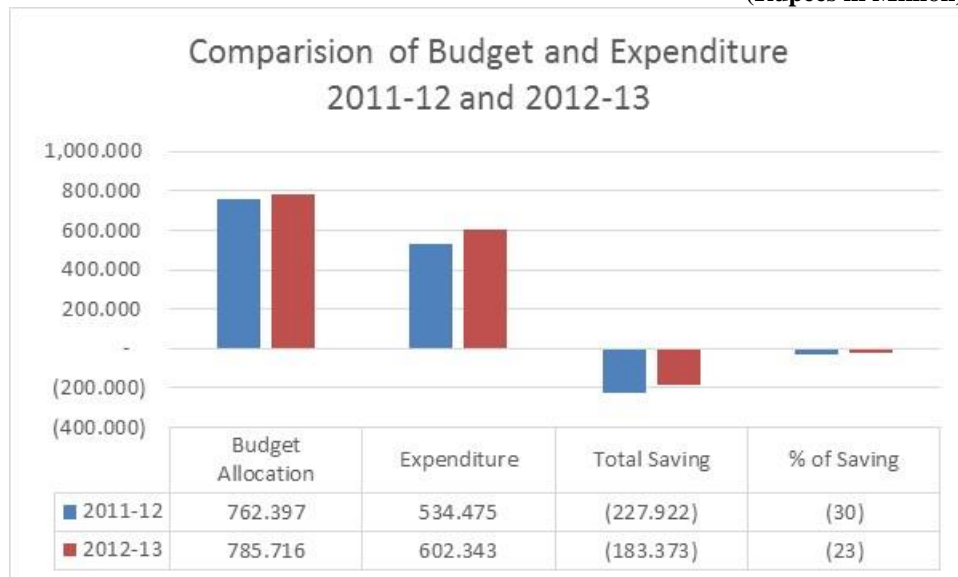
As per budget books for the Financial Year 2012-13 of TMAs in District Rajanpur, the original and final budget were of Rs 785.716 million. Total expenditure by these TMAs during Financial Year 2012-13 were Rs 602.343 million. There was a saving of Rs 183.373 million for which reasons were not provided by the PAO, Tehsil Nazims and management of TMAs.

(Rupees in Million)



Comparative analysis of the budget and expenditure of current financial year is depicted as under:

(Rupees in Million)



There was overall saving in the budget allocations for the financial year 2012-13 is as follow:

(Rupees in Million)

Financial Year	Budget Allocation	Expenditure	Total Saving	% of Saving
2011-12	762.397	534.475	-227.922	-30
2012-13	785.716	602.343	-183.373	-23

Justification of savings when the development schemes have remained incomplete, is required to be provided/ explained by PAO and TMO concerned.

### **1.1.3 Brief Comments on the Status of Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13**

Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13 have not been attended to despite the direction of DAC. These Paras are also reported in this Report.

### **1.1.4 Brief Comments on the Status of Non Compliant Paras of Annex-I of Audit Reports for Audit Year 2012-13**

Audit Paras reported in Annex-I of last year Audit Report have not been attended to despite the direction of DAC. These Paras are also reported at the end of this Report.

### **1.1.5 Brief Audit Comments on Status of Compliance with PAC Directives**

Sr. No.	Audit Report Year	No. of Paras	Status of PAC/TAC Meeting
1	2009-12	23	Nil
2	2012-13	06	Nil

As indicated in the above table, no PAC/TAC meeting was convened to discuss the audit reports of TMAs.



# **AUDIT PARAS**

## **1.2 Tehsil Municipal Administration Rajanpur**

## 1.2.1 Non Compliance of Rules

### 1.2.1.1 Non Recovery of Rent of Shops – Rs 13.755 Million

According to Rule 76 (1) of the PDG and TMA (Budget) Rules 2003, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to the above, Tehsil Municipal Officer did not recover outstanding rent of shops for Rs 13.755 million during the Financial Year 2012-13, as detailed below:

(Amount in Rupees)					
CO Unit	Name of Market	No. of Shops	Recoverable	Recovered	Balance
Kot Mithan	Kashmir Market Kot Mithen	27	182,440		
	General Bus Stand No.01 Kot Mithen	23	532,369		
	General Bus Stand No.02 Kot Mithen	10	431,895		
	Baroon Golai Committee Kotmithen	19	823,904		
	Market Astana Alia Kot Mithen	15	593,795		
	Market Mithan Kot	20	280,,532		
	Phatak Market Kot Mithen	5	154,639		
	Thana Market Kot Mithen	3	680,,608		
	Golai Market Androon Kot Mithen	8	134,486		
	Old Octroi Tax Kot Mithen	12	126,,191		
Municipal Market Kot Mithen	97	10,505,313			
<b>S Total</b>			<b>13,358,841</b>	<b>281,951</b>	<b>13,076,890</b>
Fazilpur	Subzi Mondi Fazalpur	10	132,600		
	Shoping Center Fazalpur	10	485,736		
<b>S. Total</b>			<b>618,336</b>	<b>101,009</b>	<b>517,327</b>
Rajanpur	Veterinary Side Market	24	25,260		
	Bus Stand Rajanpur	30	310,784		
	Old Lari Adda Rajanpur	11	24,205		
	Mazari Markeet Rajanpur	5	150		
	Al-Khaleel Market Rajanpur	24	21,790		
<b>S. Total</b>			<b>382,189</b>	<b>221,316</b>	<b>160,873</b>
<b>G. Total</b>			<b>14,359,366</b>	<b>604,276</b>	<b>13,755,090</b>

Audit was of the view that due to negligence of the TMA authorities, the rent of shop could not be recovered.

Non recovery of rent of shops caused loss to TMA.

The matter was reported to TMO in February, 2014, to which no reply was received. In the DAC meeting held on 05.04.2014, TMO replied that notices have been issued to concerned for recovery, DAC directed the TO(Finance) to

recover the outstanding amount at the earliest. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non recovery of outstanding revenues from the tenants, besides recovery of the said amount.

[AIR Para 12]

### **1.2.1.2 Loss Due to Non Recovery of Commercialization Charges - Rs 10.580 Million**

According to Government of the Punjab Local Government & Community Development Department Notification No.SOR (LG)38-18/2009 dated 06-06-2012 Sr. 4 (i) (a) the conversion charges for the conversion of residential, industrial, peri-urban area or inter-city service area to commercial use shall be as under:-

<b>Value of land as per valuation Table</b>	<b>Conversion Fee</b>
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Contrary to the above, Tehsil Municipal Officer did not recover commercialization charges of Rs 10.580 million, during 2012-13 from commercial centers established in Rajanpur city, nor were any serious efforts made by the department to recover the same. The detail is as below:

<b>(Amount in Rupees)</b>				
<b>Name of Commercial Center</b>	<b>Area in Marla</b>	<b>Market Value per Marla</b>	<b>Value of land</b>	<b>Commercialization charges @ 20%</b>
City Plaza Rajanpur	169	100,000	16,900,000	3,380,000
Ramzan Khan Plaza	200	100,000	20,000,000	4,000,000
Rehman Commercial Tower	160	100,000	16,000,000	3,200,000
<b>Total</b>				<b>10,580,000</b>

Due to weak management, a huge amount on account of commercialization charges remained outstanding.

Non recovery of commercializing charges caused loss to TMA.

The matter was reported to TMO in February, 2014, to which no reply was received. In the DAC meeting held on 05.04.2014, TMO replied that notices

have been issued to concerned for recovery, DAC directed the TO(Finance) to recover the outstanding amount at the earliest. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/official concerned for non recovery of commercialization charges from commercial centers owners, besides recovery of the same and its deposit into Local Fund.

[AIR Para 13]

### 1.2.1.3 Loss Due to Non Registration of Residential Schemes – Rs 9.093 Million

According to Rule 60, (C)Chapter VIII of Commercialization Rules 2008, the conversion fee for the conversion of peri-urban area or inter-city services area to residential use shall be one percent of the value of the land as per valuation table. Furthermore, as per By Laws approved by TMA Rajanpur, fee for the approval of residential colony will be @Rs5000/ per acre.

Contrary to the above, the following unapproved residential colonies were pointed out by the Tehsil Municipal Officer during 2012-13. Neither the said colonies were black listed/banned, nor were the owners of the same forced to fulfill the codal requirements and deposit the requisite conversion fee; due to which TMA sustained loss of Rs 9.093 million.

(Amount in Rupees)				
Name of Residential Colony	Area	Area in Marla	Plan Approval Fee	Conversion Fee
City Garden Near Grid Station	Rajanpur	769	192,250	384,500
Gulistan-e-Zahra Housing Scheme		360	90,000	180,000
Indus Village Dera Road		400	100,000	200,000
Sidra Garden Housing Scheme		769	192,250	384,500
Allah Rakha Avenue		789	197,250	394,500
City Canal neat Qutub Canal		771	192,750	385,500
Gulshan Abuturab		760	190,000	380,000
Shan-e-Muhammad housing Scheme		789	197,250	394,500
Al-Janat Homes		416	104,000	208,000
Khawaja Town		449	112,250	224,500
Rahat Residential		770	192,500	385,000
Tayabia Town		763	190,750	381,500
Umer Town		789	197,250	394,500
Wali Town		640	160,000	320,000

Name of Residential Colony	Area	Area in Marla	Plan Approval Fee	Conversion Fee
Hazari Town		789	197,250	394,500
Madina Housing Scheme	Fazilpur	776	194,000	388,000
Al-Hamad Town		536	134,000	268,000
Abdul Sattar Town		789	197,250	394,500
<b>Total</b>			<b>3,031,000</b>	<b>6,062,000</b>

Due to weak implementation of Government rules, unregistered residential colonies were established.

Non registration of residential schemes caused loss to TMA.

The matter was reported to TMO in February, 2014, to which no reply was received. In the DAC meeting held on 05.04.2014, TMO replied that notices have been issued to concerned for recovery, DAC directed the TO(Regulation) to register the residential colonies and recovery of the outstanding amount at the earliest. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/official concerned causing loss of public money, under intimation to Audit.

[AIR Para 5]

#### 1.2.1.4 Non Recovery of Outstanding Revenue – Rs 8.398 Million

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, the primary obligation of collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund, under the proper receipt head.

Contrary to the above, Tehsil Municipal Officer did not recover the outstanding dues amounting to Rs 8.398 million during 2012-13, pending since long. Most of the arrears pertain to Defunct Tehsil Council which was transferred to TMA on devolution. Neither were the same recovered from the defaulting contractors, nor were they blacklisted. The detail is as below.

(Amount in Rupees)			
Name	Recoverable	Recovered	Balance
Arrears of water rate Rajanpur	874,102	2,740	871,362
Arrears of water rate Mithankot	292,531	0	292,531
Various Leases Rajanpur	2,152,390	0	2,152,390
Various Leases Fazilpur	2,300,043	0	2,300,043

Name	Recoverable	Recovered	Balance
Various Leases Mithankot	2,782,280	0	2,782,280
<b>Total</b>	<b>8,401,346</b>	<b>2,740</b>	<b>8,398,606</b>

The matter was reported to TMO in February, 2014, to which no reply was received. In the DAC meeting held on 05.04.2014, TMO replied that notices have been issued to concerned for recovery, DAC directed the TO(Finance) to recover the outstanding amount at the earliest. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non recovery of outstanding revenue from the contractors, besides recovery of the said amount under intimation to Audit.

[AIR Para 17]

### 1.2.1.5 Unauthorized Invitation of Tenders- Rs 5.586 Million

According to Rule 12(2) of Punjab Procurement Rules 2009, 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. Further Rule 13 (1) of ibid states that under no circumstances the response time shall be less than fifteen days for national competitive bidding

Contrary to the above, Tehsil Municipal Officer invited tenders of two development schemes amounting to Rs 5.586 million during 2012-13 in single Urdu newspaper instead of one Urdu and one English newspaper. Furthermore, the response time for opening of bids, as prescribed in the rule was not followed.

(Rupees in Million)

Schemes	News-paper	Advertisement Date	Last Date for Tender Sales	Cost of Schemes
Provision of street lights in city Rajanpur	Daily Pakistan Multan	04.11.2012	12.11.2012	3.400
Development of ladies park at Rajanpur through provision of fixture, electric installation & repair of main buildings				2.186
<b>Total</b>				<b>5.586</b>

Due to weak internal controls, Government instructions were not followed.

Due to non observance of prescribed rule, the tenders could not be considered as fair and competitive.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that the advertisement was made in one Newspaper through DGPR and they gave advertisement in one newspaper. But no documentary proof was produced. DAC directed the TO (I&S) to get the matter regularized from the competent authority. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/official at fault, besides regularization from the competent authority.

[AIR Para 20]

#### **1.2.1.6 Loss to TMA due to Withdrawal of Salaries against Closed Water Supply Schemes – Rs 4.822 Million**

According to Rule 59 of Punjab Local Government Ordinance, 2001, the Tehsil Nazim/Administrator shall be personally responsible for any loss, financial or otherwise, flowing from the decisions made by him personally or under his directions in violation of any provisions of this ordinance or any other law in force for the time being and for any expenditure incurred without lawful authority.

Contrary to the above, Tehsil Municipal Officer paid Rs 4.822 million on account of salaries of work charged employees posted at fifteen (15) water supply schemes during 2012-13. The said schemes were closed during the period under audit. Furthermore, not a single penny from the said areas on account of water rate charges was collected. The detail is as below:

**(Amount in Rupees)**

<b>T. No</b>	<b>Date</b>	<b>Scheme</b>	<b>No of employees</b>	<b>Month</b>	<b>Amount</b>
37	02.07.2012	W/Supply	39	Jun-2012	362,700
44	01.08.2012		39	Jul-2012	374,790
4	01.09.2012		39	Aug-2012	423,150
16	01.10.2012		39	Sep-2012	399,000



T. No	Date	Scheme	No of employees	Month	Amount
17	18.10.2012		39	Oct-2012	401,450
24	30.11.2012		39	Nov-2012	409,500
31	02.01.2013		39	Dec-2012	423,150
59	01.02.2013		39	Jan-2013	423,150
	01.03.2013		39	Feb-2013	382,200
56	01.04.2013		39	Mar-2013	423,150
85	07.05.2013		39	Apr-2013	409,500
33	03.06.2013		39	May-2013	390,600
<b>Total</b>					<b>4,822,340</b>

Due to weak internal controls, work charged employees were paid against closed water supply scheme.

Payment of work charged employees caused loss to TMA.

The matter was reported to TMO in February, 2014,. In the DAC meeting held on 5.04.2014, TMO replied that work charge staff were appointed to look after the pipe line, pump house. The reply was not tenable, DAC directed TMO to inquire into the matter and submit report within a week. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility for incurring the expenditure out of local fund, besides the recovery thereof, under intimation to Audit.

[AIR Para 26]

#### **1.2.1.7 Loss to TMA Due to Less Recovery of Lease Amount - Rs 4.362 Million**

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, the primary obligation of 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.

Contrary to the above, Tehsil Municipal Officer awarded leases of the following collection rights to various contractors during 2012-13. The contractors only deposited the lease amount of Rs 2.700 million. The remaining amount of Rs 4.362 million has not been recovered from the contractors, nor has any serious effort been made. The detail is as below:

(Amount in Rupees)

Name of Lease	Contract Amount	Amount Recovered	Balance Amount
Latrine Fee GB Stand Kot Mithan	71,500	55,455	16,045
Cattle Mandi Rakh Fazilpur	5,000,000	1,895,454	3,104,546
Cattle Mandi Fazilpur	2,000,000	758,182	1,241,818
<b>Total</b>	<b>7,071,500</b>	<b>2,709,091</b>	<b>4,362,409</b>

TMO did not proceed to recover the said loss as arrears of land revenue and the same remained outstanding.

Due to lack of interest, no efforts were made to recover the amount causing loss to the TMA.

The matter was reported to TMO in February, 2014, to which no reply was received. In the DAC meeting held on 05.04.2014, TMO replied that notices have been issued to concerned for recovery, DAC directed the TO(Finance) to recover the outstanding amount at the earliest. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/officials concerned, for negligence, besides recovery of the outstanding amount.

[AIR Para 6]

### **1.2.1.8 Unauthorized Incurrence of Expenditure without Advertisement – Rs 3.487 Million**

According to Rule 12(1) of Punjab Procurements Rules 2009, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

Contrary to the above, Tehsil Municipal Officer, in violation of above rule, incurred expenditure of Rs 3.487 million during 2012-13, on miscellaneous items without calling tender; despite the fact that cost of the items was more than Rs 100,000, as detailed below:

(Amount in Rupees)			
T No	Date	Item	Amount
3	18.08.2012	Dewatering Set Kot Mithan	114,000
2		Tyres	180,000
1	23.08.2012	Street Lights	349,200

T No	Date	Item	Amount
2		Sanitary items	299,000
1	24.10.2012	Volley ball tournament Kot Mithan	339,400
0	10.11.2012	Electric Items for Moharam Kot Mithan	199,650
77527131	22.11.2012	Electric Items for Moharam Rajanpur	324,871
136	13.02.2013	Panaflexes for Urs Khwaja Ghulam Farid	205,030
92	09.02.2013	Various items for All Pakistan Football Tournament	263,445
93			269,235
96			231,600
164 to 170	16.04.2013	-do-	161,218
174		Electric Items	194,000
136	13.02.2013	Pena Flexes	192,728
100	6.03.2013	Electric Items	164,050
<b>Total</b>			<b>3,487,427</b>

Due to weak financial controls, purchases were not advertised, to avoid competition.

Fair competition was avoided which resulted in loss to TMA.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that all the stores items were purchased on emergent basis on quotations, the reply was not tenable DAC directed the TO (Finance) to get the matter regularized from the competent authority. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned and regularization of expenditure from the competent authority.

[AIR Para 29]

### **1.2.1.9 Non Recovery of Cost of Land and TMA Dues from Allottees of Kachi Abadies - Rs 3.248 Million**

According to Letter NO.DG (KA) BOR/8-200/2012 Dated 22-11-2012 (b) issued by Director General Kachi Abadis, Government of the Punjab, cost of land in rural areas regularization scheme fixed upto 10 marla will be @ Rs 172/- per marla, above 10 marla and upto 1 kanal will be @ Rs 750/- per marla, above 1 kanal and upto 2 kanal will be the current valuation table rate and above 2 kanal will be the current valuation table rate with additional surcharge @50% at the time of grant of the proprietary rights. Further, as per By Laws of TMA Rajanpur,

development charges @ Rs 500 per marla and municipal property tax @ 2.50% of cost of land will be charged at the time of grant of proprietary rights.

Contrary to the above, Tehsil Municipal Officer allotted the proprietary rights to the residents of Kachi Abadies in Kotmithan area but did not recover Government dues amounting to Rs 3.248 million during 2012-13. No serious efforts were made for the recovery of TMA dues. **(Annexure-C)**

Audit was of the view that due to negligence of the TMA, the Government dues could not be recovered.

Due to non recovery of dues caused loss to TMA.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that notices have been issued to concerned for recovery, DAC directed the TO (Regulation) to recover the outstanding dues within a week. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non recovery of outstanding TMA revenue from the allottees of kachi abadies, besides recovery of the said amount.

[AIR Para 1]

#### **1.2.1.10 Less Deposit of Immovable Property Tax Receipts – Rs 2.371 Million**

According to Government of Punjab Board of Revenue Lahore notification No. 1807-2004 /1414 -LR-I dated 29.6.2004, the mutation fee on transfer of agriculture land in rural area shall be charged @ 3% of the value of land and registration fee in the urban area will be charged @ 1% of the value of land. Furthermore, as per TMA schedule of taxes, 1% tax will be charged on transfer of immovable property in urban and rural areas.

Contrary to the above, while scrutinizing the Tax on Transfer of Immoveable Property collected by the TMA Rajanpur during the year 2012-13, it was observed that that the amount was less accounted for, in the books of TMA. On transfer of property, taxes are also charged by the Government of Punjab, Revenue Department. By the Revenue Department, an amount of Rs 25,087,041 was collected; whereas, TMA showed the receipt figure of Rs 22,716,251 during

2012-13, on the same instances. Hence, the differential amount of Rs 2,370,790 was not accounted for in the TMA receipts.

(Amount in Rupees)

Month	Registration Fee B01311	Mutation Fee B01417	Total
July 2012	444,945	1,211,179	1,656,124
August 2012	432,736	902,115	1,334,851
September 2012	209,506	830,089	1,039,595
October 2012	373,263	773,229	1,146,492
November 2012	383,839	1,380,393	1,764,232
December 2012	761,193	2,205,394	2,966,587
January 2013	1,151,489	2,113,204	3,264,693
February 2013	861,168	1,761,734	2,622,902
March 2013	890,564	1,760,255	2,650,819
April 2012	461,743	1,326,945	1,788,688
May 2013	483,205	1,286,623	1,769,828
June 2013	1,177,785	1,904,446	3,082,231
<b>Total</b>	<b>7,631,436</b>	<b>17,455,605</b>	<b>25,087,041</b>
<b>Recovery shown by TMA</b>			<b>22,716,251</b>
<b>Difference</b>			<b>2,370,790</b>

Audit was of the view that due to negligence of the TMA authorities, the Government receipts could not be recovered.

Partial deposit of immovable property tax caused loss to TMA.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that matter will be taken with the Revenue Department for reconciliation, DAC directed the TMO to reconcile the receipts with Revenue Department and submit report within a week. No progress was reported till finalization of this report.

Audit requires that investigation and action should be taken against the persons held responsible along with recovery, under intimation to audit.

[AIR Para 9]

#### **1.2.1.11 Unauthorized Splitting of Schemes – Rs 2.419 Million**

According to Para 2.70 of B&R Code and vide Finance Department Letter No.FD(D-11)10(3)90 Dated 27<sup>th</sup> June 1991, the splitting of schemes will have to be got approved from the Chief Engineer Local Government Punjab.

Contrary to the above, Tehsil Municipal Officer split one development scheme into two schemes, valuing Rs 2.419 million, during 2012-13, without approval of the Chief Engineer. The detail is as below:

<b>(Rupees in Million)</b>	
<b>Name of work</b>	<b>TS Amount</b>
Fixing of Angle Iron Barbed wire Ladies park Rajanpur	0.233
Development of ladies park at Rajanpur through provision of fixture, electric installation & repair of main buildings	2.186
<b>Total</b>	<b>2.419</b>

Due to weak internal and technical control, development scheme was split up by the department.

Splitting of scheme rendered the incurrence of expenditure unauthorized.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TO(I&S) replied that the splitting was made in public interest the reply was not tenable, DAC directed to get the matter regularized from the competent authority. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned and regularization of the matter from the competent authority.

[AIR Para 18]

#### **1.2.1.12 Non Recovery of Water Rate Charges – Rs 1.108 Million**

According to Rule 76 (1) of the PDG and TMA (Budget) Rules, 2003, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to the above, Tehsil Municipal Officer did not recover outstanding water rate charges amounting to Rs 1.108 million from water users up to June 2013. No serious efforts were made for the recovery of TMA dues. The detail is as below:

<b>(Amount in Rupees)</b>					
<b>Types of</b>	<b>No. of</b>	<b>Rate Per Year</b>	<b>Amount</b>	<b>Amount</b>	<b>Balance</b>

<b>connection</b>	<b>connection</b>		<b>recoverable</b>	<b>Recovered</b>	
Residential	424	2,400	1,017,600	0	1,017,600
Commercial	19	4,800	91,200	0	91,200
<b>Total</b>					<b>1,108,800</b>

Audit was of the view that due to negligence of the TMA, the Government receipts could not be recovered.

Non recovery of water charges caused loss to TMA.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that notices have been issued to concerned for recovery, DAC directed the TO (Regulation) to recover the outstanding dues within a week. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non recovery of outstanding Government revenue from the water users, besides recovery of the said amount.

[AIR Para16]

## **1.3 Tehsil Municipal Administration Jampur**



### 1.3.1 Non Production of Record

#### 1.3.1.1 Non Production of Record – Rs 35.976 Million

According to Section 14(3) of Auditor General of Pakistan Ordinance envisages that any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person. According to Section 115(6) of Punjab Local Government Ordinance 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.

Contrary to the above, Tehsil Municipal Officer received an amount of Rs 35.976 million during 2012-13 on account of various income heads, but demand and collection register showing receipt and record of payment were not produced for audit scrutiny, in violation of above rule. The detail is given below:

**(Amount in Rupees)**

<b>Period</b>	<b>Description</b>	<b>Receipt Target</b>
2012-13	Immovable Property Tax	33,852,871
	General Bus Stand	1,099,511
	Slaughter House Fee	302,831
	Misc/Suspense	457,142
	Copying Fee	21,900
	Ufone Tower Fee	205,785
	Drainage Fee	15,900
	Security of Trees	20,000
<b>Total</b>		<b>35,975,940</b>

Non production of record reflected irresponsible attitude on the part of executive.

Due to non production of record, the actual claim and deposit of receipt, and legitimacy of the expenditure could not be ascertained.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility for non production of record to avoid recurrence of such incidents. Furthermore, management needs to ensure production of record to Audit.

[AIR Para 28]

## 1.3.2 Non Compliance of Rules

### 1.3.2.1 Unauthorized Payment of Work charged / Contingent Paid Staff – Rs 18.110 Million

According to Sr. No.vi of Government of Punjab, Finance Department Notification NO.FD.SO(G-I)6-40/2009, dated 18.7.2009, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department and Services and General Administration Department, to keep the expenditure strictly within the budgetary allocation.

Contrary to the above, Tehsil Municipal Officer paid Rs 18.110 million on account of pay of work charged / contingent paid staff during 2012-13. The staff was recruited with different intervals but approval of Finance Department and S&GAD was not obtained. The detail of payment is as below:

(Amount in Rupees)

Token#	Date	Description	No. of employees	Month	Amount
1929	06.07.2012	CO Unit Jampur	91	June-2012	955,500
1956	-do-	CO Unit Dajal	25	-do-	244,300
2071	03.08. 2012	CO Unit Jampur	91	July 2012	987,350
2041	-do-	CO Unit Dajal	25	-do-	261,800
31 to 49	23.07.2012	WSS	66	4,5,6- 2012	833,886
31	14.9.2012	CO Unit Jampur	91	August 2012	987,350
25	10.09.2012	CO Unit Dajal	25	-do-	266,700
110	07.10.2012	CO Unit Jampur	91	September 2012	843,500
81	07.10.2012	CO Unit Dajal	25	September 2012	236,250
223	20.10.2012	CO Unit Jampur	91	October 2012	987,350
209	19.10.2012	CO Unit Dajal	25	October 2012	218,750
82	08.12.2012	CO Unit Jampur	91	November 2012	953,750
85	-do-	CO Unit Dajal	25	-do-	262,500
60	04.01.2013	CO Unit Jampur	91	December 2012	891,800
26	02.01.2013	CO Unit Dajal	25	December 2012	245,000
137	01.02.2013	CO Unit Jampur	92	January 2013	979,650
140	-do-	CO Unit Dajal	25	-do-	267,760
29	01.03.2013	CO Unit Dajal	25	February 2013	243,250
59	07.03.2013	CO Unit Jampur	92	-do-	893,550
171	03.04.2013	CO Unit Jampur	92	March 2013	723,438
163	02.04.2013	CO Unit Dajal	25	-do-	222,677
5	06.05.2013	CO Unit Jampur	92	April 2013	910,800
6	13.05.2013	CO Unit Dajal	25	-do-	245,400
73	05.06.2013	CO Unit Dajal	25	May-13	240,312
79	-do-	CO Unit Jampur	92	-do-	880,384
211	19.10.2012	WSS Dajal	1	October 2012	7,000

Token#	Date	Description	No. of employees	Month	Amount
251 to 304	24.10.2012	WSS Various	143	7,8,9- 2012	1,997,735
75 to 82	13.03.2013	WSS	24	10,11,12-12	474,000
176 to 187	03.04.2013	-do-	25	October 2012	493,750
12 to 16	22.05.2013	-do-	21	10,11,12-12	355,000
<b>Total</b>					<b>18,110,492</b>

The recruitment of work charged employees without prior approval of Finance Department and S&GAD, and thereafter, payment of salaries was due to weak internal controls.

Payment without prior approval caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for appointing contingent paid staff without approval of Finance Department/S&GAD, besides regularization of the expenditure from the competent authority.

[AIR Paras: 34]

### 1.3.2.2 Unjustified Payment for Bitumen –Rs 10.688 Million

According to clause 6 of the acceptance letter issued by the TO(I&S) Jampur, bitumen (80-100) grade will be arranged by the contractor from National Refinery Karachi, and documentary proof is to be provided for release of payment against the work done.

Contrary to the above, Tehsil Municipal Officer made payment of Rs 10.688 million during 2012-13 to contractors on account of purchase of bitumen to be used in detailed below schemes, without obtaining proof of the purchase of bitumen from National Refinery Karachi.

(Amount in Rupees)

Scheme	TST	Bitumen (KG)	Rate Per KG	Amount
Construction of Metalled Road Dajal to Basti Qazi	30221	9187	93.92	862,840
Construction of Metalled Road Tiba Chandia	30965	9413	93.92	884,082
Construction of Metalled Road Bast Tufki	31310	9518	93.92	893,932
Construction of Metalled Road Dajal Jampur Road to	34754	10565	93.92	992,261

Scheme	TST	Bitumen (KG)	Rate Per KG	Amount
Pati Aziz Rind				
Construction of Metaled Road Basti Gaman Ghaloo	32540	9892	93.92	929,049
Construction of Metaled Road Mushtaq Chandia	29800	9059	93.92	850,820
Construction of Metaled Road Akbar Chandia	30750	9348	93.92	877,943
Construction of Metaled Road Dhandla Chowk to Basti Popat	36681	11151	93.92	1,047,279
Construction of Metaled Road Basti China to Pul Bahadur	32724	9948	93.92	934,303
Construction of Metaled Road Babul Wali to Basti Ayoub	30660	9320	93.92	875,374
Extension of Metaled Road Basti Popat	25200	7661	93.92	719,485
Construction of Metaled Road Basti Vehocha	28763	8744	93.92	821,212
<b>Total</b>				<b>10,688,580</b>

Due to weak management control, payment was made to contractors without having proof of purchase of bitumen from national Refinery Karachi.

The payment made to the contractors was unauthorized.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/ official involved in payment to contractors without having proof of its purchase as required by rules and agreement.

[AIR Para 13]

### **1.3.2.3 Loss due to Non Approval of Residential Schemes – Rs 9.440 Million**

According to Government of the Punjab Local Government & Community Development Department Notification No.SOR(LG)38-18/2009 dated 06-06.2012 Sr. 4 (i) (a) the conversion fee for conversion of residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:-

Value of land as per valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Contrary to the above, Tehsil Municipal Officer did not oblige the owners of newly established colonies to fulfil the codal requirements and approval of such residential schemes remained pending, due to which TMA sustained loss of Rs 9.440 million, during 2012-13 as detailed below.

(Amount in Rupees)

Name of Colony	Area	Area In Marla	Rate/ Marla	Cost of land	Conversion Fee 10%
Gulshan Ahmdani	Jampur	200	40,000	8,000,000	800,000
Haider Rahim Colony	Begraj	300	20,000	6,000,000	600,000
Gulshan Faiz		400	20,000	8,000,000	800,000
Johar Town	Gaddan	600	15,000	9,000,000	900,000
Gulzar Nasim		600	15,000	9,000,000	900,000
Khayabane Rehmat	Muhammad Pur	300	30,000	9,000,000	900,000
Rian Town		320	30,000	9,600,000	960,000
Muslim Town		300	30,000	9,000,000	900,000
Mamdoot Town	Jampur	240	40,000	9,600,000	960,000
Karim Town		200	40,000	8,000,000	800,000
Al-Rehman Colony	Dajal	400	23,000	9,200,000	920,000
<b>Total</b>					<b>9,440,000</b>

Due to weak implementation of Government policy, unregistered residential schemes were established.

Non registration of residential schemes caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for causing loss of public money, under intimation to Audit.

[AIR Para 15]

#### **1.3.2.4 Irregular Appointment without Sanctioned Posts – Rs 7.811 Million**

According to delegation of Financial Power Rules 2006, the power to create posts rest with the Administrative Department subject to the concurrence of Finance Department. Further according to Rule 5.11(C) of PFR Vol-1, all order creating or abolition the permanent or temporary posts should at once be communicated, by letter, to the Accountant General/District Accounts Office.

Contrary to the above, Tehsil Municipal Officer made payment on account of salaries to work charged establishment without sanctioned posts during 2012-13. Withdrawal of pay and allowances amounting to Rs 7.811 million was unauthorized as the same posts were not sanctioned in the schedule of establishment and budget books. The detail is as below:

(Amount in Rupees)

Designation	Sanctioned Posts	No of Employees	Rate PM	Period	Amount
Work charged Water Supply Schemes	0	76	7000	1.07.2012 to 30.06.2013	6,384,000
Work charged sanitations Jampur	140	141	10500		126,000
Work charged sanitation Dajal	30	31	10500		126,000
Work charged WSS Dajal	0	8	10500		1,008,000
Water Supply Schemes Chowkidar	0	1	13939		167,268
<b>Total</b>					<b>7,811,268</b>

Audit was of the view that the appointment without sanctioned posts was due to mismanagement.

Appointments without sanctioned post resulted in loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends that matter be investigated and the pay drawn unauthorizedly should be either recovered or got regularized under intimation to audit.

[AIR Para 2]

### **1.3.2.5 Less Recovery of Water Rate Charges – Rs 3.775 Million**

According to Rule 76 (1) of the PDG and TMA (Budget) Rules, 2003, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to the above, Tehsil Municipal Officer did not recover outstanding water rate charges for Rs 3.775 million from 1,551 domestic and commercial connections holders, upto Financial Year 2012-13. Neither any serious effort was made, nor was penalty imposed for non-payment. The detail is as below:

(Amount in Rupees)				
CO Unit	No. Of connection	Amount recoverable	Amount Recovered	Balance
Dajal	1551	5,015,980	1,241,325	3,774,655

Due to weak financial controls, water rate charges were not recovered by the department.

Less recovery of water rate charges from water users resulted in loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non recovery of pending water charges from water users, besides recovery of the said amount. under intimation to Audit.

[AIR Para 25]

### **1.3.2.6 Loss due to Auction of Collection Rights at Unjustified Prices – Rs 1.907 Million**

According to Rule 11 of the PLG (Auctioning of Collection Rights) Rules, 2003, the bid received in open auction, if less than the reserved price, shall be rejected by the Nazim concerned or the person authorized by him in all cases and contract shall be re-auctioned in the prescribed manner. Moreover, the Council has full powers to accept or reject the bid duly recommended by the Local Government administration for the reasons to be recorded in writing.

Contrary to the above, Tehsil Municipal Officer awarded the contract for collection of Cattle Mandi tax at Cattle Mandi Jampur on less than the reserve price for the period 1.12.2012 to 30.6.2013. The reserve price was fixed for Rs 3,657,500 for the seven (7) months, whereas it was awarded for Rs 1,751,000,



without getting it re-auctioned and getting the approval of Council/Administrator. Hence TMA sustained a loss of Rs 1,906,500.

Audit held that due to weak internal controls reserve price was not approved by the Council/Administrator.

Acceptance of bids at unreasonable prices caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixation of responsibility and disciplinary action against the persons at fault, for accepting unjustified bids.

[AIR Para 1]

### **1.3.2.7 Loss due to Non auction of Shops after the Expiry Period - Rs 1.881 Million**

According to Rule,16 (a), (b)) Of local Government property Rules,2003 the immovable Property shall be given on lease through competitive bidding and the period of such lease shall be up to five years at a time. Further according to resolution No. dated 19.02.2006 passed by Tehsil Council Jampur, that the tenure for renewal of rent of shops situated at Jampur city will be from July, 2006 to June, 2011.

Contrary to the above, Tehsil Municipal Officer did not re-auction the lease of rent of shops which had expired on June 2011. After lapse of two and a half years, the shops have not since been re-auctioned. Due to this, the rent of shops was also not increased/recovered up to market value, which caused loss to TMA amounting to Rs 1.881 million, as detailed below.

(Amount in Rupees)

Name of Market	Nos. of Shops	Current Monthly Rent	Rent of Adjacent Shops	Difference	Months	Estimated Loss
Allma Iqbal Market, Jampur	23	3987	6000	2013	12	555,588
	1	1345	6000	4655	12	55,860
Jinnah Market, Jampur	11	3278	6000	2722	12	359,304
Old Municipal Market	6	3722	5000	1278	12	92,016
	1	4429	6000	1571	12	18,852

Name of Market	Nos. of Shops	Current Monthly Rent	Rent of Adjacent Shops	Difference	Months	Estimated Loss
	3	5138	10000	4862	12	175,032
	1	5315	20000	14685	12	176,220
Shopping Plaza Near Sittar Hotel Jampur	Shops No. 21	1100	3000	1900	12	22800
	22	1150	3000	1850	12	22200
	23	1200	3500	2300	12	27600
	10	1200	3500	2300	12	27600
Old Ocryi Chongi Langoori	1	887	2000	1113	12	13356
Dajal	1	726	2000	1274	12	15288
Lundi Patafi	1	1210	2000	790	12	9480
Kotla Mughlan	1	605	3000	2395	12	28740
Building NADRA office	1	1610	25000	23390	12	280680
<b>Total</b>						<b>1,880,616</b>

Negligence on the part of management resulted in non auctioning of shops.

Non auctioning of shops caused loss to TMA to the extent of Rs 1.881 million.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault for non-auctioning of shops in time

[AIR Para 5]

### **1.3.2.8 Non Recovery of Rent of Shops – Rs 1.704 Million**

According to Rule 76 (1) of the PDG and TMA (Budget) Rules 2003, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to the above, Tehsil Municipal Officer failed to recover the full amount of lease of shops upto 2012-13. An amount of Rs 1.704 million on account of rent of shops situated in different markets remained outstanding as on

June 2013. No action was taken for recovery of the said amount. The detail is as below:

(Amount in Rupees)

Name of Market	No Of shops	Amount Recoverable	Amount Recovered	Balance
Alama Iqbal Market Jampur	24	1,117,087	882,784	234,303
Jinnah Market	11	432,696	340,995	91,701
Old Municipal Market	11	604,339	484,266	120,073
New Municipal Market	8	357,312	305,204	52,108
Sabqa Chungiaat	9	377,187	325,303	51,884
Shopping Plaza	24	1,429,148	1089,760	339,388
CO Unit Dajal	137	3,366,000	2551,884	814,116
<b>Total</b>				<b>1,703,573</b>

Due to weak financial controls, a big amount on account of rent of shops remained outstanding.

Non recovery of rent of shops caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non recovery of Government revenue, besides recovery of the said amount.

[AIR Para 21]

### **1.3.2.9 Loss due to Non Implementation of Commercialization Rules - Rs 1.680 Million**

According to Government of the Punjab Local Government & Community Development Department Notification No.SOR(LG)38-18/2009 dated 06-062012 Sr. 4 (i) (a) the conversion fee for the conversion of residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:-

Value of land as per valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Contrary to the above, Tehsil Municipal Officer did not recover commercialization charges of Rs 1.680 million during 2012-13, from commercial

centers , nor were any serious efforts made by the department to recover the same. The detail is as below:

**(Amount in Rupees)**

<b>Name of Commercial Center</b>	<b>Area in Marla</b>	<b>Value/marla (estimated)</b>	<b>Cost of Land</b>	<b>Commercialization charges @ 10%</b>
Al-Rehman Commercial Center Dajal	40	200,000	8,000,000	800,000
Pak Commercial Center Jampur	22	400,000	8,800,000	880,000
<b>Total</b>				<b>1,680,000</b>

Due to weak management, huge amount on account of commercialization charges remained outstanding

Non recovery of commercialization charges caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the person concerned for non recovery of commercialization fee from CNG filling stations, besides recovery of the same and its deposit into Government account.

[AIR Para 22]

### **1.3.2.10 Less Deposit of Immovable Property Tax Receipts - Rs 1.663 Million.**

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, the primary obligation of collecting officer shall be ensured that all revenue due is claimed, realized and credited immediately into the Local Government Fund under the proper receipt head.

Contrary to the above, Tehsil Municipal Officer less deposited an amount of Rs 1.663 million during 2012-13 on account of Registry Fee on transfer of Urban Immovable Property and Transfer Fee (Inteqal fee) of Rural Immovable property as compared with receipt of Revenue Department on the same instances. The detail is as below:

**(Amount in Rupees)**

<b>Month</b>	<b>Registry Fee B01311</b>	<b>Mutation Fee B01417</b>	<b>Total</b>
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Month	Registry Fee B01311	Mutation Fee B01417	Total
12-Jul	758,940	1,455,884	2,214,824
12-Aug	450,716	1,335,080	1,785,796
12-Sep	517,741	755,835	1,273,576
12-Oct	686,899	1,175,779	1,862,678
12-Nov	898,870	2,897,475	3,796,345
12-Dec	509,765	3,446,122	3,955,887
13-Jan	1458,024	3,423,396	4,881,420
13-Feb	916,528	3,098,802	4,015,330
13-Mar	773,695	2,447,525	3,221,220
13-Apr	718,916	1,630,189	2,349,105
13-May	403,755	2,045,766	2,449,521
13-Jun	1051,207	2,658,818	3,710,025
<b>Total</b>	<b>9,145,056</b>	<b>79,112,010</b>	<b>35,515,726</b>
<b>Recovery shown by TMA</b>			<b>33,852,871</b>
<b>Difference</b>			<b>1,662,855</b>

Audit was of the view that due to negligence of the TMA, the Government receipts could not be recovered.

Less deposit of immovable property tax caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit requires the investigation and action should be taken against the persons responsible, along with recovery under intimation to audit.

[AIR Para 20]

### **1.3.2.11 Non-Imposition of Penalty due to Delay in Completion of Work- Rs 1.650 Million**

As per contract agreement Clause-2, if contractor failed to complete the work within stipulated / extended period. He was required to be penalized @ 1% to 10% of the agreement amount for delayed completion of work.

Contrary to the above, Various schemes under the supervision of Tehsil Municipal officer were not completed in time. The contractors neither applied for time extension nor was the same granted. TMO also did not impose penalty amounting to Rs 1.650 million which caused loss to TMA. **(Annexure-D)**

Due to weak internal controls penalty was not imposed.

Non-imposition of penalty on the contractors caused loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of penalty from the contractors.

[AIR Para11]

### 1.3.2.12 Non Accountal of Stores - Rs 1.508 Million

According to Rule 15.4 of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible Government Servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock register.

Contrary to the above, from the main stock register of Tehsil Municipal Administration Jampur, the following items were shown as issued to various branches of TMA. But, from the record of the concerned branches and physical verification, it was found out that store items valuing Rs 1.508 million were not available in those branches. The detail is below:

(Amount in Rupees)

Issued date	Item	Issued to	Value	Remarks
31.07.2003	Honda Motorcycle	CO Unit Jampur	50,000	Not Available in office.
14.06.2005	Yamaha Motorcycle	TO Finance	55,000	
23.06.2006	Chingchi Motorcycle	TO I&S	45,000	
08.08.2006		Chief S/inspector	45,000	
12.07.1990	Honda Motorcycle	Office	50,000	
13.10.2003	Yamaha Motorcycle	Regulation Branch	55,000	
10.06.2006	Router Pump	CO Jampur residence	8,000	House demolished.
	Single cabin Toyota	NA	1,200,000	Verbally issued to Commissioner D. G Khan
<b>Total</b>			<b>1,508,000</b>	

Audit held that due to mismanagement, the quantity and quality of stores were neither ensured nor documented.

Due to non accountal of stores, TMA sustained loss.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for not verifying the stock before payment.

[AIR Para 29]

### **1.3.2.13 Unauthorized Incurrence of Expenditure without Advertisement – Rs 1.274 Million**

According to Clause 12(1) of Punjab Procurements Rules 2009, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

Tehsil Municipal Officer incurred expenditure of Rs 1.274 million during 2012-13 on miscellaneous items without calling tenders, despite the fact that the items were worth more than Rs 100,000, in violation of the above rule, as detailed below:

(Amount in Rupees)				
<b>T No</b>	<b>Date</b>	<b>Item</b>	<b>Paid to</b>	<b>Amount</b>
139	8.10.12	Maxis Card For Generator	Vital Communication	182,500
169	17.10.12	De-Watering Set and Pipes	Ch Tube Well	461,600
1	03.05.13	41 Tyers Tractors & Sucker Machine	National	486,000
106	24.1.13	Electric Items	Fahim	23,140
108				24,920
184	12.2.12	Electric Items	KB	95,830
<b>Total</b>				<b>1,273,990</b>

Due to weak financial controls, purchases were not advertised deliberately by the department.

Fair competition was avoided by not advertising the said purchases, which resulted in loss to TMA.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned and regularization of the expenditure from the competent authority.

[AIR Para 33]

#### **1.3.2.14 Overpayment by Charging Rate of Compacted Earth without Proof of Compaction – Rs 1.018 Million**

According to clause A(iv) of Secretary C&W Department letter No.PA/SECY(C&W)26-5/2009 dated 25.05.2009, Sub grade should be compacted in layers not exceeding nine inches which shall reduce to six inches after compaction. Further clause A(i) of the same letter states that the compaction of sub grade must be ensured as 95% before laying the sub base layer.

Contrary to the above, Tehsil Municipal Officer made payment of Rs1.018 million during 2012-13 of schemes without scrutiny of the said schemes. Neither the Laboratory test of compaction of Earth work was on record nor was the execution made in layers, as desired in the above quoted letter. The execution of earth work in lump sum could not be considered as compacted up to 95%. Hence overpayments were made to contractor. (**Annexure-E**)

Audit held that due to weak management, overpayment was made to the contractors.

Due to overpayment TMA sustained a loss.

The matter was reported to TMO in February, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery.

[AIR Para 3]



## **1.4 Tehsil Municipal Administration Rojhan**

## **1.4.1 Non Production of Record**

### **1.4.1.1 Non Production of Record – Rs 1.250 Million**

According to Section 14(3) of Auditor General of Pakistan Ordinance envisages that any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person. According to Section 115(6) of Punjab Local Government Ordinance 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.

Contrary to the above, Tehsil Municipal Officer did not produce the administrative approval, technically sanctioned estimates, tender register, etc in support of development expenditure of Rs 1.250 million incurred during 2012-13, for audit scrutiny in violation of above rule. Audit held that non production of record reflected irresponsible attitude on the part of executive.

Due to non production of record, legitimacy of expenditure could not be ascertained.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that record is available but the whole record was not produced, DAC directed to kept para pending for Compliance. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility for non production of record to avoid recurrence of such incidents. Furthermore, management needs to ensure production of record to Audit.

[AIR Para 2]

## **1.4.2 Non Compliance of Rules**

### **1.4.2.1 Unauthorized Payment against Work Charged Staff – Rs 12.435 Million**

According to Government of Punjab, Finance Department Notification NO.FD.SO(G-I)6-40/2009 Sr. No.vi dated 18.7.2009, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department and Services and General Administration Department to keep the expenditure strictly within the budgetary allocation.

Contrary to the above, Tehsil Municipal Officer paid Rs 12.435 million on account of pay of work charged staff, during 2012-13. The staff was recruited with different intervals, but approval of Finance Department and S&GAD was not obtained. **(Annexure-F)**

The recruitment of work charged paid staff without approval of Finance Department and S&GAD and thereafter payment of salaries was irregular.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that work charge employees were appointed with approval of competent authority but approval was not produced. DAC directed to kept para pending for Compliance. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on officer concerned for appointing work charged employees without approval of Finance Department/S&GAD, besides regularization of expenditure from the competent authority.

[AIR Para 4]

### **1.4.2.2 Loss to TMA Due to Irregular Auction of Cattle Mandi - Rs 7.802 Million**

According to Directorate (LG&CD) DG Khan Division letter No.DLG/183-194 for strict observance of PLGO Rules 2003 (4) that each cattle mandi should be auctioned separately.

Contrary to the above, Tehsil Municipal Officer awarded the collection rights of cattle mandi to Mr.Rashid Imran for Rs7.802 million for the Financial

Year 2012-13, by consolidating all the Tehsil cattle mandies instead of auctioning collection rights of each cattle mandi separately by violating Government instructions.

Due to negligence and mismanagement of TMA authorities, the collection rights were leased out by consolidating the all cattle mandies.

Due to consolidated auction of collection rights of cattle mandies, fair competition was avoided deliberately

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that there was single mandi in Rojhan which were leased out, the reply was not tenable DAC directed to kept the para pending for regularization. No progress was reported till finalization of this report.

Audit recommends disciplinary action against the person responsible for violating Government instructions, besides regularization of matter from the competent authority.

[AIR Para 6]

#### **1.4.2.3 Unauthorized Purchase of Electric and Sanitation Material - Rs 1.236 Million**

According to Rule 12 (1) of The Punjab Public Procurements Rules 2009, the procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency. Further According to rule 15.4(a) and 15.5 of the PFR, Vol-I, when materials are issued, a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched.

Contrary to the above, Tehsil Municipal Officer incurred expenditure of Rs 1.236 million on purchase of Electric and sanitation items through calling local quotations, instead of tendering for the value of material exceeding the prescribed limit of Rs 100,000. The detail is given as below:

(Amount in Rupees)

Sr. No.	Token No. and Date	Supplier	Description	Amount
1	01/ 27.11.2012	Husnain Munir	Sodium Light, energy savers, Bracket street lights, cable, gloves etc	876,400
2	02/ 27.11.2012	Husnain Munir	Iron hand cart, Kassi, Iron taghari, Bamboo Jewari, Lime, rope etc	360,000
<b>Total</b>				<b>1,236,400</b>

Audit held that non-invitation of tenders resulted in uncompetitive purchases and loss to TMA.

Due to weak financial controls, Government instructions were not followed.

The purchases without proper competition caused loss to TMA.

The matter was reported to TMO in February, 2014..In the DAC meeting held on 05.04.2014, TMO replied that the purchase was made through calling quotation in the News Paper but tendering process was not adopted, DAC directed to keep the para pending for inquiry of the matter by (TO I&S) and submit report within a week. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non-observing the Government instructions, besides regularization of the expenditure from the competent authority.

[AIR Para: 5]

#### **1.4.2.4 Loss Due to Non-Auction of Shops after the Expiry Period - Rs 1.007 Million**

As per PLGO (Property) Rules 2003, Ch-V 16(a) the immovable property shall be given on lease through competitive bidding.(b) the period of such lease shall be upto five years at a time . Moreover, according to Rule 4 (C&D) of Punjab Local Government (Property Rules) 2003, the manager shall take steps to ensure that property meant for use of public is actually used to the maximum benefit of the public and ensure that the rented property fetches the maximum rent.

Contrary to the above, Tehsil Municipal Officer did not re-auction the lease of rent of shops which had expired on June 2013. Due to this, the rent of shops was also not increased/recovered up to market value, which caused loss to Tehsil Government of Rs 1.007 million, as detailed below:

**(Amount in Rupees)**

<b>Shop. No.</b>	<b>Leased To</b>	<b>Rent Per Month</b>	<b>Months</b>	<b>Total Amount</b>
1	Rafeeq Ahmed	4356	12	52,272
2	Abdul Latif	4114	12	49,368
3	Inayatullah	4659	12	55,908
4	Abdul samad	4659	12	55,908
5	M. ramzan	4660	12	55,920
6	Ghulam Rasool	5324	12	63,888
7	Shafeeqahmed	10515	12	126,180
8	Ali gul	7587	12	91,044
9	Faisal habib	8918	12	107,016
10	Hafeezullah	10249	12	122,988
11	Mushtaq Ahmed	10318	12	123,816
12	NBP	8600	12	103,200
<b>Total</b>				<b>1,007,508</b>

The negligence on the part of management resulted in non-auctioning of shops.

Non auctioning of shops caused loss to TMA to the extent of Rs 1.881 million.

The matter was reported to TMO in February, 2014. In the DAC meeting held on 05.04.2014, TMO replied that 11 shops were leased out but no documentary proof was produced, DAC directed the TMO to inquire into the matter and submit a report within a week. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault for non-auctioning of shops in time

[AIR Para 3]

## **Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13**

## **1.5 TMA Jampur**

### **1.5.1 Non Compliance of Rules**

#### **1.5.1.1 Unjustified Utilization of CCB Funds - Rs 54.256 Million**

According to Government of the Punjab Local government and community department Lahore letter No. SO.D-III(LF) 3-1/2006 dated 01.01.2006, efforts should be made to utilize 25% development budget earmarked for the Citizen Community Boards, and further according to Rule 64(i)(iv) of PLGO & TMA Budget Rules 2003, each local Government shall effectively and efficiently manage the resources made available to it.

Contrary to the above, Tehsil Municipal Officer incurred an expenditure of Rs 54.256 million on, salary, non-salary and development etc., from the allocation which was earmark for CCB expenditure from August, 2011 to February, 2012 instead of incurring of that allocation on CCB schemes. For this purpose the amount was transferred from account No. 6776-002 (BOP) to bank A/C No. 360 (BOP). This indicates a serious irregularity which needs justification.

Due to weak internal control unjustified utilization of funds was made by the department.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the officer concerned for negligence and not working for the cause.

[AIR Para: 27]

#### **1.5.1.2 Unjustified Utilization of CCB Funds - Rs 38.000 Million**

According to Government of the Punjab Local government and community department Lahore letter No. SO.TMA.DEV(LG)Misc(CCB)/2011 dated 30.04.2012, The CM has been pleased to desired that (1) The funds made available through change of legal framework from the CCB allocation amount will henceforth be call “ Chief Minister Special Initiative for Municipal Service



(ii) The development schemes from this portfolio be launched immediately in consultation with public representatives.

Contrary to the above, Tehsil Municipal Officer incurred an expenditure of Rs 38.000 million on, salary, non-salary and development etc from the allocation which was earmark for CCB expenditure from 30.04.2011 to 30.06.2012 instead of incurring of that allocation on Chief Minister Special Initiative for Municipal Service. For this purpose the amount was transferred from account No. 6776-002 (BOP) to bank A/C No. 360 (BOP). This indicates a serious irregularity which needs justification.

Audit held that due to poor internal control no efforts were made to utilize the funds of CCBs.

Due to non utilization of CCBs funds public deprived of the benefits of the public welfare projects.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the officer concerned for negligence and not working for the cause.

[AIR Para-7]

### **1.5.1.3 Expenditure on Rural Water Supply Schemes without Collection of Water Charges - Rs 19.430 Million**

According to Notification No. 178/TO(F)/TMA dated 5.5.2004 issued by the TMA Jampur and circulated by The Punjab Gazette, the water rates charged from the rural water supply connection was as under:

Domestic ½"	Rs30/month
Service Pumps	300/month
Commercial Connections	100/month

Contrary to the above, Tehsil Municipal Officer incurred an expenditure of Rs 19.430 million on account of electricity bills, repair and maintenance of water supplies schemes and payment of salary to contingent paid staff of rural water supply schemes. But in spite of incurring of heavy expenditure, neither the

record of water users connections was produced nor recovery of water charges as notified above have since been started from water users without any reasons.

<b>(Amount in Rupees)</b>	
<b>Head</b>	<b>Expenditure</b>
Electricity Bill	11,632,337
Repair of water Supplies	809,403
Pay of staff at water supplies	6,988,145
<b>Total</b>	<b>19,429,885</b>

Incurrence of heavy expenditure on rural water supply schemes without recovery/ collection of water charges from water users were unjustified.

Due to non recovery of water rates TMA had to sustained a huge loss and Government money remained outside from the public exchequer

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault for non recovery/ collecting of water charges beside recovery of said amount.

[AIR Para-26]

#### **1.5.1.4 Unauthorized Payment Due to Execution of Works without Measurements –Rs 17.135 Million**

According to B & R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book. The description of the work must be lucid so as to admit of easy identification and check.

Contrary to the above, Tehsil Municipal Officer made the payment of Rs 17.135 million to detail below contractors but at the time of actual execution of work the record entries of measurement of work i.e. Earthwork, sub-base, road edging, base course and TST etc was not measured RD wise, without which the authenticity/accuracy of measurement could not accepted/verified.

<b>(Amount in Rupees)</b>			
<b>Name of Scheme</b>	<b>Agency</b>	<b>MB No.</b>	<b>Amount</b>
Const. of metalled road from Hazratwala to basti Ghulam Shah Wala	Mr. Altaf Hussain	1026	3,391,863
Const. of metalled road from Patthan Khan to basti Haji Yaseen Khan	M/s Nawaz	773	4,243,375

	Engineer		
Const. of metalled road from 14 jawan to bastibakhshwani	M/S Mir Bewarag Eng.	15701	9,500,000
<b>Total</b>			<b>17,135,238</b>

Due to weak internal control measurement was made without RD wise.

The incurrance of expenditure without measurement was unauthorized and shows weak financial management.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for making the payments without detailed measurements recorded in Measurement Book besides regularization of the expenditure from the competent forum.

[AIR Para-37]

#### **1.5.1.5 Loss due to Lapse of PFC Award and UIP Tax Amount from PLA - Rs 14.007 Million**

According to Rule 64(i)(iv) of PLGO & TMA Budget Rules 2003, each local Government shall effectively and efficiently manage the resources made available to it.

Contrary to the above, TMO Jampur got P.F.C award amounting to Rs 15,040,000 released by the Finance Department vide letter No. FD(TMA)2-1/2008-09 dated 02.06.2011. But the District Accounts Officer Rajanpur credited an amount of Rs 1,504,000 into PLA Account of TMA Jampur erroneously. TO(Finance) neither checked the credited amount nor raised the matter resultantly the amount of Rs 13,536,000 was lapsed at the close of Financial Year 2011-12. Furthermore, the share of U.I.P tax Rs 471,448 for the month of January and February, 2012 was released by the Finance Department vide letter No. U.O No(PFC)1-4/2010(P) dated 28.06.2013. The same was also not recited into PLA account so far. Due to lack of concern of the department, TMA had to face financial loss of Rs 14,007,448 (13,536,000+471,448) in shape of lapse of funds.

Due to weak internal control Tehsil Government was deprived off from heavy amount.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office.

Audit recommends fixing of responsibility against the persons responsible beside recovery of amount.

[AIR Para-1]

#### **1.5.1.6 Unauthorized Expenditure on Contingent Paid Staff – Rs 12.857 Million**

According to Government of Punjab Finance Department Letter No. FD.SO (GOOD)44-4/2011 dated 23<sup>rd</sup> July, 2011, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department.

Contrary to the above, Tehsil Municipal Officer Jampur incurred an expenditure of Rs 12.857 million on account of payment of salary of contingent paid staff during 2011-2012. But the prior concurrence of the Austerity Committee was not obtained which was constituted for the said purpose.

Due to weak internal controls contingent staff was appointed.

Incurrence of expenditure on the payment of salary of contingent paid staff without prior concurrence was unauthorized.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside regularization of expenditure with the sanctioned of competent authority.

[AIR Para-14]

#### **1.5.1.7 Non Achievement of Receipt Target - Rs 7.045 Million**

As per Rule 76 of Punjab District Government and TMA (Budget) Rules 2003 the primary obligation of 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.

Contrary to the above, Tehsil Municipal Officer, failed to achieve the receipt target of recovery of arrears of fee/taxes amounting to Rs 7.044 million out of total targeted recovery Rs 12.786 million during 2011-12, which was pending against the contractors since long and was reflected in the Budget Book.

(Amount in Rupees)

Head of Income	Revised Budget 2011-12	Total recovered Income	Recoverable Income
UIPT	2,500,000	0	2,500,000
General Bus Stand Dajal	230,000	132,497	97,503
Building Application Fee	250,000	187,000	62,600
Slaughter House Fee Jampur	95,000	71,930	23,070
Drainage Tax	15,000	5,000	15,000
Enlist Fee/ sale of tenders	1,000,000	606,550	
Rent of Shop Jampur with arrear	5,000,000	3,281,055	1,718,945
Rent of Shop Dajal with arrear	3,478,000	1,498,984	1,979,016
Recovery of Arrears	200,000	0	200,000
Conversion Fee	3,000,000	2,355,325	
<b>Total</b>	<b>12,768,000</b>	<b>5,728,016</b>	<b>7,044,584</b>

Due to negligence of the TMA authorities attentions were not paid towards achievement of receipt targets.

Due to none achieving of receipt target of recovery amount Govt. has to sustain loss.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the officer concerned beside recovery of said amount.

[AIR Para-17]

#### 1.5.1.8 Unjustified Excessive Expenditure on POL - Rs 5.504 Million

According to Government of Punjab Finance Department notification No.FD.SO(GOODS)44-4/2011 dated 23.07.2011. For curtailing POL related

expenditure, department shall ensure economical use of official vehicles with the ceilings fixed for the purpose.

Contrary to the above, Tehsil Municipal Administration made an excessive expenditure under various DDO's in the Financial Year 2011-2012. Comparing the expenditure for the year 2011-12 with the expenditure of previous 2010-11 an increase of Rs 5.504 million (98.94%) was made under the head POL without observing the austerity measures.

(Amount in Rupees)

Items	Expenditure on POL during 2010-11	Expenditure on POL during 2011-12	Difference	Percentage increased
POL	5,562,929	11,066,772	5,503,843	98.94%

Non compliance of austerity measure resulted unjustified excessive expenditure of Rs 5.504 million was made by the department, which resulted loss to TMA.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends to justify the reasons for ignoring austerity measures regarding cost efficient and target based budget.

[AIR Para: 29]

#### **1.5.1.9 Unjustified Closing Balance Chances of Misappropriation - Rs 4.785 Million**

As per Para No.2.31 (a) of Punjab Financial Rules Vol;I , a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Contrary to the above, cashbook and bank statements of TMO (DDO) Account No.4748-1, Bank of Punjab was Rs 5,889,991 and Account No. 868-8 National Bank of Pakistan was Rs 111,139 i.e. total Rs 6,001,130. There was also an amount of Rs 1,216,205 pertaining to un-cashed cheques at the close of the Financial Year. Hence net closing balance was shown as Rs 4,784,925 which might be at zero level. The reason for retaining such heavy amount was not

available. Further there was no outstanding payees except un-cashed cheques. Keeping such heavy amount in DDO account depicts malafide intention of the TMA authorities.

Due to weak internal control unjustified closing balance was made in DDO's account.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside investigation of matter for factual position.

[AIR Para-3]

#### **1.5.1.10 Non Recovery of Pending Liabilities/Arrear - Rs 3.261 Million**

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, the primary obligation of 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.

Contrary to the above, Tehsil Municipal Officer, failed to recover the arrears of fee/taxes amounting to Rs 3,260,843 out of total recovery Rs 12,228,479 during 2011-12, which was pending against the contractors since long and was reflected in the Budget Book.

Due to non recovery of arrear amount from the defaulter Government has to sustain loss.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned beside recovery of amount from contractors.

[AIR Para 48]

#### **1.5.1.11 Less Recovery of water rate - Rs 2,819 Million**

According to Notification No. 178/TO(F)/TMA dated 5.5.2004 issued by the TMA Jampur and circulated by The Punjab Gazzette, the water rates charged from the rural water supply connection was as under:

Domestic ½”	Rs30/month
Service Pumps	300/month
Commercial Connections	100/month

Contrary to the above, Tehsil Municipal Officer did not recover outstanding water rate charges for Rs 2,818,520 from 1710 Nos. of domestic and commercial connections holders at Dajal City upto to Financial Year 2011-12. But neither serious efforts for recovering the amount were made nor take any serious action against the defaulters.

Due to non recovery of water rate from water user Govt. has to sustain loss.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non-recovery of pending water rates from water users besides recovery of said amount.

[AIR Para-13]

#### **1.5.1.12 Non-Imposition of Penalty Due to Delay in Completion of Work - Rs 1.620 Million**

As per contract agreement Clause-2, if contractor failed to complete the work within stipulated / extended period. He was required to be penalized @ 1% to 10% of the agreement amount for delayed completion of work.

Contrary to the above, Tehsil Municipal officer did not impose penalty @ 1% to 10% on the contractor due to non completion of schemes in time (as detailed below) nor the contractors has applied for time extension. The non recovery of penalty worth Rs 1.620 million may be explained/ justified.

(Amount in Rupees)

Name of Work	Name of Contractor	MB No.	Date of Start	Stipulated Date of Completion	Date of last entry or Status	Time Limit	Total Time Lapsed	Total Amount	Penalty @10%
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Const. of metalled road from Hazratwala to basti Ghulam Shah Wala	Mr. Altaf Hussain	1026	26.09.2011	25.03.2011	15.9.2012 (2nd Running Bill)	6 months	5 months	4,200,000	420,000
Rehabilitation of water supply scheme Dajal TMA Jampur	Mr. Riaz Ahmad	1027			Still in progress			2,500,000	250,000
Const. of metalled road from 14 jawan to bastibakhshwani	M/S Mir Bewarag Eng.	15701	08.06.12	07.12.12	Upto base course level completed		3 months	9,500,000	950,000
<b>Total</b>								<b>1,620,000</b>	

Due to non-imposition of penalty on the contractors cause loss to TMA.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside recovery of penalty from the contractors.

[AIR Para-20]

### 1.5.1.13 Doubtful Expenditure on Procurement - Rs 1.590 Million

According to Rule 15.4(a) of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant. The receiving government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. Moreover, Rule 15.17(b) of PFR Vol-I states that all discrepancies noticed must properly investigated and brought to the account immediately, so that the stores account may represent the true state of store. According to Rule 15.5 of PFR Vol, when materials are issued from stock for departmental use the government servant in charge of the stores should see that the person authorized has issued an indent

Contrary to the above, Tehsil Municipal Officer incurred an expenditure Rs 1.590 million on purchase of detail below items but the demand of people, stock entry, consumption record, etc was not available on record. In absence of which authenticity of expenditure could not be verified.

(Amount in Rupees)

Token	Item	Name of Item	Supplier	Amount
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No.				
846	25.08.2011	Delta Mathrine Spray	Pak. Insecticide Chemical Co.	116,875
918	29.09.2011			400,200
749	26.07.11	Street light material Jampur city	Ghulam Rasool	1,073,354
<b>Total</b>				<b>1,590,429</b>

Due to non entry in the relevant stock register there were chances of misappropriation of stock.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside investigation for factual position.

[AIR Para 31]

#### **1.5.1.14 Less Recovery of Rent of Shops - Rs 1.467 Million**

According to Rule 4.7 (1) PFR Vol-I, it is the duty of the departmental authorities to see that all Govt. dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Govt. account.

Contrary to the above, Tehsil Municipal Officer failed to recover the rent of shops amounting to Rs 1.467 million upto 2011-12 from shop keepers which was situated at Jampur City and was laying/pending since long period.

Due to pending recovery of rent of shops Govt. has to sustain loss.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends to recover the pending amount from the shopkeepers as early as possible under intimation to audit.

[AIR Para-32]

#### **1.5.1.15 Cash payments in Violation of Rules – Rs 1.240 Million**

As per Rule 4.49(a) of Subsidiary Treasury Rules Punjab all payments of Rs 10,000 and above shall not be paid in cash to the contractor/supplier and the DDO shall make an endorsement on the bill asking the AG Punjab/TAO to issue cross cheque in his favour and then the DDO will endorse the cheque to the contractor/supplier against proper endorsement after its entry in his cash book

Contrary to the above, Tehsil Municipal Officer was drawn cash from bank for payment of various expenditure on different occasions, instead of making payments through crossed cheques to the suppliers/contractors for Rs 1.240 million during the Financial Year 2011-12. **(Annexure-G)**

Due to weak internal control, cash payment was made to suppliers/contractors.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside regularization of expenditure with the sanction of competent authority.

[AIR Para-28]

#### **1.5.1.16 Overpayment due to Unjustified Allowing of Excavation of Earth Rate - Rs 1.194 Million**

As per Para No.2.31 (a) of Punjab Financial Rules Vol-I, a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Contrary to the above, Tehsil Municipal Officer made excess payment of Rs 1.194 million to the contractors on account of inclusion/added of unjustified items i.e. Excavation of Earthwork in rate analysis of transportation of earth which was brought from outside with lead for filling in the streets for construction of soling/PCC. Due to this Government has to sustain loss. **(Annexure-H)**

Due to allowing of unjustified/un-necessary item an overpayment was made to the contractors.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside recovery of overpaid amount from the contractors.

[AIR Para-4]

#### **1.5.1.17 Unjustified Transfer of Fund for Road Cuts - Rs 1.087 Million**

As per Para No.2.31 (a) of Punjab Financial Rules Vol;I, a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Contrary to the above, Tehsil Municipal Officer transfer an amount of Rs 1,086,700 to Pak P.W.D. for road cuts on Indus Highway for the passing of sewer pipe line. But, after the lapse of considerable time neither the road cuts has since made by the department nor the amount has since been refunded so far.

Due to weak internal control unjustified transfer of funds was made by the department.

The matter was reported to TMO in March, 2013. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside regularization of expenditure without the sanction of competent authority.

[AIR Para-45]



**Non compliant Paras of Annex-1 of  
Audit Reports for the Audit Year  
2012-13**

## **1.6 TMA Rajanpur**

### **1.6.1 Non Compliance of Rules**

#### **1.6.1.1 Overpayment Due to Charging Burrow pit Excavation Rate for Earthwork Rs 851,018**

As per Para No.2.31 (a) of Punjab Financial Rules Vol-I, a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Contrary to the above, TO (I&S) allotted the detailed below schemes to certain contractors, but it was observed that the earth was taken from a distance for construction of Street Soling/PCC work. From the rate analysis of earth work, it was noticed that rate of burrow pit excavation was included/added with the lead which resulted in overpayment of Rs 851,018. (**Annexure-I**)

Allowing unjustified/unnecessary item caused overpayment to the contractors.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount from the contractors.

[AIR Para:1]

#### **1.6.1.2 Overpayment Due to Non Deduction of Shrinkage- Rs 107,343**

According to the direction given in chapter 3 of MRS, for Earth Work (Excavation & Embankment at Serial No. 2(b), deduction for settlement from the bank measurement, when the earth work is done by machines, deduction of shrinkage between 3% to 6% should be agreed to, with the contractor.

Contrary to the above, Tehsil Municipal Officer made payment to contractor without deducting the shrinkage from contractor's bills, as mentioned in the above quoted rule. Non deduction of shrinkage resulted in overpayment of Rs 107,343 as detailed below:

**(Amount in Rupees)**

Name of work	Agency	MB#/ Page	Rate of earth work (%Cft)	Quantity used (cft)	6% Shrinkage (cft)	Amount
Const. of street payment from ShafiGadi, road RanaIrshadWali near Theri colony Rajanpur	Rashid Riaz	892 dated 23.08.11	4987,35	101,759	6106	30,450
Construction of FakhareJhan Park in District Rajanpur	TasawarHussain Malik	1730 Page-15	4504.75	17790	1779	8013.95
		Page-15	5575.45	94908	9490	52911.02
		Page-16	5575.45	28647	2864	15968.09
<b>Total</b>						<b>107,343</b>

Overpayment was made to contractor due to non-deduction of shrinkage from earthwork.

Due to weak financial control, Government sustained loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the person(s) at fault, besides recovery of the overpaid amount.

[AIR Para:2]

### **1.6.1.3 Overpayment by Allowing Unjustified Rate of Ramming of Earthwork –Rs 142,225**

According to MRS chapter No. 18 item No. 19, for the construction of street soling/PCC, the rate of compaction of bed to proper camber was included in the rate of P/L of brick payment/soling in the streets.

Contrary to the above, Tehsil Municipal Officer allotted the detailed below scheme to contractors without including the compaction rate in composite schedule rate. But the rate was included in the transportation of earth rate, which resulted in unjustified payment of Rs 142,225



(Amount in Rupees)

Name of work	Agency	Letter No.	MB#/ Page	Rate Applied	Rate to be Applied	Difference of rate	Qty Used	Amount
Const. of street payment from ShafiGadi, road RanalrshadWali near Tehri colony Rajanpur (rate-3 qrt.2011)	Rashid Riaz	892 dated 23.08.11	685 Page-28 (2 <sup>nd</sup> F. Bill)	4987.32	4488.4	498.95% o	101,759 Cft	50,773
Const. of streets, drain from city cable service to old WAPDA Office to slaughter house at KotMithan	Mr. Ahmad Ali	1008-12 dated. 23.08.2011	361 page 76 to 89	4504.75	4005.8	498.95% o	37173 cft	18547
Const. of drain, soling and earth filling at MeharyWala U/C SikhaniWala	Zamurd Khan	956-59 dated 23.08.3011	1704 page 109 to 121	4504.75	4005.8	498.95% o	46119 Cft	23,011
Const. of drain, soling and earth filling at Chowani road house Riaz Hussain Rajanpur	Muhammad Ismail	1084-97 dated 09.09.2011	367 page 131	4987.32	4488.4	498.95% o	30,750	15,342
Const. of soling basti Ch. Akram, liqat, MolaBux UC Murghai	Mr. Rasheed Ahmad	1135-38 dated 9.9.2011	5129 page-182 to 192	4504.75	4005.8	498.95% o	42,266	21,089
Const. of soling PCC work at CO unit FazilPur	Mr. Abbas Const. Co.	1139 dated 09.09.11	2120 page 100 to 109	4987.32	4488.4	498.95% o	26983	13,463
<b>Total</b>								<b>142,225</b>

Allowance of higher rates resulted in overpayment to the contractors.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the person(s) at fault, besides recovery of the overpaid amount from the contractors.

[AIR Para:3]

#### **1.6.1.4 Overpayment by Unjustified Addition of Contractor Profit and Overhead Charges- Rs 216,278**

According to Finance Department letter No. RO (TECH) FD.18-23/2004, dated 21-09-2004, all the store items required to be purchased as per Rules laid down in purchase manual and no contractor profit and overhead charges are allowed to the contractor.

Contrary to the above, Tehsil Municipal Officer made an overpayment of Rs 216,278 to contractor as 20% contractor profit and overhead charges, despite

the fact that the Finance Department prohibited the approval of store items as non-scheduled items. But the instructions were violated by the department and purchase of the store items was made irregularly as detailed below.

(Amount in Rupees)				
Name of items	Rate after Analysis	20% Contractor Profit	Quantity Purchased	Excess payment
Main Gate	277,800	38,375	1	38,375
M.S. Grill	26,500	4,450	17	75,650
Electric light	15,334	3,066	14	42,924
24' pole with 250 w light	29,961	5,992	4	23,968
Electric Fancy Light	3,056	565	58	32,770
P/F Spot light	650	108	24	2592
<b>Grand Total</b>				<b>216,279</b>

Due to allowance of unjustified contractor profit, Govt. sustained loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount.

[AIR Para:5]

#### **1.6.1.5 Overpayment by Allowing Unjustified Carriage - Rs 98,758**

According to input rates issued by the Finance Department for 3<sup>rd</sup> quarter 2011, Rate of tuff tile 60 mm gray and colored at Rajanpur was 33 and 36 rupees respectively.

Contrary to the above, Tehsil municipal Officer made an overpayment of Rs 98,758 to the contractor for purchase of tuff tile by allowing the rate of carriage higher than issued by Finance Department for 3<sup>rd</sup> quarter as detail below.

(Amount in Rupees)					
Name of Scheme	Name of Contractor	MB No. and Page No.	Quantity consumed	Rate of carriage	Amount of recovery.
Construction of Fakhare Jahan Park in District Rajanpur	Mr. Tasawar Hussain Mallik	1730	6521 Sft	8.400	54776
		P-18	5236 Sft	8.400	43982
<b>Total</b>					<b>98,758</b>

Provision of unjustified carriage on tuff tile resulted in overpayment.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount.

[AIR Para:6]

### **1.6.1.6 Overpayment by Allowing Unjustified Contractor Profit 20% on Carriage and Scheduled items - Rs 89,056**

According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part

Contrary to the above, Tehsil Municipal Officer made an overpayment of Rs 89,056 to contractor as 20% contractor profit on scheduled items, violating the instructions issued by the Finance Department.

(Amount in Rupees)

Name of Scheme	Name of Contractor	MB No. and Page No.	Quantity consumed	Carriage and sand filling with contractor profit	Carriage and sand filling without contractor profit	Difference	Amount of recovery
Const. of Tuff Tile at Faridi bazaar Golai Market KotMithan.	Malik Waseem Haider	1710 page-47 to 71	17020 Sft	1844.7	1475.76	369.94	62,964
Construction of FakhareJhan Park in District Rajanpur	Mr. Tasawar Hussain Mallik	1730	6521 Sft	1109.7	887.76	221.94	14,472
			5236 Sft	1109.7	887.76	221.94	11620
<b>Total</b>							<b>89,056</b>

Due to allowance of unjustified contractor profit on scheduled item, TMA sustained loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount

[AIR Para: 7]

### 1.6.1.7 Overpayment by Charging Higher Rate of Skilled Labour- Rs 107,914

According to Input rate of labour for 3rd quarter 2011, the rate of skilled cooly at Rajanpur was Rs 275 per day (LB-024).

Contrary to the above, Tehsil Municipal Officer made an overpayment of Rs 107,914 on purchase of Tuff tile 60mm by including the rate of skilled cooly at higher than the rate of skill labour issued by Finance Department for 3<sup>rd</sup> quarter, as detail below.

(Amount in Rupees)

Name of Scheme	Name of Contractor	MB No. and Page No.	Quantity consumed	Rate of skilled cooly charged	Rate of skilled cooly to be charged	Difference	Amount of recovery.
Const. of Tuff Tile at Faridi bazaar Golai Market KotMithan.	Malik Waseem Haider	1710 page-47 to 71	17020 Sft	650	275	375	63,825
Construction of FakhareJahan Park District Rajanpur	Mr. Tasawar Hussain Mallik	1730	6521 Sft	650	275	375	24,454
			5236 Sft	650	275	375	19635
<b>Total</b>							<b>107,914</b>

Due to allowing higher rate of skilled labour, TMA has to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount.

[AIR Para:8]

### **1.6.1.8 Non Deposit of Additional Performance Security Required for Below Quotation/Tender Rate- Rs 257,400**

According to Government of Punjab, Finance Department letter No. RO(Tech)FD 1-2/83 VI (P) dated 24<sup>th</sup> January, 2006 the contractor shall deposit additional performance security as subsequent %age below the estimated cost.

Contrary to the above, Tehsil Municipal Officer did not obtain the additional performance security from contractor, which was required for below quotation/ tender as per above noted direction. Non deposit of additional performance security by the contractor resulted in undue financial support of Rs 257,400 to him, which needed to be justified/recovered.

(Amount in Rupees)

Name of Work	Agency	Agreement Amount	% of Below Tender	Amount of Security
Const. of Tuff Tile at Faridi bazaar Golai Market KotMithan.	Malik Waseem Haider	2,000,000	10.12%	202,400
Const. of soling basti Ch. Akram, liqat, MolaBux u/c Murghai	Mr. Rasheed Ahmad	1,000,000	5.50%	55,000
<b>Total</b>				<b>257,400</b>

Due to weak financial controls, unjustified favor was made to the contractor.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office.

[AIR Para: 9]

### **1.6.1.9 Overpayment due to unjustified payment of Contractor Profit and overhead Charges - Rs 78,798**

As per Finance Department letter No. RO (TECH) FD.18-23/2004 dated 21-09-2004, all the store items required to be purchased as per Rules laid in purchase manual and no contractor profit and overhead charges are allowed to the contractor.

Contrary to the above, Tehsil Municipal Officer made overpayment of Rs 78,798 by allowing 20% contractor profit and overhead charges on purchase of store items, despite the fact that the Finance Department prohibited the

contractor profit on store items. But the instructions were violated by the department and purchase of the store items were made irregularly as detailed below.

**(Amount in Rupees)**

Name of items	Rate as per Analysis	20% Contractor Profit	Quantity Purchased	Excess payment
i) P/F GAZIBBO complete in all respect ii) P/L Cement concrete 1:2:\$ (MRS Item)	142,358	27830	1	27,830
Dust bin, bench & Cement concrete 1:2:4 (MRS Item)	203,923	40968	1	40,968
Electric items i.e. cable, flood light etc	95660	10000	1	10,000
<b>G. Total</b>				<b>78,798</b>

Due to allowance of unjustified contractor profit, TMA has to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons responsible, besides recovery of overpaid amount.

[AIR Para:11]

#### **1.6.1.10 Overpayment by Allowing Unjustified Items of Burrow Pit Excavation- Rs 121,230.**

As per Para No.2.31 (a) of Punjab Financial Rules Vol;I , a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

Contrary to the above, TO (I&S) Rajanpur allotted the work “Const. brick pavement and earth filling at basti Raheem Bukhsh Sndalani Fateh Pur road Rajanpur” to Mr. Fareed Adnan, Government contractor, vide acceptance letter No. 960-64 dated 23.08.2011. But it was observed from TS estimate that for construction of soling in the street an item “burrow pit excavation along with dressing and compaction of earth” was included in the estimate. Audit observed that work was executed on existing earth and allowance of both items i.e.

“burrow pit excavation and compaction of earth” was unjustified and needless; because, first item was not applicable in street soling and the rate of second item, i.e. compaction of earth was included in composite schedule of rate. Only dressing and leveling of earthwork up to design section etc. was required in the work. Allowance of unjustified items caused loss of Rs 121,230 to TMA, as detailed below;

**(Amount in Rupees)**

<b>Name of item</b>	<b>Rate</b>	<b>Name of item</b>	<b>Rate</b>	<b>Difference</b>	<b>Quantity</b>	<b>Amount</b>
Burrow pit excavation along with dressing and compaction	2672.65	Dressing and leveling of earthwork up to design section etc. complete	177.85	2494.8	48593 Cft	121,230

Due to allowing unjustified items in the work TMA has to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount from the contractor.

[AIR Para:14]

#### **1.6.1.11 Overpayment Due To Unjustified Allowing Of Leveling and Dressing of Lawn –Rs 245,089**

According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Contrary to the above, TO (I&S) TMA Rajanpur allotted the work “Construction of Fakhar-e-Jahan Park in District Rajanpur” to Mr. Tasawar Hussain Mallik Govt. contractor, vide acceptance letter No. 1684 dated 12.03.2012; but it was observed from the TS estimate and measurement book “leveling and dressing for making lawns was made. After this, in the same reaches filling of earth which was brought from outside was made up to the depth of ½ foot and dressing and leveling of earth was again provided made. Audit was of the view, when dressing and leveling was included in earth filling than why the

dressing and leveling for making of lawn was allowed. Leveling and dressing of earth for making lawn was later stage item and allowing it before filling of earth was unjustified and loss of Rs 245,089 (171,932 Sft @ 142.55) was made to TMA.

Due to allowing of unjustified items TMA has to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides recovery of the overpaid amount.

[AIR Para:15]

#### **1.6.1.12 Loss to TMA Due to Non Recovery of Professional Tax Rs 210,000**

According to section 5 of Punjab Finance Act 1977 Every Contractor, builders working under the District boundary is liable to pay professional tax at prescribed rate i.e. up to @ Rs 3000/-, for work valuing 10 million, Rs 5000/- for up to 50 million and Rs 10,000/- more than 50 million.

Contrary to the above, Tehsil Municipal Officer did not recover professional tax at the prescribed rate from registered contractors. **(Annexure-J)**

Due to non-deduction of professional tax TMA has to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned, besides recovery of professional tax from contractors concerned.

[AIR Para:19]

#### **1.6.1.13 Unjustified Adjustment of Earnest Money – Rs 497,274**

According to Govt. of Punjab, Local Govt. and Rural Development Department Notification No. SOR (LG)5-23/2003 dated 5<sup>th</sup> September, 2007



“before taking part in an auction proceeding, a bidder' shall deposit, in the funds of the local government!" concerned, an amount not less then five percent of the' reserve price for the income, as an earnest money and up to the maximum limit of sixty percent, be adjusted" against the amount payable by him as; (a) a first monthly installment; and (ii) The balance earnest money shall be retained by the local government as a security for successful completion of contract.”

Contrary to the above, Tehsil Municipal Officer adjusted the earnest money of the contractors amounting to Rs 497,274, in the contractor’s first bill, whereas the same should have been refunded after the successful completion of contract. Due to undue favor, the contractor, who left the contract, was saved from forfeiture of earnest money.

(Amount in Rupees)

Sr. No.	Name of Contract/Fees	Reserve Price	Total Earnest Money i.e. 5%	2% Earnest Money
1	Cattle Mandi Rajanpur	24,443,700	1,222,185	488,874
2	Sludge Water, Disposal works Kot Mithan	318,270	16,000	6,400
3	Rent of Thara Sharqi Rajanpur	80,000	5,000	2,000
<b>Total</b>				<b>497,274</b>

Due to adjustment of earnest money, undue favor was made to the contractor.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned besides regularization of expenditure from competent authority.

[AIR Para:20]

#### **1.6.1.14 Overpayment Due to Non Deduction of Flood Surcharge on Income Tax – Rs 54,449**

According to FBR notification 2011, 15% flood surcharge on payable income tax must be deposited at the time of deposit of the tax from 15<sup>th</sup> March to 30<sup>th</sup> June 2011.

Contrary to the above, Tehsil Municipal officer did not deduct the flood surcharge @15% on payable income tax from contractor's bills as detailed below. Due to this, an overpayment of Rs 54,449 was made to the contractor.

(Amount in Rupees)			
Name of Work	Paid Amount	5% I. Tax	15% Surcharge
Cattle Mandi Rajanpur	7,084,020	354,201	53,130
Sludge Water, Disposal works Kot Mithan	66,801	3340	501
Rent of Thara Sharqi Rajanpur	30,070	1503	225
Sludge Water, Disposal works Rajanpur	79,034	3951	593
<b>Total</b>			<b>54,449</b>

Due to non-recovery of flood surcharge on payable tax Govt. sustained loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons concerned, besides recovery of flood surcharge.

[AIR Para:21]

#### **1.6.1.15 Less Recovery of Water Rate Charges - Rs 601,200**

According to Rule 76 (1) of the PDG and TMA (Budget) Rules, 2003, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to the above, Tehsil Municipal officer did not recover outstanding water rate charges of Rs 601,200 from 482 Nos. of domestic and commercial connections pertaining to Financial Year 2011-12. But neither serious efforts were made nor penalty was imposed for non- payment.

(Amount in Rupees)				
Description	No. of Connections	Rate	Months	Amount
Domestic Connection	463	100	12	555,600
Commercial connection	19	200	12	45,600
<b>Total</b>				<b>601,200</b>

Due to non recovery of water rate charges from water users, TMA sustained loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non-recovery of pending water rate charges from water users, besides recovery of the said amount under intimation to it.

[AIR Para:23]

#### **1.6.1.16 Loss Due to Non-collection of Mela Tax –Rs 300,000**

According to Rule 4.7 (1) PFR Vol-I “it is the duty of the departmental authorities to see that all Govt. dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Govt. account”

Contrary to the above, Tehsil Municipal officer incurred expenditure of Rs 573,885 on “Mela” Khwaja Ghulam Fareed at Kot Mithan for the year 2011-12, but the “Mela Tax” was not collected from shopkeepers, stalls holders etc. Due to non collection of “Tax” TMA sustained a loss of Rs 300,000.

Due to non-recovery of tax TMA has to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing responsibility on the person (s) at fault, besides regularization of the matter from the competent authority, under intimation to it.

[AIR Para:23]

#### **1.6.1.17 Un-justified Expenditure on Purchase of Energy Savers-Rs 192,000**

According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Further,

according to Rule 9 of Punjab Procurement Rules 2009, “A procuring agency shall announce in an appropriate manner all proposed procurement for each Financial Year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA’s web site”.

Contrary to the above, Tehsil Municipal Officer incurred an expenditure of Rs 192,000 on purchase of energy savers on locally called quotations instead of calling of tenders as required in Punjab Procurement Rules during 2011-12. Further neither receiving nor issuing was shown at the time of audit

Due to weak management control, purchases were made on local quotations irregularly.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides regularization of expenditure from the competent authority.

[AIR Para:30]

#### **1.6.1.18 Un-justified Expenditure on Repair of Tractor Trolleys Rs 116,375**

According to Rule 9 of Punjab Procurement Rules 2009, “A procuring agency shall announce in an appropriate manner all proposed procurement for each Financial Year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined

Contrary to the above, Tehsil Municipal Officer incurred a expenditure of Rs 116,375 on repair of tractors trolleys on locally called quotations, instead of calling of tenders as required in Punjab Procurement Rules during 2011-12. Furthermore, repair work was done without mentioning repairable/replaceable parts. Neither the purchased/utilized items in the vehicle were shown in the stock register nor were old parts shown in dead stock register.

Due to weak management control, purchases were made on local quotations irregularly.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides regularization of expenditure with the sanctioned of competent authority.

[AIR Para:31]

#### **1.6.1.19 Unjustified Expenditure beyond Competency on Ramzan Bazaar –Rs 476,175**

According to 2b (xix) delegation of Financial Power Rule 2009, the financial sanction power for hire charges of tentage rest with the Administrative Department upto Rs 60,000 and for category-II officer Rs 12,000 per annum.

Contrary to the above, Tehsil Municipal Officer incurred an amount of Rs 476,175 on hiring of tentage for Ramzan Bazar during 2011-12, but the expenditure was beyond the competency of concerned department. Due to this unjustified expenditure was incurred by the department.

(Amount in Rupees)

<b>Voucher No.</b>	<b>Date</b>	<b>Nature</b>	<b>Amount</b>
37	21.03.2012	Al-Rehman Tent Service	180,670
39	21.03.2012		295,505
<b>Total</b>			<b>476,175</b>

Due to weak financial control, unjustified expenditure was incurred by the department.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned beside regularization of expenditure with the competent authority.

[AIR Para:34]

**1.6.1.20 Un-justified Expenditure on purchase of Motorcycle -  
Rs 263,600**

According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Contrary to the above, Tehsil Municipal Officer incurred an expenditure of Rs 263,600 on purchase of Motor cycles during 2011-12 without calling tender. Expenditure was incurred the prior approval austerity committee. Further neither the Sale tax return nor Income tax payment was shown to audit.

Due to weak financial control unjustified expenditure was incurred by the department.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside regularization of expenditure with the sanctioned of competent authority.

[AIR Para:37]

## **1.7 TMA Rojhan**

### **1.7.1 Non Compliance of Rules**

#### **1.7.1.1 Unauthorized Retention of Income Tax Deducted at Source - Rs 225,214**

According to Income Tax Ordinance 2001, the Government departments shall make purchase only from the firms registered with Income Tax Department and ensure before making payments, that the deduction on account of income tax has been made at source from the bill of the supplier.

Contrary to the above, Tehsil Municipal Officer deducted an amount of Rs 225,214 on account of Income Tax at source from bills of supplier during 2010-12; but, the same was not deposited into Government treasury and was lying in TMA's bank account. **(Annexure-K)**

Due to weak financial controls, income tax deducted at source was not deposited into Govt. treasury.

Non deposit of Government revenue caused loss to the TMA.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non adherence to Government instructions, besides depositing the said amount into Government treasury.

[AIR Para: 2]

#### **1.7.1.2 Unauthorized Retention of General Sales Tax Deducted at Source –Rs 253,515**

As required under income Tax Ordinance 2001, the Government departments shall make purchase only from the firms registered with income tax department and ensure before making payments that the deduction on account of sale tax has been made at source from the bill of the supplier.

Contrary to the above, Tehsil Municipal Officer deducted an amount of Rs 253,515 on account of General Sale tax from bills of supplier during 2010-12.

But the same was not deposited into Government Treasury and was lying in TMA's bank account. **(Annexure-L)**

Due to weak financial controls, tax deducted at source was not deposited into Government Treasury.

Due to non deposit of Govt. revenue, Govt. had to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non adherence to Government instructions, besides depositing the said amount into Government treasury.

[AIR Para: 3]

### **1.7.1.3 Non Production of Record- Rs 788,505**

According to Section 14 (b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 read with Section 115(6) of the PLGO 2001, the officials shall afford all facilities and provide record for audit inspection and comply with request for information in as complete a form as possible as with all reasonable expedition.

Contrary to the above, Tehsil Municipal Officer incurred an amount of Rs 788,505 for purchase of POL for Tractors, Generators for Disposal Pumps and vehicles during 2010-12. But the log books were not produced for audit scrutiny. The detail of expenditure is as below:

<b>(Amount in Rupees)</b>				
<b>Vr No</b>	<b>Date</b>	<b>Vehicle</b>	<b>Paid to</b>	<b>Amount</b>
3	6-08-2011	Various vehicles	Friends	185,000
5				24,152
6				15,155
7				24,801
8				6,080
9				21,809
10				12,256
11				21,838
12				8,563
13				7,720



Vr No	Date	Vehicle	Paid to	Amount
16				25,690
17				11,966
1	6-09-2011			7,226
2				11,246
3				15,110
1				23,436
5	8-09-2011			37,709
6				24,090
7				16,160
8				17,695
9		Water supply		10,112
10	25-02-09			8,623
11				5,656
15				33,755
16	19-03-09			25,987
17				186,670
<b>Total</b>				<b>788,505</b>

Audit held that the non-production of record reflected irresponsible attitude on the part of management and the incurrence of expenditure could not verified.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer /official concerned besides production of record as narrated in the para.

[AIR Para:7]

#### **1.7.1.4 Non Recovery of Arrears of Revenue- Rs 189,139**

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, the primary obligation of 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 & further to this “it is the duty of the departmental authorities to see that all Govt. dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Government.

Contrary to the above, Tehsil Municipal Officer failed to recover an amount of Rs 189,139 recoverable from various contractors / tenants on account of lease money, taxes, and fees outstanding since from the period of defunct town Committee and TMA after devaluation. No strenuous efforts were made on the part of management due to which Govt. has sustained a loss to the stated extent.

Due to slackness on the part of the management, the recoverable amount was gone astray.

Due to non recovery of outstanding revenue, Govt. had to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends taking suitable action against the responsible officers/officials, besides recoveries from the concerned contractors.

[AIR Para:10]

#### **1.7.1.5 Non-Recovery of Trade License Fee- Rs 118,000**

According to Notification No.TMA/436 dated 08.06.2002 trade license fee was imposed category wise to different traders on the basis of approved rates.

Contrary to the above, Tehsil Municipal Officer did not recover Rs 118,000 on account of trade license fee from traders. Further, the survey was conducted to fetch the real trade volume of trader to increase the trade license fee on the basis of approved rates.

Due to weak financial controls, trade license fee was not recovered and Govt. had to sustain loss.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/official concerned, besides recovery of trade license fee from traders.

[AIR Para:11]

#### **1.7.1.6 Loss to TMA Due to Non Auction of Right of Commission Agent in Fruit Mandi - Rs 120,000**

According to Rule 10 of Punjab Local Government (Auctioning of Collection Rights) Rules, 2003, at least three attempts shall be made to award the contract of collection rights of an income through open bid by the administration of local government concerned, before the commencement of Financial Year.

Contrary to the above, Tehsil Municipal Officer did not auction the right of commission agent in fruit mandi during 2011-12, due to which Govt. had to sustain a loss of Rs 120,000

Due to weak management control, the right of commission agent in fruit mandi was not auction and Govt. was deprived of revenue.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing responsibility on the officer/official for non auction of the right of income under intimation to audit.

[AIR Para:14]

#### **1.7.1.7 Non-recovery of Outstanding Amount of Lease Money – Rs 110,000**

The primary obligation of 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 as per Rule 76 of Punjab District Government and TMA (Budget) Rules 2003 & further to this “it is the duty of the departmental authorities to see that all Govt. dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Govt. account According to Rule 4.7 (1) PFR Vol-I.

Contrary to the above, Tehsil Municipal Officer had leased out the Dalalee Fee in the fruit Mandi to Mr. Jamil Ahmad S/O Shehmir contractor, for Rs 110,000, during the year 2010-11. The said contractor failed to deposit the lease amount but the department did not make any serious efforts to recover the lease money from contractor.

Due to weak financial controls, the local Govt. was deprived of revenue.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends recovery of outstanding lease money from the concerned contractor without further delay.

[AIR Para:15]

#### **1.7.1.8 Unjustified Purchase of Insecticide Spray without Requirement- Rs 178,988**

According to Government of the Punjab Local government and Rural Development Department letter no. SO ESTATE (LG) 8-37/2005 dated 09.08.2005 read with letter No SO ESTATE (LG) 8-37/2005 Dated 23.10.2008, that insecticides were approved from Ministry of Health and WHO and insecticides should be purchased from manufacturers Pakistan Insecticide Chemical Company.

Contrary to the above, Tehsil Municipal Officer incurred expenditure of Rs 178,988 on purchase of insecticide killer spray on quotation basis from local suppliers instead of calling tender/approved supplier during 2010-12. Furthermore, the insecticides were purchased without requirement because the same were not consumed as per stock register.

Due to weak management control, unjustified purchase of insecticide without requirement were made.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing of responsibility on the officer/official concerned for not observing Punjab Procurement Rules besides regularization of expenditure from competent authority.

[AIR Para:16]

### **1.7.1.9 Unauthorized Purchase of De-Watering Sets Rs 141,480**

According to 28 (2) of Punjab Procurement Rules 2009 read with 36(bvii) ibd, all the bids shall be opened publically in the presence of the Bidders or their representative who may close to be present at the time and place announced prior to bidding Further according to Rule 25, the Bidder should furnish bid security not exceeding five percent of bid price

Contrary to the above, Tehsil Municipal Officer awarded the contract for purchase of De-watering set to Zeshaan Tube well Service for Rs 141,480 without technical proposal during 2010-12. The scrutiny of the record of said purchase opens following observations

1. Procurement was not advertised in advance on PPRA's web site according to PPRA Rule 2009.
2. The item was purchased from the Zeshaan Tube well Service who did not submit guarantee.
3. The cash security @ 5% of the bid amount was not got deposited by the firm in violation of above quoted rule.
4. The quality and quantity certificate was not recorded by the technical evaluation committee.
5. The issuance of supply orders without deposited of cash security, was not only unauthorized but also depicted undue favor of the firm.

Due to weak management control, unauthorized purchase were made.

The matter was reported to TMO in October, 2012. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was reported till finalization of this report.

Audit recommends fixing the responsibilities on the officer concerned besides regularization of expenditure from the competent authority.

[AIR Para:17]

# **ANNEXURES**

## Annexure-1

### Serious Irregularities of Less than Rupees One Million

(Rupees in Million)

Formation	Sr. No.	Para No.	Title of Para	Amount	Nature of Observation
TMA Rajanpur	1	4	Unjustified payment of contractor profit	0.286	Overpayment
	2	11	Non deposit of Government receipt on account of immovable property tax	0.430	Recovery
	3	23	Overpayment due to allowing of unjustified compaction of earthwork	0.516	Overpayment
TMA Jampur 2013-14	4	12	Overpayment due to non deduction of shrinkage	0.876	Overpayment
	5	16	Less-recovery of lease amount	0.804	Recovery
	6	31	Overpayment due to grant of annual increment without completing six month service and recovery thereof	0.483	Overpayment
TMA Jampur 2012-13	7	2	Recovery due to unjustified payment of contractor profit and overhead charges	0.512	Overpayment
TMA Rojhan	8	1	Misappropriation of POL by filling up private vehicle	0.072	Misappropriation
	9	13	Non recovery of Outstanding Government Dues	0.180	Recovery

## LIST OF MFDAC PARAS

(Rupees in Million)

Formation	Sr. No.	Para No.	Subject	Amount
TMA Rajanpur	1.	2	Un-authorized expenditure due to provision of luxury items	0.285
	2.	7	Non recovery of departmental charges from deposit work	8.262
	3.	8	Non realization of Govt. Receipt	0.161
	4.	10	Excess payment to the contractor due to payment of excess rate than the quoted rate	0.060
	5.	14	Unauthorized advertisement of tenders	82.499
	6.	15	Un-authorized payment without measurement	0.239
	7.	19	Loss due to non imposition of penalty	0.180
	8.	21	Overpayment due to unjustified inclusion of burrow pit excavation rate in earthwork	2.064
	9.	22	Unjustified payment on account of earthwork	0.315
	10.	24	Lopsided expenditure on development schemes for Rajanpur city	23.759
	11.	27	Overpayment due to grant of annual increment without completing six month service and recovery thereof	0.201
	12.	28	Un-authorized consumption of POL due to un-approved routes	9.813
	13.	30	Un-authorized payment on account of salaries of work charged staff.	25.610
	14.	31	non deduction of advance income tax	2.422
	15.	32	Un-authorized clearance of outstanding liabilities	0.472
	16.	33	Expenditure beyond competency and without tender advertisement	1.680
	17.	34	Estimates technically sanctioned beyond competency	2.686
	18.	35	Non recovery of professional tax	0.142
	19.	36	Un-authorized expenditure on advertisement for self-projection	0.268
	20.	38	Un-authorized / invalid expenditure for other formations during visit of VVIPs	0.628
	21.	39	Loss due to non-auction of canteen	0.47
	22.	40	Non recovery of penal rent from the un-	0.325



Formation	Sr. No.	Para No.	Subject	Amount
			authorized occupant	
	23.	41	Un-authorized payment for weather shield	0.012
	24.	42	Non deduction of GST	0.360
	25.	43	Misclassification of expenditure	0.417
	26.	44	Time barred arrears of pay and allowances	0.062
TMA Jampur	27.	4	Loss due to non deputing TMA employees on leases	3.000
	28.	6	Unjustified provision of lead on earth work	0.645
	29.	7	Overpayment due to excess carriage/lead of crushed stone for triple surface treatment	0.027
	30.	8	Overpayment due to wrong calculation in rate analysis of earth work	0.020
	31.	9	Unjustified payment on account of RCC in the foundation of building	0.720
	32.	10	Unjustified payment against road curves	0.313
	33.	14	Overpayment on account of hiring of tentage	0.050
	34.	17	Non recovery of license fee	0.302
	35.	18	Non recovery of departmental charges from deposit work	1.709
	36.	19	Non-collection/obtaining of NOC fee	0.060
	37.	23	Unjustified expenditure on repair of machinery & equipment	0.703
	38.	24	Overpayment due to less deduction of shrinkage in earth work	0.029
	39.	26	Doubtful consumption of POL due to non production of log books	3.850
	40.	27	Adoption of defective advertisement process to support the contractors pooling	125.950
	41.	30	Lopsided expenditure on development schemes	165.200
	42.	32	Un-authorized consumption of POL due to damaged meter and un-approved routes	7.105
	43.	35	Non deduction of advance income tax	8.124
	44.	36	Un-authorized clearance of outstanding liabilities	1.671
	45.	37	Expenditure beyond competency and without tender advertisement	0.608
	46.	38	Non deposit of sales tax and income tax	3.222
	47.	39	Recovery of un authorized payment of conveyance allowance during leave on full pay	0.037
	48.	40	Non recovery of professional tax	0.096
	49.	41	Un-authorized / invalid expenditure for	1.010

Formation	Sr. No.	Para No.	Subject	Amount
			other formations during visit of VVIPS	
	50.	42	Un-justified expenditure on repair of vehicle	0.430
	51.	43	Loss due to non-auction of lease	0.672
	52.	44	Excess payment on account of use of local sand	0.103
	53.	45	Misappropriation due to bogus utilization of Delta Mathrine	0.517
	54.	46	Un-authorized award of pre-mature increment on selection grade and overpayment thereof	0.486
	55.	47	Non showing the figures of arrears of taxes and fees in budget document	3.261
	56.	48	Shortfall due to reduction of revenue in the revised budget estimates	1.820
	57.	49	Misclassification of expenditure	1.613
	58.	50	Time barred arrears of pay and allowances	0.533
TMA Jampur 2011-12	59.	5	Overpayment due to unjustified inclusion /allowing of the rate of barrow pit excavation	0.181
	60.	6	Overpayment due to allowing unjustified items of earth	0.223
	61.	8	Un-justified expenditure on cleaning of well	0.280
	62.	9	Overpayment due to allowing of unjustified rate of ramming of earthwork	0.397
	63.	10	Doubtful expenditure on purchase of tyres	0.307
	64.	11	Excess payment on account of use of local sand	0.112
	65.	12	Unjustified purchase of lighting material for Muharam routes	0.191
	66.	15	Un-justified increasing of quantity of earthwork by overall measurement	0.155
	67.	16	Unjustified payment of previous liabilities	1.171
	68.	19	Expenditure beyond competency on Ramzan bazaar	0.370
	69.	21	Uneconomical expenditure without calling tender	0.370
	70.	22	Overpayment due to non deduction of shrinkage	0.221
	71.	23	Overpayment of due to non-deduction of flood surcharge on payable income tax	0.093
	72.	24	Overpayment due to allowing unjustified carriage	0.091

Formation	Sr. No.	Para No.	Subject	Amount
	73.	25	Non-collection/obtaining of NOC fee	0.590
	74.	30	Unjustified payment of sales tax without obtaining sales tax invoices and challan deposit	0.123
	75.	33	Irregular claim of pay and allowances	0.198
	76.	34	Recovery of unauthorized payment of allowances	0.078
	77.	35	Unauthorized payment of salary due to appointment on leave vacancy basis	0.951
	78.	36	Loss due to non-auction of shops of Jampur	1.576
	79.	37	Un-authorized advertisement of tenders	82.240
	80.	39	Overpayment due to allowing unjustified compaction of earthwork.	0.047
	81.	40	Un-justified increasing of quantity of earthwork by overall measurement	0.067
	82.	41	Overpayment due to allowing unjustified items of earth	0.146
	83.	42	Non production/maintenance of security deposit register resulting in doubtful payment	8.224
	84.	43	Non deduction of income tax	0.029
	85.	44	Loss to govt. due to late deposit of income tax	0.057
	86.	49	Doubtful payment of delta methrin spray	0.538
	87.	50	Un-authorized payment of salary to the employees appointed on leave vacancy basis	0.703
	88.	51	Less-recovery of receipt target of general bus stand Dajal	0.097
	89.	52	Un-justified expenditure on repair of electric motors	0.119
	90.	53	Overpayment due to allowing unjustified 20% contractor profit on scheduled items	0.021
	91.	54	Non recovery of professional tax	0.182
TMA Rojhan	92.	8	Purchase of Electric Items without specification	0.876
	93.	9	Consumption of sanitation/Electric Materials without proof or Acknowledgement	1.236
	94.	12	Non Imposition of penalty due to delayed completion of schemes	0.568
	95.	14	Excess payment on account of use of Local Sand	0.023
	96.	15	Overpayment due to Non deduction of	0.103

<b>Formation</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
			Shrinkage	
	97.	16	Irregular Expenditure on repair of vehicle	0.148
	98.	17	Poor recovery of Water rate Charges	0.283
	99.	18	Unauthorized clearance of outstanding Liabilities	0.477
	100.	19	Non Achievement of Receipt targets, estimated Loss	2.255
	101.	20	Doubtful and Excess Payment of Mild Steel Bars	0.028

## Annexure-B

## TMA of Rajanpur District

## Budget and Expenditure Statement for Financial Year 2012-13

(Rupees in Million)

TMA Rajanpur					
Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	140.339	126.437	13.902	10	
Non Salary	45.805	55.564	9.759	21	
<b>Sub Total</b>	<b>186.144</b>	<b>182.001</b>	<b>4.143</b>	<b>2</b>	
Development	76.536	68.136	8.4	11	
Revenue	119.896	96.350	23.546	20	
<b>G.Total</b>	<b>382.576</b>	<b>346.487</b>	<b>36.089</b>	<b>9</b>	
TMA Jampur					
Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	75.97	65.334	10.636	14	
Non Salary	83.991	53.883	30.108	36	
<b>Sub Total</b>	<b>159.961</b>	<b>119.217</b>	<b>40.744</b>	<b>25</b>	
Development	219.438	135.093	84.345	38	
Revenue	136.954	120.360	16.594	12	
<b>G.Total</b>	<b>516.353</b>	<b>374.67</b>	<b>141.683</b>	<b>27</b>	
TMA Rojhan					
Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	35.515	30.188	5	15	
Non Salary	58.447	37.406	21	36	
<b>Sub Total</b>	<b>93.962</b>	<b>67.594</b>	<b>26</b>	<b>28</b>	
Development	49.675	30.302	19	39	
Revenue	23.071	16.769	6.302	27	
<b>G.Total</b>	<b>166.708</b>	<b>114.665</b>	<b>51.302</b>	<b>31</b>	

**Annexure-C****[Para 1.2.1.9]****NON RECOVERY OF COST OF LAND AND TMA DUES FROM ALLOTTEES  
OF KACHI ABADIES**

<b>Description in Marla</b>	<b>Location</b>	<b>No of Allottees</b>	<b>Cost of Land</b>	<b>Development Charges</b>	<b>M. Property Tax</b>
1	Basti Gopang	2	344	1000	9
4	-do-	2	1376	4000	34
5	-do-	42	36120	105000	903
6	-do-	4	4128	12000	103
7	-do-	12	14448	42000	361
8	-do-	3	4128	12000	103
9	-do-	5	7740	22500	194
10	-do-	9	15480	45000	387
12	-do-	4	36000	24000	900
15	-do-	1	11250	7500	281
20	-do-	2	30000	20000	750
25	-do-	1	37825	12500	946
30	-do-	1	45390	15000	1135
35	-do-	1	52955	17500	1324
27	-do-	1	40851	13500	1021
3	Jonidia Colony	4	2064	6000	52
4	-do-	4	2752	8000	69
5	-do-	14	12040	35000	301
6	-do-	4	4128	12000	103
7	-do-	1	1204	3500	30
8	-do-	6	8256	24000	206
9	-do-	2	3096	9000	77
10	-do-	18	30960	90000	774
11	-do-	6	49500	33000	1238
12	-do-	4	36000	24000	900
13	-do-	2	19500	13000	488
14	-do-	3	31500	21000	788
15	-do-	4	45000	30000	1125
19	-do-	1	14250	9500	356
20	-do-	4	60000	40000	1500
24	-do-	1	36312	12000	908
3	New Abadi	7	3612	10500	90
4	-do-	9	6192	18000	155
5	-do-	80	68800	200000	1720

<b>Description in Marla</b>	<b>Location</b>	<b>No of Allotties</b>	<b>Cost of Land</b>	<b>Development Charges</b>	<b>M. Property Tax</b>
6	-do-	14	14448	42000	361
7	-do-	10	12040	35000	301
8	-do-	8	11008	32000	275
9	-do-	5	7740	22500	194
10	-do-	64	110080	320000	2752
11	-do-	2	16500	11000	413
12	-do-	3	27000	18000	675
13	-do-	1	9750	6500	244
14	-do-	1	10500	7000	263
15	-do-	1	11250	7500	281
16	-do-	2	24000	16000	600
17	-do-	1	12750	8500	319
18	-do-	5	67500	45000	1688
20	-do-	12	180000	120000	4500
26	-do-	1	39338	13000	983
27	-do-	1	40851	13500	1021
36	-do-	1	54468	18000	1362
40	-do-	2	60520	40000	1513
		<b>Total</b>	<b>1,482,944</b>	<b>1,727,500</b>	<b>37,074</b>
<b>G. Total 1,482,944+1,727,500+37,074=3,247,520/-</b>					

**Annexure-D****[Para 1.3.2.11]****Non Imposition of penalty due to delay incompletion of work**

<b>Name of Work</b>	<b>Agency</b>	<b>Acceptance</b>	<b>Completion period</b>	<b>Date of completion</b>	<b>TS Amount</b>	<b>Penalty @ 10%</b>
Filling of Dangerous Depression in Dajal Town 2 Talab	Nawaz	549/26.12.12	4 Months	6.5.13	5100000	510000
Cons of B/W Eidgah Talai Wala	Mureed	00/9.2.13	2 Months	15.7.13	900000	90000
Cons of M/R Basti vahocho	Iftakhar	477/22.11.12	4 Months	25.4.13	5000000	500000
Cons of Culverts kouser minor	Mazhar	79/9.2.13	2 Months	6.8.13	500000	50000
Cons of C/Center Gulshan Ahmdani	Hameed	265/8.6.12	5 Months	15.12.12	5000000	500000
<b>Total</b>						<b>1,650,000</b>



(Annexure-E)

[Para 1.3.2.14]

**Overpayment by Charging Rate of Compacted Earth without Proof of Compaction**

(Amount in Rupees)

Name of work	Total Earth Work (cft)	Rate charged on 95% compaction Basis (Without Lead)	Rate to be charged on 85% compaction Basis (Without Lead)	Difference	Recovery
Construction of Metalled Road MushtaqAahmdani	379440	3673.75	3445.15	228.6	86,740
Construction of Metalled Road Dajal to BastiQazi	344734	3673.75	3445.15	228.6	78,806
Construction of Metalled Road TibaChandia	343335	3673.75	3445.15	228.6	78,486
Construction of Metalled Road DajalJampur road to Pati Aziz Rind	362029	3075.15	2844.65	230.5	83,448
Construction of Metalled Road BastiGanmanJhaloo	319789	3075.15	2844.65	230.5	73,711
Construction of Metalled Road 14 Jawan to BastiBaxwani	71120	3075.15	2844.65	230.5	16,393
Construction of Metalled Road BastiCheena to PulBahadur	349606	3075.15	2844.65	230.5	80,584
Construction of Metalled Road Bastivahocha	315012	3673.75	3445.15	228.6	72,012
Construction of Metalled Road Mouza Babul Wali	346160	3075.15	2844.65	230.5	79,790
Construction of Metalled Road Dajal to JamshedJaskani	317915	3075.15	2844.65	230.5	73,279

<b>Name of work</b>	<b>Total Earth Work (cft)</b>	<b>Rate charged on 95% compaction Basis (Without Lead)</b>	<b>Rate to be charged on 85% compaction Basis (Without Lead)</b>	<b>Difference</b>	<b>Recovery</b>
Extension of Construction of Metalled Road BastiPopat	362474	3673.75	3445.15	228.6	82,862
Construction of Metalled Road BastiPopat	569813	3075.15	2844.65	230.5	137,435
Construction of Metalled Road BastiFaayazKhosa	325096	3075.15	2844.65	230.5	74,935
				<b>Total</b>	<b>1,018,481</b>

**Annexure – F****[Para 1.4.2.1]****Unauthorized Payment against Work Charged Staff****(Rupees in Million)**

<b>Date</b>	<b>Period</b>	<b>Description</b>	<b>Quantity</b>	<b>Amount</b>
2/8/2012	July-12	Work Charged staff of Water Supply Scheme	63	433,024
		Work Charged sanitation staff CO unit Rojhan	69	434,000
1/9/2012	Aug-12	W/Charged staff of Water Supply Scheme	63	426,762
		Work Charged sanitation staff CO unit Rojhan	74	462,000
1.10.2012	Sep-12	Work Charged staff of Water Supply Scheme	63	426,762
		Work Charge sanitation staff CO unit Rojhan	69	423,604
1.10.2012	Oct-12	Work Charged staff of Water Supply Scheme	61	553,800
		Work Charged sanitation staff CO unit Rojhan	69	569,400
18.10.2012	Nov-12	Work Charged staff of Water Supply Scheme	63	492,300
		Work Charge sanitation staff CO unit Rojhan	69	564,020
2.01.2012	Dec-12	Work Charged staff of Water Supply Scheme	63	548,100
		Work Charged sanitation staff CO unit Rojhan	71	465,300
6.2.2013	Jan-13	Work Charged staff of Water Supply Scheme	63	529,800
		Work Charged sanitation staff CO unit Rojhan	71	552,880
1.3.2013	Feb-13	Work Charged staff of Water Supply Scheme	63	552,300
		Work Charge sanitation staff CO unit Rojhan	71	564,400
1.04.2013	Mar-13	Work Charge staff of Water Supply Scheme	63	548,100
		Work Charge sanitation staff CO unit Rojhan	71	569,271
3.05.2013	Apr-13	Work Charge staff of Water Supply Scheme	63	510,600
		Work Charge sanitation staff CO unit Rojhan	71	559,770
1.06.2013	May-13	Work Charge staff of Water Supply Scheme	63	539,400
		Work Charge sanitation staff CO unit Rojhan	71	567,000
3.07.2013	June-13	Work Charge staff of Water Supply Scheme	63	539,400
		Work Charge sanitation staff CO unit Rojhan	71	603,000
<b>Total</b>				<b>12,434,993</b>

## Annexure-G

[Para 1.5.1.15]

## Detail of cash payments in violation of rules

(Amount in Rupees)			
Bank/DDO A/C No.	Date	Cheque	Amount
0098-PLS-004748-0001	05.07.2011	72527472	39,052
	11.07.2011	72527499	13,630
	28.07.11	716105	14,460
	8.8.11	716162	20,000
	8.8.11	716166	30,000
	8.8.11	716173	47,486
	20.8.11	114200027	20,280
	29.8.11	102783833	47,786
	30.08.11	114200047	22,932
	23.09.11	725993	15,385
	23.09.11	725977	20,921
	31.10.11	73842980	17,539
	02.11.11	73842990	47,786
	28.11.11	74188190	20,300
	28.11.11	73078470	12,637
	01.12.11	74493605	47,786
	02.12.11	74493610	6,446
	19.12.11	74493676	4,000
	22.11.11	74493695	18,717
	03.01.12	351	48,986
	03.01.12	361	38,232
	08.02.12	154	48,986
	08.02.12	211	16,031
	08.02.12	212	18,608
	07.03.12	90	48,986
	02.04.12	182	246,000
	05.04.12	268	48,986
	18.04.12	171	14,488
	18.04.12	172	14,488
	18.04.12	173	17,425
	01.06.12	246	20,300
	08.06.12	319	23,268
	11.06.12	400	147,752
<b>Total</b>			<b>1,239,679</b>

**Annexure – H**

**[1.5.1.16]**

**Overpayment Due to Unjustified Provision of Excavation of  
Earthwork Rate**

<b>Name of work</b>	<b>Agency</b>	<b>Letter No.</b>	<b>MB NO.</b>	<b>Rate Applied</b>	<b>Rate to be Applied</b>	<b>Difference</b>	<b>Actual Qty used</b>	<b>Amount</b>
Const. of drain soling Allah Abad Colony Dajal	KhuramRiaz Bhatti	357 dated 26.9.2011	2461	5281.02	3997.97	1283.05	29189	37451
Const. of drain soling Indus high way to house Akram Qureshi	Noman YounisLeghari	Nil	2620	5651.10	4368.05	1283.05	24,831	31,859
Const. of soling at gali Muhammad Hussain Bhutta, Jampur	-do-	Nil	-do-	5651.10	4368.05	1283.05	26,122	33,515
Const. of drain soling PCC remaining street Nazar Khan Rind wali Farooq Town Jampur	M/S Jawad Const. Co.	469 dated 26.06.11	164	5651.10	4368.05	1283.05	43,061	55,249
Const. of drain soling street puppo Shah Bukhara Town	Mr. Nawab Muhammad	Lead 1 mile	771	3247.7	1964.65	1283.05	57,799	74,159
Const. of soling/culverts QasbaRaqbaLondon	Mr. Muhammad Shahid	411 dated 26.09.11	514 P-62	3720.07	2437.65	1283.05	39200	50,296
Const. of drain soling Kotla road to basti Janiwala via bast Joya	Mr. Malik Nazir Ahmed	588 dt. 26.09.11	2504 p-53	3720.07	2437.65	1283.05	54,627	70,089
Const. of drain/soling CharaHarrand road to bastiNahar Khan NokanJampur	Mr. Ghulam Abbas	712 dated 8.6.12	3018 p-96	4266.10	2983.05	1283.05	63566	81,558
Const. of soling from bastisonhara to Qadir Bakhsh, U/C bastiRindan	Mr. Mureed Hussain	Nil	Token No. 864 dated 30.08.11	3247.7	1964.65	1283.05	73,827	94,723
Const. of drain/soling/PCC Faisal Colony from chotiroad to soling malik Akbar U/C bast Rindan	Muhammad Younas	nil	1626 dated 6.7.12	3247.7	1964.65	1283.05	62694	80,440
Const. of concrete flooring in various street, Dajal	Nouman Ibrahim	Nil	1670 dated 19.04.2012	3126.50		1283.05	45,373	58,216
Street Qadir Bux wali shero road Jampur	Ghulam Yaseen	5 mile lead	1772 dated 19.04.12	5651.10	4368.05	1283.05	22609	29,008
Const. of drain/ soling basti	Mushtaq		1330 dated	3247.7	1964.65	1283.05	84022	107,804

Name of work	Agency	Letter No.	MB NO.	Rate Applied	Rate to be Applied	Difference	Actual Qty used	Amount
Nawaz Mastoi U/C Tatar Wala	Ahmad		06.01.12					
Repair of boundary wall and flooring of EidGah Allah Abad	Muhammad shoaib	3 Km	1371 dated 13.01.2012	5180	3896.95	1283.05	30386	38,987
Const. of soling pulraqbaLundan	Muhammad Shahid		1389 dated 23.01.2012	3720.07	2437.65	1283.05	39200	50,296
Const. of drain/ soling Muhammad Pur	HasnainMon eer	1 mile	1428 dated 31.01.2012	3247.7	1964.65	1283.05	61,155	78,465
Const. of drain/ soling earth filling Noor Shah wala Tatar wala	Mian Muhammad Farooq	-do-		3247.7	1964.65	1283.05	49500	63,511
Const. of PCC soling at NosheraGharbi	Jamil Ahmad	-do-	989 dated 14.11.11	3247.7	1964.65	1283.05	39350	50,488
Const. of drain/soling bastiNabiBaksh	Altaf Hussain	-do-	990 dt. 14.10.11	3247.7	1964.65	1283.05	6826	8,758
Const. of drain/ solnggali Irfan abad colony Jampur	Muhammad Imran Lashari	5 miles	100 dated 19.10.11	4943.7	3660.65	1283.05	32209	41,326
Const. of drain/soling pcc sever muslim hotel to bypass	Mr. Mazhar Hussain	5 mile	103 dated 26.10.2011	4943.7	3660.65	1283.05	45313	58,139
<b>Total</b>								<b>1,194,337</b>

**Annexure-I**

**[Para 1.6.1.1]**

**Overpayment Due to Charging of Burrow pit Excavation Rate for Earthwork**

Name of work	Agency	Letter No.	MB NO. Page	Rate Applied	Rate to be Applied	Difference	Actual Qty used	Amount
Const. of street payment from ShafiGadi, road RanaIrshadWali near Tehri colony Rajanpur (rate-3 qrt.2011)	Rashid Riaz	892 dated 23.08.11	685 Page-28 (2 <sup>nd</sup> F. Bill)	4987.32	2991.15	1995.85 %o	101,759 Cft	203,095
Const. of streets, drain from city cable service to old WAPDA Office to slaughter house at KotMithan.	Mr. Ahmad Ali	1008-12 dated. 23.08.2011	361 page 76 to 89	4504.75	2508.9	1995.85 %o	37173 cft	74191
Const. of drain, soling and earth filling at MeharyWala U/C SikhaniWala	Zamurd Khan	956-59 dated 23.08.3011	1704 page 109 to 121	4504.75	2508.9	1995.85 %o	46119 Cft	92046
Const. of drain, soling and earth filling at Chowani road house Riaz Hussain Rajanpur	Muhammad Ismail	1084-97 dated 09.09.2011	367 page 131	4987.32	2991.15	1995.85 %o	30,750	61,372
Const. of soling basti Ch. Akram, liqat, MolaBux u/c Murghai	Mr. Rasheed Ahmad	1135-38 dated 9.9.2011	5129 page-182 to 192	4504.75	2508.9	1995.85 %o	42,266	84357
Const. of soling PCC work at CO unit FazilPur	Mr. Abbas Const. Co.	1139 dated 09.09.11	2120 page 100 to 109	4987.32	2991.15	1995.85 %o	26983	53,854
Construction of Fakhare Jahan Park in District Rajanpur	TasawarHusainMallik	1684 dated 12.03.2012	1730 Page-15	4504.75	2508.9	1995.85 %o	17790	35,506
			Page-15	5575.45	3579.65	1995.85 %o	94908	189,422
			Page-16	5575.45	3579.65	1995.85 %o	28647	57175
<b>Total</b>								<b>851,018</b>

## Annexure-J

[Para 1.6.1.12]

### Loss to Government Due to Non Recovery of Professional Tax

(Amount in Rupees)

Sr #	Name of Contractor	Category	Amount	Sr #	Name of Contractor	Category	Amount
1	Muhammad Farooq	D	3000	33	Hameed Ullah Khan Baloch	D	3000
2	Abbas Const. Co.	C	5000	34	Muhammad Iqbal Mastoi	D	3000
3	Zol-Saeed Const. Co.	C	5000	35	Bilal Hussain Mastoi	D	3000
4	Imam Bukhsh	D	3000	36	Qazi Munir Ahmad	D	3000
5	Muhammad Sadique	D	3000	37	Hafeez Ullah	D	3000
6	Shafiq Ahmad	D	3000	38	Muhammad Imtiaz	D	3000
7	Allah Wasya Leghari	D	3000	39	Ghulam Yasin	D	3000
8	Sajid Hussain	D	3000	40	Muhammad Fayyaz	D	3000
9	Kanwar Naeem Ahmad	D	3000	41	Ahmad Ali Qadri	D	3000
10	Ahmad Ali	D	3000	42	Muhammad Imran Akram	D	3000
11	Muhammad Anwar	D	3000	43	Mohsin Hafeez	C	5000
12	Rehmat Adnan	D	3000	44	Muhammad Amir Ashraf	D	3000
13	Saqin Nayyar	D	3000	45	Muhammad Hussain	D	3000
14	Muhammad Khuram Riaz	D	3000	46	Ghulam Haider Gadi	D	3000
15	MB Tahir	C	5000	47	Muhammad Maqbool	D	3000
16	Muhammad Nasrullah	D	3000	48	Muhammad Saleem Nawaz	D	3000
17	Allah Ditta Khan	D	3000	49	Aftab Ahmad	D	3000
18	Mr. Jalil Ahmad	D	3000	50	Imdad Ahmad S/O Ijaz Ahmad	D	3000
19	Muhammad Ismail	C	5000	51	Abdul Razaq	D	3000
20	Sajjad Ahmad	D	3000	52	Mr. Sajjad Hussain	D	3000
21	Kanwar Taswar Hussain	C	5000	53	Abdul Karim	D	3000
22	Rasheed Ahmad Pathan	D	3000	54	Taswar Hussain Awan	C	5000
23	Abdul Majeed	D	3000	55	Jamshed Abbas	D	3000
24	Muhammad Riaz Shahid	D	3000	56	Muhammad Mujtaba	D	3000
25	Rashid Riaz	C	5000	57	Al-Midna Traders	C	5000
26	Mian Riaz Saqib	D	3000	58	Mr. Sajid Razaq	D	3000
27	Muhammad Farooq Anjum	C	5000	59	Muhammad Arshad	D	3000
28	Mr. Zafar Iqbal	D	3000	60	Shafiq Ahmad	D	3000
29	Qasir Ullah S/O Sarfraz Khan	D	3000	61	Muhammad Faisal	D	3000
30	Syed Naroorul Hassan Shah	D	3000	62	Zard Khan	C	5000
31	Mr. Munir Ahmad	D	3000	<b>Sub-Total</b>			<b>98000</b>
32	Muhammad Ibrahim	C	5000	<b>G. Total</b>			<b>210.000</b>
<b>Sub-Total</b>			<b>112000</b>				



**Annexure – K**

**[Para 1.7.1.1]**

**Unauthorized Retention of Income Tax Deducted at Source**

**(Amount in Rupees)**

<b>Date of payment</b>	<b>Description</b>	<b>Total amount</b>	<b>Income tax</b>
02-07-10	Purchase hand cart	18000	832
13-07-10	Payment for purchase of PVC pipe etc	6800	408
13-07-10	Payment for purchase of PVC pipe etc	13300	798
13-07-10	Payment for purchase of sluice valve etc	7250	435
13-07-10	Repair bill water supply	7100	426
23-07-10	Repair bill water supply	9080	1453
02-08-10	Purchase of battery for tractors	14370	804
12-08-10	Tentage bill	99680	5492
20-08-10	Bill for banners	10080	655
23-08-10	Bill for plastic bags during flood	19500	1072
23-08-10	Rewinding bill of electric motor	21300	1065
23-08-10	Rewinding bill of electric motor	21000	1070
23-08-10	Electric items	16550	993
23-08-10	Electric items	18600	1116
23-08-10	Instalation charges filtration plant	21500	1065
23-08-10	Repair bill furniture	13450	740
23-08-10	Repair bill rest room	8500	552
23-08-10	Printing bill file cover	9500	523
02-09-10	Stationery bill	12860	773
02-09-10	Repair bill water supply	9500	570
02-09-10	Repair bill water supply	9800	588
02-09-10	Repair bill tractor	8697	305
06-09-10	Repair bill car	22430	1229
06-09-10	Repair bill tractors	19425	1166
09-09-10	Rewinding bill router pump	9900	545
09-09-10	Rewinding bill electric motor	17970	988
09-09-10	Rewinding bill assembly	19000	1045
09-09-10	Rewinding bill electric motor	20000	1300
05-10-10	Purchase of hand rerhi	9200	552
05-10-10	Purchase of electric wire	9720	534
05-10-10	Repair bill of A/C etc.	16700	1002
05-10-10	Electric wire	8100	445
05-10-10	Repair bill of dewatering set	12000	660
13-10-10	Repair bill of electric motor	13500	810
13-10-10	Rewinding bill electric motor	21500	1290
03-11-10	Purchase of electric item	9800	539
11-11-10	Repair bill dewatering set etc.	8500	510
13-12-10	Repair bill of water supply	9677	581
13-12-10	Repair bill of water supply	9210	553
13-12-10	Repair bill of water supply	8670	520
13-12-10	Repair bill of water supply	10000	600
15-12-10	Printing bill file cover	9800	588
03-01-11	Stationery bill	9495	569
03-01-11	Bill for electric item	9120	546
03-01-11	Electric Item	18100	1086
03-01-11	Bill for purchase of PVC pipe etc.	6400	376

Date of payment	Description	Total amount	Income tax
03-01-11	Misc. items CO Unit	11000	660
19-01-11	Bill of Batteries for tractors	7694	462
04-02-11	Bill for Hand rerhi	10800	648
04-02-11	Repair bill water supply	7310	438
04-02-11	Bill for Electric Items	9680	484
04-02-11	Repair bill water supply	9592	576
04-02-11	Repair bill water supply	8240	494
04-02-11	Repair bill water supply	9567	574
11-02-11	Repair bill building office	9604	576
18-02-11	Repair bill bath room	9920	595
26-02-11	Bill for banners	24000	1440
26-02-11	Misc: bill CO Unit	18000	1220
26-02-11	Bill for sign board	24500	1080
02-03-11	Bill for banners	12250	1040
02-03-11	Repair bill of water supply	9823	589
02-03-11	Repair bill water supply	9073	544
02-03-11	Repair bill water supply	8722	523
15-03-11	Repair bill of water supply	9573	574
15-03-11	Repair bill of water supply	9141	548
02-04-11	Bill for speed breaker	19800	1287
02-04-11	Rewinding bill electric motor	24500	1593
02-04-11	Misc. bill on the eve of 23 <sup>rd</sup> march	14000	840
04-05-11	Bill for speed breaker	8000	480
04-05-11	Expenditure incurred on 1 <sup>st</sup> may labor day	24000	1160
01-06-11	Stationery bill	8987	584
01-06-11	Purchase of Misc. item CO Unit	6400	484
01-06-11	Purchase of Electric Items	14700	948
01-06-11	Purchase of Electric Items	8255	537
01-06-11	Purchase of Electric Items	15600	1014
11-06-11	Misc. stationery bill	24000	1440
11-06-11	Bill for purchase of Fax machine	18900	1040
11-06-11	Misc. bill for MahfilMushaira	24500	1500
11-06-11	Misc. bill Photostate etc.	18500	1110
28-06-11	Misc. Repair bill water supply schemes	39770	2386
<b>Total</b>		<b>1190525</b>	<b>70200</b>
03-07-11	Repair bill Motor Cycle	7485	200
03-07-11	Bill for purchase of lime etc.	10400	520
03-07-11	Bill for speed breaker	9000	495
03-07-11	Repair bill water tanker	12500	813
06-07-11	Bill for electric items	19000	1145
14-07-11	Bill for purchase of Battery	7400	444
14-07-11	Bill for hand rerhi	9072	544
23-07-11	Rewinding bill of electric motor	24650	555
23-07-11	Rewinding bill of electric motor	24500	563
23-07-11	Payment for purchase of de-watering set	141480	7791
23-07-11	Repair bill of de-watering set	23940	1316
23-07-11	Repair bill of de-watering set	14670	880
23-07-11	Bill for hand rerhi	11000	563
01-08-11	Bill for insecticide	178860	5400
01-08-11	Repair bill of water supply	22946	1370
01-08-11	Repair bill of water supply	8938	566
01-08-11	Repair bill of water supply	23231	1394
01-08-11	Repair bill of water supply	9226	584
01-08-11	Repair bill of water supply	22256	1395

<b>Date of payment</b>	<b>Description</b>	<b>Total amount</b>	<b>Income tax</b>
01-08-11	Repair bill of water supply	9411	575
01-08-11	Repair bill of water supply	24870	1492
22-08-11	Expenditure on 14 <sup>th</sup> August	24000	1440
22-08-11	Expenditure on 14 <sup>th</sup> August	24000	1320
26-08-11	Electric items	19000	1045
26-08-11	Electric items	9480	567
26-08-11	Electric items	9920	595
26-08-11	Electric items	9960	595
26-08-11	Repair bill motor cycle	7640	460
12-09-11	Repair bill water supply schemes	21410	1285
12-09-11	Repair bill water supply schemes	9461	568
12-09-11	Repair bill water supply schemes	22482	1347
12-09-11	Repair bill water supply schemes	8400	504
12-09-11	Repair bill water supply schemes	22956	1377
12-09-11	Repair bill water supply schemes	17988	1284
12-09-11	Repair bill water supply schemes	19852	1418
12-09-11	Repair bill water supply schemes	18861	1347
12-09-11	Repair bill water supply schemes	9250	555
12-09-11	Repair bill water supply schemes	9543	573
12-09-11	Repair bill water supply schemes	8318	499
12-09-11	Repair bill water supply schemes	8194	492
12-09-11	Rewinding bill electric motor	21700	1411
12-09-11	Electric items	9900	644
01-10-11	Stationery bill	15265	991
15-10-11	Bill for purchase of insecticide	218080	3633
15-10-11	Bill for purchase of sign board	10000	600
01-11-11	Repair bill water supply schemes	22713	1364
01-11-11	Repair bill water supply schemes	24875	1493
01-11-11	Repair bill water supply schemes	24870	1493
01-11-11	Repair bill water supply schemes	24885	1494
01-11-11	Repair bill water supply schemes	23895	1494
01-11-11	Repair bill water supply schemes	24882	1494
01-11-11	Repair bill water supply schemes	24867	1492
01-11-11	Repair bill water supply schemes	22535	1353
01-11-11	Repair bill water supply schemes	24882	1494
01-11-11	Repair bill water supply schemes	23515	1412
01-11-11	Repair bill of jeep	24600	1595
01-11-11	Rewinding bill electric motor	22500	1350
01-11-11	Purchase of bleaching powder	24500	1593
01-11-11	Rewinding bill electric motor	22500	1350
01-11-11	Fair bill	17000	1020
18-11-11	Repair bill jeep	49900	8062
18-11-11	Repair bill car	66150	3969
18-11-11	Repair bill water supply	23796	1428
18-11-11	Repair bill water supply	24226	1114
18-11-11	Repair bill water supply	24767	1486
18-11-11	Repair bill water supply	13829	830
18-11-11	Repair bill water supply	23779	1427
01-12-11	Bill for iron board	20000	1200
01-12-11	Repair bill tractor	10342	621
29-12-11	Water supply schemes	22917	1469
29-12-11	Water supply schemes	19300	1158
29-12-11	Water supply schemes	22909	1466
29-12-11	Water supply schemes	23965	1487

<b>Date of payment</b>	<b>Description</b>	<b>Total amount</b>	<b>Income tax</b>
29-12-11	Rewinding bill electric motor	18500	1203
29-12-11	Rewinding bill electric motor	24700	1606
29-12-11	Rewinding bill electric motor	22000	1320
13-01-12	Repair bill of water supply schemes	24880	1493
13-01-12	Repair bill of water supply schemes	21876	1313
13-01-12	Repair bill of water supply schemes	22908	1374
13-01-12	Rewinding bill electric motors	24700	1482
13-01-12	Providing of banners	24640	1358
13-01-12	Providing of banners	23492	1410
13-01-12	Repair of assembly of turbine	23500	1410
13-01-12	Repair of assembly of turbine	23500	1410
15-02-12	Repair bill of water bauzer	10140	609
15-02-12	Repair bill jeep	12350	741
20-03-12	Earth work flood affected road	24628	1478
20-03-12	Earth work flood affected road	24641	1478
20-03-12	Repair bill tractor	9390	563
20-03-12	Mics: bill of CO Unit	8020	481
20-03-12	Repair bill tractor	9594	575
20-03-12	Repair bill of water supply schemes	9831	590
20-03-12	Repair bill of water supply schemes	9642	579
20-03-12	Repair bill of water supply schemes	9302	558
20-03-12	Repair bill of water supply schemes	9306	594
20-03-12	Repair bill of water supply schemes	9758	585
20-03-12	Repair bill of water supply schemes	8195	585
20-03-12	Repair bill of water supply schemes	9677	581
20-03-12	Bill for PVC pipe etc	10520	631
20-03-12	Repair bill of water supply schemes	9850	591
20-03-12	Repair bill of water supply schemes	9312	558
20-03-12	Repair bill of water supply schemes	8721	523
20-03-12	Repair bill of water supply schemes	9520	571
20-03-12	Repair bill of water supply schemes	9752	585
20-03-12	Repair bill of water supply schemes	9754	584
02-04-12	Final, tezas etc.	5800	348
02-04-12	Misc. items co unit	8700	522
19-04-12	Electric items	9550	573
19-04-12	Electric items	9970	598
19-04-12	Repair bill of water supply schemes	19448	1375
19-04-12	Repair bill of water supply schemes	20025	1430
02-05-12	Misc. items co unit	6750	405
02-05-12	Bill for punctures	6200	700
02-05-12	Rewinding bill of motor	7200	200
02-05-12	Stationery bill	10464	628
02-05-12	Electric items	9960	597
04-05-12	Plants for Ghazi park	5160	500
04-05-12	Stationery bill	6300	378
01-06-12	Bill for punctures	6420	386
01-06-12	Purchase of Hand rerhi	9000	540
01-06-12	Misc. items co unit	9220	553
01-06-12	Misc. items co unit	6750	405
01-06-12	Purchase of Hand rerhi	9000	540
01-06-12	Stationery items	5938	350
01-06-12	Electric items	9600	528
13-06-12	Plants for ghazi park	6000	1200
13-06-12	Earth filling during flood	82752	5911

<b>Date of payment</b>	<b>Description</b>	<b>Total amount</b>	<b>Income tax</b>
13-06-12	Earth filling flood affected road	83013	5930
13-06-12	Purchase of Air cooler .	12700	635
<b>Totalamount 2011-12</b>		<b>2721913</b>	<b>155014</b>
<b>Total amount 2010-11</b>		<b>1190525</b>	<b>70200</b>
<b>G.Total</b>		<b>3912438</b>	<b>225214</b>

**Annexure – L**  
**[Para 1.7.1.2]**

**Unauthorized Retention of General Sales Tax Deducted at  
Source**

(Amount in Rupees)

Date of payment	Description	Total amount	GST
2/7/2010	Purchase hand cart	18000	2880
13-07-10	Payment for purchase of PVC pipe etc	6800	1080
13-07-10	Payment for purchase of PVC pipe etc	13300	2128
13-07-10	Payment for purchase of sluice valve etc	7250	1160
13-07-10	Repair bill water supply	7100	1136
23-07-10	Repair bill water supply	9080	2040
2/8/2010	Purchase of battery for tractors	14370	2414
20-08-10	Bill for banners	10080	1512
23-08-10	Bill for plastic bags during flood	19500	3120
23-08-10	Rewinding bill of electric motor	21300	3344
23-08-10	Rewinding bill of electric motor	21000	3360
23-08-10	Electric items	16550	2731
23-08-10	Electric items	18600	2976
23-08-10	Instalation charges filtration plant	21500	3344
23-08-10	Repair bill rest room	8500	1360
2/9/2010	Stationery bill	12860	2062
9/9/2010	Rewinding bill electric motor	20000	3200
5/10/2010	Purchase of electric wire	9720	1555
5/10/2010	Electric wire	8100	1296
5/10/2010	Repair bill of dewatering set	12000	1920
13-10-10	Repair bill of electric motor	13500	2227
13-10-10	Rewinding bill electric motor	21500	3547
3/11/2010	Purchase of electric item	9800	1568
15-12-10	Printing bill file cover	9800	1568
3/1/2011	Stationery bill	9495	1520
3/1/2011	Bill for electric item	9120	1460
3/1/2011	Electric Item	18100	2896
3/1/2011	Bill for purchase of PVC pipe etc.	6400	1024
3/1/2011	Misc. items CO Unit	11000	1190
4/2/2011	Bill for Hand rerhi	10800	1728
4/2/2011	Repair bill water supply	7310	1170
4/2/2011	Bill for Electric Items	9680	1548
26-02-11	Bill for banners	24000	3840
26-02-11	Misc: bill CO Unit	18000	2880
26-02-11	Bill for sign board	24500	3920
2/3/2011	Bill for banners	12250	1960
2/4/2011	Bill for speed breaker	19800	3168
2/4/2011	Rewinding bill electric motor	24500	3920
2/4/2011	Misc. bill on the eve of 23 <sup>rd</sup> march	14000	2240
4/5/2011	Expenditure incurred on 1 <sup>st</sup> may labor day	24000	3840
1/6/2011	Stationery bill	8987	1438
1/6/2011	Purchase of Misc. item CO Unit	6400	1024
1/6/2011	Purchase of Electric Items	14700	2352
1/6/2011	Purchase of Electric Items	8255	1320

Date of payment	Description	Total amount	GST
1/6/2011	Purchase of Electric Items	15600	2496
11/6/2011	Misc. stationery bill	24000	1560
11/6/2011	Bill for purchase of Fax machine	18900	3024
28-06-11	Misc. Repair bill water supply schemes	39770	6572
<b>Total</b>		<b>709777</b>	<b>111618</b>
3/7/2011	Repair bill Motor Cycle	7485	1200
3/7/2011	Bill for purchase of lime etc.	10400	1664
3/7/2011	Bill for speed breaker	9000	1440
3/7/2011	Repair bill water tanker	12500	2000
6/7/2011	Bill for electric items	19000	3040
23-07-11	Rewinding bill of electric motor	24650	1776
23-07-11	Rewinding bill of electric motor	24500	1802
23-07-11	Payment for purchase of de-watering set	141480	22636
23-07-11	Repair bill of de-watering set	23940	3830
23-07-11	Repair bill of de-watering set	14670	2274
23-07-11	Bill for hand rerhi	11000	1802
1/8/2011	Bill for insecticide	178860	4938
22-08-11	Expenditure on 14 <sup>th</sup> August	24000	1060
22-08-11	Expenditure on 14 <sup>th</sup> August	24000	3840
26-08-11	Electric items	19000	3040
26-08-11	Electric items	9480	1331
26-08-11	Electric items	9920	1405
26-08-11	Electric items	9960	1405
26-08-11	Repair bill motor cycle	7640	1192
12/9/2011	Rewinding bill electric motor	21700	3472
12/9/2011	Electric items	9900	1584
1/10/2011	Stationery bill	15265	2442
15-10-11	Bill for purchase of sign board	10000	1600
1/11/2011	Repair bill of jeep	24600	3936
1/11/2011	Rewinding bill electric motor	22500	3600
1/11/2011	Purchase of bleaching powder	24500	3920
1/11/2011	Rewinding bill electric motor	22500	3600
18-11-11	Repair bill car	66150	6781
1/12/2011	Bill for iron board	20000	3200
29-12-11	Rewinding bill electric motor	18500	2960
29-12-11	Rewinding bill electric motor	24700	3952
29-12-11	Rewinding bill electric motor	22000	3520
13-01-12	Rewinding bill electric motors	24700	3952
13-01-12	Repair of assembly of turbine	23500	3760
13-01-12	Repair of assembly of turbine	23500	3760
20-03-12	Mics: bill of CO Unit	8020	1283
20-03-12	Bill for PVC pipe etc	10520	1683
2/4/2012	Finial, acid etc.	5800	999
2/4/2012	Misc. items co unit	8700	1392
19-04-12	Electric items	9550	1480
19-04-12	Electric items	9970	1545
2/5/2012	Misc. items co unit	6750	1115
2/5/2012	Rewinding bill of motor	7200	432
2/5/2012	Stationery bill	10464	1622
2/5/2012	Electric items	9960	1544
4/5/2012	Stationery bill	6300	976
1/6/2012	Purchase of Hand rerhi	9000	1485
1/6/2012	Misc. items co unit	9220	1529
1/6/2012	Misc. items co unit	6750	1047

<b>Date of payment</b>	<b>Description</b>	<b>Total amount</b>	<b>GST</b>
1/6/2012	Purchase of Hand rerhi	9000	1485
1/6/2012	Stationery items	5938	934
1/6/2012	Electric items	9600	1536
13-06-12	Purchase of Air cooler .	12700	2096
<b>Total amount 2011-12</b>		<b>2642166</b>	<b>141897</b>
<b>Total amount 2010-11</b>		<b>709777</b>	<b>111618</b>
<b>G.Total</b>		<b>3351943</b>	<b>253515</b>