



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
TEHSIL MUNICIPAL ADMINISTRATIONS  
DISTRICT GUJRAT**

**AUDIT YEAR 2015-16**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
FD	Finance Department
LG&CD	Local Government and Community Development
MFDAC	Memorandum for Department Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Concrete Cement
PDG	Punjab District Government
PDSSP	Punjab Devolved Social Sector Programme
PLG	Punjab Local Government
PLGO	Punjab Local Government Ordinance
POL	Petrol, Oil and Lubricants
TMA	Town/Tehsil Municipal Administration
TMO	Town Municipal Officer
TS	Technical Sanction
RCC	Reinforced Concrete Cement
RMR	Road Maintenance Register
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure and Services)
TO (P&C)	Tehsil Officer (Planning and Coordination)
TO (R)	Tehsil Officer (Regulations)
WAPDA	Water and Power Development Authority

## **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 Town / Tehsil Municipal Administrations of the City District/ 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 Gujrat 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 findings carrying value of Rs 1.00 million or more. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The Audit observations listed in the Annexure-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

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 (DGA), District Governments, Punjab (North), Lahore is responsible to carry out the Audit of Eighty One Tehsil / Town Municipal Administrations. Its Regional Directorate of Audit, Gujranwala has audit jurisdiction of twenty one TMAs of six Districts i.e Gujranwala, Gujrat, Hafizabad, Mandi Baha-ud-Din, Narowal and Sialkot.

The Regional Directorate has a human resource of seventeen officers and staff, total 4,760 man-days and the annual budget of Rs 25.20 million for the Financial Year 2015-16. It had the mandate to conduct Financial Attest Audit, Regularity Audit and Compliance with Authority and Performance Audit of entire expenditure including programmes / projects & receipts. Accordingly, Director General Audit District Governments Punjab (North) Lahore carried out audit of the accounts of two TMAs of District Gujrat for the Financial Year 2014-15.

Each Tehsil Municipal Administration in District Gujrat 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, development and to enforce all laws including Municipal Laws, Rules and Bye-laws. The PLGO, 2001 requires the establishment of Tehsil / Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil / Town Nazim, Tehsil / Town Council / Administrator in the form of Budgetary Grant.

Audit of TMAs of District Gujrat was carried out with a view to ascertaining that the expenditure was incurred with proper authorization, in conformity to laws/rule/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**

Out of three TMAs, two TMAs were audited. The expenditure of two audited TMAs of District Gujrat for the Financial Year 2014-15 under the jurisdiction of DG District Audit (N) Punjab was Rs 906.16 million, covering two PAO and two formations. Out of this the Directorate General Audit (N) Punjab audited expenditure of Rs 154.05 million which in term of percentage was 17% of auditable expenditure.

Total receipts of the two TMAs of District Gujrat for the Financial Year 2014-15, were Rs 964.54 million. Directorate General Audit Punjab (N) audited receipts of Rs 212.20 million which was 22% of total receipts.

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

Recovery of Rs 141.34 million was admitted during audit but recovery of Rs 0.04 million was effected and verified during the year 2015-16 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 Controls and Internal Audit Department**

Internal control mechanism of Tehsil Municipal Administrations of District Gujrat was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like withdrawal of public funds against the entitlement of employees. Negligence on the part of TMAs of District Gujrat authorities may be captioned as one of important reasons for weak Internal Controls.

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

#### **f. Key Audit Findings of the report**

- i. Irregularity/ Non-compliance of Rs 153.10 million was noted in nine cases<sup>1</sup>
- ii. Non-realization of Government revenue of Rs 110.34 million was noted in six cases.<sup>2</sup>

Audit paras for the audit year 2015-16 involving procedural violations including internal control weaknesses, unsound asset management and irregularities not considered worth reporting are included in MFDAC (Annexure-A).

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<sup>1</sup> Para: 1.2.1.1, 1.2.1.2, 1.2.1.3, 1.2.1.4, 1.2.1.5, 1.2.1.6, 1.2.1.7, 1.3.1.1, 1.3.1.2

<sup>2</sup> Para: 1.2.2.1, 1.2.2.2, 1.2.2.3, 1.2.2.4, 1.2.2.5, 1.3.2.1

## **g. Recommendations**

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

- i. Strengthening of internal controls
- ii. Ensuring compliance of DAC directives and decisions in letter and spirit
- iii. Expediting the recoveries pointed out by Audit
- iv. Compliance of relevant laws, rules, instructions and procedures, etc
- v. Maintenance of accounts and record in prescribed format / manner
- vi. Realizing and reconciling of various receipts.



## SUMMARY OF TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rs in millions)

Sr. #	Description	Number	Budgeted Figure FY 2014-15		
			Expenditure	Receipt	Total
1	Total Entities (PAOs) in Audit Jurisdiction	3	1,660.25	1,084.55	2,744.80
2	Total formations in audit jurisdiction	3	1,660.25	1,084.55	2,744.80
3	Total Entities (PAOs) Audited	2	906.16	964.55	1,870.71
4	Total formations Audited	2	906.16	964.55	1,870.71
5	Audit & Inspection Reports	2	906.16	964.55	1,870.71
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports	-	-	-	-

**Table 2: Audit Observations regarding Financial Management**

(Rs in millions)

Sr. #	Description	Amount Placed under Audit Observation
1	Asset management	-
2	Financial management	-
3	Internal controls	110.34
4	Violation of rules	153.10
5	Others	-
<b>Total</b>		<b>263.44</b>

**Table 3: Outcome Statistics**

(Rs in millions)

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Others	Receipts	Total current year	Total Last year
1	Outlays audited	-	234.85	671.31	964.55	1,870.71*	2,209.08
2	Amount placed under audit observation / Irregularities of audit	-	25.284	131.04	107.115	263.44	112.09

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Others	Receipts	Total current year	Total Last year
3	Recoveries pointed out at the instance of audit	-	3.227	-	138.112	141.34	90.16
4	Recoveries accepted / established at the instance of audit	-	3.227	-	138.112	141.34	90.16
5	Recoveries realized at the instance of audit	-	-	-	0.04	0.04	-

\* The amount in serial No.1 column of "Total Current Year" is the sum of Expenditure and Receipts whereas the total expenditure for the current year was Rs906.16 million.

**Table 4: Irregularities Pointed Out**

Sr. #	Description	Amount Placed under Audit Observation (Rs in millions)
1	Violation of Rules and regulations, principle of propriety and probity in public operations.	122.10
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	-
3	Accounting Errors <sup>1</sup> (accounting policy, departure from NAM, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems.	-
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	141.34
6	Non-production of record.	-
7	Others, including cases of accidents, negligence etc.	-
<b>TOTAL</b>		<b>263.44</b>

**Table 5: Cost-Benefit**

Sr. No.	Description	Amount (Rs in millions)
1	Outlays Audited (Items 1 of Table 3)	1,870.71
2	Expenditure on Audit	2.10
3	Recoveries realized at the instance of Audit	0.04
4	Cost Benefit Ratio	1 : 0.020

<sup>1</sup> The accounting Policies and procedures prescribed by the Auditor General of Pakistan

# **CHAPTER-1**

## **1.1 TEHSIL MUNICIPAL ADMINISTRATIONS DISTRICT GUJRAT**

### **1.1.1 INTRODUCTION**

TMA consists of Tehsil Nazim / Administrator, Tehsil Naib Nazim and Tehsil Municipal Officer. Each TMA comprises of five (5) Drawing & Disbursing Officers i.e. TMO, TO-Finance, TO-I & S, TO-Municipal Regulation, and TO-P & C. As per Section 54 of PLGO, 2001 the main 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-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
- iii. Enforce all municipal laws, rules and bye-laws governing TMAs 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 Tehsil 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.
- xi. Maintain municipal records and archives.

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

Total Budget of two TMAs selected for audit was Rs 1,505.34 million (inclusive salary, non-salary and development) whereas, the expenditure incurred (inclusive salary, non-salary and development) was Rs 906.16 million showing savings of Rs 599.18 million which in terms of percentage was 40% of the final budget (detailed below). Less utilization of development budget (48%) deprived the community from getting better municipal facilities.

(Rs in millions)

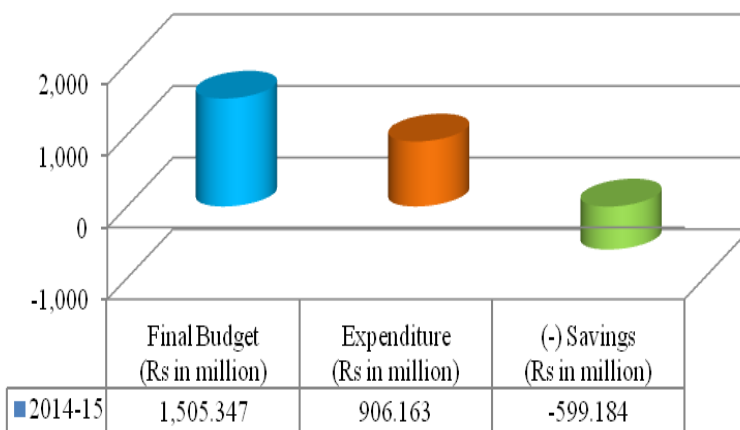
F.Y. 2014-15	Budget (Rs)	Expenditure (Rs)	Saving (-) (Rs)	%age Saving
Salary	476.52	299.12	-177.40	37
Non Salary	573.62	372.19	-201.42	35
Development	455.20	234.85	-220.36	48
<b>TOTAL</b>	<b>1505.34</b>	<b>906.16</b>	<b>-599.18</b>	<b>40</b>

The budgeted outlay of Rs 1505.34 million of two TMAs includes PFC award of Rs 381.78 million whereas total expenditure incurred by the TMAs during 2014-15 was Rs 906.16 million with a savings of (-) Rs 599.18 million (detailed below). This is indicative of the fact that the TMAs had sufficient funds to meet the expenditure from their own sources and there was no need of any injection of PFC award.

(Rs in million)

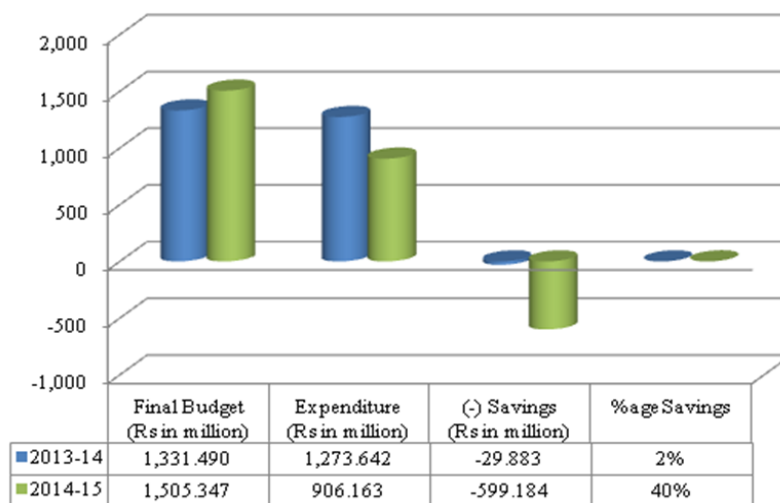
Name of TMAs	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Saving	%age of Saving
	Own receipt including OB	PFC award	Total Receipts				
Gujrat	482.28	231.78	714.06	1167.41	<b>658.23</b>	509.18	44
Kharian	165.91	150.00	315.92	337.93	<b>247.93</b>	90.01	27
<b>Total</b>	<b>648.19</b>	<b>381.78</b>	<b>1029.98</b>	<b>1505.34</b>	<b>906.16</b>	<b>599.19</b>	<b>14</b>

## Final Budget and Expenditure 2014-15



The comparative analysis of the budget and expenditure of current and previous Financial Year is depicted as under:

## Comparison of Budget and Expenditure Financial Years 2013-14 and 2014-15



There were overall savings in the budget allocation of the Financial Years 2013-14 and 2014-15 as follows:

(Rs in millions)

Financial Year	Final Budget	Expenditure	Saving (-)	%age Saving
2013-14	1,331.490	1,273.642	-29.883	02
2014-15	1,505.347	906.163	-599.184	40

The justification of saving when the development schemes have remained incomplete is required to be explained by the Principal Accounting Officer, Administrator and management of TMAs.

### **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 Annexure-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. #	Audit Year	No. of Paras	Status of PAC meetings
1	2009-10 to 2011-12	18	Not convened
2	2012-13	12	Not convened
3	2013-14	13	Not convened
4	2014-15	12	Not convened

## **1.2 AUDIT PARAS**

## **1.2.1 TMA, GUJRAT**



## **1.2.1 Irregularity and Non-compliance**

### **1.2.1.1 Irregular payment of salaries on account of contingent paid staff – Rs 76.57 million**

As per preface of Schedule of Wage Rates, 2007 issued by the Government of the Punjab Finance Department, the appointment of contingent staff may be made by competent authority subject to the following conditions;

- i. The posts shall be advertised properly in leading newspapers.
- ii. The recruitment to all posts in the Schedule shall be made on the basis of merit specified for regular establishment vide para 11 the Recruitment policy issued by S&GAD vide No. SOR-IV (S&GAD) 10-1/2003 dated 17.09.2004

TMA Gujrat made payment on account of contingent paid staff amounting to Rs 76.57 million during the Financial Year 2014-15 without fulfilling the above criteria. This resulted in irregular payment of Rs 76.57 million (Rs 6.38 million x 12).

Audit is of the view that due to non-compliance of rule, irregular payment of Rs 76.57 million was made.

Management replied that appointments of daily wages employees were made as per government instructions.

Reply of the department was not tenable because no documentary evidence was provided.

The matter was reported to the TMO / PAO in Feb, 2016. DAC in its meeting held on 17.03.2016 directed the department to get the expenditure regularized from Finance Department. No compliance was reported till finalization of this report.

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

[AIR Para No.31]

### **1.2.1.2 Non-transparent expenditure to avoid open competition by splitting indents – Rs 11.46 million**

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two

million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. A procuring agency shall announce in an appropriate manner all proposed procurements for each Financial Year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website as well as on the website of the procuring agency in case the procuring agency has its own website.

TMA Gujrat incurred an expenditure amounting to Rs 11.46 million during the Financial Year 2014-15 by splitting the indents to avoid advertising on the website of PPRA. This resulted in non-transparent expenditure of Rs11.464 million as detailed at (**Annexure-C**).

Audit is of the view that due to non-compliance of rule, irregular expenditure of Rs 11.46 million was made.

Management replied that expenditure was incurred for various events that's why no splitting is involved.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to get the expenditure regularized from competent authority. No compliance was reported till finalization of this report.

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

[AIR Para No.32]

### **1.2.1.3 Award of work without depositing performance security from the contractor – Rs 11.10 million**

According to Contract Agreement Clause No 26 (a) in case the total tendered amount is less than 5% of the approved estimated amount, the lowest bidder will have to deposit additional performance security from the Scheduled Bank ranging from 5% to 10%, within 15 days of issuance of notice or within expiry period of bid, whichever is earlier.

TMO, Gujrat awarded certain schemes to various contractors below the TS Estimate during the Financial Year 2014-15. However, additional performance security was not taken and contractor started the work without depositing of performance security as detailed at (**Annexure-D**).

Audit is of the view that due to non-compliance of rule, performance security of Rs 11.10 million was not taken.

Management replied that performance security was received from the contractors but no documentary evidence was provided.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to fix responsibility against person(s) at fault. No compliance was reported till finalization of this report.

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

[AIR Para No.30]

#### **1.2.1.4 Irregular TS of schemes worth – Rs 4.76 million**

As per TMA Works Rules 2003, TO (I&S) is competent to accord technical sanction of development schemes up to Rs 1.00 million.

TMA Gujrat got technically sanctioned estimates of the scheme from TO (I&S), TMA Aroop Town, Gujranwala instead of Chief Engineer LG&CD, Lahore in violation of rule ibid. This resulted in irregular TS of scheme amounting Rs 4.76 million as detailed below:

<b>Name of Schemes</b>	<b>Date of Start</b>	<b>Cost of Scheme (Rs)</b>
Const of Culverts & Drains Kharianwala	26-6-14	1,485,000
Const of Culverts & Drains Kotli Kohala	25-5-14	1,200,000
Const of Gym Fiber Glass Nawaz Sharif Park	22-6-12	2,071,000
<b>Total</b>		<b>4,756,000</b>

Audit is of the view that due to non-compliance of rule, irregular TS of schemes for Rs 4.76 million was made.

Management replied that TO (I&S) Aroop Twon is equal to Chief Engineer.

Reply of the department was not acceptable because no documentary evidence was provided.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to provide evidence that Technically Sanctioning authority is equal to Chief Engineer. No compliance was reported till finalization of this report.

Audit recommends regularization of expenditure in question besides fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.45]

### **1.2.1.5 Unauthorized repair of transformers for Rs 3.96 million**

According to General Manager (Operation) WAPDA office letter No.6725-33/GMO/CEHQ/6-B-F dated 27-06-2002, repair of defective / damaged transformer from private firms was disallowed. The defective transformers should be sent to WAPDA approved Reclamation workshops for repairs.

TMA Gujrat carried out repair of transformers from private contractors instead of getting the repair done from WAPDA as required under the above instructions. This resulted in unauthorized payment on account of repair of transformers as detailed at (**Annexure-E**).

Audit is of the view that due to non-compliance of rule, unauthorized expenditure of Rs 3.96 million was incurred.

Management replied that transformers were got repaired in public interest.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to enquire the matter besides taking NOC from WAPDA. No compliance was reported till finalization of this report.

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

[AIR Para No.33]

### **1.2.1.6 Use of sub-standard steel – Rs 2.52 million**

According to Contract Agreement, the quality tests of MS steel bars as per specification are however, mandatory.

TMA Gujrat made payment of Rs 2.52 million during the Financial Year 2014-15 on account of steel bars but quality test reports of steel bars used in the works were not found available with paid vouchers in violation of above rule. This resulted in use of substandard steel as detailed below:

<b>Sr. No.</b>	<b>Name of Schemes</b>	<b>Amount of Steel (Rs)</b>
<b>1</b>	Cons of Office of Adda Supr. GBS	455,658
<b>2</b>	Const of Grave yard Jangi	822,913
<b>3</b>	Beatification of Office TMA Gujrat	342,759
<b>4</b>	Cons of Culverts Buddan	297,186
<b>5</b>	Construction of Main Gate GBS	598,542
	<b>Total</b>	<b>2,517,058</b>

Audit is of the view that due to non-compliance of rule, substandard steel was used for Rs 2.52 million.

No reply was given by the management.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 kept the para pending as no reply was given. No compliance was reported till finalization of this report.

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

[AIR Para No.43]

#### **1.2.1.7 Unauthorized expenditure on account of non schedule item – Rs 1.30 million**

The rates for various components of the Non-Scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of composite rates sanctioned by the Superintending Engineer for non-schedule items shall be sent to the Secretary, Standing Rates Committee.

TMA Gujrat made payment of Rs 1.30 million on account of non-scheduled items during the Financial Year 2014-15. Technical sanctioned estimate did not enclose the analysis of rates due to which the appropriateness and authenticity of rates in Technical Sanctioned Estimate could not be verified. Further approval of non schedule item was also not provided as detailed below.

<b>Name of Scheme</b>	<b>Description</b>	<b>Amount (Rs)</b>
Const of Gym Fiber Glass Nawaz Sharif Park	Tuff Tiles	174,577
	Gutca Tiles	62,160
	Fiber Glass	1,058,292
<b>TOTAL</b>		<b>1,295,029</b>

Audit is of the view that due to non-compliance of rule, unauthorized payment of Rs 1.30 million was made.

Management replied that Non Schedule items were paid after fulfilling the codal formalities.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department for

compliance and production of relevant record. No compliance was reported till finalization of this report.

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

[AIR Para No.24]

## **1.2.2 Internal Control Weaknesses**

### **1.2.2.1 Less recovery of commercialization fee – Rs 47.84 million**

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

TMA Gujrat failed to recover Rs 47.84 million on account of commercialization fee from Ahmad Centre Gujrat during the Financial Year 2014-15. The TMA authorities neither approve the map nor commercialization fee realized yet. This resulted in non-recovery of government dues as detailed below:

Name	Area of Land	Rate /Marla as per DC Rates 2014-15 (Rs)	Value of Land (Rs)	Commercialization Fee to be realized (Rs)	Commercialization Fee realized (Rs)	Less Realized (Rs)
Ahmad Centre	186 Marlas	1,300,000	241,800,000	48,360,000	520,800	47,839,200

Audit is of the view that due to weak internal Control, recovery for Rs 47.84 million was not effected.

Management replied that stance of the audit is not correct and amount pointed out by the audit is exaggerated.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to recover the actual amount from concerned. No compliance was reported till finalization of this report.

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

[AIR Para No.01]

### **1.2.2.2 Non realization of arrear of water rate – Rs 35.04 million**

According to Rule 76 of PDG and TMA (Budget) Rules, 2003 read with Section 18(2) of PLGO, 2001, 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 the proper receipt head.

TMA Gujrat failed to collect arrears of water rates amounting to Rs 35.04 million from the defaulters after the close of the Financial Year. Neither efforts were made nor any action initiated against the defaulters during the Financial Year to recover the outstanding amount. This resulted in loss to the government amounting to Rs 35.04 million.

Audit is of the view that due to weak internal Control, recovery was not effected.

Management replied that efforts are being made to effect recovery.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to recover the amount from concerned. No compliance was reported till finalization of this report.

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

[AIR Para No.02]

### **1.2.2.3 Unauthorized Payment of advance without execution of work – Rs 12.76 million**

According to Rule 2.10 (b) (5) and 17.19 of PFR VoI-I, it is not permissible to draw advances from the treasury for the execution of works, the completion of which is likely to take a considerable time. It is also not permissible to draw advances from the treasury to prevent the lapse of appropriations.

TMA Gujrat made advance payment of Rs 12.76 million under various head of account to different persons but after the lapse of almost 15-16 years the amount has not been adjusted. This resulted in non-recovery of government dues as detailed at (**Annexure-F**).

Audit is of the view that due to weak internal Control, recovery was not effected.

Management replied notices has been issued to concerned for recovery.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to recover the amount from concerned. No compliance was reported till finalization of this report.



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

[AIR Para No. 47]

#### **1.2.2.4 Non recovery of arrears of rent of shops - Rs 6.29 million**

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

TMA Gujrat failed to recover Rs 6.29 million on account of rent of shops during the Financial Year 2014-15. Neither recovery was affected nor judicial action was taken against the defaulters. This resulted in non-recovery of government dues as detailed at (**Annexure-G**).

Audit is of the view that due to weak internal Control, recovery was not effected.

Management replied that efforts are being made to effect recovery.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 reduced the para up to Rs6.288 million for recovery. No compliance was reported till finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility against the person(s) at fault under intimation to Audit. `

[AIR Para No. 19]

#### **1.2.2.5 Non recovery of liquidated damages due to delay in completion of work – Rs 3.23 million**

According to Clause 39 read with Clause 37 of contract agreement if a contractor fails to complete the work within stipulated period, he is liable to pay compensation @1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not exceeding maximum of 10% of the construction of contract. The contractor shall have to apply within one month for extension in time limit before the expiry of scheduled time of completion.

TMA Gujrat awarded the following works to various contractors. The works could not be completed within stipulated time. The contractors

did not apply for extension in time limit to the Engineer-in-charge. Neither any case for extension in time limit was processed nor penalty was imposed on the contractors on account of delay. This resulted in non-recovery of liquidated damages of Rs3.23 million as detailed below:-

Name of Scheme	DOS	DOC	Actual Completion	Cost of Scheme (Rs)	Penalty (Rs)
Cons of Office of Adda Supr. GBS	13-12-14	12/3/2015	15-7-2015	2,200,000	220,000
Rehabilitation of Strret Lights GT Road	18-06-14	18-8-14	23-1-2015	3,000,000	300,000
Const of Strret & Drains Ajnala	20-04-15	19-7-15	28-10-15	5,000,000	500,000
Beatification of Office TMA Gujrat	18-06-14	17-12-14	30-6-2015	5,000,000	500,000
Const of Conopies General Bus Stand	23-8-10	22-6-10	WIP	5,000,000	500,000
Fixing new Tube well Mohallah Jogipura	07.04.12	06.07.12	WIP	4,000,000	400,000
Const of Gym Fiber Glass Nawaz Sharif Park	22-6-12	21-10-12	WIP	2,071,000	207,100
Construction of Flats for TMA Employees	25-08-10	24-02-11	WIP	6,000,000	600,000
<b>Total</b>					<b>3,227,100</b>

Audit is of the view that due to weak internal Control, recovery was not effected.

Management replied that compliance will be made.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to effect recovery. No compliance was reported till finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility against the person(s) at fault under intimation to Audit. `

[AIR Para No. 23]

### **1.3.1 TMA, KHARIAN**

## 1.3.1 Irregularity and Non-compliance

### 1.3.1.1 Irregular and doubtful expenditure for payment to daily wages Rs 39.05 million

As per preface of Schedule of Wage Rates, 2007 issued by the Government of the Punjab Finance Department, the appointment of contingent staff may be made by competent authority subject to the following conditions;

- i. The posts shall be advertised properly in leading newspapers.
- ii. The recruitment to all posts in the Schedule shall be made on the basis of merit specified for regular establishment vide para 11 the Recruitment policy issued by S&GAD vide No. SOR-IV (S&GAD) 10-1/2003 dated 17.09.2004

TMA Kharian made payment on account of contingent paid staff amounting to Rs 39.05 million during the Financial Year 2014-15 without fulfilling the above criteria. This resulted in irregular payment of Rs39.05 million as detailed below.

Sr. No.	Branch	No. of workers	Amount (Rs)
1	CO HQ	48	480x30x48x12=8294400
2	CO Dinga	39	480x30x39x12=6739200
3	CO Lala Musa	139	480x30x139x12=24,019,200
<b>Total</b>			<b>39,046,800</b>

Audit is of the view that due to non-compliance of rule, irregular payment of Rs 39.05 million was made.

Management replied appointments were made as per government instructions.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to get the expenditure regularized from Finance Department. No compliance was reported till finalization of this report.

Audit recommends regularization of the expenditure in question besides fixing of responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.18]

### **1.3.1.2 Unauthorized Payment of Non-Scheduled Items – Rs 2.39 million**

The rates for various components of the Non-Scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of composite rates sanctioned by the Superintending Engineer for non-Schedule items shall be sent to the Secretary, Standing Rates Committee.

TMA Kharian made payment of Rs 2.39 million on account of non-scheduled i.e Garbage container items during the Financial Year 2014-15. Technical sanctioned estimate did not enclose the analysis of rates due to which the appropriateness and authenticity of rates in Technical Sanctioned Estimate could not be verified. Further approval of non schedule item was also not provided as detailed below.

<b>Order No. &amp; Date</b>	<b>Name of Work/ Contractor</b>	<b>Contractor Name</b>	<b>Amount (Rs)</b>
311/TO (I&S) Dt: 14-3-2015	Supply of Garbage container capacity 5.66 Cubic Meter	Mirza M. Azeem	2.388

Audit is of the view that due to non-compliance of rule, unauthorized payment of Rs 2.39 million was made.

Management replied that payment was made after fulfilling the codal formalities.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to enquire the matter at appropriate level. No compliance was reported till finalization of this report.

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

[AIR Para No.09]

## 1.3.2 Internal Control Weaknesses

### 1.3.2.1 Non collection of arrears of water rates - Rs 5.19 million

According to Rule 76 of the PDG 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 to Local Government Fund under proper receipt head.

TMA Kharian, failed to collect arrears of water rates amounting to Rs 5.19 million from the defaulters after the close of the Financial Year. Neither efforts were made nor any action initiated against the defaulters during the Financial Year to recover the outstanding amount. This resulted in loss to the government amounting to Rs 5.19 million..

Sr. No.	Branch Name	Arrear Amount (Rs in million)
01	Water Rates Kharian	0.933
02	Water Rates Lalamusa	3.601
03	Water Rates Dinga	0.655
<b>Total</b>		<b>5.189</b>

Audit is of the view that due to weak internal control, recovery was not effected.

Management replied that efforts are being made to effect recovery.

The matter was reported to the TMO / PAO in February, 2016. DAC in its meeting held on 17.03.2016 directed the department to effect recovery. No compliance was reported till finalization of this report.

Audit recommends recovery from concerned besides fixing of responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.01]

## **ANNEXURES**

## PART-I

**Memorandum for Departmental Accounts Committee  
Paras Pertaining to Current Audit Year 2015-16**

Sr. No.	Name of Formations	AIR Para No.	Description of Para	Amount (Rs)	Nature of Para
1	TMA, Gujrat	04	Wasteful expenditure	7,254 ,000	Non-Compliance
2		05	Wasteful expenditure	696,000	Non Compliance
3		06	Non Auction of collection rights	324,600	Recovery
4		07	Non recovery of rent of shops	293,940	Recovery
5		10	Non recovery of Conveyance Allowance	120,000	Recovery
6		11	Less recovery of Commercialization fee	75,000	Recovery
7		13	Non Reconciliation of TTIP Income	132,560,000	Non-compliance
8		17	Non production of record	0	Non Production of Record
9		25	Loss of revenue due to non deduction of GST	33,864	Recovery
10		26	Unjustified payment of contractor profit	676,000	Recovery
11		37	Non conducting of Internal Audit Report	0	Non-compliance
12		38	Overpayment due to allowing excessive rates	349,068	Recovery
13		40	Unjustified expenditure	392,875	Recovery
14		41	Unjustified expenditure gas charges	93,380	Recovery
15		44	Unauthorized payment of RCC	266,136	Recovery
16	TMA, Kharian	04	Non reduction of steel rate	17,379	recovery
17		05	Loss due to incorrect application of rates	9,165	Recovery
18		06	Overpayment for RCC	51,868	Recovery
19		08	Overpayment	57,509	Recovery



<b>Sr. No.</b>	<b>Name of Formations</b>	<b>AIR Para No.</b>	<b>Description of Para</b>	<b>Amount (Rs)</b>	<b>Nature of Para</b>
20		13	Unjustified expenditure on repair of transformer	340,150	Non-compliance
21		15	Unjustified release of securities	717,300	Non-compliance
22		17	Non Approval of lead chart	1473,448	Non-compliance
23		20	Over Payment of RCC	29,652	Recovery

## PART-II

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

Sr. No.	Name of Formations	AIR Para No.	Description of Para	Amount (Rs)	Nature of Para
1	TMA, Gujrat	02	Loss to Govt due to improper auction	10.000 million	Non-Compliance
2		04	Misappropriation of POL	200,330	Non Compliance
3		05	Unjustified Less recovery	222,010	Recovery
4		06	Unjustified payment	2.500 million	Non-compliance
5		07	Unauthorized payment of pay & allowances to sanitary worker	2.664 million	Non-compliance
6		09	Less recovery of income tax	581,000	Recovery
7		12	Unauthorized payment of pay & allowances to sanitary worker	1.664 million	Non-compliance
8		15	Irregular drawl in cash	3.676 million	Non-compliance
9		16	Unauthorized drawl of HBA	118,000	Non-compliance
10		17	Non approval of building plans		Non-compliance
11		18	Non conduction of post completion of building plans	284,500	Non-compliance
12		19	Wastefull expenditure	2.475 million	Non-compliance
13		21	Loss to local govt annually	13.095 million	Non-compliance
14		22	Unjustified less recovery	312,865	Non-compliance
15		24	Non conduction of post completion of building plans	70,000	Non-compliance
16		25	Excess payment of quantity	124,069	Non-compliance
17		26	Non deduction of harrow sand	97,176	Non-compliance
18		27	Unauthorized expenditure on account of PVC pipe	195,812	Non-compliance
19		29	Excess payment of quantity	0	Non-compliance
20		32	Unjustified payment on account of earth filling	71,607	Non-compliance
21		33	Unauthorized expenditure on account of tuff tile	98,482	Non-compliance
22		35	Overpayment due to non approval of lead chart	135,740	Non-compliance

Sr. No.	Name of Formations	AIR Para No.	Description of Para	Amount (Rs)	Nature of Para
23		38	Unjustified payment	72,000	Non-compliance
24	TMA, Kharian	01	Non Imposition of penalty	275,000	Non-compliance
25		02	Non maintenance of log book	4.56 million	Non-compliance
26		03	Unjustified payment	198,400	Non-compliance
27		08	Un authorized release of fund	1.383 million	Non-compliance
28		09	Doubt drawl from bank account	3.135 million	Non-compliance
29		11	Unauthorized payment of pension in cash	1.520 million	Non-compliance
30		12	Unauthorized expenditure on account of street light	95,200	Non-compliance
31		13	Unauthorized repair of water supply	708,463	Non-compliance
32		14	Unauthorized expenditure	556,600	Non-compliance
33		15	Unjustified payment	460,000	Non-compliance
34		16	Unauthorized payment of pay & allowances	2.480 million	Non-compliance
35		17	Irregular expenditure on stationery	10,050	Non-compliance
36		20	Doubtful expenditure on printing & Publication	114,175	Non-compliance
37		21	Irregular expenditure on previous year liability	119,614	Non-compliance
38		22	Doubtful payment on retirement	540,718	Non-compliance
39		23	Doubtful expenditure on advertisement	42,240	Non-compliance
40		24	Expenditure on pension account	211,232	Non-compliance
41		25	Short realization of local receipt	52,400	Recovery
42		26	Non recovery of slaughter house fee	300,000	Recovery
43		27	Less recovery of Parking fee	30,048	Recovery
44		28	Unauthorized drawl	363,820	Non-compliance

**TMA of Gujrat District  
Budget & Expenditure Statement for the  
Financial Year 2014-15**

**1. TMA, Gujrat**

<b>Head</b>	<b>Budget (Rs in million)</b>	<b>Expenditure (Rs in million)</b>	<b>Savings (-) (Rs in million)</b>	<b>%age</b>
Salary	328.78	185.487	-143.293	44
Non Salary	487.651	295.693	-191.958	39
Development	350.983	177.055	-173.928	50
<b>Total</b>	<b>1,167.414</b>	<b>658.235</b>	<b>-509.179</b>	<b>44</b>

**2. TMA, Kharian**

<b>Head</b>	<b>Budget (Rs in million)</b>	<b>Expenditure (Rs in million)</b>	<b>Savings (-) (Rs in million)</b>	<b>%age</b>
Salary	147.743	113.633	-34.110	23
Non Salary	85.968	76.502	-9.466	11
Development	104.222	57.793	-46.429	45
<b>Total</b>	<b>337.933</b>	<b>247.928</b>	<b>-90.005</b>	<b>27</b>
<b>Grand Total</b>	<b>1505.347</b>	<b>906.163</b>	<b>-599.184</b>	<b>40</b>

## Annexure-C

Para 1.2.1.2

### Non Transparent Expenditure – Rs11.46 million

Vr./Date	Description	Amount (Rs)
92/7-14	Hiring of Tentage	98,640
93/7-14	Hiring of Tentage	98,640
94/7-14	Hiring of Tentage	98,640
95/7-14	Hiring of Tentage	98,640
96/7-14	Hiring of Tentage	98,640
97/7-14	Hiring of Tentage	98,640
98/7-14	Hiring of Tentage	98,640
99/7-14	Hiring of Tentage	98,640
<b>Sub Total</b>		<b>789,120</b>
105/7-14	Generator	99,325
106/7-14	Generator	99,325
107/7-14	Generator	99,325
108/7-14	Generator	99,325
<b>Sub Total</b>		<b>397,300</b>
109/7-14	Banners	49,320
110/7-14	Banners	89,050
112/7-14	Banners	32,401
113/7-14	Banners	60,280
136/7-14	Banners	95,900
<b>Sub Total</b>		<b>326,951</b>
114/7-14	Envelops	97,407
115/7-14	Envelops	97,407
116/7-14	Envelops	95,352
<b>Sub Total</b>		<b>290,166</b>
118/7-14	Tyres	89,050
121/7-14	Tyres	89,050
<b>Sub Total</b>		<b>178,100</b>
61/9-14	Electric Wire	24,660
66/9-14	Electric Wire	95,900
<b>Sub Total</b>		<b>120,560</b>
24/8-14	Shirts	98,640
25/8-14	Shirts	98,640
<b>Sub Total</b>		<b>197,280</b>
36/8-14	Material for filtration plant	64,241
37/8-14	Material for filtration plant	61,257
38/8-14	Material for filtration plant	96,753
39/8-14	Material for filtration plant	98,738
40/8-14	Material for filtration plant	98,271
<b>Sub Total</b>		<b>419,260</b>
52/8-14	Desilting of Disposal Station	214,967
53/8-14	Desilting of Disposal Station	100,846
<b>Sub Total</b>		<b>315,813</b>

Vr./Date	Description	Amount (Rs)
146/9-14	Repair of Disposal Pump	73,670
147/9-14	Repair of Disposal Pump	73,253
145/9-14	Repair of Disposal Pump	91,392
231/9-14	Repair of water Pump	97,300
233/9-14	Repair of water Pump	97,300
234/9-14	Repair of water Pump	77,367
235/9-14	Repair of water Pump	97,300
236/9-14	Repair of water Pump	77,145
272/9-14	Repair of Turbine	60,900
273/9-14	Repair of Turbine	95,400
<b>Sub Total</b>		<b>841,027</b>
255/31-10-14	Flexes	78,525
256/31-10-14	Flexes	78,525
257/31-10-14	Flexes	78,525
258/31-10-14	Flexes	78,525
259/31-10-14	Flexes	78,525
260/31-10-14	Flexes	78,525
261/31-10-14	Flexes	36,648
262/31-10-14	Flexes	94,200
263/31-10-14	Flexes	82,200
264/31-10-14	Flexes	70,409
265/31-10-14	Flexes	78,525
266/31-10-14	Flexes	90,180
270/31-10-14	Flexes + flags	89,400
271/31-10-14	Flexes	68,500
146/4-10-14	Flags	65,400
147/4-10-14	Flags	91,200
148/4-10-14	Flags	91,200
149/4-10-14	Flags	81,000
<b>Sub Total</b>		<b>1,410,012</b>
278/31-10-14	Donkey Pump	75,350
279/31-10-14	Donkey Pump	76,035
280/31-10-14	Donkey Pump	95,970
281/31-10-14	Donkey Pump	77,235
283/31-10-14	Donkey Pump	77,475
284/31-10-14	Donkey Pump	77,235
<b>Sub Total</b>		<b>479,300</b>
137/4-10-14	Lighting	99,600
138/4-10-14	Lighting	99,600
139/4-10-14	Lighting	99,600
140/4-10-14	Lighting	67,200
141/4-10-14	Lighting	98,400
142/4-10-14	Lighting	99,600
<b>Sub Total</b>		<b>564,000</b>
144/4-10-14	Tentage	72,000
145/4-10-14	Tentage	76,800

<b>Vr./Date</b>	<b>Description</b>	<b>Amount (Rs)</b>
152/4-10-14	Tentage	50,400
<b>Sub Total</b>		<b>199,200</b>
163/4-10-14	Change of Filters	99,716
164/4-10-14	Change of Filters	98,570
165/4-10-14	Change of Filters	58,464
166/4-10-14	Change of Filters	98,924
<b>Sub Total</b>		<b>355,674</b>
55/13-11-14	Change of Filters	58,464
56/13-11-14	Change of Filters	45,375
57/13-11-14	Change of Filters	99,716
58/13-11-14	Change of Filters	98,924
59/13-11-14	Change of Filters	98,570
60/13-11-14	Change of Filters	53,523
61/13-11-14	Change of Filters	98,712
<b>Sub Total</b>		<b>553,284</b>
72/2-10-14	Water Pumps	83,400
73/2-10-14	Water Pumps	85,485
74/2-10-14	Canvas Pipe Water Pumps	97,300
<b>Sub Total</b>		<b>266,185</b>
42/1-12-14	No Parking Boards	54,000
43/1-12-14	No Parking Boards	54,400
<b>Sub Total</b>		<b>108,400</b>
206/23-12-14	Change of Filters	94,520
207/23-12-14	Change of Filters	99,524
208/23-12-14	Change of Filters	58,000
209/23-12-14	Change of Filters	98,924
210/23-12-14	Change of Filters	99,716
212/23-12-14	Change of Filters	98,570
<b>Sub Total</b>		<b>549,254</b>
62/7-1-15	Provision of Wire for disposal Motor	99,360
68/7-1-15	Provision of Wire for disposal Motor	99,360
<b>Sub Total</b>		<b>198,720</b>
69/7-1-15	Earth Filling at Christian Graveyard	96,000
70/7-1-15	Earth Filling at Christian Graveyard	97,000
<b>Sub Total</b>		<b>193,000</b>
88/12-01-15	Purchase of Shoes for Cricket Tournament	66,788
90/12-01-15	Purchase of Shoes for Cricket Tournament	80,145
91/12-01-15	Purchase of Shoes for Cricket Tournament	93,503
<b>Sub Total</b>		<b>240,436</b>
133/20-01-15	Arrangement for Peshawar Incidence	82,200
138/20-01-15	Arrangement for Peshawar Incidence	96,722
139/20-01-15	Arrangement for Peshawar Incidence	51,923
<b>Sub Total</b>		<b>230,845</b>
169/22-01-15	Celebration of Birthday of The Holy Prophet	94,119
170/22-01-15	Celebration of Birthday of The Holy Prophet	98,640
171/22-01-15	Celebration of Birthday of The Holy Prophet	93,160

<b>Vr./Date</b>	<b>Description</b>	<b>Amount (Rs)</b>
<b>Sub Total</b>		<b>285,919</b>
295/31-01-15	Cleaning of Water Filtration Plant Gujrat	98,924
296/31-01-15	Cleaning of Water Filtration Plant Gujrat	99,716
297/31-01-15	Cleaning of Water Filtration Plant Gujrat	98,570
48/5-03-15	Cleaning of Water Filtration Plant Gujrat	99,716
49/5-03-15	Cleaning of Water Filtration Plant Gujrat	98,570
50/5-03-15	Cleaning of Water Filtration Plant Gujrat	98,924
51/5-03-15	Cleaning of Water Filtration Plant Gujrat	58,464
<b>Sub Total</b>		<b>652,884</b>
114/11-03-15	Purchase of Uniforms	98,640
115/11-03-15	Purchase of Uniforms	98,640
<b>Sub Total</b>		<b>197,280</b>
260/20-04-15	Repair of Excavator	94,800
262/20-04-15	Repair of Excavator	99,800
263/20-04-15	Repair of Excavator	96,000
<b>Sub Total</b>		<b>290,600</b>
69/02-04-15	Repair of Turbine	97,818
70/02-04-15	Repair of Turbine	91,184
71/02-04-15	Repair of Turbine	97,133
72/02-04-15	Repair of Turbine	96,083
73/02-04-15	Repair of Turbine	75,060
<b>Sub Total</b>		<b>457,278</b>
178/20-05-15	Cleaning of Water Filtration Plant Gujrat	99,466
179/20-05-15	Cleaning of Water Filtration Plant Gujrat	99,466
180/20-05-15	Cleaning of Water Filtration Plant Gujrat	58,420
181/20-05-15	Cleaning of Water Filtration Plant Gujrat	98,754
<b>Sub Total</b>		<b>356,106</b>
<b>Grand Total</b>		<b>11,463,954</b>



**Annexure-D****Para 1.2.1.3****Award of work without Performance Securities - Rs11.10 million**

Vr/Date	Name of Scheme	Contract Amount (Rs)	%age Below	Performance Security(Rs)
125/8-14	Const. of Street Khalil Kamboh Mohallah Allah Wasia	295,609	15.90	47,002
130/8-14	Const. of Street Qari Abad Sahib wali	1,494,985	21	313,947
89/9-14	Const. of Street Sherogana	300,000	18.3	54,900
134/9-14	Const. of Street Adhowal	400,000	18	72,000
148/9-14	Const. of Street Bhalaj	300,000	20	60,000
151/9-14	Const. of Street Nagiranwala	1,500,000	12.7	190,500
154/9-14	Const. of Soling Disposal Station Gujrat	3,600,000	18	648,000
173/9-14	Const. of Soling Moza Dewana	400,000	18.7	74,800
183/9-14	Const. of Streets Karyal	200,000	18.26	36,520
253/9-14	Const. of Streets Kotla Shayan	250,000	16.75	41,875
264/9-14	Const. of Streets Moza Okhwa	2,000,000	25.75	515,000
265/9-14	Const. of Graveyard Sohal Khurad	970,000	11.1	107,670
203/21-10-14	Const. of Streets Moza Dittawal	400,000	17.18	68,720
204/21-10-14	Const. of Streets Moza Khuray	484,000	20.5	99,220
118/4-10-14	Const. of Streets Moza Thata Mousa	200,000	15.15	30,300
120/4-10-14	Const. of Streets Mohllah Islam Nagar	615,000	18	110,700
121/4-10-14	Const. of boudary wall of Baba Graveyard	970,000	11.1	107,670
133/4-10-14	Const. of Streets Mohllah Sultan Pura	400,000	18.5	74,000
158/4-10-14	Const. of Streets Chak Jaspal	600,000	16.11	96,660
181/10-10-14	Const. of Graveyard Theuranwali	1,300,000	16.1	209,300
188/10-10-14	Const. of Streets Satr Colony	1,000,000	17.5	175,000
1/11/2014	Const. of Streets Moza Machian	325,000	15.15	49,238
2/11/2014	Const. of Nallah Mangowal	200,000	11.7	23,400
3/11/2014	Const. of Streets Gondal Pura UC-45	900,000	18.5	166,500
46/13-11-14	Const. of Streets UC Pero Shah	200,000	16.5	33,000
75/17-11-14	Const. of Streets Kuri	1,375,000	24.5	336,875
76/17-11-14	Const. of Streets Karianwala	1,485,000	24.5	363,825
84/25-11-14	Const. of Nallah Islam Nagar House	1,500,000	21.1	316,500
86/25-11-14	Const. of Passage Khori Wing	1,000,000	26	260,000
87/25-11-14	Const. of Passage Islam Garh	1,000,000	24	240,000
88/25-11-14	Const. of Streets Haji Wala	2,200,000	25.75	566,500
89/25-11-14	Const of Stair Janaz Gagh	3,000,000	11	330,000
109/28-11-14	Const. of Streets UC Dhaga	300,000	21	63,000
64/3-12-14	Const. of Pully Budh Hasan	2,000,000	16	320,000
66/3-12-14	Const. of Streets Dopilahn Chowk	700,000	25	175,000
78/3-12-14	Const. of Streets & Tuff Tile Mohallah Mughal Pura	300,000	18.5	55,500
129/29-12-14	Nawaz Sharif Park	3,500,000	12.14	424,900
53/4-6-15	P/F Iron Jangla Gujrat City	1,127,000	25.44	286,709
Jan-15	Road Cuts for Sui Gas From Usman Plaza to Prince Chowk Gujrat	666,272	18.50%	123,260
Jan-15	Const of streets and drains chowpala	1,400,000	25.50%	357,000
Jan-15	Const of streets and drains, Nallah Kahna	1,148,000	14.10%	161,868
Jan-15	Const of Public Latrines near Stadium Bus Stop Jalalpur Jattan	1,300,000	12.21%	158,730
Jan-15	Const of PCC Nallah Miran Sahab Road UC 48	690,000	17.00%	117,300

Vr/Date	Name of Scheme	Contract Amount (Rs)	%age Below	Performance Security(Rs)
Jan-15	Const of boundary wall of Janazghah Mohallah Faizabad	900,000	7.00%	63,000
Jan-15	Const of path of School Khori Kaulian Bania	1,000,000	26.00%	260,000
Jan-15	Cont of boundary wall of Janazghah of Village Kahna	900,000	5.11%	45,990
-	Const of street and drain waqas Ranjha Mohalla Faiz Colony	325,000	23.00%	74,750
-	Const of street and drain Peer Natha Wali Ward No. 5 Kuhjha	1,500,000	22.00%	330,000
-	Const of Street and drian Barmila Sharif	680,000	20.50%	139,400
15-Feb	Const of Street and Drains Hussain Place Dhanda	2,000,000	25.75%	515,000
15-Feb	Const of Nallah Mouza Mahlay	600,000	13.30%	79,800
15-Feb	Const of Street and Drains Tandha	1,555,000	24.00%	373,200
15-Mar	Const of office of Adda	2,200,000	13.00%	286,000
15-Apr	Const of Street and drain Loharan Jalalpur Jattan Mandiala	150,000	17.99%	26,985
15-Apr	Constof Boundary Wall Janazghah Mohalla Faizabad Jalalpur Jattan	900,000	7.00%	63,000
15-Apr	Const of Street Khalid Warraich UC 56	675,000	16.00%	108,000
15-Apr	Const of street Badshahi Road to Raja Shakoor Chah Budhay wala	1,150,000	16.00%	184,000
15-Apr	P/F of Fences and Slabs Sher Gujrat	1,127,000	25.44%	286,709
15-May	Construction of Street Haji Zafar Wali Saboo Wal Road	1,000,000	19.75%	197,500
<b>Total</b>				<b>11,096,222</b>

**Annexure-E**

## Para 1.2.1.5

**Unauthorized Repair of Transformers – Rs3.96 million**

<b>Vr. /Date</b>	<b>Description</b>	<b>Amount (Rs)</b>
122/7-14	Repair of Transformer	70,020
51/9-14	Repair of Transformer	68,972
78/9-14	Repair of Transformer	99,024
170/8-14	Repair of Transformer	68,272
224/9-14	Repair of Transformer	76,144
228/9-14	Repair of Transformer	78,090
237/9-14	Repair of Transformer	95,900
271/9-14	Repair of Transformer	68,900
275/9-14	Repair of Transformer	65,500
276/9-14	Repair of Transformer	55,993
281/9-14	Repair of Transformer	97,960
212/21-10-14	Repair of Transformer	65,000
215/21-10-14	Repair of Transformer	77,700
217/21-10-14	Repair of Transformer	51,600
35/11-14	Repair of Transformer	35,897
52/13-11-14	Repair of Transformer	87,000
79/17-11-14	Repair of Transformer	76,000
80/17-11-14	Repair of Transformer	64,600
32/11-12-14	Repair of Transformer	99,024
202/23-12-14	Repair of Transformer	77,600
28/3-6-15	Repair of Transformer	205,275
114/17-6-15	Repair of Transformer	216,047
344/30-6-15	Repair of Transformer	1,000,000
199/26-01-15	Repair of Transformer	56,400
131/10-02-15	Repair of Transformer	99,960
196/21-02-15	Repair of Transformer	81,315
201/21-02-15	Repair of Transformer	99,402
211/2-15	Repair of Transformer	99,000
213/2-15	Repair of Transformer	92,530
95/6-3-15	Repair of Transformer	96,100
109/11-03-15	Repair of Transformer	97,530
113/11-03-15	Repair of Transformer	79,871
197/11-04-15	Repair of Transformer	92,820
205/23-05-15	Repair of Transformer	71,110
210/23-05-15	Repair of Transformer	97,520
<b>Total</b>		<b>3,964,076</b>

**Annexure-F****Para 1.2.2.3****Unauthorized Payment made in Advance without Execution of Work  
– Rs12.76 million**

<b>Date</b>	<b>Description</b>	<b>Amount (Rs)</b>
13-8-2001	Municipal Doctor	90,000
15-12-2001	XEN Public Health	100,000
15-6-2002	XEN Public Health	50,000
31-8-2002	Ehasan Ullah TOF	609,000
4/5/2004	Pak Suzuki Co	618,000
5/4/2005	Gandara Co Karachi	122,000
29-5-2006	Raja Iqbal	17,000
7/2/2011	Raja Iqbal	11,700
27-5-2011	Raja Iqbal	11,700
30-6-2011	Raja Iqbal	11,700
3/3/2009	Milat Tractor	184,000
11/4/2009	Milat Tractor	2,493,000
11/4/2009	Raja Iqbal	562,500
14-10-2010	Printing Press	118,252
15-11-2010	Printing Press	13,912
23-10-2007	Printing Press	23,000
19-8-2008	Printing Press	23,200
4/11/2008	DGPR	20,000
27-11-2008	DGPR	10,000
29-11-2008	Printing Press	46,400
5/12/2008	DGPR	20,000
13-12-2008	DGPR	50,000
17-12-2008	DGPR	10,000
13-1-2009	Milat Tractor	7,411,000
13-1-2009	Printing Press	92,800
17-1-2009	DGPR	10,000
28-1-2009	DGPR	30,000
<b>Total</b>		<b>12,759,164</b>

**Annexure-G**

Para 1.2.2.4

**Non Recovery of Arrear of Rent of Shops – Rs6.29 million**

Shop No.	Name	Amount (Rs)
11	Malik Shahbaz	18,732
17	Abdul Rehman	32,296
32	Khadam Hussain	16,436
39	Mohammad Jamil	15,010
1/10	Mohammad ashraf	29,160
2/46	Mohammad Saleem	301,394
Chamber 01	Mohammad Asghar	152,191
Chamber 02	Mehmood Ahmad	152,482
Chamber 03	Mohammad Saleem	22,800
Chamber 04	Zafar Ullah	152,184
Chamber 05	Altaf Ur Rehman	152,059
Chamber 06	Mohammad Saleem Akyhar	151,136
Chamber 07	Manzoor Hussain	152,131
Chamber 08	Chudary Asghar	151,647
Chamber 09	Bashir ahmad	151,839
Open Site	Eisah Khan	152,297
Open Site	Khawaja Eahsan	12,000
Open Site	Khawaja Eahsan	12,000
Open Site	Abdul Qadeer	149,357
Open Site	Mohammad arshad	149,357
Open Site	Rahmani Tanzeem	16,476
Open Site	Skindar Hayat	5,676
Open Site	Muneer Ahmad	49,452
Open Site	Sultan Meer	3,144
Open Site	Mohammad Aslam	728,341
Open Site	Child Health Care	6,151
Open Site	Adnan	201,456
3	Moazzam Hussain	38,480
6	Usman ahmad	7,907
1	Chaudary Ijaz	12,456
7	Gul Sher	65,182
8	Muhammad Akram	95,521
14	Muhammd yousaf	200,876
15	Arshad Mehmood	9,064
21	Tariq Mehmood	15,748
25	Aman Ullah	250,734
26	Muhammad Saleem	19,964
-	Mohammad Hussain	34,108
32	Kamran Gani	7,278
34	Shafiq ur Rehman	153,884
-	Chaudary Ghaznafar	31,546
3	Ajmal Shahzad	12,008
5	Haheed Ullah	6,028
6	Imtiaz Ahamad	5,525
10	Waseem Abbas	7,423
11	Imtiaz Ahamad	7,076

Shop No.	Name	Amount (Rs)
13	Muhammad Aslam	38,404
16	Mohammad Akram	16,856
17	Chaudary Ifthikhar	28,612
18	Noor Muhmmad	11,613
21	Riffat Zia	15,480
23	Muhammad Ramzan	6,004
1-2	Abdul Waheed	23,881
7	Muhammad Azam	97,808
1	Bashir ahmad	9,438
2	Bashir ahmad	9,414
3	Bashir ahmad	11,696
6	Abdul Hameed	15,573
9	Arif Saeed	85,386
11	Muhammad Sharif	33,616
19	Rashid Hussain	7,721
25	Zafar Iqbal	17,672
26	Muhammad Akhtar	18,000
32	Tariq Mehmood	29,976
34	Sufi Ghulam Hussain	16,285
5	Muhammad Munir	6,872
6	Javed Iqbal	31,887
13	Afzaal Ahmad	15,402
14	Mazhar Hussain	80,435
15	Arshad Javed	132,098
16	Tariq Zaheer	4,024
17	Arshad Mehmood	32,236
19	Tasawar Nawaz	8,562
21	Imtiaz Ahamad	24,030
25	Khalid Mehmood	5,261
34	Ijaz Ahmad	76,911
36	Riffat Mehmood	26,160
37	Zafar Iqbal	10,993
5	Shiukat Ali	10,032
6	Ghulam Farid	43,000
8	Khalid Mehmood	76,877
9	Khalid Mehmood	20,869
10	Muhammad Rashid	16,546
11	Ali Hasan	14,520
1	Muhammad Afzal	15,252
2	Muhammad Iqbal	6,614
3	Sheikh Hamid	36,636
4	Sheikh Naeem	39,624
5	Abdul Wakeel	16,078
8	Talat	6,014
9	Muhammad Zaman	6,614
10	Muhammad Haneef	6,614
11	Miraj Din	19,240
12	Azhar Mehmood	6,614
13	Azhar Mehmood	6,614
15	Faqeer Muhammad	53,531
Petrol Pump	Friends & Co	18,100

<b>Shop No.</b>	<b>Name</b>	<b>Amount (Rs)</b>
1	Mirza Sajjad	55,102
3	Rizwan Ahmad	10,298
4	Abdul Rehman	5,104
12	Imtiaz Ahamad	2,341
13	Naveed Qadir	36,492
15	Muhammad ashraf	11,299
18	Nadeem Qadir	17,360
19	Nadeem Qadir	8,046
23	Aman Ullah	30,168
24	Haeed Ullah	59,117
26	Naveed Qadir	8,714
28	Shafiq ur Rehman	140,800
34	Allah Ditta	26,940
36	Muhammad Nazir	2,338
38	Abdul Rehman	12,011
Office 01	Haeed Ullah	26,740
2	Zubair Ahmad	5,838
3	Imtiaz Ahamad	3,723
2	Sheikh Faisail	22,428
Shop No 03	Muhammad Razzaq	15,974
5	Tahir Hussain	23,388
6	Ifthikhar Ahmad	23,052
8	Naveed Ahmad	16,380
9	Shahzad Javed	30,772
11	Bashrat Ali	17,752
12	Muhammad Latif	52,861
13	Nisar Ahmad	7,574
Konopi 02	Naveed Alam	3,520
9	Muhammad Ismail	14,520
10	Muhammad Asif	15,840
11	Muhammad Abbas	26,640
3	Muhammad shahbaz	11,000
4	Zaheer Ashraf	6,600
5	Khalid Mehmood	14,070
6	Zulkarnain	7,195
8	Muhammad Abbas	14,080
13	Syed Adeeb	5,460
16	Muhammad Furqan	7,260
17	Muhammad Afzal	3,740
<b>TOTAL</b>		<b>6,288,244</b>