



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

**AUDIT YEAR 2014-15**

**AUDITOR GENERAL OF PAKISTAN**

# TABLE OF CONTENTS

<b>ABBREVIATIONS AND ACRONYMS</b> .....	<b>i</b>
<b>PREFACE</b> .....	<b>ii</b>
<b>EXECUTIVE SUMMARY</b> .....	<b>iii</b>
<b>SUMMARY OF TABLES AND CHARTS</b> .....	<b>vii</b>
Table 1: Audit Work Statistics .....	vii
Table 2: Audit Observations regarding Financial Management.....	vii
Table 3: Outcome Statistics.....	vii
Table 4: Irregularities Pointed Out.....	viii
Table 5: Cost-Benefit .....	viii
<b>CHAPTER-1</b> .....	<b>1</b>
1.1    TEHSIL MUNICIPAL ADMINISTRATIONS, SIALKOT .....	1
1.1.1    INTRODUCTION .....	1
1.1.2    Comments on Budget and Accounts (Variance Analysis).....	2
1.1.3    Brief Comments on the Status of Compliance on MFDAC Paras of Audit Year 2013-14.....	4
1.1.4    Brief Comments on the Status of Compliance with PAC Directives.	4
<b>1.2    AUDIT PARAS</b> .....	<b>5</b>
<b>1.2.1    TMA, SIALKOT</b> .....	<b>6</b>
1.2.1    Irregularity / Non-compliance .....	7
1.2.2    Internal Control Weaknesses.....	8
<b>1.3.1    TMA, PASRUR</b> .....	<b>12</b>
1.3.1    Irregularity / Non-compliance .....	13
1.3.2    Internal Control Weaknesses.....	14
<b>1.4.1    TMA, DASKA</b> .....	<b>16</b>
1.4.1    Internal Control Weaknesses.....	17
<b>ANNEXURES</b> .....	<b>20</b>
Annex-A .....	21
Annex-B .....	26
Annex-C .....	27
Annex-D .....	30
Annex-E .....	31
Annex-F .....	32

## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
CCB	Citizen Community Board
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
PDSSP	Punjab Devolved Social Sector Programme
TMA	Town/Tehsil Municipal Administration
TMO	Town Municipal Officer
RCC	Reinforced Concrete Cement
RMR	Road Maintenance Register
TO (F)	Town Officer (Finance)
TO (I&S)	Town Officer (Infrastructure & Services)
TO (P&C)	Town Officer (Planning & Coordination)
TO (R)	Town Officer (Regulations)

## **PREFACE**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to audit the accounts of the Provincial Governments and the accounts of any authority or body established by, or under the control of, the provincial government. Accordingly, the audit of all receipts and expenditures of the 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 Sialkot for the Financial Year 2013-14. The Directorate General of Audit, District Governments, Punjab (North), Lahore conducted audit during 2014-15 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs1.00 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized after discussion of Audit Paras with the management. However, no Departmental Accounts Committee 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:**

**(RANA ASSAD AMIN)**  
**Auditor General of Pakistan**

## **EXECUTIVE SUMMARY**

The Directorate General Audit (DGA), District Governments, Punjab (North), Lahore is responsible to carry out the Audit of District Governments, Tehsil / Town Municipal Administrations and Union Administrations of three (03) City District Governments and sixteen (16) District Governments. Its Regional Directorate of Audit, Gujranwala has audit jurisdiction of District Governments, TMAs and UAs of one (1) City District Government i.e Gujranwala and five (05) District Governments i.e. Gujrat, Hafizabad, Mandi Baha-ud-Din, Narowal & Sialkot.

The Regional Directorate has a human resource of seventeen (17) officers and staff, total 4,757 man-days and the annual budget of Rs16.337 million for the Financial Year 2014-15. It has the mandate to conduct Financial Attest, Regularity Audit and Compliance with Authority & Performance Audit of entire expenditure including programs/projects & receipts. Accordingly, Director General Audit, District Governments, Punjab (North), Lahore carried out Audit of accounts of four (04) TMAs of District Sialkot for the financial year 2013-14.

Each Town/Tehsil Municipal Administration in City District Sialkot 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 Sialkot was carried out with the view to ascertaining that the expenditure was incurred with proper authorization, in conformity with laws/rules/regulations, economical procurement of assets and hiring of services etc.

Audit of receipts / revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenue were made in accordance with laws and rules, there was no leakage of revenue in the Government Account / Local Fund.

**a. Scope of Audit**

Out of four (04) TMAs, three (03) TMAs were audited. The expenditure of three (03) audited TMAs of District Sialkot for the financial year 2013-14 under the jurisdiction of DG District Audit (N) Punjab was Rs 1,499.775 million covering three (03) PAO and three (03) formations. Out of this, DG District Audit (N) Punjab audited expenditure of Rs 164.975 million which, in terms of percentage, was 11% of the total auditable expenditure.

Total receipts of the Tehsil / Town Municipal Administrations of District Sialkot for the financial year 2013-14 were Rs 177.267 million. The Directorate General Audit, Punjab (N) audited receipts of Rs 90.406 million which was 51% of total receipts.

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

Recovery of Rs 123.180 million was pointed out during audit but no recovery was effected and verified during the year 2014-15 till the 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.

**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 been less materialized due to non-convening of regular PAC meetings. Had PAC meetings been regularly convened, audit impact would have been manifold.

**e. Comments on Internal Control and Internal Audit Department**

Internal control mechanism of TMAs of District Sialkot 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 Sialkot 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 Town / Tehsil Municipal Administration.

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

- i. Non-compliance of rules of Rs 8.723 million was noted in two cases.<sup>1</sup>
- ii. Weak Internal Control Weakness of Rs 12.339 million was noted in four cases.<sup>2</sup>
- iii. Non-realization of Government revenue of Rs.114.577 million was noted in eight cases.<sup>3</sup>

Audit paras for the audit year 2014-15 involving procedural violations including internal control weaknesses, unsound asset management and irregularities not considered worth reporting are included in MFDAC (Annexure-A).

**g. Recommendations**

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

- i. Production of record to audit for verification.
- ii. Investigate cases involving wastage, fraud, misappropriation 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

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<sup>1</sup>Para: 1.2.1.1 & 1.3.1.1

<sup>2</sup>Para: 1.3.2.1, 1.3.2.2, 1.2.2.6, 1.4.1.1

<sup>3</sup>Para: 1.2.2.1, 1.2.2.2, 1.2.2.3, 1.2.2.4, 1.2.2.5, 1.3.2.3, 1.4.1.2, 1.4.1.3



## SUMMARY OF TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rs in million)

Sr. #	Description	Number	Budget
1	Total Entities (PAOs) under Audit Jurisdiction	04	2434.458
2	Total formations under Audit Jurisdiction	04	2434.458
3	Total Entities (PAOs) Audited	03	1801.071
4	Audit & Inspection Reports	03	1801.071
5	Special Audit Reports	-	-
6	Performance Audit Reports	-	-
7	Other Reports (Relating to TMAs)	-	-

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

(Rs in million)

Sr. #	Description	Amount under audit observation
1	Asset management	-
2	Financial management	-
3	Internal controls	126.916
4	Violation of rules	8.723
5	Others	-
<b>Total</b>		<b>135.639</b>

**Table 3: Outcome Statistics**

(Rs in million)

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last Year
1	Outlays Audited	-	541.743	1049.668	958.032	2549.443*	1850.685
2	Amount Placed Under Audit Observations /Irregularities of Audit	-	12.339	114.577	8.723	135.639	168.564
3	Recoveries Pointed out at the Instance of Audit	-	8.603	114.577	-	123.180	85.142

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	-	-	-	-	-	-
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 receipts whereas the total expenditure for the current year was Rs 1499.775 million.

**Table 4: Irregularities Pointed Out**

(Rs in million)

Sr. #	Description	Amount Placed under Audit Observation
1	Violation of rules and regulations, principle of propriety and probity	-
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public resources	-
3	Quantification of weaknesses of internal control systems	12.459
4	Recoveries, overpayments and loss to the government.	123.180
5	Non-production of record to Audit	-
6	Others, including cases of accidents, negligence etc.	-
7	Violation of rules and regulations, principle of propriety and probity	-
<b>Total</b>		<b>135.639</b>

**Table 5: Cost-Benefit**

(Rs in millions)

Sr. #	Description	Amount
1	Outlays Audited (Items 1 of Table 3)	2549.443
2	Expenditure on Audit	1.361
3	Recoveries realized at the instance of Audit	-
4	Cost Benefit Ratio	1:0

# **CHAPTER-1**

## **1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, SIALKOT**

### **1.1.1 INTRODUCTION**

TMA consists of Town Nazim, Town Naib Nazim and Town Municipal Officer. Each TMA comprises five (5) Drawing & Disbursing Officers i.e. TMA, TO (Finance), TO (I&S), TO (Regulation), TO (P&C), Town Nazim and Town Naib Nazim. The functions of TMAs are as follows:-

1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which TMA is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing TMA's functioning.
4. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils.
5. Propose taxes, cess, user fees, rates, rents, tolls, charges, surcharges, levies, fines and penalties under Part-III of the Second Schedule of PLGO and notify the same.
6. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties.
7. Manage properties, assets and funds vested in the Town Municipal Administration.
8. Develop and manage schemes, including site development in collaboration with District Government and Town Municipal Administration.

9. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
10. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
11. Maintain municipal records and archives.

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

Total Budget of three (03) TMAs selected for audit was Rs. 1,801.071 million (inclusive salary, non-salary and development) whereas, the expenditure incurred (inclusive salary, non-salary and development) was Rs 1499.775 million showing savings of Rs. 301.300 million, which in terms of percentage, was 17% of the final budget (detailed below). Less utilization of development budget (25%) deprived the community from getting better municipal facilities.

(Rs in million)

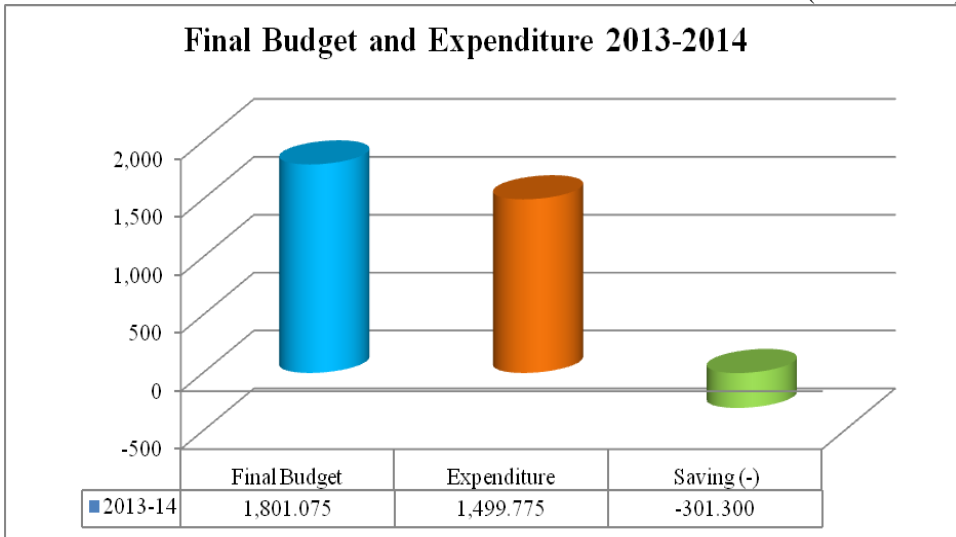
Financial Year 2013-14	Budget	Expenditure	(-) Savings	%age of savings
Salary	513.444	493.482	-19.962	04
Non-salary	564.644	464.550	-100.094	18
Development	722.987	541.743	-181.244	25
<b>Total</b>	<b>1801.075</b>	<b>1,499.775</b>	<b>-301.300</b>	<b>17</b>

The budgeted outlay was Rs. 1,801.075 million of three (03) TMAs includes PFC award of Rs. 238.018 million whereas total expenditure incurred by the TMAs during 2013-14 was Rs. 1,499.775 million with a savings of (-) Rs. 301.300 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)

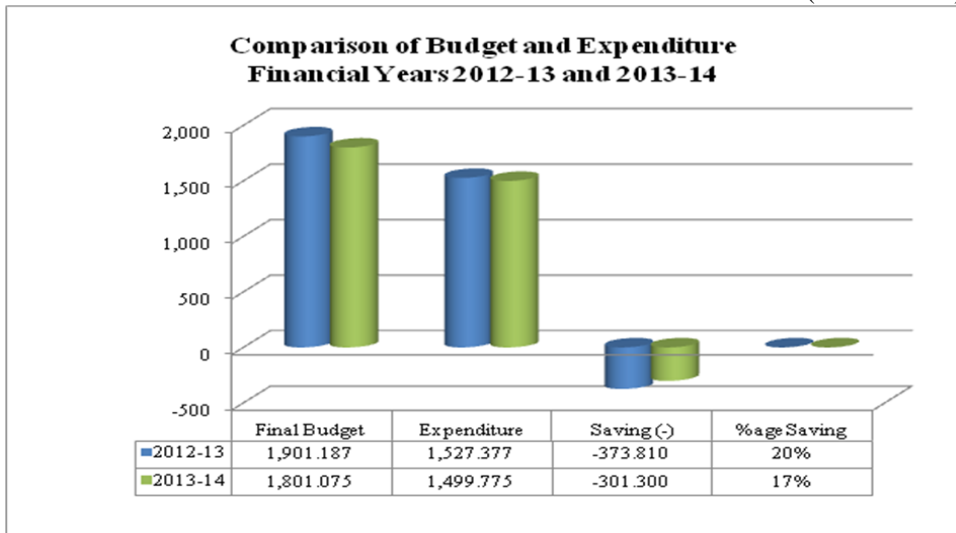
Name of TMAs	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Savings	%age of Savings
	Own receipt including OB	PFC award	Total Receipts				
Sialkot	1180.264	4.246	1184.510	1130.217	<b>984.285</b>	145.932	13
Pasrur	101.577	113.722	215.299	294.326	<b>223.299</b>	71.027	38
Daska	249.071	120.000	369.071	376.532	<b>292.191</b>	84.341	22
<b>Total</b>	<b>1530.912</b>	<b>238.018</b>	<b>1768.93</b>	<b>1801.075</b>	<b>1499.775</b>	<b>301.300</b>	<b>17</b>

(Rs in million)



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

(Rs in million)



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

(Rs in million)

<b>Financial Year</b>	<b>Budget</b>	<b>Expenditure</b>	<b>(-) Savings</b>	<b>%age of Savings</b>
2012-13	1,901.187	1,527.377	-373.810	20%
2013-14	1801.075	1499.775	-301.300	17%

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 2013-14**

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

### **1.1.4 Brief Comments on the Status of Compliance with PAC Directives**

The audit reports pertaining to following years were submitted to the Governor of the Punjab:

#### **Status of Previous Audit Reports**

<b>Sr. #.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC meetings</b>
1	2009-10 to 2011-12	10	Not convened
2	2012-13	08	Not convened
3	2013-14	14	Not convened

## **1.2 AUDIT PARAS**

## **1.2.1 TMA, SIALKOT**



## **1.2.1 Irregularity / Non-compliance**

### **1.2.1.1 Irregular Expenditure - Rs 4.754 million**

As per clause of PPRA Rules, 2009, the expenditure beyond Rs.100,000 should be incurred after advertisement through PPRA's website.

TMA, Sialkot made payment of Rs 4.754 million for different purchases, repair and maintenance works but the job was done by calling simple quotations and splitting the indent instead of tendering process. Moreover, the following observations were also noticed:

- a) The works were performed within same time period and same time span which proves the splitting of expenditure to avoid the sanction of higher authority and Tenders/advertisement
- b) Most of the quotations were without signatures.
- c) Most of the quotations were on simple printed paper and seem to be self-prepared. The quotations were received directly by hand instead of sealed envelope through post.
- d) In most of the purchases the same persons have submitted their quotation which proves the pooling situation
- e) No specifications of items were given in the quotations as well as in supply order
- f) Record relating to payment was not shown for checking either the payments were made through crossed cheque or in cash .

This resulted in irregular & doubtful expenditure as detailed in Annex-C.

Audit holds that PPRA's rules was not observed resulting in irregular 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, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends fixing of responsibility for non observing rules under intimation to Audit.

[AIR Para No.6 to19]

## 1.2.2 Internal Control Weaknesses

### 1.2.2.1 Non-recovery of Arrears – Rs 67.009 million

According to Rule 76 (1) of 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, Sialkot did not collect arrears of certain receipts under various heads since long which needs to be recovered. A sum of Rs. 67.009 million was still recoverable up till 30.06.2014 as detail given below:

(Amount in Rs)

Description	Arrears	Actual Collection	Difference
Commercialization arrears	110,000,000	71,335,695	38,664,305
Water Rate Arrears	26,568,346	1,855,613	24,712,733
Arrears of rent of shops			3,631,946
<b>Total</b>	<b>136,568,346</b>	<b>73,191,308</b>	<b>67,008,984</b>

Audit holds that weak internal control the receipts were not collected 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, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit recommends recovery of arrears from defaulters besides fixing of responsibility under intimation to Audit.

[AIR Para No.21,23]

### 1.2.2.2 Non-recovery of Receipts - Rs. 25.002 million

According to Rule 76 (1) of 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, Sialkot did not achieve the targets of certain receipts as targeted by the TMA under various heads of receipts, which resulted in less realization of income of Rs. 25.002 million for TMA as detailed at Annex-D.

Audit is of the view that due to weak internal control and poor performance the target of receipts were not achieved.

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

Audit recommends fixing of responsibility for non-achievement of receipt targets under intimation to Audit.

[AIR Para No.20]

### **1.2.2.3 Non-recovery of Conversion Fee - Rs 10.701 million**

According to Rule 76 (1) of 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, Sialkot issued notices to applicants for deposit of conversion fee but a sum of Rs.10.701 million was not deposited by the applicants.

Audit holds that due to weak internal control and poor performance of the relevant staff conversion fee was not collected from the applicants.

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

Audit recommends recovery of conversion fee from applicants besides fixing of responsibility under intimation to Audit.

[AIR Para No.25]

### **1.2.2.4 Loss to Government due to non-auction of Shops - Rs. 3.024 million**

According to Rule 76 (1) of 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, Sialkot did not make efforts to auction 12 shops constructed during 2011-12 by TMA on first floor of Municipal Plaza, Railway Road, Sialkot. Out of these, only one shop No.03 was auctioned in October, 2014 at monthly rent of Rs.7,000 after lapse of almost 3 years. This resulted in loss to Government due to non-auction of shops worth Rs.3.024 million.

12 shops x Rs. 84,000 per year per shop x 3 years = Rs. 3,024,000

Audit holds that due to weak internal control, the lapse was incurred and shops were not auction in time

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

Audit recommends that matter may be investigated along with auction of shops immediately besides fixing of responsibility under intimation to Audit.

[AIR Para No.24]

#### **1.2.2.5 Loss to Govt. due to Dishonored Cheques on account of Conversion fee - Rs 2.200 million**

According to Rule 76 (1) of 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, Sialkot received two cheques from an applicant on account of conversion fee but the cheques were not cleared by the bank and subsequently dis-honored but no action was taken against the defaulter. This resulted in loss to government of Rs 2.200 million as detailed below:

<b>Cheque No.</b>	<b>Date</b>	<b>Amount (Rs)</b>
28368037	10.11.2014	1,100,000
28368038	10.02.2015	1,100,000
<b>Total</b>		<b>2,200,000</b>

Audit holds that due to weak internal control and poor management no action was taken against the defaulters.

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

Audit desires that FIR may be lodged against the defaulters besides recovery of government dues under intimation to Audit

[AIR Para No.26]

#### **1.2.2.6 Non-recovery of penalty for delayed work - Rs 1.200 million**

According to clause 39(a) of the contract agreement, the time frame given from completion of work is required to be observed and in case of failure to complete the work within stipulated time, a maximum penalty of 10% shall be imposed of agreement amount

In TMA Sialkot, the contractors did not complete certain development schemes within the specified time but no penalty for delay in completion of work was imposed by the TMO. This resulted in loss of Rs 1.200 million to the TMA as detailed at Annex-E.

Audit holds that non-compliance of contract clause and financial rules, penalties 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, 2015. Neither any reply was furnished by the Department nor DAC meeting was convened till finalization of this Report.

Audit suggests that the matter be investigated besides fixing of responsibility along with recovery of the liquidated damages under intimation to Audit.

[AIR Para No.04]

### **1.3.1 TMA, PASRUR**

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

#### **1.3.1.1 Doubtful Payment of POL of Tractors – Rs 3.968 million**

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

TMA, Pasrur made a payment of Rs 3.968 million on account of POL used in the Tractors during 2013-14 but the following formalities were not fulfilled:

- a) Log books were not properly maintained.
- b) POL was not used as per hourly bases, but as their own wish.
- c) Average certificate was not available.
- d) Approved route plan was not available.
- e) Missing of signature on many entries.

Audit holds that due to non-compliance of rules doubtful payment of POL was incurred.

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

Audit desires that recovery be effected from applicants concerned under intimation to Audit.

[AIR Para No.05]

## **1.3.2 Internal Control Weaknesses**

### **1.3.2.1 Non-credit of Lapsed Security to Government Revenue - Rs. 3.736 million**

As per instruction contained in Article-399 CPWA Code, para 54 DFR and Para 12.7 of PFR laid down that all lapses, confiscated and unclaimed deposits lying more than three (3) complete years may be credited to government revenue.

TMA, Pasrur did not confiscate securities of Rs 3.736 million of different contractors lying unclaimed since 2007 in violation of rule ibid

Audit holds that due to weak internal control, securities were not confiscated.

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

Audit desires confiscation of securities into government exchequer under intimation to Audit.

[AIR Para No.03]

### **1.3.2.2 Non-imposition of Penalty – Rs 3.563 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, Pasrur awarded the various works to various contractors during 2012-13 and 2013-14 but the works could not be completed within stipulated time. Either the contractors did not apply for extension in time limit or the application is received from contractor after the expiry of time limit. No penalty amounting to Rs.3.563 million was imposed on the contractors on account of delay.

Audit holds that due to weak internal control the delaying contractors were not penalized



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

Audit recommends that the matter may be investigated besides fixing of responsibility along with recovery of the liquidated damages under intimation to Audit

[AIR Para No.01]

### **1.3.2.3 Non-recovery of Water Rate Charges - Rs 2.834 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 was an offence and the arrears were recoverable as Land Revenue. Further, as per clause 12 (C) of Local Rate (Assessment & Collection) Rules, 2001, the Nazim of the Local Government may direct that the tax with costs of recovery shall be recovered as arrears of Land Revenue.

TMA, Pasrur did not recover a sum of Rs 2.834 million against water charges from the water users within the jurisdiction of TMA. Non-recovery of water rate charges resulted in loss to government to the tune of Rs 2.834 million.

Audit holds that due to weak internal control water rate was not collected from the water users

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

Audit recommends recovery of the water charges besides fixing of responsibility under intimation to Audit.

[AIR Para No.13]

## **1.4.1 TMA, DASKA**

## **1.4.1 Internal Control Weaknesses**

### **1.4.1.1 Non-imposition of Penalty – Rs. 3.840 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, Daska awarded certain works to various contractors but the works could not be completed within stipulated time. Either the contractors did not apply for extension in time limit to the Engineer-in-charge or the application was received from contractor after the expiry of time limit. No penalty was imposed on the contractors on account of delay. This resulted in non-recovery of penalty of Rs. 3.840 million @ 10% besides delaying the desired benefits on completion of the schemes within the stipulated period as detailed at Annex-F.

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

Audit stresses that matter may be investigated and responsibility be fixed besides recovery of the liquidated damages under intimation to Audit.

[AIR Para No.01]

### **1.4.1.2 Non-recovery of Conversion Fee - Rs. 2.286 million**

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

Scrutiny of colonies files of TMA, Daska revealed that a sum of Rs. 2.286 million was due on account of conversion fee against various colonies which was not recovered by the TMA, as detailed below:

<b>Sr. #</b>	<b>Name</b>	<b>Amount (Rs)</b>
1	Shahid Colony	1,029,000
2	Bashir Naz Housing Colony situated Pasrur Road Bhatti Colony	1,100,000
3	Housing Colony Abdul Kareem Town	157,300
<b>Total</b>		<b>2,286,300</b>

Audit holds that due to weak internal control conversion fee was not recovered from the land developers.

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

Audit recommends investigation of the matter besides recovery of the conversion fee under intimation to Audit.

[AIR Para No.02]

#### **1.4.1.3 Non-recovery of Commercialization Fee - Rs 1.521 million**

According to Section 118 of the Punjab Local Government Ordinance, 2001, read with Rule 12 of the Punjab Local Government (Taxation) Rules, 2001, the failure to pay any tax and other money claimable under this Ordinance was an offence and the arrears were recoverable as Land Revenue. Further, as per clause 12 (C) of Local Rate (Assessment & Collection) Rules, 2001, the Nazim of the Local Government may direct that the tax with costs of recovery shall be recovered as arrears of Land Revenue.

During audit of TMA, Daska, it was observed that notices were issued to different owners for depositing commercialization fee but the installment was still not deposited by the owners. This resulted in non-recovery to the tune of Rs. 1.521 million as detailed below:

<b>Sr. #</b>	<b>Name of Owner</b>	<b>Amount Recoverable (Rs)</b>
1	Dr. Hasnaat Ahmad Cheema	500,000
2	Rahtra Industry	230,000
3	Altaf Khan S/O Haji Muhammad Shareef Khokhar. Muzafar iqbal S/o Fateh Din. M Ashraf S/o Fateh Din etc College Road Daska	501,400
4	M Javed Cheema S/o M Iqbal Cheema. Arooza Javed W/o M Javed Cheema Circular Road near Market committee Daska	289,660
<b>Total</b>		<b>1,521,060</b>

Audit holds that due to weak internal control commercialization fee was not recovered from the land developers.

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

Audit recommends that matter may be investigated and responsibility be fixed besides recovery of the commercialization fee under intimation to Audit.

[AIR Para No.03]

## **ANNEXURES**

## PART-I

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

Sr. #	Name of Formations	AP #	Description of Para	Amount (Rs)	Nature of Paras
1.	TMA, Sialkot	01	Non-production of record:	0	Internal Control Weakness
2.		02	Likely misappropriation through quotations	22,500,000	Internal Control Weakness
3.		03	Non-deduction of harrow sand	49,983	Internal Control Weakness
4.		05	Doubtful expenditure on main hole repairs.	79,600	Internal Control Weakness
5.		22	Loss to government due to less reserve price	95,000	Internal Control Weakness
6.	TMA, Pasrur	02	Recovery on account of non reduction of Steel bars .	88,376	Internal Control Weakness
7.		04	Non-recovery of performance securities	1,739,000	Internal Control Weakness
8.		06	Non-recovery of commercialization fee	495,080	Internal Control Weakness
9.		07	Non-deduction of harrow sand.	206,646	Internal Control Weakness
10.		08	Non allocation of funds for CCBS	32,236,000	Internal Control Weakness
11.		09	Non-collection of Professional Tax from contractors	352,000	Internal Control Weakness
12.		10	Non-recovery of contractor renewal fee	220,000	Internal Control Weakness
13.		11	Loss to Government on account of commercialization/conversion fees.	0	Internal Control Weakness
14.		12	Non-deduction of Income Tax	268,121	Internal Control Weakness
15.		14	Non-recovery of rent of shops	32,850	Internal Control Weakness
16.		15	Non-preparation of Annual Accounts and non-preparation of monthly expenditure/receipt statement	0	Internal Control Weakness
17.	16	Irregular generation of liabilities	61,301,000	Internal Control Weakness	
18.		04	Non-recovery of building fee	170,000	Internal Control Weakness
19.		05	Non-deduction of harrow sand.	592,005	Internal Control Weakness

<b>Sr. #</b>	<b>Name of Formations</b>	<b>AP #</b>	<b>Description of Para</b>	<b>Amount (Rs)</b>	<b>Nature of Paras</b>
20.	TMA, Daska	06	Non-disposal of vehicle	500,000	Internal Control Weakness
21.		07	Non-allocation of funds for CCBs	59,535,000	Internal Control Weakness
22.		08	Non-collection of Professional Tax from contractors	968,000	Internal Control Weakness
23.		09	Non-recovery of contractor renewal fee	461,000	Internal Control Weakness
24.		10	Loss to Government on account of commercialization/conversion fees	0	Internal Control Weakness
25.		11	Non-deduction of Income Tax .	206,400	Internal Control Weakness
26.		12	Less Collection from Ada Parking Fee	425,392	Internal Control Weakness
27.		13	Non recovery of water rate charges	461,622	Internal Control Weakness
28.		14	Doubtful expenditure on Youth Festival	142,190	Internal Control Weakness
29.		15	Doubtful payment of POL of Fire Brigade and Disposal Branch	417,213	Internal Control Weakness
30.		16	Irregular generation of liabilities	13,431,00	Internal Control Weakness
31.		17	Unauthorized drawl of POL for generator	38,760	Internal Control Weakness



## PART-II

**Memorandum for Departmental Accounts Committee  
Paras pertaining to Previous Audit Year 2013-14**

Sr. #	Name of Formations	AP #	Description of Para	Amount (Rs in million)	Nature of Paras
1.	TMA, Sialkot	01	Irregular expenditure	0.196	Weakness of internal controls
2.		02	Non-recovery of liquidated damages due to delay in completion of work	0.0196	Weakness of internal controls
3.		03	Irregular expenditure	0.594	Weakness of internal controls
4.		04	Irregular expenditure	0.527	Weakness of internal controls
5.		05	Excess payment	0.0115	Weakness of internal controls
6.		06	Irregular expenditure	2.179	Weakness of internal controls
7.		07	Irregular expenditure	1.599	Weakness of internal controls
8.		08	Irregular expenditure	0.650	Weakness of internal controls
9.		09	Irregular expenditure	0.127	Weakness of internal controls
10.		10	Irregular expenditure	1.666	Weakness of internal controls
11.		11	Irregular expenditure	0.149	Weakness of internal controls
12.		12	Irregular / unlawful expenditure	0.995	Weakness of internal controls
13.		13	Doubtful receipt of official dues	0.837	Weakness of internal controls
14.		24	Non-recovery of liquidated damages due to delay in completion of work	0.167	Weakness of internal controls
15.		25	Excess payment of Rs.4,876	0.0488	Weakness of internal controls
16.	26	Loss due to non-recovery of Rent of Shops.	0.418	Weakness of internal controls	
17.	TMA, Sambrial	02	Irregular expenditure	0.586	Weakness of internal controls
18.		04	Doubtful execution of work	1.000	Weakness of internal controls
19.		06	Doubtful payment of Mild	1.652	Weakness of internal

Sr. #	Name of Formations	AP #	Description of Para	Amount (Rs in million)	Nature of Paras
			Steel		controls
20.		07	Irregular refund of Security	1.535	Weakness of internal controls
21.		09	Non-recovery of conversion fee	1.000	Weakness of internal controls
22.		10	Doubtful expenditure	0.541	Weakness of internal controls
23.		11	Irregular expenditure	0.540	Weakness of internal controls
24.		12	Non-imposition of Penalty for Delay in Completion of Work	0.486	Weakness of internal controls
25.		13	Doubtful expenditure on POL on Generator	0.392	Weakness of internal controls
26.		14	Non-recovery of water charges from defaulters	0.314	Irregularity/ non-compliance
27.		15	Defective maintenance of cash book	0.258	Weakness of internal controls
28.		16	Non-recovery of water charges from defaulters	0.194	Irregularity/ non-compliance
29.		17	Same Nature work through splitting up	0.199	Weakness of internal controls
30.		18	Doubtful expenditure on POL on Peter Engines	0.199	Weakness of internal controls
31.		19	Doubtful Expenditure on various repair	0.177	Weakness of internal controls
32.		20	Irregular Repair of Pipe Lines	0.101	Weakness of internal controls
33.		21	Doubtful payment of GST through Invoices	0.0717	Weakness of internal controls
34.		22	Non-recovery of L.D Charges	0.0517	Irregularity/Non compliance
35.	TMA, Pasrur	01	Irregular purchase of chlorine without tender	0.194	Irregularity/Non compliance
36.		02	Irregular/Doubtful purchase of filters	0.0984	Weakness of internal controls
37.		03	Irregular expenditure on rent of pedestal fans	0.0849	Fraud/Misappropriation
38.		04	Irregular expenditure on repair of transformer	0.0772	Weakness of internal controls
39.		05	Non imposition of penalty – recovery thereof	260,000	Weakness of internal controls
40.		06	Overpayment on Account of Development Work	54,869	Weakness of internal controls
41.		07	Non recovery of rent of Shops	79,719	Weakness of internal controls

Sr. #	Name of Formations	AP #	Description of Para	Amount (Rs in million)	Nature of Paras
42.		08	Non-imposition of Penalty	650,746	Weakness of internal controls
43.		10	Loss to Government on account of Commercialization/conversion fees	0	Weakness of internal controls
44.		11	Doubtful payment of POL of Tractor No. 1005	422,950	Weakness of internal controls
45.		12	Doubtful payment of POL of Sucker Machine	422,950	Weakness of internal controls
46.	TMA, Daska	01	Non imposition of penalty – recovery thereof	200,000	Weakness of internal controls
47.		05	Loss to government due to non recovery of Building fee	182,000	Weakness of internal controls
48.		06	Doubtful expenditure	916,178	Weakness of internal controls
49.		07	Irregular and Doubtful expenditure	350,000	Weakness of internal controls
50.		09	Overpayment on account of CCB	56,725	Weakness of internal controls
51.		10	Loss to government due to non recovery of water rate charges	632,840	Weakness of internal controls
52.		12	Irregular generation of liabilities for	18,400,000	Weakness of internal controls
53.		13	Irregular and Doubtful expenditure	405,980	Weakness of internal controls

**TMA of Sialkot District  
Budget and Expenditure Statement  
Financial Years 2013-14**

**TMA, Sialkot**

(Rs in million)

<b>F.Y. 2013-14</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Saving (-)</b>	<b>%age Saving</b>
Salary	356.964	337.542	(-)19.422	5.44%
Non-salary	452.926	356.465	(-)96.461	21.29%
Development	320.327	290.278	(-)30.049	9.38%
<b>Total</b>	<b>1130.217</b>	<b>984.285</b>	<b>(-)145.932</b>	<b>12.91%</b>

**TMA, Pasrur**

<b>F.Y. 2013-14</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Saving (-)</b>	<b>%age Saving</b>
Salary	75.280	74.920	(-)0.36	0.47
Non-salary	54.864	51.992	(-)2.872	5.23
Development	164.182	96.387	(-)67.795	41.29
<b>Total</b>	<b>294.326</b>	<b>223.299</b>	<b>(-)71.027</b>	<b>38.16</b>

**TMA, Daska**

<b>F.Y. 2013-14</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Saving (-)</b>	<b>%age Saving</b>
Salary	81.200	81.020	-0.180	0.220
Non-salary	56.854	56.093	-0.761	1.340
Development	238.478	155.078	-83.400	34.970
<b>Total</b>	<b>376.532</b>	<b>292.191</b>	<b>-84.341</b>	<b>22.40</b>

<b>GRAND TOTAL</b>	<b>1801.075</b>	<b>1499.775</b>	<b>(-)301.300</b>	<b>16.730</b>
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## Annex-C

### Para 1.2.1.1

#### Irregular and doubtful expenditure - Rs 4.755 million

(AIR Para-6)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Cat eyes shahab road	31.10.13	M. Fayyaz	12/2013	99,200
-do-	14.10.13	M. Fayyaz	12/2013	99,200
Cat eyes shahab road	12.10.13	M. Fayyaz	12/2013	99,200
<b>Total</b>				<b>297,600</b>

(AIR Para -7)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Cat eyes church road	09.10.13	M.Fayyaz	12/2013	99,200
Cat eyes church road	11.10.13	M.Fayyaz	12/2013	99,200
<b>Total</b>				<b>198,400</b>

(AIR Para-8)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Cat eyes Imam sahib road	19.10.13	M.Fayyaz	12/2013	99,200
Cat eyes Imam sahib road	19.10.13	M.Fayyaz	12/2013	99,200
<b>Total</b>				<b>198,400</b>

(AIR Para-9)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
250 energy savers	01.11.13	M.Fayyaz	12/2013	90,000
37 chowks for tubes	07.11.13	M.Fayyaz	12/2013	99,900
66 sodium bulbs	01.11.13	M.Fayyaz	12/2013	99,000
<b>Total</b>				<b>288,900</b>

(AIR Para-10)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
66 sodium bulbs	02.11.13	M.Fayyaz	12/2013	99,000
Electric equipment	02.11.13	M.Fayyaz	12/2013	91,700
Flood lights 10	02.11.13	M.Fayyaz	12/2013	99,950
<b>Total</b>				<b>290,650</b>

(AIR Para-11)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
Rent of ching chi rikhsaw/pick up	10.10.13	Kizher Contractor	12/2013	96,000
<b>Total</b>				<b>1,104,000</b>

(AIR Para-12)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
Rent of ching chi rikhsaw/pick up	10.10.13	Seven Sky	12/2013	48,000
<b>Total</b>				<b>336,000</b>

(AIR Para 13)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Dewatering pump 10HP	23.07.13	Faisal Builder	12/2013	76,400
Dewatering pump 10HP	31.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	24.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	26.07.13	-do-	12/2013	76,400
<b>Total</b>				<b>305,600</b>

(AIR Para-14)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Dewatering pump 10HP	13.07.13	Faisal Builder	12/2013	76,400
Dewatering pump 10HP	20.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	15.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	20.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	13.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	11.07.13	-do-	12/2013	76,400
<b>Total</b>				<b>458,400</b>

(AIR Para-15)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Dewatering pump 10HP	09.07.13	Faisal Builder	12/2013	76,400
Dewatering pump 10HP	08.07.13	-do-	12/2013	76,400
Dewatering pump 10HP	04.07.13	-do-	12/2013	76,400
<b>Total</b>				<b>229,200</b>

(AIR Para-16)

Work	Quotations Open Date	Supplier	Payment Month	Amount (Rs)
Excavator Rent digging Kakewal	04.09.13	Ahsan Naveed	12/2013	24,650
Excavator Rent Nullah old sabzi Mandi	04.09.13	-do-	12/2013	23,200
Excavator Rent Nullah Near Cheema	04.09.13	-do-	12/2013	23,200
Excavator Rent garbage Uggoki	04.09.13	-do-	12/2013	24,650
Excavator Rent Nullah factory amir dar	04.09.13	-do-	12/2013	49,300
Excavator Rent digging Ganjeanwali	04.09.13	-do-	12/2013	23,200
Excavator Rent Nullah Dera Araian	04.09.13	-do-	12/2013	23,200
Excavator Rent digging Kakewali	04.09.13	-do-	12/2013	23,200
<b>Total</b>				<b>214,600</b>

(AIR Para-17)

Work	Payment date	Contractor	Amount (Rs)
P/F Tuff tiles Near house of Tufail Butt Mohallah Kashmirian	30.06.14	Imtiaz Mughal	99,900
P/F Tuff tiles Near house of M.Munawar Mohallah Kashmirian	30.06.14	-do-	99,800
P/F Tuff tiles Near house of Bilal Mohallah Kashmirian	30.06.14	-do-	98,000
<b>Total</b>			<b>297,700</b>

(AIR Para-18)

Work	Payment date	Contractor	Amount (Rs)
P/F Tuff tiles Near house of Waseem silver star road	30.06.14	Imtiaz Mughal	60,000
P/F Main holes & sewer line Near house of Waseem silver star road	30.06.14	-do-	81,000
<b>Total</b>			<b>141,000</b>

(AIR Para-19)

Work	Payment date	Contractor	Amount (Rs)
Patch work chowk shaheedan to sanyara bazaar	28.06.14	Ghulam Qadir	98,748
Patch work kathala shahab pura	28.06.14	Munir Nazir & Co	98,700
Patch work mori gate to circular road	28.06.14	Ghulam Rasool	98,722
Patch work Fateh Garh Road	28.06.14	Zafar Iqbal	98,000
<b>Total</b>			<b>394,170</b>
<b>Grand Total</b>			<b>4,754,620</b>

**Annex-D**

Para 1.2.2.2

**Non-recovery of receipts - Rs.25.002 million**

<b>Description</b>	<b>Revised Budget 2013-14 (Rs)</b>	<b>Annual Income (Rs)</b>	<b>Difference (Rs)</b>
Slaughter House	660,000	426,623	233,377
Profession & trade tax P-I	9,500,000	8,438,472	1,061,528
Profession & trade tax P-II	2,700,000	2,545,450	154,550
Building Plan	12,500,000	12,266,043	233,957
Conversion fee current	70,000,000	52,068,451	17,931,549
Fire Brigade	225,000	72,000	153,000
Road Cut	15,000,000	14,846,100	153,900
NOC Hoarding Board Fee	10,000,000	5,290,000	4,710,000
License Fee Fat	50,000	0	50,000
Fine TO R	1,000,000	679,607	320,393
<b>Total</b>	<b>121,635,000</b>	<b>96,632,746</b>	<b>25,002,254</b>



**Annex-E**

## Para 1.2.2.6

**Non-recovery of penalty for delay in completion  
of work- Rs.1.200 million**

<b>Sr. #</b>	<b>Name of Scheme</b>	<b>Amount of Work Order (Rs)</b>	<b>Work Order No. &amp; Dt.</b>	<b>Completion Date according to Work order</b>	<b>Date completed</b>
1	Providing and lying tuff tiles shahab pura road to sufi mumtaz house Ittefaq Colony	862,358	169 dt.27.12.2013	26.01.2014	17.02.2014
2	Street drains tuff tile Chah Lehlarian Kotli Behram	1,795,500	283 dt.26.12.2013	25.02.2014	10.06.2014
3	P/L sewer line and PCC Madeena colony Haji Pora	1,231,912	163 dt.28.12.2013	45 days	21.02.2014
4	P/I sewer line and tuff tiles street No.01 Miana Pora	268,000	157 dt.28.12.2013	27.01.2014	12.02.2014
5	P/I tuff tiles Sialkot gramer school to saeed center Iqbal town	366,160	175 dt.28.12.2013	27.01.2014	20.02.2014
6	Repair and const Main holes Gulli Grating PP123	794,800	170 dt.28.12.2013	27.01.2014	05.02.2014
7	Const of PCC streets Haji Nazir	916,478	Dt.05.11.2013	20.12.2013	21.03.2014
8	Tuff tiles islam nagar Pakka Garha	2,850,455	Dt.05.11.2013	05.01.2014	17.02.2014
9	Soling raja harpal to chandar	500,507	119 dt.08.11.2013	07.12.2013	13.02.2014
10	P/I tuff tiles seth iqbal road	606,401	69 dt.31.10.2013	30.11.2013	16.12.2013
11	PCC street zia ullah house Din Pura	856,138	75 dt.04.11.2013	18.12.2013	09.03.2014
12	Const Nullah drain tuff tile shmail ceramics Muzaffar pur	952,800	74 dt.31.10.2013	15.12.2014	20.03.2014
<b>Total</b>		<b>12,001,509</b>			

**Annex-F**

## Para 1.4.1.1

**Non-imposition of Penalty – Rs. 3.840 million**

<b>Sr. #</b>	<b>Name of Work</b>	<b>Contractor</b>	<b>Due Date</b>	<b>Completion No.</b>	<b>Amount (Rs)</b>	<b>L.D Amount (Rs)</b>
1	Construction of Road Moza Lukra Khurd	Shafique & Co.	19/04/14	05.10.2014	31,050,000	3,105,000
2	Constructicon of Street & Drain Motra Ali Town	M. Yousaf	14/12/13	02.05.2014	1,000,000	100,000
3	Construction of Road west side BRB Pull Daska	Mali Contractor Company	16/03/14	16.04.2014	1,100,000	110,000
4	Construction of Pcc street Dr. Akram wali Daska Kallan	R.A Co.	11.12.13	20.01.2014	250,000	25,000
5	Constructicon of Pcc street & Brain Bobka wala	M. Iqbal Mand	21/11/13	01.12.2014	400,000	40,000
6	Construction of Pcc street drain	M. Yousaf Malik	14/01/14	02.05.2014	1,000,000	100,000
7	Construction of Pcc street & drain Kotli Mona	M. Naeem	19/01/13	22.03.2014	400,000	40,000
8	Construction of drain from Huse Shaukat Sain to Judial Complex	Syed Shahtab & Sons	12.08.12	26.06.2013	2,200,000	220,000
9	Construction of street & drain Ghoankey	M.Yousaf	14/11/13	02.05.2014	1,000,000	100,000
<b>Total</b>						<b>3,840,000</b>