



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

**AUDIT YEAR 2015-16**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
CCB	Citizen Community Board
CO	Chief Officer
DAC	Departmental Accounts Committee
FD	Finance Department
LG&CD	Local Government & 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
PLGO	Punjab Local Government Ordinance
PLG	Punjab Local Government
POL	Petrol, Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
TMA	Town/Tehsil Municipal Administration
TMO	Town Municipal Officer
RCC	Reinforced Concrete Cement
TO (F)	Town/Tehsil Officer (Finance)
TO (I&S)	Town /Tehsil Officer (Infrastructure & Services)
TO (P&C)	Town /Tehsil Officer (Planning & Coordination)
TO I	Town /Tehsil Officer (Regulations)
TTIP	Tax on Transfer of Immovable Property

## **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 Hafizabad 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 after discussion of Audit Paras with the management. However, no Departmental Accounts Committee meeting by PAO was convened despite repeated requests.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 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 had 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, Regularity Audit and Compliance with Authority & Performance Audit of entire expenditure including programmes / projects and receipts. Accordingly, Director General Audit District Governments Punjab (North), Lahore carried out Audit of accounts of two TMAs of District Hafizabad for the Financial Year 2014-15.

Each Town / Tehsil Municipal Administration in District Hafizabad conducts its operations under Punjab Local Government Ordinance, 2001. Town / 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 / 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 Tehsil Municipal Administrations in District Hafizabad was carried out with a view to ascertaining whether the expenditure was incurred with proper authorization and in conformity with laws/ rules/regulations for 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 revenue were made in accordance with Laws and Rules, resulting in no leakage of revenue.

#### **a. Scope of Audit**

Total expenditure of two TMAs of District Hafizabad for the Financial Year 2014-15 under the jurisdiction of Directorate General District Audit Punjab (N) was Rs 369.47 million covering two PAOs and two formations. Directorate General Audit, audited an expenditure of Rs 125.13 million which in terms of percentage, was 34% of the auditable expenditure.

Total receipts of the two Tehsil Municipal Administrations of District Hafizabad for the Financial Year 2014-15, were Rs 326.37 million, whereas, Directorate General Audit, audited receipts of Rs 55.88 million which was 17% of total receipts.

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

Recovery of Rs 24.31 million was pointed out during audit but no recovery was effected and verified during the year 2015-16 till the time of compilation of this 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 according to 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 TMAs of District Hafizabad 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 Hafizabad authorities may be captioned as one of important reasons for weak Internal Controls.

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

## **f. Key Audit Findings**

- i. Misappropriation of Rs 1.73 million was noted in one case<sup>1</sup>
- ii. Non-production of record of Rs 1.28 million was noted in one case<sup>2</sup>
- iii. Irregularity / Non-compliance of Rs 54.96 million was noted in seven cases<sup>3</sup>
- iv. Internal Control Weakness of Rs 24.77 million was noted in five cases<sup>4</sup>
- v. Non-realization of Government revenue of Rs 7.38 million was noted in three cases<sup>5</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

<sup>2</sup> Para 1.2.2.1

<sup>3</sup> Para 1.2.3.1 to 1.2.3.6 & 1.3.1.1

<sup>4</sup> Para 1.2.4.1, 1.2.4.2, 1.2.4.3, 1.3.4.5 & 1.3.2.1

<sup>5</sup> Para 1.2.4.4, 1.2.4.6 & 1.3.2.2

## **g. Recommendations**

Audit strongly recommends that the PAO / Management of TMAs should ensure to resolve the following issues:

- i. Production of record to audit for verification
- ii. Investigate cases involving wastage, fraud, mis-appropriation and losses, and take disciplinary actions after fixing responsibility
- iii. Strengthening of internal controls
- iv. Appointing of internal auditor
- v. Holding of DAC meetings well in time
- vi. Ensuring compliance of DAC directives and decisions in letter and spirit
- vii. Expediting the recoveries pointed out by Audit as well as other amounts pointed out by audit and conveyed to the management
- viii. Ensure compliance of relevant laws, rules, instructions and procedures, etc
- ix. Maintenance of accounts and record in prescribed format / manner
- x. Realizing and reconciling of various receipts
- xi. Physical stock-taking of the fixed and current assets
- xii. Addressing systemic issues to prevent recurrence of various omissions and commissions.



## SUMMARY OF TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rs in million)

Sr. #	Description	Number	Budgeted Figure FY 2014-15		
			Expenditure	Receipts	Total
1	Total Entities (PAOs) under Audit Jurisdiction	02	523.41	326.37	849.78
2	Total formations under Audit Jurisdiction	02	523.41	326.37	849.78
3	Total Entities (PAOs) Audited	02	369.47	326.37	695.85
4	Total Formations Audited	02	369.47	326.37	695.85
5	Audit & Inspection Reports	02	369.47	326.37	695.85
6	Special Audit Reports	--	--	-	-
7	Performance Audit Reports	--	--	-	-
8	Other Reports	--	--	-	-

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

Sr. #	Description	Amount placed under Audit observations (Rs in millions)
1	Unsound Asset Management	-
2	Weak Financial Management	7.38
3	Weak Internal controls relating to Financial Management	79.88
4	Others	2.85
<b>Total</b>		<b>90.11</b>

**Table 3: Outcome Statistics**

(Rs in millions)

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last Year
1	Outlays Audited	-	127.91	326.37	162.88	695.85*	423.79
2	Amount placed under audit observation / Irregularities of Audit	-	30.78	7.38	51.95	90.11	157.30
3	Recoveries pointed out at the instance of Audit	-	10.64	13.67	-	24.31	29.09

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last Year
4	Recoveries accepted / established at the instance of Audit	-	10.64	13.67	-	24.31	29.09
5	Recoveries realized at the instance of Audit	-	-	-	-	-	-

\* The amount in serial No. 1 column of "Total Current Year" is the sum of expenditure and receipt whereas the total expenditure for the current year was Rs 369.47 million.

**Table 4: Table of Irregularities Pointed Out**

Sr. #	Description	Amount Placed under Audit Observations (Rs in millions)
1	Violation of Rules and regulations, principle of propriety and probity in public operations.	54.96
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.	9.56
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	24.31
6	Non-production of record.	1.28
7	Others, including cases of accidents, negligence etc.	-
<b>TOTAL</b>		<b>90.11</b>

**Table 5: Cost-Benefit**

Sr. #	Description	Amount (Rs in millions)
1	Outlays Audited (Items 1 of Table 3)	695.85
2	Expenditure on Audit	2.10
3	Recoveries realized at the instance of Audit	-
4	Cost Benefit Ratio	1:0

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

# **CHAPTER-1**

## **1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, DISTRICT HAFIZABAD**

### **1.1.1 INTRODUCTION**

TMA consists of Tehsil Nazim / Administrator, Tehsil Naib Nazim and Tehsil Municipal Officer. Each TMA comprises of five Drawing & Disbursing Officers i.e. TMO, TO-Finance, TO-I & S, TO-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 523.40 million (inclusive salary, non-salary and development) whereas the expenditure incurred (inclusive salary, non-salary and development) was Rs 369.48 million showing saving of Rs 153.94 million which was 29% of final budget (detailed below). Less utilization of development budget (40%) deprived the community from getting better municipal facilities.

(Rs in million)

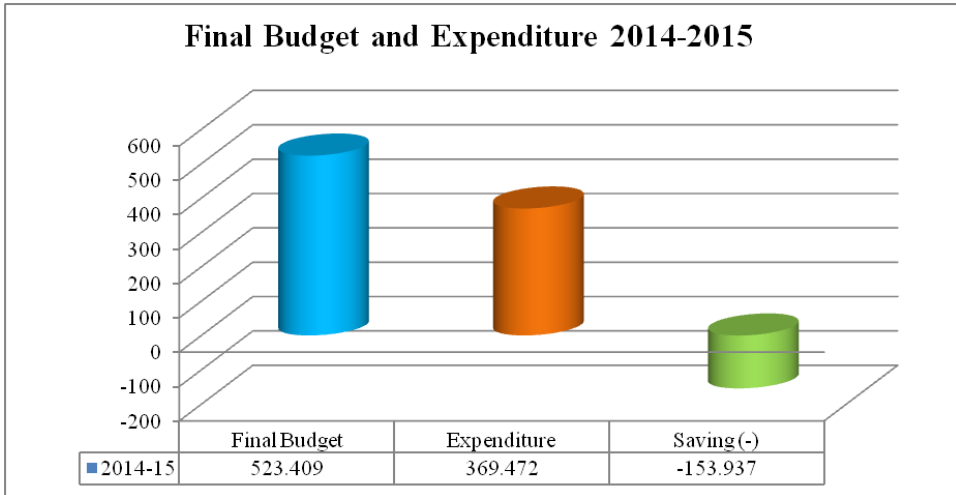
F.Y. 2013-14	Budget	Expenditure	Saving (-)	%age of Saving
Salary	156.01	123.69	-32.33	21
Non-salary	155.36	118.39	-36.97	24
Development	212.03	127.40	-84.64	40
<b>Total</b>	<b>523.40</b>	<b>369.48</b>	<b>-153.94</b>	<b>29</b>

The budgeted outlays Rs 523.40 million of two TMAs includes PFC award of Rs 18.24 million whereas total expenditure incurred by the TMAs during 2013-14 was Rs 369.47 million with a savings of (-) Rs 153.94 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 lesser need of any injection of PFC award.

(Rs in million)

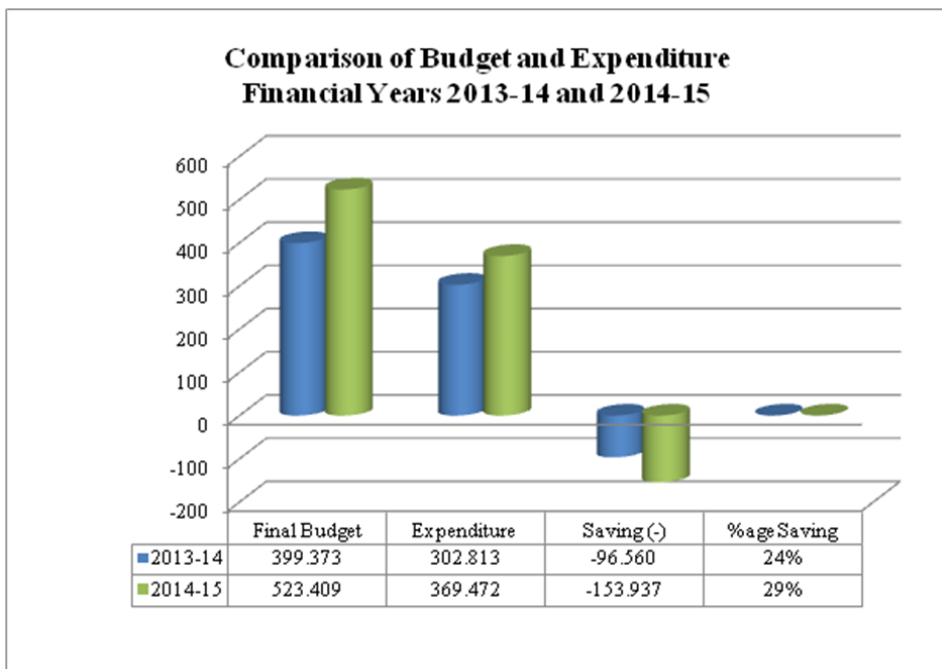
Name of TMAs	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Saving	%age of Saving
	Own receipt including OB	PFC award	Total Receipts				
Hafizabad	307.86	14.04	321.89	310.54	261.46	-49.08	16
Pindi Bhattian	198.27	4.20	202.47	212.86	108.02	-104.86	49
<b>Total</b>	<b>506.13</b>	<b>18.24</b>	<b>524.36</b>	<b>523.40</b>	<b>369.48</b>	<b>-153.94</b>	<b>29</b>

(Rs in million)



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

(Rs in million)



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

(Rs in million)

<b>Financial Year</b>	<b>Budget</b>	<b>Expenditure</b>	<b>(-) Savings</b>	<b>%age of savings</b>
2013-14	399.37	302.81	-96.56	24%
2014-15	523.40	369.48	-153.94	29%

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

### **1.1.3 Brief Comments on the Status of Compliance on MFDAC 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**

<b>Sr. #.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC meetings</b>
1	2009-10 to 2011-12	09	Not convened
2	2012-13	07	Not convened
3	2013-14	13	Not convened
4	2014-15	13	Not convened

## **1.2 AUDIT PARAS**

## **1.2.1 TMA, HAFIZABAD**



## **1.2.1 Misappropriation**

### **1.2.1.1 Likely misappropriation on account of POL - Rs 1.73 million**

According to rule 29 of the PLG (Accounts) Rules, 2001, “every DDO signing and authorizing the payment shall be personally responsible for any erroneous payment and claim of bill.

TMA Hafizabad incurred an expenditure of Rs 16,878,011 on account of POL for different Vehicles, generators and peter engines as per expenditure statements for the Financial Year 2014-15. During the audit month wise POL consumption statement prepared showed the expenditure on POL was Rs 15.15 million which was less from expenditure statements prepared by the department by Rs 1.72 million as detailed below:-

<b>Amount incurred as per Expenditure Statement (Rs)</b>	<b>Amount incurred as per Month wise consumption Statement (Rs)</b>	<b>Difference (Rs)</b>
1,6878,801	15,153,621	1,725,180

Audit is of the view that the excess amount incurred as per expenditure statement has been misappropriated which should be investigated.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit suggests investigation of the amount shown as incurred on the purchase of POL and recovery of the amount from the responsible.

[AIR Para No.20]

## **1.2.2 Non production of Record**

### **1.2.2.1 Non production of record – Rs 1.28 million**

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

TMA, Hafizabad recovered an amount of Rs 1.28 million on account of tax on transfer of immoveable property (TTIP) but the relevant record i.e. copies of registered deed, approved scheduled rates, receipt challans, reconciliation statements etc. was not provided for audit verification. In the absence of relevant record, the actual receipt could not be verified thus the chances of misappropriation cannot be ruled out.

Audit holds that non-production of receipt record could lead to misuse of public funds and misappropriation / fraud.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends that matter may be investigated fix responsibility for non-production of record, and ensure submission of record for audit scrutiny

[AIR Para No.28]

## 1.2.3 Irregularity / Non compliance

### 1.2.3.1 Unjustified payments to daily paid staff - Rs 25.01 million

As provided in clause 2 (vi) of Finance Department Government of the Punjab letter No.FD.SO(Goods)44-4/2011, dated 06.08.13 regarding austerity/ economy measures for the Financial Year 2013-14, no contingent paid staff shall be appointed without obtaining prior approval of Finance Department. Further, according to Clause 4(VIII) (IV) of appointment policy issued by S&GAD Government of Punjab, Lahore vide letter No.DS(O&M) 5-3-2004 Contract (MF), dated 20<sup>th</sup> December, 2004 recruitment policy, 2004 does not allow appointment of any person without advertisement and in violation of any procedural formalities laid down in the policy and as per Wage Rate, 2007 the appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the Schedule shall be made on the basis of merits specified for regular establishment vide para 11 of the Recruitment Policy issued by the S&GAD vide No. SOR-IV(S&GAD)10-1/2003, dated 17.09.2004.

TMO, Hafizabad paid Rs 25.01 million on account of Salaries to daily wages staff during the period of 2014-15, without approval of Finance Department, and also not advertised in leading newspapers as detailed below:-

Name of Branch	Working Strength	Period	Total (Rs)
TO (I&S)	06	July 2014 to June 2015	898,560
TO (P)	01		149,760
Chief Officer (HQ)	147		21,864,960
Parks & Garden	02		299,520
Chief Officer Vanike Tarer	05		748,800
Chief Officer Kalake Mandi	07		1,048,320
<b>Total</b>			<b>25,009,920</b>

Audit is of the view that due to non-observing of government instructions undue favor was given to daily wages staff and unjustified expenditure was incurred.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends investigation of the matter besides fixing of responsibility under intimation to Audit.

[AIR Para No.17]

### **1.2.3.2 Wasteful expenditure on development schemes - Rs 17.49 million**

According to Rule 63 of PLG (Budget) Rules, 2001 the development budget shall be a performance budget and it shall make due provisions to ensure that the standard of performance in the various activities rises progressively and is not allowed to fail or deteriorate.

TMA, Hafizabad awarded various works and released the funds amounting Rs 17.49 million to various government contractors during the Financial Year 2014-15. After the lapse of considerable time the works could not be completed and incomplete schemes are deteriorating and losing their values day by day as detailed at **Annexure-C**.

Audit holds that non completion of schemes in time shows weak monitoring and internal control of the department that deprived the community of the economic benefits.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility for delay in completion of work.

[AIR Para No.02]

### **1.2.3.3 Expenditure without advertisement on PPRA's website - Rs 5.16 million**

According to PPRA's Rules, 12(1) 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. Further According to PPRA's Rules, 9 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.

TMA, Hafizabad incurred an expenditure of Rs 5.16 million on account of occasions detailed in table below during Financial Year 2014-15 without advertising on PPRA's website. Further, expenditure was split up by the TMO Hafizabad to avoid the advertisement on PPRA's website resultantly economical rates were not achieved and government had to pay more than the actual expenditure due to non competition as detailed below:-

Financial Year	Name of Events	Amount (Rs)	Annexure-D
2014-15	Tentage for Ramzan Bazar	1,760,520	
2014-15	Arrangement of Moharram-ul-haram	928,000	
2014-15	Installation of CCTV cameras	379,294	
2014-15	Celebration of 14 <sup>th</sup> August	1,172,900	
2014-15	Refreshment on 23rd March	476,700	
2014-15	Purchase of tyres	442,800	
<b>Total</b>		<b>5,160,214</b>	

Audit holds that due to non compliance of PPRA rules irregular payment of Rs 5.16 million was made to the contractor without fulfilling the requirements of PPRA rules.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility for non-observing of PPRA procedures under intimation to it.

[AIR Para No.05,06,06,08,09&10]

#### **1.2.3.4 Unauthorized payment on account of TST - Rs 1.65 million**

According to Finance Department's letter No. RO (Tech) FD. 18-23/2004 dated 21<sup>st</sup> September, 2004 Rate for item of carpeting shall be fixed and approved by the Chief Engineer concerned on the basis of different stages of bitumen i.e. 3% to 6% and payment will be made to the contractor as per job mix formula or bitumen used in the work. Further according to Revise Contract for Execution of Works, additional clause 10 (d) for quantity of bitumen and aggregate in bituminous surfacing a minimum of one test shall be carried out on a day's job and temperature of bitumen shall be observed on hourly basis.

TMA Hafizabad awarded the work "construction of road from Dera Hayat Muhammad to Village Jhandwala to M/s Saif Brothers

including the item provision of TST. However the TST executed and payment of Rs 1.65 million was made through 6<sup>th</sup>/ running bill to the contractor without tests reports resulting in unauthorized payment as detailed below:-

MB No. & Date	Description	Qty.	Rate (Rs)	Amount (Rs)
MB No. 7078 page 73	P/L TST	33391 sft	4,939.80	1,649,448

Audit holds that due to weak internal controls, unauthorized payment was made to the contractor without obtaining of test reports.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit stresses fixing of responsibility for non-observing of Government rules under intimation to Audit.

[AIR Para No. 39]

### **1.2.3.5 Unjustified payment - Rs 1.02 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, according to para 4(iii & iv) of CSR. In no case, the procurement shall be made without getting the specification of stores vetted / approved by the competent authority as per para 5 of the Purchase Manual. Further in order to arrive at the rate analysis of non schedule items the standard format on website has been prescribed which is to be filled from MRS and the market rates.

TMA Hafizabad awarded three works schemes, P/L tuff Tile and car parking at Baar room, Street Arshad Mughul and Street Masjid Fatima District Hafizabad to M/S Tarar Corporation and Aftab Ahmed Khan respectively with the provision of non scheduled item. P/L Tuff Tile 60 mm was carried out at site without approval of rate analysis by the competent authority. Invoices of Texala Manufacturer were also not

available in record resultantly expenditure on the purchase of non-scheduled item was unjustified as detailed below:-

(Amount in Rs)

MB No. Vr. No. & Date	Description	Qty.	Rate (Rs)	Amount paid (Rs)
5388	P/L Tuff Tile 60mm	10,964 sft	79.51	871747
09/23.05.2015	P/L Tuff Tile 60mm	784 sft	81.91	64,217
02/23.05.2015	P/L Tuff Tile 60mm	10,78 sft	81.91	88,298
<b>Total</b>				<b>1,024,262</b>

Audit holds that due to weak internal controls, reduced rate was not applied and overpayment of Rs 1.02 million made to the contractor.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit stresses fixing of responsibility for non-observing of Government rules under intimation to Audit.

[AIR Para No. 36]

### **1.2.3.6 Unauthorized payment without test reports - Rs 1.00 million**

According to the Additional Clauses of the Revised Contract Form for Execution of Works, clause 10 (e), for steel reinforcement & cement, the contractors shall provide manufacturer's certificate and reports. However each lot brought at site shall be sampled in the presences of Engineer Incharge or his representative and got tested from RR & MTI / BRS/ University of Engineer and Wapda Testing Institute at the cost of the contractor.

TMA Hafizabad paid for providing and laying the fabrication of mild steel in following schemes. However TMO neither obtained the invoices nor certificates from the contractors. Further probe revealed that payment of steel amounting Rs 1.00 million was made to the contractor without getting test reports. This resulted in unauthorized payment as detailed below:-

MB NO & page	Scheme	Contractor	Steel (Kg)
5337 page 63,64	Construction of 22 Masonry Enclosure at City Hafizabad	Moazzam Iqbal	4,441
4845 page 47-78	Const. of office building TO (I&S) and TMO Office TMA Hafizabad Phase-I	Tarar Corporation	3,346

<b>MB NO &amp; page</b>	<b>Scheme</b>	<b>Contractor</b>	<b>Steel (Kg)</b>
5221 page 80-86	Const. of PCC/drain, soling and Nullah etc at Kot Hassan Khan	M/s Awan Builders	992
<b>Total</b>			<b>8,779</b>
<b>8,779 kg x Rs 11400 = Rs 1,000,806</b>			

Audit holds that due to weak internal controls, unauthorized payment of Rs 1.00 million was made to the contractor on account steel without test reports.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/ in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit stresses fixing of responsibility for non-observing of Government rules under intimation to Audit.

[AIR Para No. 33]



## **1.2.4 Internal Control Weaknesses**

### **1.2.4.1 Doubtful consumption of POL - Rs 10.54 million**

According to rule 64 of PDG & TMA (Budget), Rules, 2003, each Local Govt. shall manage the resources made available to it efficiently and effectively.

TMA Hafizabad incurred an expenditure of Rs 10.54 million on account of POL for different vehicles during the Financial Year 2014-15. Followings irregularities were noticed in this connection:

- i. Average Consumption per liter was neither written on the log books nor any certificate shown to audit.
- ii. Milage meters of the vehicles were out of order and consumption was recorded on estimated basis due to this authenticity of POL consumption could not be determined.
- iii. There was no proper plan prepared for lifting the garbage for efficient utilization of vehicles and saving the expenditure on POL.
- iv. Incomplete detail of journey was shown in the log book such as garbage lifting or encharochment checking etc.

In the absence of maintenance of proper record, the consumption of POL could not be verified & appeared doubtful. This resulted in irregular expenditure as detailed at (**Annexure-E**).

Audit holds that due to weak internal controls, irregular payment of Rs 10.535 million was made without maintaining the record.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit suggests investigation of the amount shown as incurred on the purchase of POL and recovery of the amount involved from the responsible.

[AIR Para No. 18]

### **1.2.4.2 Loss due to non-imposition of penalty – Rs 4.78 million**

According to clause 39(a) of contract agreement stipulates that the time allowed for carrying out the work as entered in the tender shall be

strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of the contract subject to maximum of ten percent or such smaller amount of the estimated cost for every day the work remains un-commenced and unfinished after the proper date.

TMA, Hafizabad awarded the various works to government 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 imposed on the contractors on account of delay. This resulted in non-recovery 10% penalty amounting Rs 4.78 million as detailed at **(Annexure-F)**.

Audit was of the view that non imposition of penalty for delay in completion and non completion of work at all was due to defective financial discipline and weak internal controls.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends recovery of penalty besides fixing of responsibility for non imposition of penalty for delay in completion of work.

[AIR Para No. 01]

#### **1.2.4.3 Irregular drawl of POL – Rs 4.62 million**

According to rule 64 of PDG & TMA (Budget), Rules, 2003, each Local Govt. shall manage the resources made available to it efficiently and effectively.

TMA Hafizabad incurred the expenditure of Rs 4.62 million on account of POL for different generators and peter engine during the Financial Year 2014-15. Followings irregularities were noticed in this connection:

- i. Counterfoils (purchees) were not attached with the bills.
- ii. Average Consumption per liter was neither written on the log books nor any certificate shown to audit.

- iii. Hourly meters of the generators were out of order and consumption was recorded on estimated basis due to this authenticity of POL consumption could not be determined.
- iv. Log books were not signed by the DDOs.
- v. Incomplete detail of usage of generator and peter engines shown on the log books.

In the absence of maintenance record, the consumption of POL could not verified & appeared doubtful. This resulted in irregular expenditure as detail below:-

Name of Machinery	Petrol Drawn During the year (Rs)	Name of Machinery	Petrol Drawn During the year (Rs)
Generator Disposal Medhrianwala Road	1,399,628	Peter Engine 2	177,290
Generator Kolo Road	1,672,523	Peter Engine 3	257,197
Generator TMA HFD	616,619	Peter Engine 4	140,340
Peter Engine-1	236,186	Peter Engine 5	117,906
<b>Total</b>			<b>4,617,689</b>

Audit holds that due to weak internal controls, irregular payment of Rs 4.62 million was made without maintaining the record.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit suggests investigation of the amount shown as incurred on the purchase of POL and recovery of amount involved from the responsible.

[AIR Para No. 19]

#### **1.2.4.4 Non-collection of fine for illegal construction – Rs 3.32 million**

According to the PDP 76 (1) of The Punjab District Government & TMA (Budget) Rules 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head. Further according to Section 144 & 145 and fourth schedule of PLGO 2001 minimum Rs 15,000 fine will be imposed on person who carried out construction of buildings without prior permission of TMA.

TO (P&C) of TMA, Hafizabad did not decide the fate of received building plans either in shape of approval or rejection during the year 2014-15 which tends towards negligence and poor performance of the department. Notices for objection were issued to the applicants but later on no action was taken to stop the unauthorized construction in the territory of TMA and no penalty was imposed against the defaulters carrying out construction without prior approval of the competent authority.

The above reflects poor monitoring non-adherence of by-laws and weak internal controls. This resulted in loss of Rs 3.32 million to the TMA as detailed below:-

(Amount in Rs)

Total No. of cases received	Total No. of cases approved/rejected	Total No. of cases pending	Amount of penalty for illegal construction
273	52	221	221*15000=3,315,000
<b>Total</b>			<b>Rs3,315,000</b>

Audit holds that this is a typical case of illegal construction where both Planning and Enforcement wings failed to perform their obligatory duties.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of fine of Rs 3.32 million for illegal constructions under intimation to audit. It is also proposed that detailed report in respect of current status of unapproved sites may be maintained after site visit.

[AIR Para No. 27]

**1.2.4.5 Overpayment made to contractor Rs 1.98 million**

According clause 18(a) & (b) the contractor shall employ for each contract up to the value of Rs 7.5 million, one whole time qualified diploma engineer to the satisfaction of the Engineer-Incharge for the supervision of the work. If the contractor fails to employ the qualified technical personnel to the above scale, the Engineer-in-charge shall, after giving the contractor 15 days notice to this effect, have the option to employ to make up the deficiency in the number of such persons at the risk and cost of the contractor.

TMA Hafizabad, executed 96 work schemes but did not obtain any evidence from the contractor to confirm the appointment of site engineer during the Financial Year 2014-15 but neither Engineer-in-charge issued any notice to the contractors nor any contractor employed whole time diploma holder. TMA Hafizabad did not deduct the salary of one diploma holder engineer resultantly over payment of Rs 1.98 million was made to the contractor as detailed below.

Description	Number of Schemes	Total Amount (Rs)	Detail of Calculation is attached at Annexure-G  assuming that one month salary of Diploma Holder was 10,000 per month
ANNUAL DEVELOPMENT PROGRAMME TMA, HAFIZABAD FOR THE YEAR 2014-15	42	1,010,000	
DISTRICT FUNDS EXECUTED BY THE TMA, HAFIZABAD FOR THE YEAR 2014-15	18	420,000	
LIABILITY DEVELOPMENT SCHEMES TMA, HAFIZABAD FOR THE YEAR 2013-14	36	550,000	
<b>Total</b>	<b>96</b>	<b>1,980,000</b>	

Audit holds that due to weak internal control the diploma engineer was not employed by the management.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility and recovery

[AIR Para No. 03]

#### **1.2.4.6 Short realization of general bus stand receipt from the contractor – Rs 1.25 million**

According to the PDP 76 (1) of The Punjab District Government & TMA (Budget) Rules 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head.

TMA Hafizabad auctioned the collection rights of general bus stand to contractor Muhammad Shahbaz for Rs 3,850,000 vide letter No. HFZ/TMA/81 Dated 30-06-2014. The contractor was bound to pay the amount plus tax in 10 equal monthly instalments on fifth of every month. After two months the contractor did not deposit the monthly installment

and continued his collection from the bus stand till the month of December 2014 then collection was taken up by the TMA Hafizabad.

This resulted in non collection of government revenue for the period of September 2014 to December 2014 amounting Rs 786,362 from the contractor for his period of collection. Further the less realization of Rs 464,014 as compared to amount under contract should have been realized from the contractor.

(Amount in Rs)

Receipts Head	Contractor	Outstanding Amount (Rs)	Less Realization as compare to Contracted amount (Rs)	Total Recovery (Rs)
General Bus Stand	M. Shahbaz	786,362	464,014 (as per receipts statement 2014-15)	1,250,376

Audit was of the view that the short realization may be collected from the contractor or from his guarantors and deposited into government treasury under intimation to audit.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of outstanding amount from concerned contractors under intimation to Audit.

[AIR Para No. 23]

### **1.3.1 TMA, PINDI BHATTIAN**

### **1.3.1 Irregularity / Non compliance**

#### **1.3.1.1 Expenditure without advertisement on PPRA's website – Rs 3.63 million**

According to PPRA's Rule 12(1) 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. Further According to PPRA's Rule 9 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.

TMA, Pindi Bhattian incurred an expenditure of Rs 5,160,214 on account of under mentioned occasions during Financial Year 2014-15 without advertising on PPRA's website. Further the TMO, Pindi Bhattian by splitting the expenditure avoided the advertisement on PPRA's website resultantly economical rates were not achieved and government had to pay more than the actual expenditure due to non competition as detailed below:-

<b>Financial Year</b>	<b>Name of Events</b>	<b>Amount (Rs)</b>	<b>Annexure-H</b>
2014-15	Tentage for Ramzan Bazar	1,212,640	
2014-15	Expenditures for cattle mandi	2,417,142	
<b>Total</b>		<b>3,629,782</b>	

Audit holds that due to non compliance of PPRA rules irregular payment of Rs 3.63 million was made to the contractor without fulfilling the requirements of PPRA rules.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility for non-observing of PPRA procedure under intimation to audit.

[AIR Para No.08 & 22]



## **1.3.2 Internal Control Weaknesses**

### **1.3.2.1 Non recovery of liquidated damages for delay in completion of work – Rs 2.86 million**

According to clause 39(a) of contract agreement stipulates that the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of the contract subject to maximum of ten percent or such smaller amount of the estimated cost for every day the work remains un-commenced and unfinished after the proper date.

TMA, Pindi Bhattian awarded the various works to various government 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 imposed on the contractors on account of delay. This resulted in non-recovery 10% penalty amounting Rs 2.86 million as detailed at (**Annexure-I**).

Audit holds that non-compliance of contract clause and financial rules, penalty for delayed completion of work was not imposed on the contractors.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends imposition of penalty and recovery from concerned contractors under intimation to Audit.

[AIR Para No. 05]

### **1.3.2.2 Non collection of arrears of rent of shops amounting to Rs 2.81 million**

According to Rule 76 (1) 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, Pindi Bhattian did not recover a sum of Rs 2.81 million for the years 1987-88 to 2014-15 from the tenants of shops of TMA but no

action was taken by the management against the defaulters, which shows negligence and internal control weakness. Resultantly, the TMA was deprived of the possible revenue of Rs 2.81 million.

Audit holds that due to weak internal controls and slackness on part of the management, arrears of rent worth Rs 2.81 million were not recovered from the defaulters.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to TMO/PAO in February, 2016 and again in March, 2016. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends recovery of the amount from tenants besides fixing responsibility under report to Audit.

[AIR Para No. 11]

## **ANNEXURES**

## PART-I

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

Sr. #	Name of Formation	AIR Para No.	Description of Para	Amount (Rs)	Nature of Para
1	TMA Hafizabad	04	Non imposition of penalty due to non submission of programme of	2,885,000	Internal Control Weaknesses
2		11	Irregular expenditure on repair of transformer	187,980	Internal Control Weaknesses
3		12	Unjustified expenditure on press club	266,600	Internal Control Weaknesses
4		12	Overpayment to contractors -	261,060	Irregularity / Non-compliance
5		14	Purchased material not taken on the stock after use -	1,010,000	Irregularity / Non-compliance
6		15	Excess Payment made for purchase of AC and LCD	141,400	Internal Control Weaknesses
7		16	Excess Payment made for refreshment	365,850	Internal Control Weaknesses
8		21	Likely misappropriation on use of generators for CCTV Cameras	117,336	Internal Control Weaknesses
9		22	Lavishly expenditure on entertainment	376,800	Irregularity / Non-compliance
10		24	Less Collection of Slaughter House Receipt worth	55,280	Internal Control Weaknesses
		25	Loss to Govt. due to Less Collection of Govt. Receipt Worth	117,600	Internal Control Weaknesses
		26	Loss to Govt. due to Less Collection of Govt. Receipt Worth	760,000	Internal Control Weaknesses
		29	Poor performance due less collection of revenue than budgeted	5,709,000	Internal Control Weaknesses
		29	Unjustified payment on account of earth filling/work	85,827	Irregularity / Non-compliance
		31	Recovery of	34,204	Internal Control Weaknesses
	32	Non deduction of harrow sand rate- recovery thereof	35,805	Internal Control	

Sr. #	Name of Formation	AIR Para No.	Description of Para	Amount (Rs)	Nature of Para
					Weaknesses
		34	Overpayment to the contractor due to non compaction of sub-base	35,277	Irregularity / Non-compliance
		35	Unjustified payment on account of earth filling/work	223,215	Irregularity / Non-compliance
		37	Overpayment to the contractor amounting	43,815	Irregularity / Non-compliance
		38	Overpayment to the contractor due to non compaction of sub-base	241,241	Irregularity / Non-compliance
		40	Non-conducting of annual physical verification	0	Internal Control Weaknesses
11	TMA Pindi Bhattian	01	Over payment due to incorrect application of rates	184,989	Internal Control Weaknesses
12		02	Unauthorized payment on account of change in quantity/ design without prior approval	561,000	Internal Control Weaknesses
13		3	Loss due to Incorrect Application of Rates	118,724	Internal Control Weaknesses
14		4	Doubtful and Non transparent payment on account of earth filling	99,750	Internal Control Weaknesses
15		06	Loss to government due to incorrect application of rates	40,704	Internal Control Weaknesses
		07	Irregular and doubtful expenditure for payment to Daily Wages	31,146,357	Irregularity / Non-compliance
16		09	Unjustified and doubtful expenditure on Sasta Ramzan Bazar	4,514,418	Internal Control Weaknesses
17		10	Non-achievement of targets resulting in revenue loss of	929,391	Internal Control Weaknesses
		11	Un- authorized award of contracts worth of	2,308,008	Irregularity / Non-compliance
18		1	Non deduction of 10% Advance Tax	230,800	Internal Control Weaknesses
19		14	Unjustified Payment on account of Purchase of Manholes and recovery of contractor's profit	207,406	Internal Control Weaknesses
20	15	Unjustified expenditure through wrong classification	500,000	Internal Control Weaknesses	

<b>Sr. #</b>	<b>Name of Formation</b>	<b>AIR Para No.</b>	<b>Description of Para</b>	<b>Amount (Rs)</b>	<b>Nature of Para</b>
21		16	Unauthorized purchase from unregistered firms	1,258,793	Irregularity / Non-compliance
22		17	Doubtful expenditure on TA/DA and recovery thereof	147,275	Irregularity / Non-compliance
23		18	Non-reconciliation of Receipt Deposits-	122,133,323	Irregularity / Non-compliance
24		19	Unauthorized expenditure in execution of development schemes	29,933,000	Irregularity / Non-compliance
25		20	Unauthorized expenditure on festivals without legal provision of Rule	1,910,578	Irregularity / Non-compliance
26		21	Less recovery of general bus stand fee	729,572	Internal Control Weaknesses

## PART-II

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

Sr. #	Name of Formation	AIR Para No.	Description of Para	Amount (Rs)	Nature of Para
1	TMA Hafizabad	16	Excess expenditure and low income in collection of water rates - loss to TMA	2,177,796	Internal Control Weaknesses
2		05	Un-authentic Govt. receipt due to non-conduct of survey of manufacturer, vendor and trader	1,041,000	Internal Control Weaknesses
3		10	Fraudulent drawl of death / birth fee	385,100	Internal Control Weaknesses
4		09	Unauthorized, unverifiable and non-prudent expenditure on POL and repair of fire lorry	192,074	Irregularity / Non-compliance
5		06	Doubtful payment on hiring of machinery - Rs.117,085	117,085	Irregularity / Non-compliance
6		14	Overpayment	82,859	Internal Control Weaknesses
7		15	Non- Maintainance of Record - Purchase of Diesel	0.981 million	
8		13	Overpayment /irregular payment	82,501	Internal Control Weaknesses
9		11	Un-authorized use of gas/electricity and unjustified drawl of HRA / CA	66,680	Irregularity / Non-compliance
10		12	Overpayment	64,834	Internal Control Weaknesses
11	TMA Pindi Bhattian	17	Unjustified payment of informatory boards for the development schemes	320,000	Internal Control Weaknesses
12		13	Un-authentic Govt. receipt due to non-conduct of survey of manufacturer, vendor and trader	305,564	Internal Control Weaknesses
13		8	Overpayment	212,950	Internal Control Weaknesses
14		4	Excess expenditure and low income in collection of water rates - loss to TMA	154,302	Internal Control Weaknesses
15		12	Unauthorized drawl of conveyance allowance	117,912	Internal Control Weaknesses
16		16	Non-deduction of conveyance allowance on account of allotted motor cycle	77,280	Internal Control Weaknesses
17		5	Irregular drawl of TA/DA	69,965	Internal Control Weaknesses
18		2	Fraudulent drawl of POL	46,810	Internal Control Weaknesses
19		10	Overpayment	36,928	Internal Control Weaknesses
20		9	Excess payment	22,836	Internal Control Weaknesses

**Annexure-B**

**TMA's of Hafizabad District  
Budget & Expenditure Statement for the  
Financial Year 2014-15**

(Rs in million)

<b>Name of TMA's</b>	<b>Head</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Savings (-)</b>	<b>% age</b>	<b>Comments</b>
Hafizabad	Salary	83.120	73.632	-09.488	11	-
	Non-Salary	108.420	90.362	-18.058	17	-
	Development	119.000	97.464	-21.536	18	-
<b>Total</b>		<b>310.540</b>	<b>261.458</b>	<b>-49.082</b>	<b>16</b>	<b>-</b>
Pindi Bhattian	Salary	72.898	50.055	-22.843	31	-
	Non-Salary	46.939	28.026	-18.913	40	-
	Development	93.032	29.933	-63.099	68	-
<b>Total</b>		<b>212.869</b>	<b>108.014</b>	<b>-104.855</b>	<b>49</b>	<b>-</b>
<b>Grand Total</b>		<b>523.409</b>	<b>369.472</b>	<b>-153.937</b>	<b>29</b>	<b>-</b>



**Annexure-C****Para 1.2.3.2****Wasteful Expenditure on Development Schemes Rs 17.49 million**

Sr.No	Name of schemes	Date of Work order	Date Required to be Completed	Expenditure up to 30/06/2015	Liability Amount 2013-14	Expenditure up to 30-06-15	Remarks	Total Expenditure (Rs)
3	Repairing and cleanliness different nallah jaat, City Hafizabad.	30/11/2013	29/01/2014	0.252	0.748	0	Dropped	0.252
5	Construction of P.C.C, drains, soling and nallah etc at Kot Hassan Khan.	12/12/2013		0.05	1.95	1.503	Work in Progress	1.553
15	Construction of road from Dera Hayat Jag to Village Jandwala.	09/06/2014	08/09/2014	0.005	6.995	5.66	Work in Progress	5.665
29	Construction of soling, and drain, Main Street Jahangir Sipra and Zulifqar Larra Wali at Behak Ahmad Yaar, Tehsil Hafizabad.	09/06/2014	08/07/2014	0.003	0.307	0.224	Work in Progress	0.227
33	Construction of monument and slip ways, Ali Chowk, Hafizabad.	09/06/2014	08/07/2014	0.002	0.998	0	Dropped	0.002

Sr.No	Name of schemes	Date of Work order	Date Required to be Completed	Expenditure up to 30/06/2015	Liability Amount 2013-14	Expenditure up to 30-06-15	Remarks	Total Expenditure (Rs)
35	Construction of soling and culverts from Kot Kameer to Dera Mansoor Ahmad (L = 1.56 Km) Out of CCB Funds (15% Revised)	09/06/2014	08/08/2014	0.005	2.835	2.412	Work in Progress	2.417
11	Construction of Drain, P.C.C, Nallah etc, Street Saithan Wali, Main Bazar, Hafizabad.	17/02/2015		0.114	-	0.114		0.114
12	Construction of chamber for Nallah at Railway Crossing, Hafizabad.	17/02/2015	16/05/2015	0.979	-	0.979		0.979
22	Construction of Drain, P.C.C, Nallah etc, Wachoki Kalan.	17/02/2015	16/04/2015	0.098	-	0.098		0.098
32	Construction of Nallah at Kot Qasim.	17/02/2015	16/05/2015	0.003	-	0.003		0.003
33	Construction of Bridge on Same Nallah at Baleki and Pheroki.	17/02/2015	16/05/2015	1.425	-	1.425		1.425

Sr.No	Name of schemes	Date of Work order	Date Required to be Completed	Expenditure up to 30/06/2015	Liability Amount 2013-14	Expenditure up to 30-06-15	Remarks	Total Expenditure (Rs)
37	Construction of 22 Masonry Enclosure at City Hafizabad.	17/02/2015	16/05/2015	2.09	-	2.09		2.09
38	Rehabilitation of water supply line along Gujranwala road, Hafizabad.	27/03/2015	26/06/2015	0.7	-	0.7		0.7
39	Construction of Boundary Wall and Repair of Fence, Family Park, Hafizabad.	17/06/2015	16/09/2015	0.01	-	0.01		0.01
40	Construction of Fancy Wall, Graveyard, Alipur Road near PTCL Office, Hafizabad.	17/06/2015	16/08/2015	0.292	-	0.292		0.292
41	Construction / Repair bridge, Same Nallah, Nakki Chattha.	17/06/2015	16/08/2015	0.004	-	0.004		0.004
42	Providing / laying R.C.C sewer pipe, Ramke Chattha road, Vanike Tarar	17/06/2015	16/08/2015	0.004	-	0.004		0.004

Sr.No	Name of schemes	Date of Work order	Date Required to be Completed	Expenditure up to 30/06/2015	Liability Amount 2013-14	Expenditure up to 30-06-15	Remarks	Total Expenditure (Rs)
2	Construction of drain, P.C.C, sewerage, tuff tile and culverts etc, U/C 2/19, City Hafizabad, Street Qasoorian Wali, Dr. Shakeel Murad and Allied Streets etc	17/02/2015	16/05/2015	1.656	-	1.656		1.656
<b>Total</b>								<b>17.491</b>

**Annexure-D****Para 1.2.3.3****Expenditure Without Advertisement on PPRA's Website – Rs 5.16 million****Tentage for Ramzan Bazar**

<b>Token No.</b>	<b>Date</b>	<b>Particular</b>		<b>Amount (Rs)</b>
01	12.07.2014	Complete Supply for Ramzan Bazar Hafizabad	Itehad Construction	1,402,220
25	19.07.2014	Printing Plastic bags for Ramzan Bazar	Super Star plastic	97,500
33	30.06.2014	Flexes for Ramzan Bazar	Shah Nawaz Builders	56,300
34	30.06.2014	Tantage for Ramzan Bazar kalekey Mandi	Shah Nawaz Builders	43,600
35	30.06.2014	Preparing car parking	Shah Nawaza Builders	56,500
36	30.06.2014	Dustbin, Sound System etc. for Ramzan Bazar	Shah Nawaz Builder	70,200
37	30.06.2014	Labour charges	Shah Nawaz Builder	34,200
<b>Total</b>				<b>1,760,520</b>

**Arrangement of Moharram-ul-haram**

<b>Token No.</b>	<b>Date</b>	<b>Particular</b>	<b>Contractor</b>	<b>Amount (Rs)</b>
06	16-02-2015	Search Lights during Moharram	M.Adnan Khan	96,600
23	16-02-2015	Search Lights during Moharram	M.Adnan Khan	82,800
24	16-02-2015	Search Lights during Moharram	M.Adnan Khan	96,600
25	16-02-2015	Supply of bulb with holder and wire etc	M.Adnan Khan	99,800
29	16-02-2015	Search Lights during Moharram	M.Adnan Khan	96,600
30	16-02-2015	Search Lights during Moharram	M.Adnan Khan	95000
31	16-02-2015	Search Lights during Moharram	M.Adnan Khan	96,600
32	16-02-2015	Search Lights during Moharram	M.Adnan Khan	96,600
25	28.11.2015	Rent of CCTV Cameras for Moharrum	Mian Usman	83,700
26	28.11.2015	Rent of CCTV Cameras for Moharrum	Mian Usman	83,700
			<b>Total</b>	<b>928,000</b>

Installation of CCTV cameras

Token No.	Date	Particular	Contractor	Amount (Rs)
18	09-03-2015	05 Day& Night Vision Cameras District Complex Hafizabad	Mian Usman	97,955
19	09-03-2015	05 Day& Night Vision Cameras District Complex Hafizabad	Mian Usman	97,625
20	09-03-2015	Battired+Ups etc for CCTV Cameras District Complex Hafizabad	Mian Usman	84,109
21	09-03-2015	05 Day& Night Vision Cameras District Complex Hafizabad	Mian Usman	99,605
<b>Total</b>				<b>379,294</b>

Celebration of 14<sup>th</sup> August

Token No.	Date	Particular	Contractor	Amount (Rs)
10	01.10.2014	Pakistan Flages	Ithad Construction	97,500
12	01.10.2014	Pakistan Flages	Ithad Construction	64,000
13	01.10.2014	Pakistan Flages	Ithad Construction	68,000
14	01.10.2014	Pakistan Flages	Ithad Construction	30,400
15	01.10.2014	Pakistan Flages	Ithad Construction	85,000
16	01.10.2014	Pakistan Flages	Ithad Construction	99,600
17	01.10.2014	Pakistan Flages	Ithad Construction	85,000
18	01.10.2014	Pakistan Flages	Zahoor Ahmed	64,000
01	08-12-2014	Lighting	Ithad Construction	80,000
02	08-12-2014	Refreshment	Ithad Construction	60,000
03	08-12-2014	Differnet Color Banners	Ithad Construction	97,000
04	08-12-2014	Flages	Ithad Construction	88,500
05	08-12-2014	Flexes	Ithad Construction	91,500
06	08-12-2014	Flexes	Ithad Construction	80,000
07	08-12-2014	Badges+Capes+Hand Flages	Ithad Construction	82,400
<b>Total</b>				<b>1,172,900</b>

Refreshment on 23rd March

Token No.	Date	Particular	Contractor	Amount (Rs)
38	26-03-2015	Refreshment on 23 <sup>rd</sup> March	M.Adnan Khan	99,900
39	26-03-2015	Refreshment on 23 <sup>rd</sup> March	M.Adnan Khan	99,900
40	26-03-2015	Refreshment on 23 <sup>rd</sup> March	M.Adnan Khan	77,700
41	26-03-2015	Refreshment on 23 <sup>rd</sup> March	M.Adnan Khan	99,900
42	26-03-2015	Refreshment on 23 <sup>rd</sup> March	M.Adnan Khan	99,300
<b>Total</b>				<b>476,700</b>

Purchase of tyres

Token No.	Date	Particular	Contractor	Amount (Rs)
10	17-03-2015	Change of Tyre Tractor 240	M.Adnan Khan	97,200
17	17-03-2015	Change of Tyre loader 385	M.Adnan Khan	98,400
20	17-03-2015	Change of tube loader	M.Adnan Khan	50,400
24	17-03-2015	Change of Tyre loader	M.Adnan Khan	98,400
25	17.03.2015	Change of Tyre Tractor	M.Irfan	98,400
<b>Total</b>				<b>442,800</b>

**Annexure-E**  
**Para 1.2.4.1**

**Doubtful consumption of POL Rs 10.54 million**

<b>Vehicle No</b>	<b>Petrol Drawn During the year</b>	<b>Vehicle No</b>	<b>Petrol Drawn During the year (Rs)</b>
Massay 240/1	658,482	Tractor 300/1	460,232
Massay 240/2	665,415	Tractor 300/2	322,742
Massay 240/3	751,610	Sucker Machine	1,271,100
Massay 240/4	730,267	Dengue Brigade	370,223
Massay 240/5	728,209	Fire Brigade	283,577
Massay 385 Loader	1,002,004	Cultus HZ-4200	336,708
Fiat 640/1	1,002,924	Double Cabine	543,259
Fiat 640/2	630,070	Cultus HZ3939	312,202
Fiat480	466,118	<b>Total</b>	<b>10,535,142</b>



**Annexure-F**  
**Para 1.2.4.2**

**Loss due to non imposition of penalty – Rs 4.78 million**

Name of schemes	Allocation / Work Order Amount (Rs)	Date of Work order	Date Required to be Completed	Date of completion (Actual)	Penalty 10% Rs in million
Construction of nallah at Jharianwala (From Shop to Field)	0.784	17/02/2015	17/04/2015	17/05/2015	0.0784
Construction of shed at Slaughter House, Hafizabad.	0.647	17/02/2015	17/04/2015	30/04/2015	0.0647
Construction of Soling from LCC Canal to Dera Jammu, Muradian.	0.686	17/02/2015	16/04/2015	10/06/2015	0.0686
Construction of P.C.C, Drains, Soling, Nallah etc at Kot Ishaq.	1.97	17/02/2015	16/05/2015	18/06/2015	0.197
Construction of Nallah at Mian Raheema.	0.492	17/02/2015	16/03/2015	15/04/2015	0.0492
Construction of culverts at Thatha Dhodha and Jalalana.	0.492	17/02/2015	16/03/2015	15/04/2015	0.0492
Construction of Nallah at Kot Qasim.	0.493	17/02/2015	16/05/2015	18/08/2015	0.0493
Construction of Bridge on Same Nallah at Baleki and Pheroki.	1.97	17/02/2015	16/05/2015	16/07/2015	0.197
Construction of P.C.C, Drains, Soling, Nallah etc at Marh Bashi.	0.985	17/02/2015	16/04/2015	20/05/2015	0.0985
Construction of Fancy Wall, Graveyard, Alipur Road near PTCL Office, Hafizabad.	1	17/06/2015	16/08/2015	08/11/2015	0.1
Construction of P.C.C, drains, soling and nallah etc at Banjar and Udokey.	1.2	12/12/2013	11/02/2014	17/11/2014	0.12
Construction of P.C.C, drains, soling and nallah etc at Faisal Town, HFD.	1	12/12/2013	11/01/2014	22/04/2014	0.1
Construction of PCC, Drain and Nallah at Street Rajputan Wali, Nambardar Wali and Street Bhandanwali, Village					0
	2	09/06/2014	08/08/2014	06/09/2014	0.2

Name of schemes	Allocation / Work Order Amount (Rs)	Date of Work order	Date Required to be Completed	Date of completion (Actual)	Penalty 10% Rs in million
Madhrianwala, Hafizabad.					
Improvement of Park Sagar road with partition wall, Hafizabad. <b>(15% Revised)</b>	1	09/06/2014	08/07/2014	13/01/2015	0.1
	1.15				0.115
Improvement of Family Park with Garden light, Hafizabad. <b>(15% Revised)</b>	1	09/06/2014	08/07/2014	03/03/2015	0.1
	1.15				0.115
Construction of P.C.C, Drain and Nallah at Street Muhammad Ashraf Gujjar Wali and adjacent streets, U/C 5/22, Hafizabad.	1	09/06/2014	08/07/2014	30/10/2014	0.1
Construction of PCC and Drain, Street Aftab Ahmad, Muhammad Arif, Mian Usman and Masjid Wali etc at Bhaka Bhattian.	1.6	09/06/2014	08/08/2014	06/10/2014	0.16
Construction of P.C.C, drain and nallah etc Main Street Noor Din , Ali Shoukat and Rafiq Rajput Wali at Jhallar Diwana Tehsil Hafizabad.	1.9	09/06/2014	08/08/2014	08/12/2014	0.19
Construction of P.C.C drain and nallah etc Street Hamau Rasheed, Syad Abbas Maqsood Arain Malik, M. Ali and Street Dera Mian Ata Ullah Noon at Madhrian wala Group II Tehsil Hafizabad.	1	09/06/2014	08/07/2014	14/12/2014	0.1
Construction of P.C.C drain and nallah etc Dera Shahadat Ali to Rajbah at Rasul Pur Hanjrawan Tehsil Hafizabad.	0.8	09/06/2014	08/07/2014	06/10/2014	0.08

Name of schemes	Allocation / Work Order Amount (Rs)	Date of Work order	Date Required to be Completed	Date of completion (Actual)	Penalty 10% Rs in million
Construction of P.C.C drain and nallah etc Main Street Dera Fiaz Ahmed Wali and Street Qureshian at Peer Kot Sani Tehsil Hafizabad.	0.8	09/06/2014	08/07/2014	13/01/2015	0.08
<b>(15% Revised)</b>	0.92				0.092
Construction of P.C.C drain and nallah etc Main Street Dera Rana Feroze Wala and Jamia Masjid wali at Dhunni Tehsil Hafizabad	1	09/06/2014	08/07/2014	07/01/2015	0.1
Construction of P.C.C drain and nallah etc Main Street Amant Ali and Street M. Nawaz Noul at Chhanni Hoshnak Rai Tehsil Hafizabad.	0.7	09/06/2014	08/07/2014	06/10/2014	0.07
Construction of Drain Nallah and P.C.C, Main Street, House Hassan Tarar and Dera Muhammad Khan, Village Chak Sajjada. Revise A.A 2.070 Out of TMA Fund. Sr. No. 27.	1.8	09/06/2014	08/08/2014	20/09/2014	0.18
<b>(15% Revised)</b>	2.07				0.207
Construction / Widening of bridge on Rajbah Gajar Gola, Burji No. 08 near Dera Ria Muhammad Wazir Kharal, Tehsil Hafizabad.	0.545	09/06/2014	08/07/2014	06/09/2014	0.0545
Providing and fixing manholes covers frames and construction of nallah and P.C.C, Street Malik Mohsin Abbas Khaokar wali, Malik Khalid Wali, Malik Bahadar Wali, Inayat Patwari Wali etc, Vanike Tarar Hafizabad.	0.58	09/06/2014	08/07/2014	21/10/2014	0.058

Name of schemes	Allocation / Work Order Amount (Rs)	Date of Work order	Date Required to be Completed	Date of completion (Actual)	Penalty 10% Rs in million
Construction of soling, and drain, Main Street Jahangir Sipra and Zulifqar Larra Wali at Behak Ahmad Yaar, Tehsil Hafizabad.	0.31	09/06/2014	08/07/2014	14/07/2015	0.031
Construction of PCC Drain and Nallah near Defense Road Hafizabad.	0.33	09/06/2014	08/07/2014	15/10/2014	0.033
Beautification and renovation of Jinnah Chowk and Green Belts, HFD.	2	09/06/2014	08/08/2014	08/09/2014	0.2
Construction of Office at General Bus Stand Hafizabad.	0.25	09/06/2014	08/07/2014	30/12/2014	0.025
Construction of monument and slip ways, Ali Chowk, Hafizabad.	1	09/06/2014	08/07/2014		0.1
Beautification of lawn and renovation of Jinnah Public Hall Hafizabad. <b>(15% Revised)</b>	1	09/06/2014	08/07/2014	15/01/2015	0.1
	1.15				0.115
Construction of soling and culverts from Kot Kameer to Dera Mansoor Ahmad (L = 1.56 Km) <b>Out of CCB Funds (15% Revised)</b>	0	09/06/2014	08/08/2014	15/07/2015	0
					0
Providing and laying of tuff tile and R.C.C at Railway Pathak, Hafizabad.	0.5	09/06/2014	08/07/2014	28/10/2014	0.05
Construction of nallah at Jharianwala (From Shop to Field)	0.784	17/02/2015	17/04/2015	17/05/2015	0.0784
Construction of shed at Slaughter House, Hafizabad.	0.647	17/02/2015	17/04/2015	30/04/2015	0.0647
Construction of Soling from LCC Canal to Dera Jammu, Muradian.	0.686	17/02/2015	16/04/2015	10/06/2015	0.0686
Construction of P.C.C, Drains, Soling, Nallah etc at Kot Ishaq.	1.97	17/02/2015	16/05/2015	18/06/2015	0.197

<b>Name of schemes</b>	<b>Allocation / Work Order Amount (Rs)</b>	<b>Date of Work order</b>	<b>Date Required to be Completed</b>	<b>Date of completion (Actual)</b>	<b>Penalty 10% Rs in million</b>
Construction of Nallah at Mian Raheema.	0.492	17/02/2015	16/03/2015	15/04/2015	0.0492
Construction of culverts at Thatha Dhodha and Jalalana.	0.492	17/02/2015	16/03/2015	15/04/2015	0.0492
Construction of Nallah at Kot Qasim.	0.493	17/02/2015	16/05/2015	18/08/2015	0.0493
Construction of Bridge on Same Nallah at Baleki and Pheroki.	1.97	17/02/2015	16/05/2015	16/07/2015	0.197
Construction of P.C.C, Drains, Soling, Nallah etc at Marh Bashi.	0.985	17/02/2015	16/04/2015	20/05/2015	0.0985
<b>Total</b>					<b>4.7793</b>

**Annexure-G**  
**Para 1.2.4.5**

**Overpayment Made to Contractor Rs 1.98 million**

**PROGRESS REPORT ANNUAL DEVELOPMENT PROGRAMME TMA,  
HAFIZABAD FOR THE YEAR 2014-15 (IN MILLION)**

(Amount in Rs)

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
1	Construction of Drain, P.C.C, Sewerage, Tuff Tile and culverts etc, U/C 1/18, City Hafizabad (Street Abu Bakar, Riasat and M. Ali etc).	4.000	3.940	Zahoor Ahmad	17-02-2015	16-05-2015	30,000
2	Construction of Drain, P.C.C, Sewerage, Tuff Tile and culverts etc, U/C 3/20, City Hafizabad (Street Hidayat Ullah, Rana Gulzar, Amin Pehalwan and Main Street Muhallah Mian Kot etc).	3.500	3.430	Muhammad Riaz	17-02-2015	16-05-2015	30,000
3	P/L Tuff Tile and Car Parking Baar Room, Hafizabad	1.315	1.296	Tarar Corporation	17-02-2015	16-04-2015	20,000
4	P/L Tuff Tile, Street Church Wali, Jalalpur Road, Hafizabad	0.150	0.147	Mushtaq Ahmad	17-02-2015	16-03-2015	10,000
5	Construction of drain, P.C.C and nallah etc, Pindi Bowre, Street Younas Tatla	1.500	1.478	New Aashiq Hussain	17-02-2015	17-05-2015	30,000
6	Construction of drain, street, nallah etc at Village Dhunni (Rana Yameen and Main Road)	0.800	0.786	Husnain Zaman	17-02-2015	18-04-2015	20,000
7	Construction of nallah at Jharianwala (From Shop to Field)	0.800	0.784	Faisal Hayat & Co	17-02-2015	17-04-2015	20,000
8	Construction of Drain, P.C.C, Nallah etc, Jahanian Chadhran (Street Umar Daraz, Younas and Nisar Machi).	1.500	1.470	Qamar & Co	17-02-2015	16-05-2015	30,000
9	Construction of drain, P.C.C, nallah etc at Bowre Nou, Main	1.235	1.210	M. Afzal	17-02-2015	16-04-2015	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Street from Road to Masjid, Street Saif Ullah and M. Afzal						
10	Construction of Drain, P.C.C, Nallah etc, Chak Moulu (Main Street).	1.000	0.985	Adnan Khan	17-02-2015	17-05-2015	30,000
11	Construction of Drain, P.C.C, Nallah etc, Street Saithan Wali, Main Bazar, Hafizabad.	0.200	0.196	Muhammad Afzal	17-02-2015		20,000
12	Construction of chamber for Nallah at Railway Crossing, Hafizabad.	1.500	1.480	Husnain Zaman	17-02-2015	16-05-2015	30,000
13	Construction of shed at Slaughter House, Hafizabad.	0.660	0.647	Shaikh Ilyas	17-02-2015	17-04-2015	20,000
14	Construction of P.C.C, Drain, Soling and Nallah etc, Nanoana.	2.000	1.960	Rai Khurram & Co	17-02-2015	16-05-2015	30,000
15	Construction of P.C.C, Drain, Soling and Nallah etc, Village Kaleki.	2.000	1.965	Sagheer Ahmad	17-02-2015	16-05-2015	30,000
16	Construction of drain, P.C.C, sewerage and culverts at U/C 4/21, City Hafizabad (Street Arif Qadri, Ahmed Waqas Sial, Shrif Camboh etc).	2.000	1.970	Ittehad Construction	17-02-2015	17-05-2015	30,000
17	Construction of drain, P.C.C, sewerage and culverts at U/C 5/22, City Hafizabad (Street Ahsan Khokhar, Nadra Office, Muhallah Majeed Pura etc).	3.600	3.528	Ijaz Ahmad Manget	17-02-2015	18-06-2015	40,000
18	Construction of drain, P.C.C, sewerage and culverts at U/C 6/23, City Hafizabad (Street Ashraf Kumhar, Liaqat Sehgal, Qabristan Wali etc).	2.700	2.646	Star Builders & Developers	17-02-2015	16-05-2015	30,000
19	Construction of drain, P.C.C, nallah etc, Kot Hassan Khan (Main Gala and Street Jamia Masjid Wali).	1.000	0.980	M. Rafiq Mazhar	17-02-2015	16-04-2015	20,000
20	Construction of drain, P.C.C, nallah etc at	1.000	0.983	Malik M. Ali	17-02-2015	16-04-2015	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Jurrian.						
21	Construction of P.C.C and sewerage at Street No. 03, Muhallah Jilani Pura.	1.500	1.470	Aftab Ahmad Khan	17-02-2015	16-05-2015	30,000
22	Construction of Drain, P.C.C, Nallah etc, Wachoki Kalan.	1.000	0.980	Malik M. Ali	17-02-2015	16-04-2015	20,000
23	Construction of Drain, P.C.C, Nallah etc at Yousaf Clinic Street, Gujranwala road, Hafizabad. (Revised A.A 2.299)	2.000 2.299	2.253	Muhammad Afzal	17-02-2015	16-05-2015	30,000
24	Construction of Soling from LCC Canal to Dera Jammu, Muradian.	0.700	0.686	Muhammad Hayat	17-02-2015	16-04-2015	20,000
25	Construction of P.C.C, Drains, Soling, Nallah etc at Mehdiabad.	1.000	0.985	Ali Construction	17-02-2015	16-04-2015	20,000
26	Construction of nallah and culverts at Kaleki Mandi.	0.500	0.493	Malik Zulifar Ali	17-02-2015	16-04-2015	20,000
27	Construction of bridge on Same Nallah at Qila Ram Rang.	1.000	0.985	Qaisar Sajjad	17-02-2015	16-04-2015	20,000
28	Construction of P.C.C, Drains, Soling, Nallah etc at Kot Ishaq.	2.000	1.970	Zulifqar Qaisar Builders	17-02-2015	16-05-2015	30,000
29	Construction of P.C.C, Drains, Soling, Nallah etc at Akkanwala.	0.500	0.493	M/S Bajoo & Co	17-02-2015	15-03-2015	10,000
30	Construction of Nallah at Mian Raheema.	0.500	0.492	Qaisar Sajjad	17-02-2015	16-03-2015	10,000
31	Construction of culverts at Thatha Dhodha and Jalalana.	0.500	0.492	Qaisar Sajjad	17-02-2015	16-03-2015	10,000
32	Construction of Nallah at Kot Qasim.	0.500	0.493	Aftab Ahmad Khan	17-02-2015	16-05-2015	30,000
33	Construction of Bridge on Same Nallah at Baleki and Pheroki.	2.000	1.970	M/s Tarar Enterprises	17-02-2015	16-05-2015	30,000
34	Construction of P.C.C, Drains, Soling, Nallah etc at Marh Bashi.	1.000	0.985	Mukhtar Ahmad	17-02-2015	16-04-2015	20,000
35	Supply of manhole covers and T Shape (CI frame)	1.000	0.980	Shah Nawaz Builders	17-02-2015	16-04-2015	20,000



Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
36	Construction of Additional Room in TMA Office, Hafizabad. (Phase-II)	3.000	2.955	Tarar Corporation	17-02-2015	16-05-2015	30,000
37	Construction of 22 Masonry Enclosure at City Hafizabad.	3.000	2.940	Rana Moazzam Iqbal	17-02-2015	16-05-2015	30,000
38	Rehabilitation of water supply line along Gujranwala road, Hafizabad.	0.000	2.471	Zahoor Ahmad Janjua	27-03-2015	26-06-2015	30,000
39	Construction of Boundary Wall and Repair of Fence, Family Park, Hafizabad.	1.800	1.800	Chattha & Co	17-06-2015	16-09-2015	30,000
40	Construction of Fancy Wall, Graveyard, Alipur Road near PTCL Office, Hafizabad.	1.000	1.000	Aftab Ahmad Khan	17-06-2015	16-08-2015	20,000
41	Construction / Repair bridge, Same Nallah, Nakki Chattha.	0.400	0.400	Aftab Ahmad Khan	17-06-2015	16-08-2015	20,000
42	Providing / laying R.C.C sewer pipe, Ramke Chattha road, Vanike Tarar	0.320	0.320	Aftab Ahmad Khan	17-06-2015	16-08-2015	20,000
	<b>Total Rs.</b>		<b>57.979</b>	<b>59.494</b>			<b>1,010,000</b>

**PROGRESS REPORT OF DISTRICT FUNDS EXECUTED BY THE  
TMA, HAFIZABAD FOR THE YEAR 2014-15 (IN MILLION)**

(Amount in Rs)

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
1	Construction of drain, P.C.C, sewerage, tuff tile at Rail Bazar to Chowk Siddiq-E-Akbar, Bijli Muhallah, Hafizabad.	5.000	4.925	Tarar Corporation	17-02-2015	16-05-2015	30,000
2	Construction of drain, P.C.C, sewerage, tuff tile and culverts etc, U/C 2/19, City Hafizabad, Street Qasoorian Wali, Dr. Shakeel Murad and Allied Streets etc	3.000	2.955	New Chadhar & Co	17-02-2015	16-05-2015	30,000
3	Construction of drain, P.C.C, nallah etc at Mahi Wala, (Street Rana Anwar, Murtaza and Gulzar	1.000	0.980	Ghulam Murtaza	17-02-2015	16-04-2015	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Ahmad etc).						
4	Construction of drain, P.C.C, nallah etc at Kot Hashmat, (Street Mazhar Bhatti and Rana Asghar etc).	1.000	0.980	Muhammad Irfan	17-02-2015	16-04-2015	20,000
5	Construction of drain, P.C.C, streets, sewer pipe, culverts, Street Malik Ihsaan Wali, Shabbir Jogi Wali, Malik Shan etc, U/C 7/24, City Hafizabad.	4.000	3.940	Ittehad Construction	17-02-2015	16-05-2015	30,000
6	Construction of drain, P.C.C, streets and nallah etc, Main Gala, Karryala.	1.000	0.992	Bilal Brothers	17-02-2015	16-04-2015	20,000
7	Construction of drain, P.C.C, streets and nallah etc, Chak Pindi Jelol	0.900	0.882	Khalid Awan & Co	17-02-2015	16-04-2015	20,000
8	Construction of drain, P.C.C, streets and nallah etc, Pipple Wala Khou	0.500	0.493	Adnan Khan	17-02-2015	16-03-2015	10,000
9	Construction of P.C.C, drain, soling and nallah etc, Dhirmake / Lalke	3.000	2.955	Chattha & Co	17-02-2015	16-05-2015	30,000
10	Construction of P.C.C, drain, soling and nallah etc, Thattha Nahra.	0.200	0.197	Adnan Khan	17-02-2015	16-04-2015	20,000
11	Construction of P.C.C, drainage, soling and tuff tile etc at street Masjid Gulzar-E-Madina and street Zaffar Dar Wali, District Hafizabad.	4.300	4.278	Tarar Corporation	29-06-2015	28-10-2015	40,000
12	Construction of P.C.C, drainage and soling etc at Muhallah Irshad Mumtaz, Kot Hassan Khan, District Hafizabad	3.000	2.985	Haites Developers	29-06-2015	28-09-2015	30,000
13	Construction of P.C.C, drainage and soling etc at Kot Ibrahim (Pul Mamna), District Hafizabad	1.000	0.995	Rai Khurram & Co	29-06-2015	28-08-2015	20,000
14	Construction of P.C.C, drainage and soling at Lalke, District Hafizabad.	1.000	1.000	Chattha & Co	29-06-2015	28-08-2015	20,000
15	Construction of P.C.C, drainage and soling etc at Bowre Nou, District Hafizabad	1.200	1.197	Rana Moazzam Iqbal	29-06-2015	28-08-2015	20,000
16	Construction of P.C.C, drainage and soling etc at Borianwala, District Hafizabad	1.000	0.993	Zahoor Ahmad Janjua	29-06-2015	28-08-2015	20,000
17	Construction of soling at Graveyard, Karriala, District Hafizabad.	1.500	1.496	Husnain Zaman Chattha	29-06-2015	28-08-2015	20,000
18	Construction of bridge on Wagh Nallah at Punj Garaien, District Hafizabad	2.000	1.985	Tarar Enterprises	29-06-2015	28-08-2015	20,000
<b>Total Rs.</b>							<b>420,000</b>

**LIABILITY PROGRESS REPORT DEVELOPMENT SCHEMES TMA, HAFIZABAD  
FOR THE YEAR 2013-14 (IN MILLION)**

(Amount in Rs)

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
1	Providing manhole covers with C.I frame (Different Size), for TMA, Hafizabad.	1.064	1.064	Ittehad Construction	27-11-13	26-01-14	20,000
2	Providing Different Equipment for Sanitation Branch, TMA, Hafizabad.	1.670	1.670	Aftab Ahmad	27-11-13	26-01-14	20,000
3	Repairing and cleanliness different nallah jaat, City Hafizabad.	1.000	1.000	M. Afzal	30-11-13	29-01-14	20,000
4	Construction of P.C.C, drains, soling and nallah etc at Banjar and Udokey.	1.200	1.200	Tarar Corporation	12-12-13	11-02-14	20,000
5	Construction of P.C.C, drains, soling and nallah etc at Kot Hassan Khan.	2.000	2.000	M/s Awan Builders	12-12-13		20,000
6	Construction of P.C.C, drains, soling and nallah etc at Muhallah Bahawal Pura, Hafizabad.	1.700	1.700	Tarar Corporation	12-12-13	11-02-14	20,000
7	Construction of P.C.C, drains, soling and nallah etc at Faisal Town, HFD.	1.000	1.000	Aftab Ahmad	12-12-13	11-01-14	10,000
8	Construction of P.C.C, drains, soling and nallah etc at Soianwala.	2.800	2.800	M/S Saif Brothers	12-12-13	11-02-14	20,000
9	Construction of PCC, Drain and Nallah at Street Rajputan Wali, Nambardar Wali and Street Bhandanwali, Village	2.000	2.000	Tarar Corporation	09-06-14	08-08-14	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Madhrianwala, Hafizabad.						
10	Construction of PCC Drain and 10' span culverts on seepage drain and street Mehar Yousaf, Mehar Riaz and Abdul Qayyum, Village Mangat Neecha and Street Rana Mehboob Ali, Rana Akhtar, Moza Iqbal Nagar, HFD	1.500	1.500	Rana Moazzam Iqbal	09-06-14	08-08-14	20,000
11	Improvement of Park Sagar road with partition wall, Hafizabad. (15% Revised)	<u>1.000</u> 1.150	<u>1.000</u> 1.150	Husnain Zaman	09-06-14	08-07-14	10,000
12	Improvement of Family Park with Garden light, Hafizabad. (15% Revised)	<u>1.000</u> 1.150	<u>1.000</u> 1.150	New Chadhar & Co	09-06-14	08-07-14	10,000
13	Construction of P.C.C, Drain and Nallah at Street Muhammad Ashraf Gujjar Wali and adjacent streets, U/C 5/22, Hafizabad.	1.000	1.000	M/s Saif Brothers	09-06-14	08-07-14	10,000
14	Construction of soling and culverts from Village Ballo Kohna to Dera Cheema, Hafizabad.	2.000	2.000	Husnain Zaman Chattha	09-06-14	08-08-14	20,000
15	Construction of road from Dera Hayat Jag to Village Jandwala.	7.000	7.000	M/s Saif Brothers	09-06-14	08-09-14	30,000
16	Construction of PCC and Drain, Street Aftab Ahmad, Muhammad Arif, Mian	1.600	1.600	Javeid Akhtar Construction Company	09-06-14	08-08-14	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Usman and Masjid Wali etc at Bhaka Bhattian.						
17	Construction of P.C.C, drain and nallah etc Main Street Noor Din , Ali Shoukat and Rafiq Rajput Wali at Jhallar Diwana Tehsil Hafizabad.	1.900	1.900	Muhammad Riaz	09-06-14	08-08-14	20,000
18	Construction of P.C.C drain and nallah etc Street Hamau Rasheed, Syad Abbas Maqsood Arain Malik, M. Ali and Street Dera Mian Ata Ullah Noon at Madhrian wala Group II Tehsil Hafizabad.	1.000	1.000	Muhammad Riaz	09-06-14	08-07-14	10,000
19	Construction of P.C.C drain and nallah etc Dera Shahadat Ali to Rajbah at Rasul Pur Hanjrawan Tehsil Hafizabad.	0.800	0.800	Husnain Zaman Chattha	09-06-14	08-07-14	10,000
20	Construction of P.C.C drain and nallah etc Main Street Dera Fiaz Ahmed Wali and Street Qureshian at Peer Kot Sani Tehsil Hafizabad. (15% Revised)	<u>0.800</u> 0.920	<u>0.800</u> 0.920	New Aashiq Hussain Bhatti	09-06-14	08-07-14	10,000
21	Construction of P.C.C drain and nallah etc Main Street Dera Rana Feroze Wala and Jamia Masjid wali at Dhunni Tehsil Hafizabad	1.000	1.000	Muhammad Riaz	09-06-14	08-07-14	10,000
22	Construction of P.C.C drain and nallah etc Main	0.700	0.700	Husnain Zaman Chattha	09-06-14	08-07-14	10,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Street Amant Ali and Street M. Nawaz Noul at Chhanni Hoshnak Rai Tehsil Hafizabad.						
23	Construction of Drain Nallah and P.C.C, Main Street, House Hassan Tarar and Dera Muhammad Khan, Village Chak Sajjada. Revise A.A 2.070 Out of TMA Fund. Sr. No. 27. (15% Revised)	<u>1.800</u> 2.070	<u>1.800</u> 2.070	Ittehad Construction	09-06-14	08-08-14	20,000
24	Construction / Widening of bridge on Rajbah Gajar Gola, Burji No. 08 near Dera Ria Muhammad Wazir Kharal, Tehsil Hafizabad.	0.545	0.545	Zahoor Ahmad Janjua	09-06-14	08-07-14	10,000
25	Construction of P.C.C, drain and nahllah etc Main Street Dera Munawar, Street Masjid wali and Street Qurashian Wali at Jahanian Khattrain Tehsil Hafizabad.	1.400	1.400	Tarar Corporation	09-06-14	08-08-14	20,000
26	Construction of office buildings Tehsil Officer (I&S) and TMO office, TMA Hafizabad. Phase-I.	3.000	3.000	Tarar Corporation	09-06-14	08-09-14	10,000
27	Construction of boundary wall of TMA Plot No. (1 & 2) along Railway Track, Hafizabad.	1.470	1.470	Tarar Corporation	09-06-14	08-08-14	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
28	Providing and fixing manholes covers frames and construction of nallah and P.C.C, Street Malik Mohsin Abbas Khaokar wali, Malik Khalid Wali, Malik Bahadar Wali, Inayat Patwari Wali etc, Vanike Tarar Hafizabad.	0.580	0.580	Ittehad Construction	09-06-14	08-07-14	10,000
29	Construction of soling, and drain, Main Street Jahangir Sipra and Zulifqar Larra Wali at Behak Ahmad Yaar, Tehsil Hafizabad.	0.310	0.310	Ittehad Construction	09-06-14	08-07-14	10,000
30	Construction of PCC Drain and Nallah near Defense Road Hafizabad.	0.330	0.330	M. Adnan Khan	09-06-14	08-07-14	10,000
31	Beautification and renovation of Jinnah Chowk and Green Belts, HFD.	2.000	2.000	Zahoor Ahmad	09-06-14	08-08-14	20,000
32	Construction of Office at General Bus Stand Hafizabad.	0.250	0.250	New Aashiq Hussain Bhatti	09-06-14	08-07-14	10,000
33	Construction of monument and slip ways, Ali Chowk, Hafizabad.	1.000	1.000	Dr. Mehboob Alam	09-06-14	08-07-14	10,000
34	Beautification of lawn and renovation of Jinnah Public Hall Hafizabad. (15% Revised)	<u>1.000</u> 1.150	<u>1.000</u> 1.150	Husnain Zaman	09-06-14	08-07-14	10,000
35	Construction of soling and culverts from Kot Kameer to Dera Mansoor Ahmad (L = 1.56	<u>2.470</u> 2.840	0.000	Ittehad Construction	09-06-14	08-08-14	20,000

Sr. #	Name of schemes	A.A & T.S Amount	Allocation / Work Order Amount	Name of Contractor	Date of Work order	Date Required to be Completed	Salary of Diploma Holder (Amount in Rs)
	Km) Out of CCB Funds (15% Revised)						
36	Providing and laying of tuff tile and R.C.C at Railway Pathak, Hafizabad.	0.500	0.500	Qamar & Co	09-06-14	08-07-14	10,000
<b>Total</b>							<b>550,000</b>

**Grand Total:- 1,010,000+ 420,000 + 550,000 = Rs 1,980,000**



## Annexure-H

### Para 1.3.1.1

#### Expenditure without Advertisement on PPRA's Website – Rs3.630 million

Voucher No. & date	Description	Amount (Rs)
61/23-07-14	Rent for tentage for cattle mandi	77,955
62/23-07-14	Rent for tentage for cattle mandi	92,985
63/23-07-14	Rent for tentage for cattle mandi	92,985
64/23-07-14	Misc. expenditures for cattle mandi	45,245
65/23-07-14	Misc. expenditures for cattle mandi	15,708
57/24-10-14	Rent for tentage for cattle mandi	253,746
62/24-10-14	Misc. expenditures for cattle mandi	31,500
63/24-10-14	Rent for tentage for cattle mandi	542,052
67/24-10-14	Rent for tentage for cattle mandi	24,354
13/9-12-14	Rent for Cattle Mandi	272,025
14/9-12-2014	Rent for Cattle Mandi	90,675
121/27-6-15	Misc. expenditures for cattle mandi	238,050
122/27-6-15	Misc. expenditures for cattle mandi	68,000
123/27-6-15	Misc. expenditures for cattle mandi	277,950
124/27-6-15	Misc. expenditures for cattle mandi	69,072
125/27-6-15	Misc. expenditures for cattle mandi	46,140
126/27-6-15	Misc. expenditures for cattle mandi	43,700
127/27-6-15	Misc. expenditures for cattle mandi	20,000
128/27-6-15	Misc. expenditures for cattle mandi	45,600
129/27-6-15	Misc. expenditures for cattle mandi	54,400
133/27-6-15	Misc. expenditures for cattle mandi	15,000
<b>Total</b>		<b>2,417,142</b>

**Annexure-I**  
**Para 1.3.2.1**

**Non recovery of liquidated damages for delay in completion of work - Rs2.856 million**

<b>Name of work</b>	<b>Date of start</b>	<b>Date of completion</b>	<b>Time limit allowed</b>	<b>Work cost (Rs)</b>	<b>Amount of penalty (10%) (Rs)</b>
Providing / Laying of Sewerage from Veterinary Hospital to Disposal Station Jalapur Bhattian	11-3-2015	WIP	5	16,000,000	1,600,000
Renovation of TMA office Pindi Bhattian	11-3-2015	WIP	30-6-2015	1,600,000	160,000
Const. of PCC, Drain, Street, Soling, Naullah at Jaggan Wala	11-3-2015	WIP	30-6-2015	1,500,000	150,000
Const. of Culvert on saime Naullah Village Narowal	11-3-2015	WIP	30-6-2015	1,725,000	172,500
Const. of Sullage Carrier, at Hafizabad Road	11-3-2015	WIP	3	2,654,000	265,400
Const. of PCC, Drain, Soling, Naulla etc at Mohallah Zafar Pura and Masoom Pura	11-3-2015	WIP	30-6-2015	2,582,000	258,200
Cont. of Public Park Pindi Bhattian	5-5-2015	WIP	30-6-2015	2,500,000	250,000
<b>Total</b>					<b>2,856,100</b>