



**AUDIT REPORT
ON
THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
DISTRICT KHUSHAB
AUDIT YEAR 2015-16**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS & ACRONYMS

CO	Chief Officer
DAC	Departmental Accounts Committee
DDO	Drawing & Disbursing Officer
MFDAC	Memorandum for Department Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PC	Project Cost
PCC	Plain Cement Concrete
PDG	Punjab District Government
PFC	Provincial Finance Commission
PLG	Punjab Local Government
PLGO	Punjab Local Government Ordinance
PPPR	Punjab Public Procurement Rules
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to audit the accounts of the provincial governments and the accounts of any authority or body established by, or under the control of, the provincial government. Accordingly, the audit of all receipts and expenditures of the Local Fund and Public Accounts of Tehsil /Town Municipal Administrations of the 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 the District Government Khushab for the Financial Year 2014-15. The Directorate General of Audit, District Governments, Punjab (North), Lahore conducted audit during 2015-16 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit observations of serious nature. Relatively less significant issues are listed in the Annex-A of the Audit Report. The audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized after taking into account the replies of the department and DAC decisions / directions.

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

Islamabad

Dated:

(Imran Iqbal)

Acting-Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Punjab (North), Lahore, is responsible to carry out the audit of District Governments, Town/Tehsil Municipal Administrations and UAs of three City District Governments and sixteen District Governments. Its Regional Directorate of Audit Sargodha has audit jurisdiction of District Governments, TMAs and UAs of four Districts i.e. Sargodha, Khushab, Mianwali and Bhakkar.

The Regional Directorate of Audit Sargodha had a human resource of 11 officers and staff, total 2,951 man-days and the budget of Rs 10.48 million for the Financial Year 2015-16. It had mandate to conduct Financial Attest Audit, Regularity Audit, and Compliance with Authority and Performance Audit of projects and programs. Accordingly, Directorate General Audit District Governments Punjab (North), Lahore carried out audit of the accounts of various offices of the Tehsil Municipal Administration of District Government, Khushab for the Financial Year 2014-15.

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

Audit of Tehsil Municipal Administration of Khushab District was carried out with a view to ascertaining whether the expenditure was incurred with proper authorization, in-conformity with laws/ rules /regulations, economical procurement of assets and hiring of services etc.

Audit of receipts/ revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules.

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

Out of two TMAs, one TMA was audited. The expenditure of one TMA of District Khushab for the Financial Year 2014-15 under the jurisdiction of DG District Audit (N) Punjab was Rs 297.59 million, covering one PAO and one formation. Out of this, Directorate General Audit (N) Punjab audited an expenditure of Rs 116.06 million which in terms of percentage is 39% of total auditable expenditure.

Total receipts of one Tehsil Municipal Administration of Khushab District for the Financial Year 2014-15 were Rs 203.93 million. Directorate General Audit Punjab (N), audited receipts of Rs 73.41 million which was 36% of total receipts.

b. Recoveries at the Instance of Audit

Recovery of Rs 4.61 million was pointed out during audit. However, no recovery was effected till compilation of Report.

c. Audit Methodology

Audit was performed through understanding the business processes of TMAs with respect to functions, control structure, prioritization of risk areas by determining the significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment and the audited entity before starting field audit activity. Formations were selected for audit in accordance with risks analyzed. Audit was planned and executed accordingly.

d. Audit Impact

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

e. Comments on Internal Control and Internal Audit Department

Internal control mechanism of TMAs of District Government Khushab was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit. Negligence on the part of authorities of TMA of District Khushab may be captioned as one of important reasons for weak Internal Controls.

Section 115-A (1) of PLGO, 2001 empowers Tehsil Municipal Administration to appoint an Internal Auditor but the same was not appointed in Tehsil Municipal Administrations.

f. Key Audit Findings

- i. Irregularities and Non-compliance of Rules and Regulations amounting to Rs 103.76 million were noted in four cases¹ and
- ii. Weaknesses of Internal Controls amounting to Rs 17.05 million were noted in two cases.²

Audit paras involving procedural violations including Internal Controls weaknesses, poor Asset Management and irregularities not considered worth reporting to provincial PAC have been included in MFDAC. (Annex-A)

¹Paras: 1.2.1.1-1.2.1.4

²Paras: 1.2.2.1-1.2.2.2

g. Recommendations

Audit recommends that the PAO / Management of TMAs should ensure the following:

- i. Production of record to audit for scrutiny
- ii. Holding of investigations for wastage, fraud, misappropriation and losses, and take disciplinary actions against the person (s) at fault
- iii. Expediting recoveries pointed out by Audit
- iv. Realizing and reconciling of various receipts
- v. Strengthening of Internal Controls and
- vi. Compliance of DAC directives and decisions in letter and spirit.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budget (F.Y. 2014-15)		
			Expenditure	Receipt	Total
1	Total Entities (PAOs) in Audit Jurisdiction	02	434.52	324.19	758.71
2	Total formations in audit jurisdiction	02	434.52	324.19	758.71
3	Total Entities (PAOs) Audited	01	297.59	203.93	501.52
4	Total formations Audited	01	297.59	203.93	501.52
5	Audit & Inspection Reports	01	297.59	203.93	501.52
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports	-	-	-	-

Table 2: Audit Observations regarding Financial Management

(Rs in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Unsound Asset Management	-
2	Weak Financial Management	4.61
3	Weak Internal Controls relating to Financial Management	12.44
4	Violation of Rules	103.76
5	Others	-
Total		120.81

Table 3: Outcome Statistics

(Rs in million)

Sr. No.	Description	Physical Assets	Civil Works	Receipt	Others	Total	Total last year
1	Outlays audited	-	41.66	203.93	255.9	501.52*	784.71
2	Amount placed under audit observation / irregularities of audit	-	90.12	4.61	26.07	120.81	200.21
3	Recoveries pointed out at the instance of Audit	-	-	4.61	-	4.61	40.09
4	Recoveries accepted / established at the instance of Audit	-	-	4.61	-	4.61	40.09
5	Recoveries realized at the instance of Audit	-	-	-	-	-	-

*The amount in serial No.1 column of "total" is the sum of Expenditure and Receipts whereas the total expenditure for the current year was Rs 297.59 million.

Table 4: Irregularities Pointed Out

(Rs in million)

Sr. No.	Description	Amount under Audit observation
1	Violation of Rules, Regulations and principle of propriety and probity in public operations	103.76
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public resources.	-
3	Accounting Errors ¹ (accounting policy departure from NAM, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	If possible quantify weaknesses of internal control system.	12.44
5	Recoveries and overpayments representing cases of established overpayment of misappropriations of public money	4.61
6	Non-production of record	-
7	Others, including cases of accidents, negligence etc.	-
Total		120.81

Table 5: Cost-Benefit

(Rs in million)

Sr. No.	Description	Amount
1	Outlays Audited (Item 1 of Table 3)	501.52
2	Expenditure on Audit	1.31
3	Recoveries realized at the instance of Audit	-
4	Cost Benefit Ratio	-

¹ The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan.

CHAPTER-1

1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, DISTRICT KHUSHAB

1.1.1 Introduction

TMA consists of Tehsil Nazim, Tehsil Naib Nazim and Tehsil Municipal Officer. Each TMA comprises five Drawing and Disbursing Officers i.e. TMO, TO (Finance), TO (I&S), TO (Regulation), TO (P&C), Tehsil Nazim and Tehsil Naib Nazim. As per Section 64 of PLGO 2001, the functions of TMAs are as follows:

- i. Prepare spatial plans for the Tehsil including plans for land use, zoning and functions for which TMA is responsible
- ii. Exercise control over land use, land sub-division, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations
- iii. Enforce all municipal laws, rules and by-laws governing TMA's functioning
- iv. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils
- v. Propose taxes, cess, user fees, rates, rents, tolls, charges, surcharges, levies, fines and penalties under Part-III of the Second Schedule and notify the same
- vi. Collect approved taxes, cess, user fees, rates, rents, tolls, charges, fines and penalties
- vii. Manage properties, assets and funds vested in the Town Municipal Administration
- viii. Develop and manage schemes, including site development in collaboration with District Government and Union Administration
- ix. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice

- x. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction and
- xi. Maintain municipal records and archives.

1.1.2 Comments on Budget and Accounts (Variance Analysis)

Total Budget of TMAs of District Khushab was Rs 338.09 million (Salary, Non-Salary and Development) whereas the expenditure incurred (Salary, Non-Salary and Development) was Rs 297.59 million showing saving of Rs 40.50 million which in terms of percentage was 12% of the final Budget as detailed below:

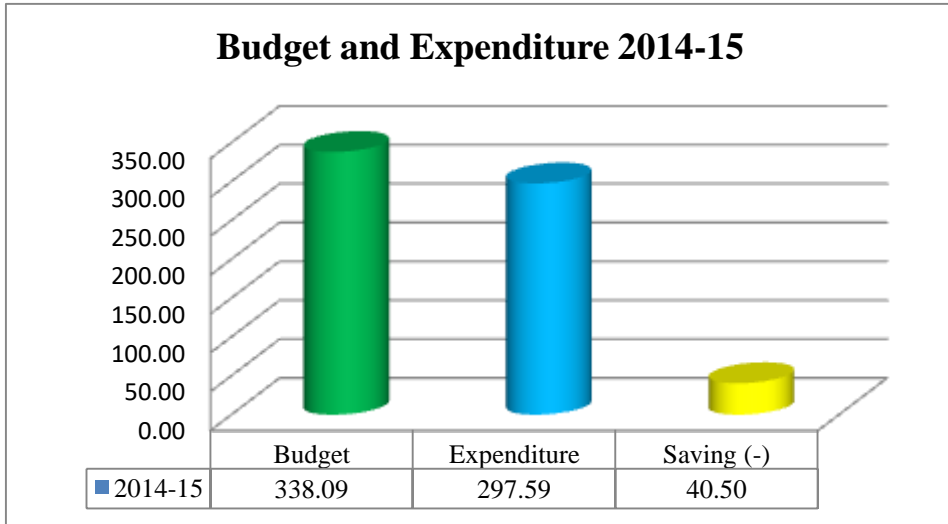
(Rs in million)

2014-15	Budget	Expenditure	Excess (+) / Saving (-)	% (Saving)
Salary	142.34	141.45	(-) 0.89	01
Non-salary	123.71	114.51	(-) 9.20	07
Development	72.04	41.63	(-) 30.41	42
Total	338.09	297.59	(-) 40.50	12

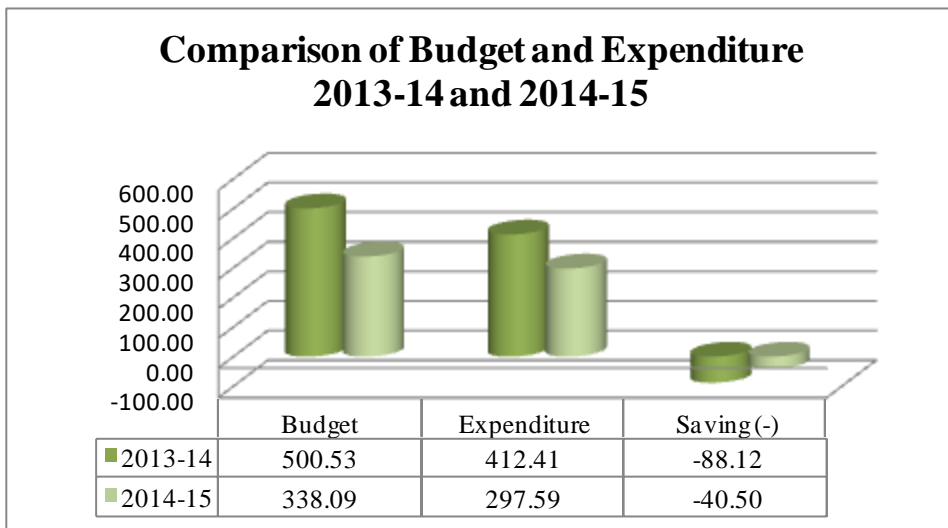
The budget outlays of Rs 338.09 million of one TMA includes PFC award of Rs 155.03 million whereas total expenditure incurred by the TMAs during 2014-15 was Rs 297.59 million with a saving of Rs 40.50 million (detailed below). This indicated that either the PFC award was allocated over and above the actual needs or the management failed to achieve the developmental targets for the welfare of masses during the financial year.

(Rs in million)

TMA	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Saving	%age of Saving
	Own receipt including OB	PFC award	Total Receipts				
Khushab	203.93	155.03	358.96	338.09	297.59	40.50	12
Total	203.93	155.03	358.96	338.09	297.59	40.50	12



The comparative analysis of the Budget and Expenditure of current and previous financial years is depicted as under:



There was saving in the budget allocation of the Financial Years 2013-14 and 2014-15 as follows:

(Rs in million)

Financial Year	Budget	Expenditure	Saving	%age of Saving
2013-14	500.53	412.41	(-) 88.12	18
2014-15	338.09	297.59	(-) 40.50	12

The justification of saving when the development schemes remained incomplete besides poor Public Service Delivery is required to be provided, explained by PAOs and TMO concerned.

1.1.3 Brief Comments on the Status of Compliance on MFDAC Paras of Audit Year 2014-15

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

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2009-12	22	Not convened
2	2012-13	01	Not convened
3	2013-14	26	Not convened
4	2014-15	12	Not convened

AUDIT PARAS

1.2 TMA Khushab

1.2.1 Irregularity and Non-compliance

1.2.1.1 Unauthorized Expenditure – Rs 90.12 million

As per Rule-4 of Tehsil / Town Municipal Administration (Works) Rules, 2003, works costing below five hundred thousand shall be prepared and approved on the basis of cost estimates only and under Rule-7, a draft scheme prepared under these rules shall among other matters, specify-(a) detailed history of the scheme including nature and location of the schemes; (b) full particulars of the works to be executed; (c) justification for the scheme; (d) the estimated cost; (e) the manner in which the scheme shall be financed; (f) the agency through which the scheme shall be executed; (g) the phases in which the scheme shall be executed; (h) the period during which the scheme in its various phases shall be completed; (i) the benefits and returns from the scheme; (j) agencies responsible for maintenance; and (k) such other particulars as prescribed in the standard PC-I form issued by the Planning and Development Department.

TMA Khushab incurred an expenditure of Rs 90.12 million on various Works Schemes during 2014-15 in violation of the Rules *ibid.* (**Annex-C**)

Audit is of the view that due to weak Internal Controls funds were disbursed on the execution of schemes without fulfilling the codal formalities.

This resulted in unauthorized expenditure of Rs 90.12 million.

The matter was reported to the PAO on 22nd February, 2016. DAC in its meeting held on 4th May, 2016 directed to inquire the matter within 30 days from the date of DAC meeting. No compliance of DAC directive was shown till finalization of this report.

Audit recommends that matter be justified alongwith disciplinary action against the person(s) at fault under report to Audit.

[AIR Para No.11]

1.2.1.2 Unauthorized Award of Auction of Parking Fee of Adda CO Unit Khushab – Rs 7.76 million

As per Rule 12(1) of Punjab Procurement Rules 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations

TMA auctioned Collection Rights of Parking Fee of Adda for the Financial Year 2014-15. Advertisement was not uploaded on PPRA's website to avoid fair competition in violation of the PPRA Rules 2014. It was also noticed that no action was initiated against the contractors on public complaints for overcharging and late deposit of Local Fund receipts. Later on, TMA authorities cancelled the auction in January, 2015 without any cogent reasons.

Audit is of the view that due to weak internal and financial controls undue favour was extended to contractor.

This resulted in unauthorized award of auction for Collection Rights to the tune of Rs 7.76 million.

The matter was reported to the PAO on 22nd February, 2016. DAC in its meeting held on 4th May 2016, directed to produce evidence within 30 days for advertisement on PPRA website. No compliance of DAC directives was shown till finalization of this report.

Audit recommends that irregularity may be justified besides action against the concerned.

[AIR Para No.01]

1.2.1.3 Unauthorized Expenditure – Rs 3.00 million

According to clause 2 of Work Orders issued by TMO Khushab, vide letter No.644 and 25 dated 15.03.2014 and 05.01.2015 respectively, contractor was bound to sign agreement with TMA authorities within seven days from the issuance of Work Order or otherwise rescinded automatically.

TMA Khushab awarded various Works to the contractors during Financial Year 2014-15 in contravention to the clause ibid. Detail is as under:

(Rs in million)

Sr. No.	Name of Scheme	Name of Contractor	Work Order date	Agreement's due date	Actual date of agreement	Cost estimate
1	Repair of PCC Slab Drain Road etc. UC Qaidabad.	M/s Rehman Const. Co.	15.03.14	22.03.14	07.05.14	1.50
2	Const. of 14 Shops at new General Bus Stand with Toilet block Khushab	M/s Asghar Ali	05.01.15	12.01.15	25.02.15	1.50
Total						3.00

Audit holds that due to weak Internal Controls, funds were utilized on execution of schemes without agreement.

This resulted in unauthorized execution of schemes costing Rs 3.00 million.

The matter was reported to the PAO on 22nd February, 2016. DAC in its meeting held on 4th May, 2016 directed to get it regularized within 30 days from the date of DAC meeting. No compliance of DAC directives was shown till finalization of this report.

Audit recommends that matter be justified alongwith disciplinary action against the person (s) at fault.

[AIR Para No.15]

1.2.1.4 Unauthorized Expenditure due to Defective Purchase Procedure – Rs 2.88 million

According to Rule 12 (2) of Punjab Procurement Rules 2014, any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu. Further as per rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

TMA Khushab incurred an expenditure of Rs 2.88 million during 2014-15 on purchase of Tents for "Sasta Ramzan Bazars". The expenditure and purchase was held unauthorized on the following grounds:

- i. Requirement of above referred PPRA Rule was not fulfilled by not floating advertisement in two daily national newspapers i.e. one in English and one in Urdu
- ii. Comparative Statement was not prepared for all items quoted by the bidders
- iii. Bids attached / submitted by the bidders bears no Reference Number

- iv. It was shown that only four bids from local contractors were received who were neither manufactures nor distributors. Possibility of avoiding other bids cannot be overlooked
- v. Work Order was signed by the competent authorities for only 08 items. Afterwards, three more items of higher rates were inserted and cutting/overwriting was made without vetting by the signing/competent authorities
- vi. Three items included afterwards were not included in Tender
- vii. Retendering was required when the scope of work / purchase was changed due to addition / alteration of number of items and their specification
- viii. Purchase was made from the supplier who was registered with Government for construction works only and
- ix. Quantities of required items were not mentioned in the tender / advertisement.

Audit is of the view that due to weak financial controls the indents were not advertised in daily newspapers.

This resulted in unauthorized expenditure amounting to Rs 2.88 million.

The matter was reported to the PAO on 22nd February, 2016. DAC in its meeting held on 4th May, 2016 directed to inquire the matter within 30 days. No compliance of DAC directives was shown till finalization of this report.

Audit recommends that matter be justified besides action against the person (s) at fault and regularization of the expenditure from the competent authority under report to Audit.

[AIR Para No.9]

1.2.2 Internal Control Weaknesses

1.2.2.1 Loss to TMA due to Non-Auctioning of Solid Waste Rights - Rs 12.44 million

According to Punjab Property Rules 2003, amended (1) Subject to sub-rule (2), as far as possible, a local government shall sell the solid waste through open auction on the basis of competitive bidding. (4) A committee headed by the District Coordination Officer and comprising the Executive District Officer (Municipal Services), Tehsil/Town Municipal Officer and Tehsil/Town Officer (I&S) and District Excise & Taxation Officer shall conduct the auctioning of solid waste of a City District Government or Tehsil Municipal Administration. Further, the committee shall conduct the auction of solid waste and, after completing the Auction proceedings shall forward its recommendations to the Zila/Tehsil Council for confirmation or rejection of the auction.

TMO Khushab did not auction the solid waste during 2014-15 in violation of the Rule *ibid*. TMA authorities did not make any serious effort to lease out the Collection and Disposal Rights to any contractor thus causing loss to Local Fund. (**Annex-D**)

Audit is of the view that due to weak Internal Controls solid waste rights were not auctioned.

This resulted in loss of Rs 12.44 million to the public exchequer.

The matter was reported to the PAO on 22nd February, 2016. DAC in its meeting held on 4th May, 2016 directed to expedite efforts to do the needful. No compliance of DAC directives was shown till finalization of this report.

Audit recommends that irregularity may be justified besides action against concerned.

[AIR Para No.4]

1.2.2.2 Less Realization of Receipts - Rs 4.61 million

According to Rule 76 of PDG and TMA (Budget) Rules, 2003, the primary obligation of the Collecting Officer shall be ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under the proper receipt head. According to rule 94 TMA (Budget) Rules, 2003 Performance Targets.- (1) In order to improve efficiency and effectiveness of service delivery, the local government shall

provide performance targets along with the financial figures in the budget. The performance targets may be provided for inputs, outputs or outcome. (2) Performance targets shall be- (i) clear, precise and unambiguous; (ii) relevant; and (iii) Verifiable.

TMA Khushab failed to realize the Budgeted Target for receipts during 2014-15. Total receipts targets were Rs 9.30 million out of which only Rs 4.69 million was realized that resulted in less collection of Rs 4.61 million. The detail is as under:

(Rs in million)

Sr. #	Name of Scheme	Budgeted Target	Actual Realization	Less Recovery
1	Water Rates	4.95	2.19	2.76
2	Rikshaw Fee	0.15	0.10	0.05
3	Advertisement Fee	1.00	0.94	0.06
4	NOC of Towers	1.50	0.21	1.29
5	Fee for approval of Building/ Construction Plan	1.50	1.15	0.35
6	Enlistment Fee	0.20	0.10	0.10
	Total	9.30	4.69	4.61

Audit is of the view that due to weak Internal Controls, receipts targets were not achieved.

This resulted in loss of revenue of Rs 4.61 million.

The matter was reported to the PAO on 22nd February, 2016. DAC in its meeting held on 4th May, 2016 directed to ensure recovery of the subject amount within 30 days. No compliance of DAC directives was shown till finalization of this report.

Audit recommends that less collection of receipts may be justified besides action against the concerned.

[AIR Para No.5]

ANNEXURES

PART-I
Memorandum for Departmental Accounts Committee Paras
pertaining to Audit Year 2015-16

(Rs in million)

Sr. No	Name of TMA	Para No.	Description of Paras	Nature of violation	Amount
1	Khushab	02	Irregular award of auctions of Rikshaw stand fee & Slaughter house fee	Violation of rule	0.238
2		03	Irregular cancellation of Parking Adda fees Chief Officer Unit Joharabad Loss to TMA	-do-	0.428
3		06	Irregular expenditure on hiring of generator on eve of Youth Festival	-do-	0.194
4		07	Non auctioning of old material	-do-	0.850
5		12	Overpayment on account of use of Local Sand	Irregularity / recovery	0.132
6		13	Non-forfeiture of earnest money	Recovery	0.090
7		14	Non imposition of penalty for delayed completion of work	Recovery	0.250
8		16	Non-reimbursement of expenditure	Recovery	0.500
9		17	Irregular expenditure	Violation of rule	0.197

PART-II

[Para 1.1.3]

**Memorandum for Departmental Accounts Committee Paras
pertaining to Audit Year 2014-15**

(Rs in million)

Sr. No.	Name of TMA	Description of Paras	Nature of violation	Amount
1	Khushab	Non reconciliation of Government Receipts	Internal control weakness	434.692
2		Unauthorized expenditure on premixed bitumen carpeting	Irregularity	0.334
3		Irregular Technical Sanction from unauthorized authorities	Irregularity	7.468
4		Non transfer of Cattle Mandi share to TMA Shahpur	Irregularity	55.800
5		Extravagant expenditure on Dengue day	Irregularity	1.493
6		Unauthorized payment of non scheduled items	Irregularity	0.775
7		Uneconomical expenditure on account of water supply	Internal control weakness	2.168

TMA of Khushab District
Budget and Expenditure Statement for the Financial Year 2014-15

1. TMA, Khushab

(Rs in million)

Head	Budget	Expenditure	Excess / Saving	%age	Comments
Salary	142.340	141.448	0.892	01	-
Non-salary	123.710	114.512	9.198	07	-
Development	72.038	41.632	30.406	42	-
Total	338.088	297.592	40.496	12	-

Annex-C**Para 1.2.1.1****Unauthorized Expenditure**

(Rs in million)

Sr. No.	Name of Schemes	Approved Cost
1	Const. of 14.nos Shops new General Bus Stand with Toilet block Khushab	1.500
2	Repair New General Bus Stand Khushab (Phase I)	4.800
3	Const. of PCC Slab & Laying Sewerage line Khushab city	1.500
4	Const. of Janazagah Pindi Meharwal	0.700
5	Const. of Protection Wall Rasta Janazagah Nala Melad Chowk to Ban Primary School No.1 Padhrar.	0.500
6	Const. of Saim Nalla Sandral.	1.000
7	Const. of PCC Slab & Sewerage Gali Masjid wali Shah Wala.	1.000
8	Installation/Providing of Hand Pump UC Jabbi Sharif 6 Nos. (Including Boor Electricity Sub Marsibal Motor Pump)	2.400
9	Const.of PCC Slab , Drain Chak No. 58MB Khushab	0.800
10	Const.of PCC Slab , Drain Chak No.63 MB Khushab	0.500
11	Repair of Road Phatik S/Town to Androon S/Town Khushab.	0.500
12	Const./ Repair Office of The Sanitation Branch Khusahb, with Gate,B/Wall Replacement of Roof etc	1.000
13	Earth filling pond with PCC Slab Mouza Anga	1.060
14	Const. of PCC Slab Soling Dera Rao Yaseen 63MB	0.600
15	Rehabilitation/Repair Sewerage nala bypas Jauharabad near Virtual University.	1.000
16	Const. of B/Wall Graveyard Raja Shah (Remaining Work) Khushab	0.600
17	Cosnt. of Waiting Room 2 Nos. Mianwali Sargodha Road Jauharabad	1.000
18	Const./Repair Building near Muncipal Rest House Khushab.	0.500
19	Const. of PCC Slab Chakook road to Yateem Khana Mithatiwan	1.000
20	Const. of PCC Slab Moh. Mohabtianwala Jabi	0.500
21	Providing & Fixing main hole cover 22'' CO Unit Jauharabad	0.500
22	Const./Repair of Muharram route Jauharabad	0.800
23	Const. of PCC Slab Drain Dhokri UC Jabbi	1.000
24	Const. of PCC Slab Drain Khabaiki UC Khabaiki	1.000
25	Const. of Road Muzafar Garh road to Dera Sultan Bahoo	1.000
26	Const. of PCC Slab Drain UC Kund.	1.000
27	Const. of PCC Slab Drain UC Bandial	0.500
28	Const. of PCC Slab Drain Utra UC Utra	0.800
29	Const. of PCC Slab Drain Utra UC Utra	0.800
30	Repair of road Mitha Khoo UC Utra	1.000
31	Const. of PCC Slab Drain UC Mitha Tiwana.	1.000
32	Repair of PCC Slab Drain Road etc.UC Quaid abad.	1.500
33	Const. of PCC Slab Drain Bitta UC Okhali Mohla	0.500
34	Const. of Public Park Green Belt Jauharabad	1.500
35	Construction of PCC Slab UC Jabbi	1.500
36	Const. of PCC Slab Nallah Noshera Group I	1.000
37	Const. of Soling Railway Phatak to Dera Haji Noor Bhati via Major Akber Bandial Group I	1.500
38	Const. of Janazagah Badshahanwala Khushab (Remaining Work).	1.500
39	Const. of PCC Slab Drain Namewali.	0.800

Sr. No.	Name of Schemes	Approved Cost
40	Const. of Janazagah Muhmmadi Colony Jauharabad.	1.000
41	Const. of PCC Slab Drain UC 19 Khushab.	1.000
42	Const. of PCC Slab Drain UC 20 Khushab.	1.000
43	Const. of PCC Slab Drain UC 21 Khushab.	1.000
44	Const. of PCC Slab Drain UC 23 Khushab.	0.700
45	Const. of Soling Saim Nallah to Bhtey wala via Malik Haq Nawaz.	0.500
46	Const. of PCC Slab UC Daiwal Group II	1.000
47	Const. of PCC Slab Chak No.58 MB.	0.500
48	Installation of Hand Pumps Khushab	0.500
49	Const. of Janajagah Karam Elahi Town Bandial	3.000
50	Const./Repair Road PCC Slab Dera Bhatianwala Bandial Shumali (Remaining Work)	0.500
51	Const. of Road/PCC Slab Khokhar House to Dar-ul-Arqm School via House Naveed Mahal Advocate Jauharabad.	0.500
52	Const. of PCC Slab UC 21 Khushab.	1.000
53	Const. of Road Zaman Colony Azmat Colony 13 wala Mor Link road Jauharabad.	1.000
54	Const./Repair of Roof Talaab etc.W.S.S No.1 Khushab.	1.000
55	Improvement Green Belt near College Chowk main road Jauharabad.	1.500
56	Const. of Soling Railway Phatak to Dera Haji Noor Bhati via Major Akber Bandial Group II	1.500
57	Const. of Cabins for Saholat Bazar Jauharabad/Khushab size 8x8	1.600
58	Const. of PCC Slab Drain UC Okhli Mohala	0.500
59	Const. of PCC Slab Drain 8 MB UC Okhli Mohala	0.500
60	Const. of PCC Slab Drain UC 14 MB	0.500
61	Const. /Pitching Dhok Khali Dhil (Remaining work) via Jeep Rata UC Kund.	0.500
62	Const. of Janazagah Mangoor (Remaining work)	0.500
63	Const. of PCC Slab Gali Shafi awan wali Mohallah Himat pura Asif Khan Mohallah Roniqpura Khushab.	0.500
64	Const.of PCC Slab Dera Kahonwala Sandral road Khushab.	0.500
65	Const. of Park (Remaining work) Fazal Town Jauharabad near House Malik Salah Muhammad.	0.500
66	Construction of road near house rustam khan advocate to main road civil line Jauharabad	0.800
67	Construction of Nalla Sandral (Remaining work)	0.500
68	Fixing bamboo grill green belt sargodha road, katha chowk khushab	0.600
69	Construction of PCC Slab UC Quaidabad	0.561
70	Providing & Fixing fountain ganglajat for beautification of Khushab & Jauharabad	0.500
71	Construction of PCC Slab Khabaki UC Khabaki	1.500
72	Repair Laibrary Building Municipal Bedmentan Hall Khushab	0.500
73	Const. of Horticultural Wall Kalma Chowk Khushab.	1.000
74	Const. of PCC Slab Drain Hand pump Jahlar UC Kufri.	0.500
75	Const. of Pull Saim Nallah Dera Jatt Thudhy UC Bola.	0.500
76	Const. of PCC Slab Janazagah Waheer	1.500
77	Const. of PCC Slab Drain UC 14 MB.	0.800
78	Const. of PCC Slab Drain UC 22 Khushab.	1.000
79	Const. of PCC Slab Nallah Naushera Group II	1.000
80	Const. of Janazagah Sodhi Zareen UC Kufri	0.800

Sr. No.	Name of Schemes	Approved Cost
81	Installation Tube Well Water Supply Scheme Katcha No.6 Khushab.	1.000
82	Special Repair Municipal Rest house Khushab.	0.700
83	Repair of Roof Old Lorry Adda Khushab	0.600
84	Const. of PCC Slab Drain Sheikhu UC Bijjar	0.500
85	Const. of PCC Slab Drain Punja UC Bijjar	0.500
86	Const. of PCC Slab Drain Billo Faram	0.500
87	Const. of PCC Slab Drain Chak No.1 UC Botala	0.500
88	Const. of PCC Slab Drain Chak No.22 UC 14 MB.	0.500
89	Const. of PCC Slab Drain Chak No.5	0.500
90	Repair of Building Serwer Shaheed Laibrary CO Unit Jauharabad.	0.600
91	Const. of Nallah Mohallah Fazal abad Khushab.	0.500
92	Const. of PCC Slab /Retaining wall Casing Dera Nawab Dhok Ugal Khura.	0.500
93	Beautification of Pail Chowk.	0.500
94	Improvement of chowk near shahid ashraf Jauharabad	0.500
95	Improvement of T-chowk near ameer complex Jauharabad	0.700
96	Construction of PCC Slab UC Botala	0.500
97	Construction of PCC Slab UC 26,27MB	0.500
98	Construction of PCC Slab & Drain house Muhammad Akbar Mohallah Hussainabad Khushab	0.500
99	Construction of PCC Slab & Drain Mohallah Hussainabad & Sakhi Sayed Maroof Khushab	0.500
100	Providing & Fixing Kanopes etc as per model main sahper Jehlam river.	0.500
101	Construction of Road wapda store to link road Shabir Petroleum Block No.3 Jauharabad	1.000
102	Transfer of Light LED Street Light Jauharabad/Khushab.	1.000
103	Improvement of markazi qarbla chowk Jauharabad	0.500
Total		90.121

Annex-D

Para 1.2.2.1

Loss to TMA due to Non-Auctioning of Solid Waste Rights Revenue Collection Through Houses Hold Garbage Collection Services

(Rs in million)

A	B	C	D	E	F	G
# of UC	Targeted house /UC	Total # of Targeted House (A*B)	Per House Collection Rate/ Month	Total Recovery (C*D)	80% recovery Rate(E*.80)	Per Annum Recoverable amount @ 80% Recovery (F*12)
10	250	2,500	100	0.250	0.200	2.400

Revenue Generated Through Recycling of Garbage of House Hold

A	B	C	D	E	F	G	H
# of UC	Targeted house/ UC	Total # of Targeted House (A*B)	Per House Collection of garbage per day in KG	Total garbage on all houses/ day in KG (C*D)	Collection of Garbag in 365 days in Metric Ton (11000KG*365 /1000)	Market rate of Garbage per Matric Ton (Source of Rate Tribune)	Total Revenue Generation (F*G)
10	250	2,500	2	5,000	1,825	5,000	9.125

Revenue Generated Through Hotels & Hospitals Garbage

A	B	C	D	E	F
# of Hotels & Hospitals	Per entity garbage collection per day in KG	Total Garbage Collection through all entities per day (A*B)	Total Garbage through all entities in year in KG (C*365)	Market rate of Garbage per Metric Ton(Source of Rate Tribune)	Total Revenue Generation (E*1,825,000/1000)
10	50	500	182,500	5,000	0.912