



**AUDIT REPORT
ON
THE ACCOUNTS OF
METROPOLITAN CORPORATION
LAHORE AND 6 MUNICIPAL
CORPORATIONS OF PUNJAB
(NORTH)**

AUDIT YEAR 2020-21

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS & ACRONYMS

APPM	Accounting Policies and Procedure Manual
CO	Chief Officer
DAC	Departmental Accounts Committee
DC	Deputy Commissioner
DDO	Drawing and Disbursing Officer
FD	Finance Department
IESCO	Islamabad Electric Supply Company
LG&CD	Local Government & Community Development
MC	Municipal Corporation
MCL	Metropolitan Corporation Lahore
MO	Municipal Officer
MRS	Market Rate System
NAM	New Accounting Model
NOC	No Objection Certificate
P&FTT	Passenger & Freight Transit Terminal
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PFC	Provincial Finance Commission
PMSP	Punjab Municipal Service Program
PRA	Punjab Revenue Authority
PFR	Punjab Financial Rules
PLGA	Punjab Local Government Act
POL	Petroleum Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PST	Provincial Sales Tax
TMA	Tehsil Municipal Administration
TS	Technical Sanction
TTIP	Tax on Transfer of Immovable Property

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 108 of the Punjab Local Government Act, 2013 require the Auditor General of Pakistan to audit the accounts of Federation or a Province or Local Government and the accounts of any authority or body established by or under the control of the Federation or a Province.

The report is based on audit of the accounts of Metropolitan Corporation Lahore & Municipal Corporaion Gujranwala, Gujrat, Muree, Rawalpindi, Sargodha and Sialot for the Financial Year 2019-20. The Directorate General of Audit District Governments Punjab (North), Lahore conducted audit during 2020-21 on test check basis with a view to reporting significant findings to the relevant stakeholders. The audit report includes systemic issues and significant audit findings. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The audit observations listed in annexure-A shall be pursued with the Principal Accounting Officers at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's audit report.

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

The observations included in this report have been finalized in the light of written responses and decisions of DAC meetings. However, in some cases DAC meetings were not 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, read with Section 108 of Punjab Local Government Act, 2013 for causing it to be laid before the Provincial Assembly of Punjab.

Islamabad
Dated:

(Muhammad Ajmal Gondal)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General of Audit, District Governments, Punjab (North), Lahore is responsible for carrying out the audit of Local Governments comprising Metropolitan Corporation, Municipal Corporations, Municipal Committees, District Councils, Union Councils, District Health Authorities and District Education Authorities of nineteen (19) Districts of Punjab (North) namely Attock, Bhakkar, Chakwal, Gujranwala, Gujrat, Hafizabad, Jhelum, Kasur, Khushab, Lahore, Mandi Baha-ud-Din, Mianwali, Nankana Sahib, Narowal, Okara, Rawalpindi, Sargodha, Sheikhpura, Sialkot and eight companies of the Department of Local Government and Community Development.

The Directorate General of Audit has a human resource of 90 officers and staff having 22,500 man-days and annual budget of Rs 173.456 million for the Financial Year 2020-21. Directorate General carried out audit of the accounts of Metropolitan Corporations Lahore & Municipal Corporation Gujranwala, Gujrat, Muree, Rawalpindi, Sargodha and Sialkot for the Financial Year 2019-20 and utilized 2,600 man days in execution of field audit activity of the planned assignments.

As per Section 88(1) of Punjab Local Government Act (PLGA) 2013, a Mayor shall be the executive head of the Metropolitan or Municipal Corporation. As per Section 64(6) & (8) of PLGA 2013, the Chief Officer of a local government shall be the Principal Accounting Officer of the local government. The Chief Officer shall be responsible for ensuring adherence by the local government to all laws, policies and oversight framework of the Government in the prescribed manner.

Metropolitan Corporation and Municipal Corporations were established under Punjab Local Government Act, 2013 to approve spatial plans, master plans, zoning, land use plans, including classification and reclassification of land, environment control, urban design, urban renewal & ecological balances and implement rules & bye-laws governing land use, housing, markets, zoning, environment, roads, traffic, tax, infrastructure and public utilities in the urban areas.

Audit of Metropolitan Corporation Lahore and six Municipal Corporations was carried out with the view to ascertaining that the expenditure was incurred with proper authorization, in conformity with applicable laws.

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

a) Scope of Audit

This office is mandated to conduct audit of seven formations working under eleven PAOs. Total expenditure and receipts of these formations were Rs 1,223.830 million and Rs 19522.20 million respectively for the Financial Year 2019-20.

Audit coverage relating to expenditure for the current Audit Year comprises seven formations having an expenditure of Rs 5410.724 million for the Financial Year 2019-20. In terms of percentage, the audit coverage for expenditure is 45% of auditable expenditure.

Audit coverage relating to receipts for the current Audit Year comprises eleven formations having receipts of Rs 13313.728 million for the Financial Year 2019-20. In terms of percentage, the audit coverage for receipts is 68% of auditable receipts.

In addition to this compliance audit report, DG Audit, District Governments Punjab (North), Lahore conducted Financial Attest Audits, Performance Audits and Special Audits related to local governments. Reports of these audits are being published separately

b) Recoveries at the instance of Audit

As a result of audit, a recovery of Rs 687.66 million was pointed out in this report. Recovery effected during period was Rs 1.770 from January to June 2020.

c) Audit Methodology

Desk Audit techniques were applied intensively during the Audit Year 2020-21. This was facilitated by access to the financial data and availability of permanent files. Desk Audit Review helped auditors in understanding the systems, procedures and environment of the entities before the start of field activity. This facilitated greatly in the identification of high-risk areas for substantive testing in the field.

d) Audit Impact

A number of improvements as suggested by audit, in maintenance of record and procedures have been initiated by the concerned authorities. However, audit impact in the shape of change in rules is yet to be materialized as audit report on accounts of Municipal Corporations is yet to be placed before Public Accounts Committee.

e) Comments on internal controls and Internal Audit Department

Internal control mechanism of Metropolitan Corporation Lahore and Municipal Corporations 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 contrary to the entitlement of employees. Negligence on the part of Metropolitan / Municipal Corporation authorities may be termed as one of important reasons for weak Internal Controls.

f) The key Audit findings of the report

- i. Non-production of record of Rs 106.845 million were reported in three cases¹.
- ii. Employee related irregularities involving amount of Rs 35.884 million were observed in five cases².
- iii. Irregular procurement of different items valuing Rs 429.606 million was noticed in twenty three cases³.
- iv. Weak Management of accounts with commercial bank for Rs. 10.420 million was observed in one case.⁴
- v. Value for money and service delivery related issues of Rs 490.274 million were observed in fourteen cases.⁵
- vi. Weak internal controls with financial impact and mislenious issues of Rs 2,266.687 million were pointed out in forty eight cases.⁶

¹ Para: 2.4.1.1, 4.4.1.1, 8.4.1.1

² Para: 2.4.2.1.1, 6.4.1.1.1, 8.4.2.1.1-3

³ Para: 2.4.2.1.1-3, 3.4.1.1.1-2, 4.4.2.2.1-3, 6.4.1.2.1, 7.4.1.1.1-3, 8.4.2.2.1-11,

⁴ Para: 8.4.2.3.1

⁵ Para: 2.4.3.1, 3.4.2.1-3, 4.4.3.1-2, 5.4.1.1, 6.4.2.1-3, 7.4.2.1-2, 8.4.3.1-2,

⁶ Para: 2.4.4.1-5, 3.4.3.1-3, 4.4.4.1-13, 5.4.2.1-2, 6.4.3.1-10, 8.4.4.1-15

g) Recommendations

- i. Heads of the Metropolitan and Municipal Corporations need to take action against the officer(s) / official(s) responsible for non-production of record along with provision of record for audit scrutiny.
- ii. Management needs to avoid recurring instances of non-compliance with rules (including Punjab Procurement Rules 2014) while incurring expenditure, as reported.
- iii. The PAOs must make strenuous efforts for expediting the realization of various outstanding receipts.
- iv. Management needs to ensure proper execution and implementation of the monitoring system.
- v. Heads of the Metropolitan and Municipal Corporations need to conduct physical stock taking of stores on regular basis.
- vi. Departures from NAM also need consideration of PAOs with a view to ascertaining the fair presentation of accounts and implementation of accounting policies in letter & spirit.

CHAPTER 1

PUBLIC FINANCIAL MANAGEMENT

After the abolition of Punjab Local Government Ordinance, 2001 in 2013, Punjab Local Government Act 2013 was introduced and implemented in 2017 under which Lahore District was demarcated and declared as Metropolitan Corporation and urban areas of Districts other than Lahore District and area of Municipal Committee were demarcated and declared as Municipal Corporation headed by chairman. The new setup replaced the old local government system of District Governments and TMAs. Major functions of Metropolitan / Municipal Corporation remained that was earlier performed by District Government / TMAs are given below:

Functions of Metropolitan / Municipal Corporation:

The Metropolitan / Municipal Corporation shall:

- i. approve spatial plans, master plans, zoning, land use plans, including classification and reclassification of land, environment control, urban design, urban renewal and ecological balances;
- ii. approve proposals for public transport and mass transit systems, construction of express ways, fly-overs, bridges, roads, under passes, and inter-town streets;
- iii. approve development schemes for beautification of urban areas;
- iv. develop integrated system of water reservoirs, water sources, treatment plants, drainage, liquid and solid waste disposal, sanitation and other municipal services;
- v. enforce all municipal laws, rules and bye-laws governing its functioning;
- vi. prevent and remove encroachments;
- vii. regulate affixing of sign-boards and advertisements except where this function is being performed by the Parks and Horticulture Authority;
- viii. provide, manage, operate, maintain and improve the municipal infrastructure and services, including water supply and control and development of water sources; sewage and sewage treatment and disposal; storm water drainage; sanitation and solid waste collection and sanitary disposal of solid, liquid, industrial and hospital wastes, treatment and disposal including landfill site and recycling plants; roads and streets; traffic planning, engineering and management including traffic signaling systems, signs on roads, street markings,

parking places, transport stations, stops, stands and terminals; street lighting; firefighting; parks, playgrounds, open spaces, graveyards and arboriculture; and slaughter houses;

- ix. environmental control, including control of air, water and soil pollution in accordance with Federal and Provincial laws and standards;
- x. undertake urban design and urban renewal programmes

Resource Mobilization:

The table given below showed that share of own source receipts (tax revenue and other receipts) is more than government grants i.e it was 64% in financial year 2018-19 whereas PFC share (government grant) was 36% of total receipts of Rs 12,750.430 million. However that share reduced to 58% during financial year 2019-20.

Description	2018-19		2019-20	
	Amount (Rs in million)	Percentage	Amount (Rs in million)	Percentage
Tax Revenue	5,827.34	46%	5,294.980	52%
Non-Tax Revenue	0	0	0	0
Share of PFC/ Grants from Provincial Govt.	4,568.64	36%	4,355.590	42%
Other receipts	2,354.45	18%	619.74	6%
Total	12,750.43	100%	10,270.31	100%

Against final budget of Rs 20,182.862 million, an expenditure of Rs 11,083.468 million was incurred resulting in saving of Rs 9,099.394 million which was 45% of final budget during Financial Year 2019-20 which showed that budget estimates were not realistic and resulted in blockage of government funds as shown in the following table.

Description	Original grant / appropriation	Supplementary grants / appropriation	Total	Actual Exp.	Savings (-) Excess (+)
Revenue	20,182.862	-	20,182.862	11,083.468	-9,099.394
Capital	-	-	-	-	-
Grand Total	20,182.862	-	20,182.862	11,083.468	-9,099.394

Metropolitan / Municipal Corporation wise detail of budget and expenditure is given at annexure-B.

Management of Metropolitan / Municipal Corporation did not prepare its annual accounts as per New Accounting Model in contravention to Punjab Local Government (Accounts) Rules, 2017. Budget and expenditure of Metropolitan / Municipal Corporations were not classified as required by chart of accounts. General purpose financial statements were

not prepared as required under para 7.2.4.3 of chapter 7 of Accounting Policies and Procedures Manual. Prescribed forms for recording of transactions of receipt and expenditure were not prepared. Record of public accounts including government taxes deducted from salary of employees and payment of contractors was not maintained as required under para 14.3.2 of APPM.

Out of total non-salary expenditure of Rs 7,980 million (including development expenditure) incurred during the year 2019-20, 15% of the expenditure amounting to Rs 1,203 million was incurred in June, which was almost two times the average expenditure of 7.8% incurred during period from July, 2019 to May, 2020 indicating rush of expenditure at the end of Financial Year and poor financial controls by the management.

Expenditure (July 2019 to May 2020)	Expenditure June 2020	Total
6,777	1,203	7,980
85%	15%	100%

Medium Term Development Framework (MTDF)

Availability of better social and physical infrastructure reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, viz. adequacy of the expenditure (i.e. adequate provision for providing public services); efficiency of expenditure (use) and its effectiveness (assessment of outlay-outcome relationships for selected services). Out of total 722 development schemes, Management of Metropolitan / Municipal Corporation was able to complete 576 schemes indicating achievement of 80%.

An amount of Rs 687.66 million was pointed out on account of over payment during Audit Year 2020-21 indicating weak internal controls. Management was not able to provide municipal and other services like removal of encroachments, maintenance of public ways and streets, to the satisfaction of masses. Management failed to stop illegal construction of housing societies and buildings within the jurisdiction of Municipal Corporation. Instances of misappropriation and overpayments are also reported in this report elsewhere.

CHAPTER 2

Municipal Corporation, Gujranwala

2.1 Introduction

Municipal Corporation, Gujranwala was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013. Under the clauses of Act, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Municipal Corporation Gujranwala

(Rs in million)

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	MC Gujranwala	01	01	706.527	396.253

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 436.905 million were raised in this report during current audit of “MC Gujranwala.” This amount also includes recoveries of Rs 118.688 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Overview of audit observations

(Rs in millions)

Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	HR/Employees related irregularities	9.468
	Procurement related irregularities	11.557
	Management of accounts with commercial banks	-
4	Value for money and service delivery issues	17.571
5	Other	398.309
	Total	436.905

c) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2019-20 of the Municipal Corporation, Gujranwala, total budget (Development and Non-Development) was Rs 1,063.444 million. Against the budget, total expenditure of Rs 706.527 million was incurred by Municipal Corporation during financial year 2019-20. Which was less than allocated budget of Rs 1,063.444 million indicating poor financial planning and resulting in saving of Rs 356.917 million against the budget. The break-up of total budget and expenditure is given in the following table:

Description	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age saving
Salary	527.781	518.467	-9.314	1.76%
Non-Salary	105.156	100.136	-5.02	-4.77%
Development	430.507	87.924	-342.583	-79.58%
Total	1063.444	706.527	-356.917	-33.56%

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

Financial Year	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	1031.381	654.461	-376.92	-36.55%
2019-20	1063.444	706.527	-356.917	-33.56%

There was 3.12% increase in budget allocation and 7.96 % increase in expenditure incurred during financial year 2019-20 as compared to financial year 2018-19, while there was overall saving / excess of Rs 356.917 million during the financial year 2019-20 showing an decrease of 5.30% as compared to financial year 2018-19.

2.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Out of total 121 development schemes, Management of Municipal Corporation Gujranwala was able to complete 63 scheme indicating achievement of 83%.

ii. Service delivery issues

In view of the above it could be stated that Municipal Corporation Gujranwala needs to fix the targets to be achieved.

2.3 Brief comments on the status of compliance with PAC directives

The Audit Reports pertaining to the following period were submitted to the Governor of the Punjab. Status of PAC meetings is as under;

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	21	Not Convened
2	2019-20 (Special Audit)	31	Not Convened

2.4 AUDIT PARAS

2.4.1 Non-production of Record

2.4.1.1 Doubtful collection of revenue from general bus stand - Rs 10.234 million

According to Rule 198(1)(a) of Punjab Local Government Act 2013, the Auditor General shall, during the course of audit of a local government under this Act, have the authority to access and inspect all books, deeds, contracts, accounts, vouchers, receipts, maps, plans, documents, or other information, materials or things as he may reasonably require;

Municipal Corporation Gujranwala realized amount of Rs 10.234 million from General Bus Stand Gujranwala and deposited in treasury during the financial year 2019-20 as evident from appropriation Account. The department did not produce the complete record of actual collection. In the absence of total record, Audit could not access the actual income of General bus stand. This resulted in doubtful collection of revenue from general bus stand.

Audit holds that due to negligence of the management, record of general bus stand was not prepared and not produced to audit for scrutiny.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends production of record besides fixing of responsibility against the person(s) at fault.

[PDP No.24]

2.4.2 Irregularities

2.4.2.1 HR/ Employee related irregularities

2.4.2.1.1 Overpayment to employees on account of pre mature increment - Rs 9.468 million

According to Punjab Finance Department Notification No.FD.PC.10-1/78(Pt.III)(172.17) dated 10.04.2017, one premature increment be allowed to the employees in BS-01 to BS-04 w.e.f 01.07.2014 beyond the maximum of pay scale.

Scrutiny of record of Municipal Corporation Gujranwala for the Financial Year 2019-20 revealed that employees of BS-01 to BS-04 were granted one extra premature increment on 01.07.2014 without admissibility. The staff was granted two premature increments at the same time resulting in overpayment of Rs 9.468 million to 263 employees. **Annexure-C**

Audit holds that due to weak internal controls and poor financial discipline, unauthorized increment was granted.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends that all the service books may be scrutinized and actual recovery be affected.

[PDP No. 26]

2.4.2.2 Procurement related irregularities

2.4.2.2.1 Non-accountal of street light material - Rs 7.026 million

According to rule 2.22 and 15.7 of PFR Volume-I, Heads of offices and others entrusted with the care of stores of any kind should maintain suitable accounts and inventories of the stores in their charge. For securing this object it is important that all quantities received in or issued from stores are entered in the stock accounts strictly in accordance with the rule and in the order of Recurrence on the dates the transactions take place.

Street light branch of Municipal Corporation Gujranwala incurred expenditure of Rs 7.026 million on purchase of street light items and replacement of street lights through repair work during Financial Year 2019-20. The purchased items were not accounted for in the relevant stock registers. Furthermore, the detailed specifications of the purchased material were also not mentioned on the bills. This resulted in non accountal of street lights material of Rs 7.026 million.

Audit holds that due to weak internal controls, items purchased were not entered in stock register.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends investigation of the matter besides fixing responsibility person(s) at fault.

[PDP No.05]

2.4.2.2.2 Irregular expenditure in violation of PPRA rules – Rs 3.130 million

According to Rule 12(1) of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time.

Municipal Corporation Gujranwala incurred expenditure of Rs 3.130 million during financial year 2019-20 on following occasions but the advertisement was not published in newspaper as required under PPRA Rules 2014.

Sr. No.	Head Detail	Date	To whom Paid	Amount (Rs)
1	Bill eid Melad	15/05/2020	Nadeem Akhtar Chattha	238,728
2	Bill Patch work Jaloos Eid Milad un Nabi	08/05/2020	Muhammad Amir Raza	964,363

Sr. No.	Head Detail	Date	To whom Paid	Amount (Rs)
3	Bill Med for Dog Killing	06/04/2020	Sadiq Puplic Chemical	192,000
4	Purchase of Strychmine	20/12/2019	Haripur	192,000
5	Bill Generator Moharam	01/10/2019	Waqas Comstruction	676950
6	Bill St. Light Access	11/09/2019	Rana Khalid Mehmood	865,853
		Total		3,129,894

Audit holds that codal formalities were avoided thus rendered the subject procurement irregular and wasteful.

This resulted in irregular expenditure of Rs 3.130 million

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

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

[PDP No. 08]

2.4.2.2.3 Irregular expenditure of street lights – Rs 1.401 million

According to Rule 9 and 12(1) of Punjab Procurement Rules 2014, 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.

During audit of Municipal Corporation Gujranwala for the financial year 2019-20 it was noticed that expenditure of Rs 1.401 million was incurred on repair/purchase of different accessories of street lights by splitting to avoid tendering process. This resulted irregular expenditure by splitting the indents. **Annexure-D**

Audit holds that due to non compliance of rules indents were splitted.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends inquiry of the matter at appropriate level besides fixing of responsibility against the person(s) at fault.

[PDP No.04]

2.4.3 Value for money and service delivery issues

2.4.3.1 Less recovery of parking fee - Rs 10.992 million

According to Rule 9 (b) of the Punjab Local Government accounts Rules 2017, the collector of tax, fee, rate, charges of the local government shall be personally responsible for any overcharging, fraud, misappropriation or delay for crediting the amounts so collected to the account of the local government and shall be liable to make good the loss arising from his culpable negligence.

Scrutiny of accounts of Municipal Corporation Gujranwala for the year 2019-20 revealed that contracts of collection rights of parking fee of following parking stands were auctioned to various contractors for Rs 41.121 million. Out of which contractors did not deposit a sum of Rs 10.992 million. This resulted in less recovery of parking fee Rs 10.992 million.

Rs in million				
Sr. No.	Name of Parking Point	Name of Contractor	Auctioned Amount	Amount not deposited
1	New Parking Palaza (old baldia office)	Shahid Parvaiz S/O Muhammad Jamil	12.000	2.571
2	Gala Mandi to Genral Bus Stand, Amir Center, Awais Palaza to Trade Center	Asim Javed Butt S/O Javed Butt	9.905	1.794
3	Parking stand Choudhary hospital Dasghir road	Wajid Mehmood s/o Saeed Anwar	1.700	1.239
4	Parking stand- nishad cinema, tanga stand etc	Muhammad Adnan s/o Abdul rehman	10.906	3.088
5	AL hameed building	Imran Sakhi ALi	6.610	2.301
Total			41.121	10.993

Audit is of the view that due to weak internal control, parking fee was less collected from contractors.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends recovery of the amount from concerned contractors besides fixing of responsibility against the officers fault.

[PDP No.16]

2.4.4 Others

2.4.4.1 Loss due to lease-out of shops at less than assessed rent – Rs 296.426 million

According to Rule 4 (i) the manager shall keep all title deeds and other documents in the duplicate in safe study. Moreover, according to Rule 9 & 16 of PLG (Property) Rules 2018 and Government of The Punjab Local Government & Rural Development, Department letter No.SO-Estate(LG)2-2/2016 dated 30.04.2018 the local government shall lease out the shops/commercial property after the assessment of rent by the District Rent Assessment Committee.

Municipal Corporation Gujranwala did not auction 542 commercial units located in various areas of the Gujranwala City during financial Year 2019-20. These units were leased out to tenants / shopkeepers since long. Management collected Rs 36.815 million at the current rate rather than making collection of Rs 333.241 as per proposed rate. The following short comings were observed by the audit.

- i. The shops were not re-auctioned since last 8 decades by the Metropolitan Corporation Gujranwala. The rent was being recovered on nominal rates.
- ii. Assistant Commissioner Gujranwala, Excise & Taxation Officer with the coordination of Metropolitan Corporation Gujranwala surveyed through shop to shop for re-assessment of rent as directed in above mentioned letter. On the basis of survey District Assessment Committee proposed monthly and annual rent of these shops.
- iii. It was also observed that most of tenants sublet their shops and were receiving the rent at maximum rate prevailing in the market.

Audit holds that due to negligence of the management, the government was suffering huge financial loss due to non-auctioning of shops. **Annexure-E**

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends investigation of the matter at appropriate level, fixing of responsibility against the person(s) at fault and recovery of amount from defaulters.

[PDP No.22]

2.4.4.2 Non-recovery of arrears of rent of shops - Rs 64.855 million

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, 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.

Municipal Corporation Gujranwala did not recover rent of shops amounting to Rs 64.855 million during the financial year 2019-20. Total demand for rent of shops upto 30th June 2020 was Rs 74.842 million but only a sum of Rs 7.299 million was recovered which resulted in less recovery of rent Rs 64.855 million. **Annexure-F**

Audit holds that due to weak internal controls and negligence the rent of shops was not recovered.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends recovery of amount from defaulters besides fixing of responsibility against officers at fault.

[PDP No.19]

2.4.4.3 Non-imposition of penalty on late completion of schemes – Rs 23.461 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.

Scrutiny of the accounts of Municipal Corporation Gujranwala for the financial year 2019-20 revealed that work orders of various schemes were issued to the contractors. The contractors did not complete the schemes within the stipulated time period but penalty @ 10% amounting to Rs 23.461 million was not imposed on account of delay in completion of schemes. This resulted in non-imposition of penalty of Rs 23.461 million. **Annexure-G**

Audit holds that due to weak internal and financial controls, penalty was not imposed.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends imposition and recovery of penalty from the contractors besides fixing of responsibility against officers at fault.

[PDP No.03]

2.4.4.4 Overpayment of electricity bill of street light – Rs 1.772 million

National Electric Power Regulatory Authority Islamic Republic of Pakistan vide its letter No.NEPR/TRF-100-XWDISCOs/19495-19497 December 19, 2018 determined consumer end tariffs.

During audit of Municipal Corporation Gujranwala for the financial year 2019-20 revealed that per unit rate for street lighting was Rs 12.50 for the financial year 2019-20 but the GEPCO was charging Rs 18.68 per unit rate in electricity bills of the street light. This resulted in over charging of Rs 1.772 million on street light bills. **Annexure-H**

Bills	Month	Units	Unit Rate payable	Unit Rate paid	Over paid	Over payment
Selected bill	July 2019	40,900	12.50	18.680	6.180	252762
Percentage over payment in selected bills					7.57%	
over payment for all bills of street light @ 7.57%			23,412,375	1,771,836		

Audit holds that due to negligence of the management, overpayment was made on account of street light bill.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

Audit recommends to take-up the matter with GEPCO authorities for rectification of rates and recovery of overpayment.

[PDP No. 27]

2.4.4.5 Overpayment due to non-reduction in rate by using local sand - Rs 1.561 million

As per remarks against item No. 06 Chapter 06 “Concrete” of MRS District Lahore, composite rate is to be reduced by Rs 5.50 p.cft and Rs. 12 p.cft at the time of payments in case Chenab or local sand is used respectively.

During audit of Municipal Corporation Gujranwala for the financial year 2019-20, it was observed that payments were made to the contractors

for execution of different development works for the items “Reinforcement Cement Concrete (RCC)” but rates of sand were not reduced. This resulted in overpayments of Rs 1.561 million. The detail is as under:

(Amount in Rs)

Sr. No.	Name of Scheme	Name of Contractor	Qty RCC	Rate of Deduction	Deduction
1	Repair and rehabilitation of Ashgar ali bukhari Road	Ijaz Ahmed bhinder & Co.	35,823cft	12/Cft	429,876
2	Repair / rehabilitation madni road peoples colony	Rana Khalid Mehmood	16800cft	12/Cft	201,600
3	Repair / rehabilitation of Katchery road peoples colony	M. Younnas Ameen	26940cft	12/Cft	323,280
4	Repair / rehabilitation gondlanwala phatak to DHQ Hospital	M. Hanif Butt	50559cgt	12/Cft	606,708
Total					1,561,464

Audit holds that due to weak internal controls, RCC rate was not reduced on account of use of local sand.

The matter was reported to the CO/PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till finalization of this Report.

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

[PDP No.13]

CHAPTER 3

Municipal Corporation, Gujrat

3.1 Introduction

Municipal Corporation, Gujrat was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013. Under the clauses of Act, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Municipal Corporation Gujrat

(Rs in million)

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	MC Gujrat	1	1	1038.463	169.31

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 154.547 million were raised as a result of this audit. This amount also includes recoverable of Rs 53.515 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Overview of audit observations

Rs in million

Sr. No.	Classification	Amount Placed under audit observations
1	Non Production of record	-
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	
	a. HR/ Employees related irregularities	-
	b. Procurement related irregularities	88.809
	c. Management of Accounts with Commercial Banks	-
4	Value for money and service delivery issues	13.311
5	Others	52.427
	Total	154.547

c) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2019-20 of the Municipal Corporation Gujrat, total budget (Development and Non-Development) was Rs 1,111.847 million. Against the budget, total expenditure of Rs 1,038.463 million was incurred by MC during financial year 2019-20. Which was less than allocated budget of Rs 1,111.847 million indicating poor financial planning and resulting in saving of Rs 73.384 million against the budget. The break-up of total budget and expenditure is given in the following table:

Description	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age saving
Salary	271.548	261.754	-9.794	-3.61%
Non-Salary	568.708	510.721	-57.987	-10.20%
Development	271.591	265.988	-5.603	-2.06%
Total	1,111.847	1,038.463	-73.384	-6.60%

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

Financial Year	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	973.503	458.118	-515.385	-52.94%
2019-20	1,111.847	1,038.463	-73.384	-6.60%

There was 14.21% increase in budget allocation and 126.68% increase in expenditure incurred during financial year 2019-20 as compared to financial year 2018-19, while there was overall saving of Rs 73.384 million during the financial year 2019-20 showing an decrease of 85.76% as compared to financial year 2018-19.

3.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Out of total 113 development schemes, Management of Municipal Corporation Gujrat was able to complete 64 schemes indicating achievement of 56.63%.

ii. Service delivery issues

In view of the above it could be stated that Municipal Corporation Gujrat needs to fix the targets to be achieved.

3.3 Brief comments on the status of compliance with PAC directives

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

Status of Previous Audit Reports

Sr. #	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	11	Not convened
2	2019-20	15	Not convened

3.4 AUDIT PARAS

3.4.1 Irregularities

3.4.1.1 Procurement related irregularities

3.4.1.1.1 Irregular expenditure on account of non-approval of PC-I - Rs 87.702 million

According to Punjab Gazette July 05, 2017 Government of Punjab Local Government and community development department notification No. SOR (LG)38-3/2017 para No (4)(3), work costing rupees 1.50 million or above shall be prepared on the PC-I prescribed by the Government and approved in the manner prescribed for approval of PC-I. Further, Para 5(2) for preparation of rough cost estimates, the engineering staff shall inspect the site and work out the feasibility of the work through images or photographs of the site.

Municipal Corporation Gujrat accounts revealed that an amount of Rs 87.702 million was expended on Annual Development program during 2019-20 without preparation and approval of PC-I. The cost of each scheme was more than Rs 1.50 million. It was further observed that images/photographs were not part of the rough cost estimates. This resulted in irregular expenditure from the public exchequer without preparation and approval of PC-I.

Audit holds due to non compliance of government instructions, PC-I of the schemes was not prepared.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

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

[PDP No. 02]

3.4.1.1.2 Unauthorized payment on account non schedule items - Rs 1.107 million

Government of the Punjab, Finance Department letter No. RO(Tech) FD.18-23/.2004 dated 21st September 2014, sets forth the procedure for preparation and approval of rate analysis other than standardized items. Standardized analysis shall be used to work out the rate of an item as far as possible. The item rates (non-standardized) shall be prepared by the Executive Engineer clearly giving the specifications of the material used and approved by the competent authority not below the rank

of Superintendent Engineer before the work is undertaken. A copy of each analysis approved by the competent authority shall be sent to the Technical Cell of Finance Department for scrutiny / standardization.

Scrutiny of record of Municipal Corporation Gujrat for the Financial Year 2019-20 revealed that following development schemes were executed and non-scheduled items were provided and fixed by the contractors in these schemes. Neither quotations of non scheduled items were called nor comparative statements were prepared for rate analysis. Rate analysis was not approved by the competent authority. This resulted in unauthorized expenditure of Rs 1.107 million.

Scheme	Award letter No. & dt	description	Qty	Rate	Amount
P/F road studs in MC Limits Gujrat	269 dt 22.10.2019	P/L road Stud	450	850	382,500
Repair/Renovation filtration plant MC Gujrat	64 dt 06.04.2020	P/Changing Corbin for filter plant	8	15500	124,000
		Penal Box UV Lamp	6	22475	134,850
		Bib cock with welding	40	1000	40,000
		P/F UV lamp complete	25	10075	251,875
		water pump	3	11500	34,500
		cleaning of tile with acid	35	1750	61,250
		P/L Sandler size for filter plant	18	4340	78,120
	Total				1,107,095

Audit holds due to non compliance of government instructions, rate analysis of the non scheduled items was not approved by the competent authority.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 07]

3.4.2 Value of Money and Service delivery Issues

3.4.2.1 Unauthorized payment without cube tests - Rs 8.221 million

According to Revised Contract Form for Execution of Works, PCC cubes (1:2:4) for the test of crushing strength. Cubes were required to be tested and report of crushing strength comparing with required crushing strength.

Scrutiny of accounts of Municipal Corporation Gujrat for the Financial Year 2019-20 revealed that various development schemes were awarded to the contractors. The PCC (1:2:4) was approved in TS estimates and cube tests of crushing strength report was required at the cost of contractor. However, payment for executing PCC (1:2:4) at site was made without cube test reports of crushing strength. This resulted in unauthorized expenditure from the public exchequer Rs 8.221 million.

Audit holds that due to non-compliance of rules and dereliction on the part of the financial management, payment on account of PCC (1:2:4) was made to the contractors without test reports.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 01]

3.4.2.2 Unjustified expenditure on P.C.C - Rs 4.002 million

According to Para No.19(4) of Punjab Gazette July, 05, 2017, Government of the Punjab, Local Government and Community Development Department notification No.SOR (LG) 38-3/2017, the quality control field test shall be mandatory for each development work costing more than rupees ten million.

Scrutiny of accounts of Municipal Corporation Gujrat for the Financial Year 2019-20 revealed that sub engineer made record entry of earth filling, PCC (1:7:20) and PCC (1:2:4) on same day in the measurement book. The engineer did not observe the compaction of earth as well as setting time of PCC (1:7:20). Further pictorial evidence at the time of providing / lying of PCC (1:7:20) were not maintained by the management. Under these circumstances it can be concluded that PCC (1:7:20) was not provided / laid at site. This resulted in unjustified

expenditure of Rs 4.002 million on PCC (1:7:20) from the public exchequer. **Annexure-I**

Audit holds that due to non-compliance of rules and dereliction on the part of the financial management, payment was made to the contractor without fulfilling codal formalities.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 16]

3.4.2.3 Unauthorized expenditure on account of non-deduction of compensation charges - Rs 1.088 million

According to clause 8 (iv) of Revised Contract Form for Execution of Works, in the event of the non submission of the programme or revised / amended programme of work by the contractor for approval by the Engineer Incharge within the period specified by the Engineer Incharge, the contractor shall be liable to pay as compensation an amount, equal to ¼% per day or such smaller amount as the Engineer Incharge (whose decision in writing shall be final) may decide on the total tendered amount of the work, subject to maximum of 2% of contract amount.

Scrutiny of accounts record of Municipal Corporation Gujrat for the Financial Year 2019-20 revealed that various development schemes were awarded to the contractors during the year. The contractors were required to submit action plan of the work but neither the action plan was submitted by the contractor nor compensation charges @ 2% were deducted by the management. This resulted in unauthorized expenditure from the public exchequer Rs 1.088 million. **Annexure-J**

Audit holds that due to weak internal control, neither action plan was submitted by contractor nor compensation charges were deducted.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 03]

3.4.3 Others

3.4.3.1 Less collection of conversion fee - Rs 26.49 million

According to PLG 2013, (2) a Municipal Committee shall: (a) prepare spatial plans for the local government including plans for land use and zoning; (b) approve spatial plans after due process of dissemination and public enquiry, incorporating modifications on the basis of such inquiry; (c) execute and manage development plans; (d) exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations;

MO (Planning) of Municipal Corporation Gujrat did not recover commercialization / conversion fee amounting to Rs 26.494 million from owners of land during financial year 2019-20. This resulted in less/non recovery of commercialization /conversion fee as detailed below.

(Amount in Rs)

Sr. No.	Name & Location	Total conversion fee	Conversion fee recovered	Conversion fee recoverable
1	Khan Centre Bhimber road	5,304,000	1,800,000	3,504,000
2	Aurang Zaib Centre Bhimber road	8,568,000	1,389,542	7,178,458
3	Gujrat Centre Shah Hussain road	6,364,800	0	6,364,800
4	Ammar Bank Mall GT road	5,155,294	480,000	4,675,294
5	Zaib Centre Rehman Shaheed road	3,450,000	2,415,000	1,035,000
6	Haji M. Saeed Service more	4,982,052	1,245,513	3,736,539
Total				26,494,091

Audit holds that due to weak internal controls, conversion fee was not recovered from the land owners.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends early recovery of conversion fee besides fixing responsibility of the the person(s) at fault.

[PDP No. 39]

3.4.3.2 Loss to local government on accounts of auctioning of contracts on less than reserve price – Rs 10.123 million

According to Auction of Collection Rights 2016 (12)(1) the bids for collection rights received in auction, if less than the reserve price, shall be

rejected by the Mayor or Chairman and the local government. (2) The bids if rejected under sub-rule (1), the collection rights shall be put for re-auctioned in the prescribed manner. (3) The highest bid, equal to reserve price or above, received in auction and recommended by the respective Mayor or Chairman, shall be placed before the House within ten days of receipt of bid for approval. (4) The highest bid, received under sub-rule (3), shall: (a) reasonably justifiable; and (b) not have scope of further enhancement in view of the local government.

During audit of Municipal Corporation Gujrat, it was observed that the contracts of advertisement Tax and Adda Fee General Bus Stand were auctioned for the Financial Year 2019-20. The reserve price was calculated and advertised in newspaper. However, the contracts were awarded to the contractors less than the reserve price. Due to auction of collection rights less than the reserve price, local government sustained a loss of Rs 10.123 million as detailed below.

(Amount in Rs)

Name of Contract	Reserve Price	Auction Amount	Less realization
Advertisement Tax	23,045,000	18,700,000	4,345,000
Adda Fee General Bus Stand	30,788,000	25,010,000	5,778,000
Total	53,833,000	43,710,000	10,123,000

Audit holds that due to weak internal controls, the contracts were auctioned at less than the reserve price of the contractors.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 33]

3.4.3.3 Non-recovery of advertisement tax and parking fee - Rs 7.934 million

According to Auction of Collection Rights Rules 2016, (19)(1) after receipt of communication of acceptance of bid from the local government, the contractor shall (a) deposit one tenth of the amount of approved bid in the funds of respective local government within specified time period; and (b) enter into written agreement with the respective local government within three days. (2) The remaining amount of bid shall be paid by the contractor to the local government in equal monthly installments that the whole amount be recovered at least one month before completion of contract. (3)

The installments shall be paid by the contractor in advance by the fifth day of each month.

During audit of Municipal Corporation Gujrat for the FY 2019-20, it was observed that the contracts of Advertisement Tax and Parking Fee awarded to the contractors. The contractors deposited installments upto April 2020 but did not deposit the installments upto June 2020. Serious efforts were not made to recover the outstanding amount of installments.

This resulted in non recovery of local government revenues amounting to Rs 7.934 million as per table given below.

(Rs in million)

Contract	Contract Amount	Amount including taxes etc	Total amount recovered	Outstanding dues
Advertisement Tax	18.700	20.750	12.998	7.571
Parking Fee Parking plaza Hassan Chowk	2.500	2.750	2.387	0.363
Total	21.2	23.5	15.385	7.934

Audit holds that due to weak internal controls, the contract amount of Advertisement Tax and Parking Fee was not recovered.

The matter was reported to the CO / PAO in June, 2021. Neither any reply was furnished nor DAC meeting convened till the finalization of this report.

Audit recommends investigation of the matter besides fixing of responsibility against the person (s) at fault.

[PDP No. 34]

CHAPTER 4

Metropolitan Corporation, Lahore

4.1 Introduction

Metropolitan Corporation, Lahore was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013. Under the clauses of the Act, a Metropolitan Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Metropolitan Corporation Lahore

Rs in million

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	MC Lahore	01	01	5,967.724	845.383

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 1,330.884 million were raised in this report during current audit of “MC Lahore.” This amount also includes recoveries of Rs 362.002 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Overview of audit observations

Rs in million

Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	33.661
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	
	a. HR/Employees related irregularities	
	b. Procurement related irregularities	133.108
	c. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	50.986
5	Other	1,104.457
	Total	1,330.884

c) Comments on Budget and Accounts (Variance Analysis)

As per Appropriation Accounts for the financial year 2019-20 of the MC Lahore, original and final budget (development and non-development) was Rs 8,533.055 million. Against the final budget, total expenditure of Rs 5,967.724 million was incurred during the financial year 2019-20 which was equal to original grant indicating proper planning. The break-up of total budget and expenditure is given in the following table:

(Rs in million)

Nature of expenditure	Original grant	Suppl. Grant	Total	Actual Expenditure	Savings (-) Excess (+)
Salary	4,174.624	-	4,174.624	3,548.431	-626.193
Non-Salary	2,840.386	-	2,840.386	1545.897	-1,294.489
Development	1,518.045	-	1,518.045	873.396	-644.649
Grant Total	8,533.055	-	8,533.055	5,967.724	-2,565.331

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

Financial Year	Final Grant	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	10,214.679	5,075.610	-5,139.069	50%
2019-20	8,533.055	5,967.724	-2,565.431	30%

There was 16% decrease in budget allocation and 18% increase in expenditure incurred during the financial year 2019-20 as compared to the financial year 2018-19. During financial year 2019-20, saving decreased to 30% as compared to 50% during financial year 2018-19.

4.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Sectoral analysis was made on the basis of municipal facilities provided during financial year 2019-20 through development schemes. The objectives of executing these schemes were to provide better municipal facilities and better environment to general public. However no specific targets were set by Local Government for MCL Lahore except through development schemes. Out of 315 development schemes executed during 2019-20, only 140 were completed achieving 44% target.

ii. Service delivery issues

In view of the above it could be stated that MCL Lahore needs to fix the targets to be achieved.

4.3 Brief comments on the status of compliance with PAC directives

The Audit Reports pertaining to the following periods were submitted to the Governor of the Punjab.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	47	Not convened
2	2019-20	33	Not convened

4.4 AUDIT PARAS

4.4.1 Non-production of record

4.4.1.1 Non-production of record – Rs 33.661 million

According to Section 14(2) of Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the officer incharge of any office or department 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.

Management of following offices in MCL failed to provide record pertaining to pension contribution, financial assistant and LPR of expenditure worth Rs 33.661 million.

(Rs in million)

Sr. No.	Name of DDO	Description	Amount
1	CCO MCL	Pension contribution	22.201
2	CCO MCL	Financial assistance, LPR	11.460
Total			33.661

Audit holds that record was not produced for scrutiny due to poor financial management and weak internal controls.

This resulted in non-verifiable expenditure amounting to Rs 33.661 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends fixing of responsibility against person (s) at fault besides obtaining of vouched accounts.

[PDP No 1, 2]

4.4.2 Irregularities

4.4.2.2 Procurement related irregularities

4.4.2.2.1 Irregular expenditure on account of purchase of street lights - Rs 121.841 million

According to Rule 12(1) read with Rule 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

Municipal Officer Infrastructure MC Lahore spent Rs 121.841 million on account of procurement of street lights during the financial year 2019-20. Street lights were procured without planning and indents were split up to avoid open competition. Details of points where lights were to be installed were not on record. Stock and issuance entries in stock register were not recorded. No mechanism was adopted to verify the installation of lights. **Annexure-K**

Audit holds that procurement of street lights without tender was due to weak internal controls.

This resulted in irregular expenditure of Rs 121.841 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing of responsibility against person(s) at fault.

[PDP No 01, 03]

4.4.2.2.2 Irregular award of contract - Rs 8.803 million

In terms of Rule 32 read with Rule 37 of Punjab Procurement Regulatory Rules 2014, "A procuring agency shall announce the results of bid evaluation in the form of a report giving justification for acceptance or rejection of bids at least ten days prior to the award of procurement contract. The connotation of the aforementioned rule and inference thereof leads, to the fact that evaluation report means combination of technical as well as financial evaluation. As compliance of rule ibid requires uploading

of complete evaluation report where after the procuring agency after a pause of 10 days enters in to contract therefore, it is advised to follow the PPRA Rules and upload the complete evaluation on PPRA website instead of technical report only.

During scrutiny of records of the office of Metropolitan Officer (Regulation), Metropolitan Corporation Lahore for the financial year 2019-20, it was observed that management awarded contracts to those vendors whose bids were rejected at the time of technical evaluation. This resulted in irregular procurements from the technically rejected firms.

Name of Contractor	Nature of contract	Amount
Rashid Ali Awan	V. 3028) Supply of wire 7/0.44 (4-Core) on rent basis for establishment of Sale points of sacrificial animals-2019 Chq. 9117228871 (Rs. 4713488)	4,713,488
M/S I.A & Co	Arrangement for temporary light, fans, Generators etc	2,045,000
Sh. M. Waheed & CO	V. 6411) Arrangements of blub strips for illumination of different chruches in Ravi Zone on the eve of Christmas, 2019	1,443,000
	V. 6878) T/A of Scaffolding 27 th & 28 th Safar Jaloos Hussainia Hall i/c with Youm e Shahadat Imam Hasan a.s at Noor Gali chitta Gate chowk Purani Kotwali in Ravi Zone, Lahore	68,490
	V. 6276) Temporary arrangement of scaffolding at different routes and Imam Bargha in Muharram ul Haram Chehlum Route Ravi Zone, Lahore	440,301
	Tantage provided by Sh.M Waheed	93,100
	Total	8,803,379

Audit holds that award of contract to the rejected bidders was due to weak internal control and non-adherence to rules.

This resulted in irregular expenditure of Rs 8.803 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

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

[PDP No 02, 03 &5]

4.4.2.2.3 Irregular expenditure on printing charges and uniform Rs 8.446 million

According to Section 12(2) of PPRA rules 2014 all procurement opportunities over 2 million rupees should be advertised on the PPRA

website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall in at least two national dailies one in English and the other in Urdu.

During audit of the office of Administrator of Passengers and Freights Transit Terminal Lahore for the financial year 2019-20, it was observed that an expenditure amounting to Rs 8.446 million was incurred on account of printing charges and uniform for firebridge. The expenditure was incurred by splitting the ident to avoid tendering process. The specifications of the uniform were not predetermined and samples were not approved for verification and comparisons of quality of materials were also not provided. Following discrepancies were observed:

- Generic specifications of the items were not prepared i.e quality/weight & paper size were not the part of bidding documents.
- Prequalification of bidders / technical evaluation terms were not designed and checked at the time of tender.

Audit holds that specifications were not mentioned in bidding documents due to weak financial discipline of management.

This resulted in irregular expenditure on account of printing charges

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

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

[PDP No 22, 02]

4.4.3 Value for money and service delivery issues

4.4.3.1 Irregular expenditure on account of entertainment – Rs 3.739 million

As per Rule 8(b) of Punjab Local Governments (Accounts) Rule 2017, the drawing and disbursing officer shall incur expenditure strictly against the allocation under the relevant object code and in accordance with the rules and keep in safe custody the departmental expenditure record.

Chief Public Relation Officer of MCL incurred expenditure of Rs 3.739 million on account of entertainment / provision of lunch, Hi-tea and iftar of employees during the financial year 2019-20. Expenditure was incurred without availability of budget. It was further observed that agenda, meeting notice and minutes of meetings in which expenditure was incurred were not provided to audit for verification. List of participants along with their attendance register were also not available.

Audit holds that expenditure without availability of budget was incurred due to defective financial discipline.

This resulted in irregular expenditure of Rs 3.739 million

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing of responsibility against the person(s) at fault.

[PDP No 2, 17]

4.4.3.2 Unauthentic collection of License fee

According to Punjab Local Government Act 2013, chapter-x, clause 87, the Metropolitan Corporation shall, approve and collect taxes and fees, regulate dangerous and offensive articles and trades mentioned in Second Schedule.

During scrutiny of accounts of Metropolitan Officer (Finance) for the financial year 2019-20, it was observed that the office did not carry out the survey for the period to get complete list and particulars of all manufacturers, vendors, traders etc. in the local area of the Municipal Corporation.

Audit holds that surveys of manufacturers, vendors & traders was not conducted due to defective financial discipline and weak internal controls.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends fixing of responsibility against person (s) at fault besides regularization of receipts.

[PDP No 04]

4.4.4 Others

4.4.4.1 Irregular auction of collection rights – Rs 414 million

According to Rule 27 of The Punjab Local Government Auction of Collection Rights Rules 2016 read with clause 9 of contract agreement with the contractor, the successful bidder shall, at the time of signing the agreement, furnish a surety for the due performance of the contract to the satisfaction of the local government concerned. The surety bond shall be of a person who has a valid national tax number and is an active tax payer. The assurer shall furnish a bank statement for the preceding six months also showing a bank balance equivalent to the amount of the surety.

During audit of office of the Administrator of Passengers and Freights Transit Terminal (P&FTT) Lahore, it was observed that collection rights of bus stands fee were auctioned for Rs 414.00 million during financial year 2019-20 as detailed below;

Sr. No.	Description	Date of Auction	Amount (Rs in million)
1	Joint contract of MCL Fees Non AC Buses 22-Bays & AC Buses 20-Bays Badami Bagh, Lahore	26 & 27.6.2019	182.100
2	Contract of MCL Fees, AC/Non AC Buses, Jinnah Bus Terminal Thokar Niaz Baig, Multan Road, Lahore.		71.000
3	Contract of MCL Fees AC Buses, City Bus Terminal Sikanderia Colony, Bund Road, Lahore.		142.200
4	Porter /Hand Carriage & Mazda Suzuki Pickup, Chingchee Rickshaw Fee etc. GBS Badami Bagh Lahore		10.600
5	Contract of AC/Non AC Buses, Coaster, Mazda, Toyota Hiace, Hi-roof, Bus Stand Raiwind.		8.100
Total			414

Following discrepancies were observed:

- i. Reserve price was not calculated on the basis of database of actual accounts /turnover of the vehicles in previous years.
- ii. Contractors did not provide two sureties or bank guarantees equal to the amount of contracts.
- iii. Number of employees deputed with contractors was not entered in the contract agreement and complete liability for payment of charges was not calculated.

Audit holds that due to weak internal control management failed to assess tax/fee and making system transparent.

This resulted in less collection of government receipts.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and

August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

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

[PDP No 14]

4.4.4.2 Loss due to less collection of taxes – Rs 197.054 million

According to Rule 11 of The Punjab Local Government Auction of Collection Rights Rules 2016, at least three attempts shall be made to award the contract through open bid, equal to the reserve price or more, by the administration of local government before the commencement of financial year. According to Rule 47 of Punjab Local governments Budget Rules 2017 the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head.

During audit of the office of the Administrator of Passengers and Freights Transit Terminal (P&FTT) Lahore, for the year 2019-20, it was revealed that management did not auction collection rights. Due to non auction departmental collection was started resulted in less collection then reserve price. **Annexure-L**

Audit holds that collection of receipt targets were not achieved due to defective financial discipline.

This resulted in loss of revenues of Rs 197.054 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends recovery besides fixing of responsibility against the person(s) at fault.

[PDP No 23]

4.4.4.3 Non-recovery of arrears of rent of shops -Rs 166.324 million

According to Rule 14 (d) of Punjab Local Governments (Accounts) Rules, 2017, the Collecting Officer shall “collect the receipts of the Local Government in a transparent manner beyond any doubt of any misappropriation, fraud, embezzlement or compromise”.

During audit of the office of the Metropolitan Officer (Regulation) for the financial year 2019-20, it was observed that management did not recover arrears on account of rent of shops under the jurisdiction of Metropolitan Corporation Lahore amounting to Rs 166.324 million from the allottees of the shops. Neither were serious efforts made to recover the rent nor was the case forwarded to the court for recovery of rent.

Audit holds that non-recovery of arrears was due to weak internal control and non-adherence to the rules and regulations.

This resulted in non-recovery of arrear of rent of shops amounting to Rs 166.324 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends for recovery of arrears besides fixing of responsibility against person(s) at fault.

[PDP No. 11]

4.4.4.4 Loss due to non-collection of installments and fine from contractors – Rs 95.493 million

According to Rule 47 of Punjab Local governments Budget Rules 2017 the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head. Further according Clause-4 of lease agreement under auction of collection rights, contractors were bound to deposit installments of leases up to 5th of the every month and complete installments till 5th of May, in case of default a fine of Rs 10,000 / Rs 5,000 per day was payable.

During audit of the office of the Administrator of Passengers and Freights Transit Terminal (P&FTT) Lahore for the year 2019-20, it was observed that management did not collect installments of leases amounting to Rs 78.218 million and late deposit charges amounting to Rs 17.275 million from the contractors. **Annexure-M**

Audit holds that due to weak internal control amount was not collected from the contractors.

This resulted in loss of revenue of Rs 95.493 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and

August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends recovery of amount besides fixing of responsibility.

[PDP No 15 &16]

4.4.4.5 Loss of due to irrational rent of shops – Rs 45.572 million

According to Rule 16 of Punjab local government property Rules 2018 the shops and commercial property should be leased out by the local government through competitive bidding and the initial lease period of the shop or commercial property shall not exceed fifteen years and may be extended for period not exceeding ten years subject to the revised rent assessed by the District Rent assessment Committee. Moreover, according to Rule 4 of Punjab local government property Rules 2018 the manager of the property shall ensure that the rented property fetches the maximum rent from the market and the manager shall be personally responsible to the local government for any loss caused as a result of his default or negligence in the discharge of his responsibilities.

Administrator of Passengers and Freights Transit Terminal (P&FTT) Lahore was charging rent of shops far below actual market rates. Record of last auction of shops was not available. No lease agreements were on record. Extension details of leases were also not available. The rent received for the shops was very nominal. Shops were located in the main markets where the minimum market rent of a shop was Rs 25,000. MCL sustained a loss of Rs 45.572 million since promulgation of Punjab Local Government Act 2013, on 01-01-2017. **Annexure-N**

Audit hold that fair market rent was not collected from shops due to defective financial discipline.

This resulted in loss of Rs 45.572 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends auction of shops and collection of rights as assessed by Rent Assessment Committee besides fixing of responsibility against officers at fault.

[PDP No 17]

4.4.4.6 Non-recovery of road cut charges - Rs 30.95 million

According to Rule 65 (2) of the Punjab Local Government (Budget) Rules, 2017, each DDO shall be responsible for the expenditure actually incurred against the funds allotted to him.

During scrutiny of accounts of Metropolitan Officer Infrastructure, MCL for the financial year 2019-20, it was observed that expenditure of Rs 30.95 million was incurred on restoration of road cuts but did not realize any revenue from offenders. **Annexure-O**

Audit holds that restoration of road cuts without penalizing the offenders was due to weak internal control and poor financial discipline.

This resulted in non-recovery of road cut charges amounting to Rs 30.95 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing of responsibility against person(s) at fault.

[PDP No 06]

4.4.4.7 Irregular payment on account of carpeting without approval of the rate - Rs 20.372 million

According to Finance Department's letter No. RO (Tech) FD. 18-23/2004 dated 21st 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.

During scrutiny of accounts of Metropolitan Officer Infrastructure, MCL for the financial year 2019-20, it was observed that item of plant premix bituminous carpeting was executed and Rs 20.372 million was paid to the contractors. Job mix formula was not approved from the Chief Engineer (Highways). **Annexure-P**

Audit holds that incurrence of unauthorized expenditure was due to weak internal control and poor financial discipline.

This resulted in irregular payment without approval of the rate by the competent authority.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing of responsibility against person(s) at fault.

[PDP No 09]

4.4.4.8 Non-recovery of MCL share from Lahore Parking Company - Rs 19.159 million

According to Rule 9 (b) of the Punjab Local Government accounts rules 2017, the collector of tax, fee, rate, charges of the local government shall be personally responsible for any overcharging, fraud, misappropriation or delay for crediting the amounts so collected to the account of the local government and shall be liable to make good the loss arising from his culpable negligence.

During audit of the office of Metropolitan Officer (Finance) for the financial year 2019-20, it was observed that Rs 7.256 million was recovered from Lahore Parking Company instead of Rs 26.415 million.

Audit holds that management failed to recover MCL share from Lahore Parking Company due to weak internal controls.

This resulted in loss of Rs 19.159 million to public exchequer.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends for immediate recovery of MCL share besides fixing of responsibility against person(s) at fault.

[PDP No.15]

4.4.4.9 Irrational decision to abolish entry fee of trucks and Mazda – Rs 16.30 million

According to section 115 of PLGA 2013 “a local government may, by notification in the official Gazette, levy any tax, fee, rate, rent, toll, charge or surcharge specified in Third Schedule and may increase, reduce, suspend, abolish or exempt any tax. Further according to Gazette Notification No185-DDO(R)Tax dated 07-10-2017 of Metropolitan Corporation Lahore published dated 24-11-2017, after issuing public

grievance notice in public newspaper on 21-06-2017, levy the entry fee for truck and Mazda @ Rs50 and Rs 30 Respectively.

During audit of office of the Administrator of Passengers and Freights Transit Terminal (P&FTT) Lahore for the year 2019-20, it was observed that lord mayor of MCL waived off entry fee of trucks and Mazdas without the approval of the house in violation of the law ibid.

Audit holds that irrational decision was taken by Lord Mayor without approval of house due to weak internal controls.

This resulted in the loss of revenue amounting to Rs 16.30 million

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends justification for reducing the government revenue besides fixing of responsibility against officers at fault.

[PDP No 18]

4.4.4.10 Non-recovery of building plan fee - Rs 13.937 million

According to the Secretary LG & CD letter No. SOTAX LG & 3-4/03-P-RWP dated 8-8-2007, NOC fee and building plan fee for each installation of mobile telephone towers was fixed Rs 20,000 and Rs 7,875 respectively.

During scrutiny of accounts of Metropolitan Officer (Planning) for the financial year 2019-20, it was observed that 500 mobile towers were installed under the jurisdiction of MCL Lahore. Building plan and NOC fee @ Rs 27,875 amounting to Rs 13.937 million from 500 mobile towers was not recovered during the year.

Audit holds that due to weak internal controls fee was not realized from the mobile companies.

This resulted in loss of Rs 13.937 million to government.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends recovery of building plan and NOC fee from the companies besides fixing of responsibility against person (s) at fault.

4.4.4.11 Irregular purchase of store items - Rs 2.325 million

According to Letter No RO (Tech)FD-18-29/2004 Government of Punjab Finance Department dated 03-03-2005, Plant & machinery and other store items like generators, lifts, air conditioners, electric motors and street lights, manhole covers etc., were required to be purchased according to purchase manual instead of through the contractors because of avoiding 20% profit & overhead charges of contractors.

Municipal officer Infrastructure MCL purchased bulbs, holders, rod, wire etc required for installation of street lights for Rs 2.325 million during the financial year 2019-20. Scrutiny of accounts revealed that purchases were made form contractors of civil works. Specifications of light were not determined and rates of non-schedule items were not sent to standardized market committee for vetting.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends regularization of expenditure besides fixing of responsibility against person(s) at fault.

[PDP No 15]

4.4.4.12 Non-deposit of tax in account of MCL - Rs 1.715 million

According to Rule 2.33 of the PFR VOL.I every Government Servant should realize fully and clearly that he will be held personally responsible for any loss sustained through fraud, negligence on the part of the government Servant up to the extent to which he has contributed towards the fraud.

During the scrutiny of accounts in the office of Administrator of Passengers and Freights Transit Terminal (P&FTT) Lahore for the financial year 2019-20, it was observed that the lease of site for the Motor Cycle / Car / Truck & Mazda parking Plot No. 1 & old Truck Stand Ravi Link Road Lahore plots were handed over to the contractor w.e.f 15-10-2019 for Rs 4,165,630 for eight and a half months but the collection for the period w.e.f 01-07-2019 to 14-10-2019 i.e Rs 1,715,259 was not deposited into government treasury.

Audit holds that due to weak internal controls revenue of local government were not collected and credited to local fund.

This resulted in loss of revenue worth Rs1.715 million

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends deposit of government dues in accounts of MCL besides fixing of responsibility against the person(s) at fault.

[PDP No 20]

4.4.4.13 Non-recovery of water conservancy charges - Rs 1.56 million

According to Tax notification of MCL, water conservancy charges @ Rs 60,000 /month were levied on swimming pools or other water reservoirs.

During scrutiny of accounts of Metropolitan Officer (Finance), AMO (Tax) for the financial year 2019-20, it was observed that conservancy charges were not recovered from the owners of twenty six swimming pools.

Audit holds that non-recovery of water conservancy charges was due to weak internal control and poor financial discipline.

This resulted in loss of revenue amounting to Rs 1.56 million.

The matter was reported to the PAO concerned during May 2021. Subsequent reminders were also issued in the months of June, July and August 2021. Reply was neither received nor was the DAC meeting convened till finalization of this report.

Audit recommends recovery of amount besides fixing of responsibility against person (s) at fault.

[PDP No 03]

CHAPTER 5

Municipal Corporation Murree

5.1 Introduction

Municipal Corporation, Murree was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013. Under the clauses of Act, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Municipal Corporation Murree

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	MC Murree	1	1	117.306	131.832

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 98.790 million were raised as a result of this audit. This amount also includes recoverable of Rs 98.790 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Overview of audit observations

		Rs in million
Sr. No.	Classification	Amount Placed Under Audit Observations
1	Non-production of record to Audit	
2	Reported cases of fraud, embezzlement and misappropriations.	
3	Irregularities	
	a. HR /Employees related irregularities	
	b. Procurement related irregularities	
	c. Management of Accounts with Commercial Banks	
4	Value for money and service delivery issues	51.469
5	Others	47.321
	Total	98.790

c) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2019-20 of the Municipal Corporation Murree, total budget (development and non-development) was Rs 421.818 million. Against the budget, total expenditure of Rs 346.602 million was incurred by Municipal Corporation during financial year 2019-20 which was less than allocated budget of Rs 421.818 million indicating poor financial planning and resulting in

saving of Rs 75.216 million against the budget. The break-up of total budget and expenditure is given in the following table:

Description	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age saving
Salary	185.952	205.222	19.270	-
Non-Salary	111.178	111.178	0	-
Development	124.688	30.202	-94.486	75.78%
Total	421.818	346.602	-75.216	17.83%

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

Financial Year	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	543.960	263.890	-280.070	51.48%
2019-20	421.818	346.602	-75.216	17.83%

There was 22.454% decrease in budget allocation and 31.343% increase in expenditure incurred during financial year 2019-20 as compared to financial year 2018-19, while there was overall saving / excess of Rs75.216 million during the financial year 2019-20 showing an decrease of 33.66% as compared to financial year 2018-19.

5.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Municipal Corporation Murree planned to execute twenty five development schemes during the financial year 2019-20. However, management of Municipal Corporation Murree could only complete 15 scheme despite the fact that sufficient funds were available but could not be utilized due financial indiscipline.

ii. Service delivery issues

In view of the above it could be stated that Municipal Corporation Murree needs to fix the targets to be achieved.

5.3 Brief comments on the status of compliance with PAC directives

The Audit Report pertaining to the following period was submitted to the Governor of the Punjab.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	18	Not convened
2	2019-20	05	Not convened

5.4 AUDIT PARAS

5.4.1 Value of money and service delivery issues

5.4.1.1 Loss due to non-collection of conversion fee - Rs 51.469 million

According to Rule 60 (1) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009, a City District Government or a Tehsil Municipal Administration shall levy following fee for conversion of land use: (a) the conversion fee for the conversion of residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:-

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

During audit of Municipal Committee, Murree for Financial Year 2019-20, it was observed that management approved eight commercial properties (Flats) as residential properties by collecting map fee only. The conversion fee of Rs 51.469 million was required to be recovered prior to approval of maps but the management illegally approved residential maps of commercial property without collection of conversion fee. This resulted in non-collection of conversion fee as detailed below:

S. No	Name Address	Rate per marla as per DC evaluation Table	Area of Plot	Total value of Land	Conversion Fee 20% of total value
1	Muhammad Arif, Fair Hill Kashmir Point Murree.	1,980,000	01-kanal, 06-Marla	51,480,000	10,296,000
2	Abid Ali Abbasi , Fair Field Estate Hall Road Murree	1,600,500	01-kanal, 15-Marla	56,017,500	11,203,500
3	Umer Farooq Etc , Kashmir Valley Hall Road Murree	1,600,500	10-Marla	16,005,000	3,201,000
4	Babar Abbasi Etc , Imtaiz Shaheed Road Murree	1,662,100	22-Marla	36,566,200	7313240
5	Rafaqat ullah Gujar etc. Upper Jhikagali Road Murree.	1,531,200	01-kanal, 10-Marla	45,936,000	9,187,200
6	Nusrat Abbasi etc ., Kuldana Road Murree	1,533,400	10.66-Marla	15,334,000	3,066,800
7	Zahid S/o Arshad etc, Kuldana Road Murree.	1,533,400	9.5-Marla	14,567,300	2,913,460
8	Hamad Ashaq Abbasi etc, 21 A Upper Jhikagali Road Murree	1,531,200	14-Marla	21,436,800	4,287,360
Total				257,342,800	51,468,560

Audit holds due to weak internal controls, illegal building plan were approved without collection of conversion fee of Rs 51.469 million.

The matter was reported to PAO in April, 2021. DAC meeting was convened on 15.06.2021 wherein management replied that the commercial declaration of roads of Murree was approved by the DPDC Rawalpindi on 22.03.2021. The above mentioned cases were submitted prior to the subject date; therefore, the scrutiny fee and approval fee were recovered from owners. Notices have been issued for recovery of conversion fee. The reply was not tenable as the properties were meant for commercial use and conversion fee was not charged. DAC decided to keep para pending till recovery but no recovery was reported till finalization of this report.

Audit recommends regularization of illegal approved maps and collection of conversion fee besides fixing of responsibility against the person(s) at fault.

[PDP-08]

5.4.2 Others

5.4.2.1 Less collection of receipts – Rs 43.317 million

According to Rule 11 (2)(c) of Punjab Local Government (Accounts) Rules 2017, the Chief Officer shall ensure that any sums due to the local government are promptly realized and credited to the local fund.

Scrutiny of record of Municipal Corporation, Murree for the Financial Year 2019-20 revealed that MC management did not recover Rs 43.317 million against following rents and auction money. This resulted in less collection of receipts Rs 43.317 million as detailed below:

(Rs in million)

Sr. No.	Particular	Recoverable	Recovered	Recoverable
1	Rent of Shops (Arrears)	21.316	10.973	10.343
2	Rent of Khokha Jat (Arrears)	13.818	2.276	11.542
3	Domestic - Water supply (Arrears)	21.317	8.523	12.794
4	Commercial - Water supply (Arrears)	29.160	23.125	6.035
5	Car Parking at MC Office	5.726	4.372	1.354
6	Slaughter House	0.332	0.239	0.093
7	Parking fee of GBS	3.080	1.952	1.128
8	Bathroom at GBS Murree	0.165	0.117	0.048
9	Washroom at Kashmir Point	0.143	0.128	0.015
10	Washroom Near MC Office	0.121	0.116	0.005
		95.178	51.821	43.357

Audit holds that due to weak internal and financial control, less collection was made.

The matter was reported to PAO in April, 2021. DAC meeting was convened on 15.06.2021 wherein management replied that Rs 51.821 million was recovered during Financial Year 2020-21. DAC decided to reduce the para to Rs 43.357 million for recovery but no further recovery was reported till finalization of this report.

Audit recommends recovery besides fixing of responsibility against the person(s) at fault.

[PDP-04 & 10 & 3]

5.4.2.2 Non-collection of lease of tourist lodge – Rs 2.300 million

According to Rule 11 (2) (C) of Punjab Local Government Accounts Rules 2017, the Chief Officer shall ensure that any sums due to the local government are promptly realized and credited to the local fund.

Scrutiny of the record of Municipal Committee, Murree for the Financial Year 2019-20 revealed that tourist lodge Kashmir Point Murree

was leased out to Mr. Muhammad Idrees w.e.f. financial year 2016-17 on yearly lease of Rs 2,300,000, but the lessee did not pay yearly lease price of Rs 2.300 million for Financial Year 2019-20. This resulted in non-collection of lease money.

Audit holds due to weak internal control, the lease amount was not recovered from lessee.

The matter was reported to PAO in April, 2021. DAC meeting was convened on 15.06.2021 wherein management replied that during Financial Year 2019-20 the lessee stopped the payment of rent. Notice was served but the lessee filed a petition in Civil Court, Murree and took the status quo, therefore, action will be taken after the decision of Court. DAC decided to keep the para pending till decision of the court but no progress was reported till finalization of this report.

Audit recommends recovery from the contractor besides fixing responsibility against the person(s) at fault.

[PDP-05]

CHAPTER 6

Municipal Corporation Rawalpindi

6.1 Introduction

Municipal Corporation, Rawalpindi was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013. Under the clauses of Act, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Municipal Corporation Rawalpindi

Rs in million

Sr. No.	Description	Total Nos.	Audited	Expenditure Audited	Receipt audited
1	MC Rawalpindi	01	01	615.556	681.764

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 573.704 million were raised as a result of this audit. This amount also includes recoverable of Rs 240.949 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Overview of audit observations

Rs in million

Sr. No.	Classification	Amount placed under audit observations
1	Non-production of record to Audit	0
2	Reported cases of fraud, embezzlement and misappropriations.	0
3	Irregularities	
	a. HR /Employees related irregularities	
	b. Procurement related irregularities	69.048
	c. Management of Accounts with Commercial Banks	0
4	Value of money and service delivery issues	43.898
5	Others	460.758
	Total	573.704

c) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2019-20 of the Municipal Corporation Rawalpindi, total budget (Development and Non-Development) was Rs 2110.604 million. Against the budget, total expenditure of Rs 1338.143 million was incurred by Municipal Corporation during financial year 2019-20. Which was less than allocated budget of Rs 2110.604 million indicating poor financial planning and resulting in saving of Rs 772.460 million against the budget. The break-up of total budget and expenditure is given in the following table:

Description	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age saving
Salary	703.215	689.84	-13.374	1.90%
Non-Salary	275.454	262.016	-13.438	4.87%
Development	1131.935	386.287	-745.648	65.87%
Total	2110.604	1338.143	-772.460	36.60%

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

Financial Year	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	1,543.750	1200.412	-343.338	22.24%
2019-20	2110.604	1338.143	-772.460	36.60%

There was 36.719% increase in budget allocation and 11.474% increase in expenditure incurred during financial year 2019-20 as compared to financial year 2018-19, while there was overall saving / excess of Rs772.460 million during the financial year 2019-20 showing an increase of 14.36% as compared to financial year 2018-19.

6.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Municipal Corporation Rawalpindi planned to execute 303 development schemes during the financial year 2019-20 and completed 285 schemes indicating 94% achievement of development plan:.

ii. Service delivery issues

In view of the above it could be stated that Municipal Corporation Rawalpindi needs to fix the targets to be achieved.

6.3 Brief comments on the status of compliance with PAC directives

The Audit Report pertaining to the following period was submitted to the Governor of the Punjab. Status of PAC meetings is as under;

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	45	Not convened
2	2019-20	14	Not convened

6.4 AUDIT PARAS

6.4.1 Irregularities

6.4.1.1 HR related irregularities

6.4.1.1.1 Non-recovery of standard rent - Rs 1.99 million

According to allotment of Government residence policy 1997 amended 2018 Para 36(e) “a government servant occupying a house unauthorized and illegally will be charged penal rent @ 60% of his basic salary.”

It was noticed that following official were resided in official residences of Metropolitan Corporation Rawalpindi illegally after retirement/transfer in violation of Government policy/ rules. Further no deduction of House rent and maintenance charges were deducted from the occupants rule nor the penal rent was deposited for the period illegally occupied.

Sr. No.	Name of illegal occupant	Designation	Date of transfer / retirement	Penal rent @ Rs 57,270 (95450 x 60%) amount upto 6/2019	Penal rent 7/2019 to 6/2020	Total recoverable
1	Sardar tashfeen	Ex. MO	20.06.2017	1,088,130	687,240	1,775,370

Sr. No.	Name of occupant	Designation	House Rent	Recoverable upto 6/2019	Total Recoverable P.M	Total recovery
2	Shafqat Raza	Ex-TMO BS-18 Basic Pay Rs 95,750	HRA 8,715 Maintenance charges 5% 4788	54,012	162,036	216,048
Total (1+2)				1,775,370	+216,048	1,991,418

Audit holds that due to weak internal controls the irregularities incurred which resulted in illegal occupation on MCR staff residences.

The matter was reported to the PAO concerned during May, 2021 it was replied that Secretary LG&CD Lahore was requested to recover the standard rent as per government policy from the pension and salary of the officer involved. DAC in its meeting held in June, 2021 directed to keep para pending till recovery. No compliance was reported till the finalization of this report.

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

(PDP No. 28)

6.4.1.2 Procurement related irregularities

6.4.1.2.1 Unjustified excess payment of street lights electricity bills – Rs 69.048 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Examination of electricity bills of street lights of MC Rawalpindi for the financial year 2019-20 revealed that MCR paid huge amount on account of electricity bills of street lights. It was found that in a meeting conducted with IESCO on 25.06.2010 it was agreed that MC Rawalpindi would apply for installation of meters on all un-metered street lights connections for accurate billing but no meters were installed and billing was made on load basis without joint survey. It was also mentioned that after conducting of survey of 07 out of 14 sub divisions of IESCO total saving in loads come to 604 KW which resulted in saving of Rs 5,754,006 per month and if joint survey of all sub divisions were conducted timely the MC could save Rs 5754,006 monthly and annually Rs 69.048 million can be saved on account of electricity.

Description	KW/Amount (Rs)
Load/consumption before survey	1234 KW
Load /consumption after survey	630 KW
Unit saved after survey	604 KW
Units (KWx Hours x 45%)	(604 x 730 x 45%) 198414
Amounts of units @ 29	5,754,006 PM
Total saving for the year	69,048,072

Audit holds that due to non-installation of meters the bills were paid on load basis and no joint survey was conducted in remaining sub divisions which resulted in excess payment of Rs 69.048 million.

The matter was reported to the PAO concerned during May, 2021. It was replied that 10 surveys was completed. Reply was not acceptable because no written evidence was produce. DAC in its meeting held in June, 2021 directed to keep para pending till completion of surveys. No compliance was reported till the finalization of this report.

Audit recommends re-auctioning of shops at market value besides fixing responsibility against person at fault.

(PDP No. 21)

6.4.2 Value for money and service delivery issues

6.4.2.1 Irregular execution of PMSP scheme- Rs 32.031 million

As per LG & CD Department Government of the Punjab notification SO(MC-DEV)(LG)9-2/2019 dated 11-09-2019, the scheme is 100% funded, and shall be completed during Financial Year 2019-20.

Scrutiny of developmental record of Metropolitan Corporation Rawalpindi for the period 2019-20, it revealed that 3 development schemes were executed under PMSP amounting to Rs 32.031 million. As per criteria the scheme under PMSP must be completed within financial year 2019-20 but these schemes could not be completed within time which was the violation of above mentioned notification.

Audit holds that the scheme was not completed within specific time due to weak internal control.

The matter was reported to the PAO concerned during May, 2021. It was replied that time extension was requested by contractor due to limitations imposed by government during peak of second wave of COVID-19. Reply was not acceptable because all schemes were required to be completed before 30.06.2020. DAC in its meeting held in June, 2021 directed to regularize the matter. No compliance was reported till the finalization of this report.

Audit recommends regularization of matter besides fixing responsibility against person at fault.

(PDP No. 18)

6.4.2.2 Loss on account of rent due to empty shops – Rs 7.868 million

According to Rule 4(d) of Punjab Local Government (Property) Rules 2018, the manager shall ensure that the rented property fetches the maximum rent.

During audit of Metropolitan Corporation Rawalpindi for the year 2019-20, it was noticed that following shops in different markets owned by Metropolitan Corporation Rawalpindi were lying vacant since long. No efforts were made to auction the shop for rent. This resulted in loss of Rs 7.868 million on account of rent during last two years. **Annexure-Q**

Audit holds that due to poor management, shops could be not auctioned for rent and government sustained a loss.

The matter was reported to the PAO concerned during May, 2021. It was replied that. most of the shops except pirwadhai and bunny market were leased out. Reply was not acceptable because no documentary evidences were enclosed with reply. DAC in its meeting held in June, 2021 directed to keep para pending till compliance. No compliance was reported till the finalization of this report.

Audit recommends fixing responsibility against person at fault besides making good the loss to public exchequer.

(PDP No. 30)

6.4.2.3 Doubtful expenditure on account of maintenance of graveyard - Rs 3.999 million

According to Rule 2.31(a) of PFR Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During the Audit of Rawalpindi Metropolitan Corporation, it was noticed that an amount of Rs 3,999,806 was incurred on cutting and grabbing of bushes of wild plants from 68 graveyards. The scheme was awarded to Ch Atif Nazir with an estimated cost of Rs 4.00 million. Scrutiny of record revealed that:

- i. lump sum calculated measurement was 4,970 kanals. But neither an approved/revenue department data of graveyard existing in the area under jurisdiction of Rawalpindi Metropolitan Corporation was available.
- ii. Measurement of graves in the graveyard were neither calculated nor deducted from the total area of grave yards

Audit is of the view that the proper evidence was not provided due to weak financial control.

The matter was reported to the PAO concerned during May, 2021. It was replied that excess payment was done by MCR. Reply was not acceptable because no documentary evidences were provided. DAC in its meeting held in June, 2021 directed to produce record from Revenue Department. No compliance was reported till the finalization of this report.

Audit recommends fixing responsibility against person at fault.

(PDP No. 20)

6.4.3 Others

6.4.3.1 Loss to Government due to irrational rent of shops – Rs 306.00 million

According to Rule 47 (1) of Punjab Local Government Budget Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head.

During the audit of MCL (P&FTT) for the period 2018-19 it was observed that 852 shops of GBS Pirwadhai Adda were auctioned in 1971. The rent was increased @10% per annum without observing current market value and re-auctioning of shops. Hence the rent received for the shops was very nominal. Shops were located in the main markets where the minimum market rent of a shop was Rs 30,000 and total annual revenue from rent of shops should have been Rs 600,000 (30,000x850x12) per shop and a total of Rs 306.00 million but revenue was too much less than the expected amount.

Audit holds that non auction after a stipulated period was due to defective financial discipline and weak internal controls.

The matter was reported to the PAO concerned during May, 2021. It was replied that as per Punjab government the assessment of rent was got from DRAC for further proceeding of auction. Reply was not acceptable because no written evidence was produce. DAC in its meeting held in June, 2021 directed to keep para pending for compliance. No compliance was reported till the finalization of this report.

Audit recommends re-auctioning of shops at market value besides fixing responsibility against person at fault.

(PDP No. 36)

6.4.3.2 Loss to Government by charging less rates - Rs 53.649 million

As per Rule 60 of land use Rules 2009, the conversion fee for the conversion of residential, industrial peri-urban area or intercity service area to commercial use shall be twenty percent of the value of the commercial land as per valuation table or the twenty percent of the average sale price of preceding twelve months of commercial land in the vicinity, if valuation table is not available.

MO (Planning) Metropolitan Corporation Rawalpindi levied the conversion fee for the conversion of land from residential use to

commercial use as per the value of residential land given in valuation table instead of value of commercial land. It resulted in loss of Rs 53.649 million to government. **Annexure-R**

Audit holds that the conversion fee charged on the residential value table instead of commercial value table due to weak financial management.

The matter was reported to the PAO concerned during May, 2021. It was replied that all the cases were approved / issue challans before the advice regarding levy of conversion fees vide notification No. SOR(LG)38-18/2009 dated 06-03-2020 so no loss on account of conversion fee was incurred. Reply was not acceptable because conversion fee charged on the residential value table instead of commercial value table. DAC in its meeting held in June, 2021 directed to keep para pending for clarification. No compliance was reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing of responsibility on person(s) at fault.

(PDP No. 6)

6.4.3.3 Non-recovery of rent shops & flats - Rs 45.038 million

According to Rule 47 (1) of Punjab Local Government Budget Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head.

During audit of Metropolitan Corporation Rawalpindi for the financial year 2019-20, it was observed that plots / shops were rented out at different market under the administrative control of MC Rawalpindi. Scrutiny of demand & collection register of rented properties revealed that total amount of Rs 45.038 million still pending / recoverable from the properties up to 30th June, 2020.

Audit holds that due to financial mismanagement, huge pending amount of rent was not collected from tenant.

The matter was reported to the PAO concerned during May, 2021. It was replied that more than 90% outstanding amount was recovered from the lease holders of the different shops and flats of the MCR. DAC in its meeting held in June, 2021 directed to keep para pending till recovery. No compliance was reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing of responsibility on person(s) at fault.

(PDP No. 29, 35)

6.4.3.4 Non-collection of amounts lying with court– Rs 20.552 million

According to Rule 47 (1) of Punjab Local Government Budget Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head.

During scrutiny of record relating to receipt of Metropolitan Corporation Rawalpindi for the financial year 2019-20, it was observed that receipt of various properties of MC Rawalpindi was deposited in court due to court cases. But the money deposited by the occupants was not claimed from court. Moreover, MC was suffering from loss in shape of non-obtaining bank profit on the said amount as the amount was lying in court. This resulted in non-receipt of Rs 20.552 million from court as detailed below:

Sr. No.	Area	Period	Amount
01	Play Land (Back Side Nawaz Sharif Park)	11/2018 to 30/6/2020	12,031,988
02	Play Land (Commercial Market)	10/2018 to 30/6/2020	6,283,760
03	Roze cinema		2,236,557
Total			20,552,305

Audit holds that due to financial mismanagement, amount was not collected from court.

The matter was reported to the PAO concerned during May, 2021. It was replied that rent of play land and commercial market and rose cinema were being deposited in court. DAC in its meeting held in June, 2021 directed to keep para pending for compliance. No compliance was reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing of responsibility on person(s) at fault.

(PDP No. 34)

6.4.3.5 Non-recovery of loss from contract -Rs 7.728 million

As per Punjab Local Government (Accounts) Rules 2017, the collecting officer shall collect the receipts of the local government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

During audit of Metropolitan Corporation Rawalpindi for the period 2019-20, it was noticed that the contract for auction of collection rights of following contracts were awarded to following contractors. Scrutiny of demand and collection register and other relevant record revealed that the contractors did not complete the contract and deposited only Rs 54,387,029 against actual payable agreed amount i.e 55,085,082 which resulted in loss of Rs 8,897,971 as detailed below:

Name of contractor	Total recoverable amount	Amount recovered	Amount not recovered
Muhammad Afzal	25,000,000	22,938,270	2,061,730
Malik jahan zeb	3,210,000	3,049,500	160,500
Metropoliton latrine (04 units)	2,250,000	1,844,500	405,500
Metropoliton latrine 06 units	8,200,000	6,724,000	1,476,000
Rikshaw stand pir wadhai	390,000	354,900	35,100
Entry fee General Bus stand	22,105,000	17,536,979	4,568,021
Wagon stand local routs	2,130,000	1,938,880	191,120
Total	63,285,000	54,387,029	8,897,971

Audit holds that the less amount of contract recovered due to weak financial management.

The matter was reported to the PAO concerned during May, 2021. It was replied that more than 90% outstanding amount was recovered. DAC in its meeting held in June, 2021 observed that sum of Rs 1,169,000 was recovered. Para reduced to Rs 7,728,971. No compliance was further reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility on person(s) at fault.

(PDP No. 3)

6.4.3.6 Loss due to non-collection of auction money of play land commercial market - Rs 7.500 million

According to Rule 4(d) of Punjab Local Government (Property) Rules 2018, the manager shall ensure that the rented property fetches the maximum rent and according to Rule 14(d) of the Punjab Local Government (Accounts) Rules 2017, the collecting officer shall collect the receipts of the local government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

During audit of MC Rawalpindi for the period 2019-20 it was noticed that play land Bachon Ki Dunya Commercial Market was allotted to Mst. Roshan Ara for 5 years w.e.f 01.03.2013 to 28.02.2018. The matter was subjudice and court in its decision dated 31.01.2019 decided that observations in this orders are tentative in nature and shall have no effect in any manner on merits of the civil revision petition under section 115 CPC,

or on auction proceedings or proceedings of the House and on the rights of successful bidder. The auction was carried out and the highest bid of Rs 1,050,000 per month was offered and approved by House on 27.02.2019. According to rules the highest bid was offered to Mst Roshan Ara vide No.24-Tax dated 06.03.2019 against which she replied that case is in court and she is paying monthly rent at revised rate of Rs 425,000 per month. Due to non-acceptance of bid by the existing tenant MC was required to offer the lease to highest bidders but the offer was delayed and a letter for offering agreement was written to successful bidder vide No.135-Tax dated 20.05.2019 i.e. after a lapse of almost 02 months of reply by the existing tenant which was not entertained by the said bidder.

Audit holds that interest of the MC was compromised and due to non-compliance of rules procedure was delayed which resulted in loss of Rs 7,500,000 (Rs 1,050,000 – 425,000 = 625,000 x 12) for the period 07/2019 to 06/2020.

The matter was reported to the PAO concerned during May, 2021 but no reply was made. DAC in its meeting held in June, 2021 directed to keep para pending till recovery. No compliance was reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility on person(s) at fault.

(PDP No. 22)

6.4.3.7 Non-recovery of loss from contractor– Rs 5.825 million

According to rule 28(4) of Punjab Local Governments (Auction of Collection Rights) Rules 2016, if the income received through self-collection is found less than the contractual amount, the difference shall be recovered from the contractor as arrears of land revenue.

During audit of Metropolitan Corporation Rawalpindi it was noticed that management auctioned the collection rights of wagon stand, General Bus stand Pir wadhaai on 27/06/2019. Scrutiny of record revealed that contract was awarded to Mr Muhammad Iqbal s/o Pehalwan Khan for Rs 10.560 million. The contractor failed to complete the contract and did not deposit the dues. Department collected the entry fee of Rs 4.735 million through their own resources which was less than the auctioned value of contract. Resultantly department sustained a loss of Rs 5.825

Audit holds that the less amount of contract recovered was due to weak financial management.

The matter was reported to the PAO concerned during May, 2021. It was replied that contract of the collection rights of the GBS Fee was awarded to Muhammad Iqbal S/o Pehalwan khan for Rs 10.560 but did not execute the contract. Contract was canceled and earnest money amounting to Rs 800,000 was forfeited. However, earnest money was found fictitious when presented into the bank for forfeiture. Metropolitan Corporation, Rawalpindi, intimated Deputy Commissioner Mianwali for cancellation of registration and black listing of the said contractor. Similarly the references were also submitted to the SHO, Rawalpindi for registration of criminal case under the relevant law. DAC in its meeting held in June, 2021 directed that the matter may be taken up with DC Mianwali. Moreover, as it was a proven case of fraud, administrator should take up case with the FIA. No further compliance was reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility on person(s) at fault.

(PDP No. 5)

6.4.3.8 Loss to Metropolitan Corporation due to departmental - Rs 1.630 million

As per Punjab Government (Accounts) Rule 2017 Part-III (Responsibility of the Functionaries Rule-09-(General), in case of any loss to the local Government through fraud negligence, the person functioning on behalf of the local government shall be personally responsible and shall be liable to make good the loss.

Scrutiny of Metropolitan Corporation Rawalpindi accounts during financial year 2019-20 revealed that management made departmental collection of Rs 1.885 million on account of auto rickshaw / motor cycle stand which was less than the average income of Rs 3.516 million for last three years which resulted in loss of Rs 1.631 million to government.

Audit holds that due to weak internal controls and mismanagement, the collections were made departmentally and caused less recovery than the average price of last three years.

The matter was reported to the PAO concerned during May, 2021 but no reply was furnished. DAC in its meeting held in June, 2021 directed to keep para pending till recovery. No compliance was reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility on person(s) at fault.

(PDP No. 32)

6.4.3.9 Non-recovery of rent of properties – Rs 1.617 million

According to Rule 47 (1) of Punjab Local Government Budget Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head.

During audit of Metropolitan Corporation Rawalpindi for the financial year 2019-20, it was observed that following plots were rented out at General Bus Stand under the administrative control of MC Rawalpindi. Scrutiny of demand & collection register revealed that total amount of Rs 1,617,065 was pending / recoverable from properties at GBS Pirwadhai Adda up to 30th June, 2020.

Rent Recoverable	Arrear upto 30-6-19	Current Year	Total recoverable	Rent Received (Rs)	Balance Recoverable (Rs)
(@56117) 336702	475,978	707,070	1,183,048	538,591	644,457
(@61728) 370368					
2 kanal	437,030	988,608	1,425,638	823,845	601,793
78492					
86306					
01 kanal	Nil	456,000	456,000	228,000	228,000
38,000					
45,600					
11224sft	Nil	571260	571,260	428,445	142,815
47605					
			3,635,946	2,018,881	1,617,065

Audit holds that due to financial mismanagement less rent was collected. Audit stressed to expedite the recovery from defaulter.

The matter was reported to the PAO concerned during May, 2021. It was replied that more than 90% outstanding amount was recovered. DAC in its meeting held in June, 2021 directed to recover the amount. No compliance was further reported till the finalization of this report.

Audit recommends recovery from concerned besides fixing responsibility on person(s) at fault.

(PDP No. 31)

6.4.3.10 Unauthorised payment to contractor on account of excess measurement -Rs 1.177 million

According to Rule 2.31(a) of PFR Volume I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Scrutiny of developmental record of Metropolitan Corporation Rawalpindi for the period 2019-20, it revealed that the following

developmental schemes were executed by the Metropolitan Corporation under PMSP. Scrutiny of relevant record i.e Vouchers and MB,s revealed that

- i. In base PCC (1:4:8) was laid instead of PCC(1:7:20), as the streets were so small with a width of 10 to 12 feet. More over no traffic load/ heavy vehicle on these streets so the laying of PCC (1:4:8) is rich specification and considered as unjustified expenditure.
- ii. It was also noticed that the quantity of PCC(1:4:8) was paid more than the quantity of earth excavation which was unjustified.

In view of above payment for excess quantity of PCC (1:4:8) was considered as unauthorized and un-justified. Resultantly the amount of Rs 1.177 million was excess paid to the contractor.

Name of scheme	Name of contractor	Quantity of excavation	Payment of PCC(1:4:8) @13760/cft	Excess quantity	Excess Amount @13760/cft
repair /improvement of fauji colony Road from IJP road to Filtration plant UC-08”	Ilyas Khan	20,228	27,052	6,824	938,982
Repair /improvement of Dhok Hassu road from new khan Auto shop towards Masjid Noor Khan	Mushtaq Khan	7,602	8,701	1,099	151,222
Repair /improvement road from Ch Khalid Milk Shop to link boring road bridge graveyard UC-04	Hamza Enter	8,101	8,733	632	86,963
Total		35,931	44,486	8,555	1,177,167

Audit holds that less achievement of receipts targets was due to defective financial discipline and weak internal controls.

The matter was reported to the PAO concerned during May, 2021. It was replied that scheme included main road of about 30 ft average width, carrying heavily loaded trucks transporting wholesale goods in and out of Rawalpindi. Due to heavy traffic, roads were damaged and needed to be rehabilitated. Therefore, as per discretion of Engineer in charge, having Technical Sanction power, 1:4:8 was used in bed and it is most feasible and technically sound. Rate of 1:4:8 were based on MRS rates so it not unjustified. The depth of dismantling (0.525 inch) and depth of excavation (0.355inch) add up to 10.5 inch below existing level. The thickness of 1:4:8 was taken as 3 inch, and 1:2:4 topping as 7.5 inch making total of 10.5 inches, therefore 1:4:8 does not exceed excavation, as total depth of both PCC layers remains unchanged. Reply was not acceptable because no documentary evidence was produced. DAC in its meeting held in June,

2021 decided to keep para pending till the proper evidence to prove the reply. No compliance was further reported till the finalization of this report.

Audit recommends investigation of the matter besides fixing responsibility against person at fault.

(PDP No. 13)

CHAPTER 7

Municipal Corporation Sargodha

7.1 Introduction

Metropolitan Corporation, Sargodha was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013 and was upgraded in December, 2019 into Metropolitan Corporation Sargodha under Punjab Local Government Act 2019. Under the clauses of Act, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Municipal Corporation Sargodha

Rs in million					
Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	Municipal Corporation Sargodha	01	01	368.267	511.196

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 40.072 million were raised in this report during current audit of “Municipal Corporation, Sargodha.” This amount also includes recoveries of Rs 28.141 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Overview of audit observations

Rs in million		
Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	a. HR/Employees related irregularities	-
	b. Procurement related irregularities	11.931
	c. Management of accounts with commercial banks	0
4	Value for money and service delivery issues	28.141
5	Others	-
	Total	40.072

c) Comments on Budget and Accounts (Variance Analysis)

Development and Non-Development) was Rs 1,894.429 million, no supplementary grant was allocated and the final budget Rs 1,894.429 million. Against the final budget, total expenditure of Rs 920.666 million was incurred by Metropolitan Corporation Sargodha during financial year

2019-20 which was less than original grant of Rs 1,894.429 million indicating poor financial planning and resulting in saving of Rs 973.763 million against the final grant. The break-up of total budget and expenditure is given in the following table:

Description	Original Grant	Supp. Grant	Final Grant	Exp.	Excess (+) / Saving (-)	% age saving
Salary	1,244.334	-	1244.334	651.836	592.498	48
Non-Salary	470.971	-	470.971	208.105	262.866	56
Development	179.124	-	179.124	60.725	118.399	66
Total	1,894.429	-	1894.429	920.666	973.763	51
	Receipt			929.448		

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

Financial Year	Final Grant	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	908.201	864.182	44.019	5%
2019-20	1,894.429	920.667	973.762	51%

There was 108% increase in budget allocation and 6% increase in expenditure incurred during financial year 2019-20 as compared to financial year 2018-19, while there was overall saving / excess of Rs 973.762 million during 2019-20 showing an increase of 1112% as compared to financial year 2018-19.

7.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Out of total 31 development schemes, Management of MC Sargodha was able to complete 8 schemes indicating achievement of 26%.

ii. Service delivery issues

In view of the above it could be stated that Municipal Corporation Sargodha needs to fix the targets to be achieved.

7.3 Brief comments on the status of compliance with PAC directives

The Audit Report pertaining to the following period was submitted to the Governor of the Punjab. Status of DAC is as under;

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	39	Not Convened
2	2019-20	19	Not Convened

7.4 AUDIT PARAS

7.4.1 Irregularities

7.4.1.1 Procurement related irregularities

7.4.1.1.1 Doubtful and irregular expenditure – Rs 7.125 million

According to Rule 9(b) of Punjab Local Governments (Accounts) Rules 2017, the DDO and the payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

Scrutiny of the account record of Metropolitan Corporation Sargodha for the financial year 2019-20 revealed that an amount of Rs 7.125 million was incurred on different heads. The expenditure held irregular and unauthorized due to following observations: **Annexure-S**

- i. Invoices issued by the supplier / contractor were without number and date.
- ii. No stock entry was found recorded besides several verbal and written requests, stock register was not provided
- iii. For some instances neither supply order nor work order was attached with the bill.
- iv. Repair of five vehicles got approved but claim vouchers indicted repair of only vehicle No.SGG-139. Moreover, details of other vehicles not mentioned on claims.
- v. Incurrence of huge expenditure in mostly object head was observed in April, May and June, 2020 i.e. peak of COVID-19.

Audit holds that due to weak internal control doubtful expenditure was made.

This resulted into doubtful and irregular expenditure of Rs 7.125 million.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends that matter may be investigated and responsibility be fixed against the person(s) at fault.

(PDP No. 07)

7.4.1.1.2 Irregular expenditure by splitting the purchase orders – Rs 3.666 million

According to Rule 9 read with Rule 12(1) of PPRA 2014, “procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA’s website in the manner and format specified by regulation by the PPRA’s from time to time and shall proceed accordingly without any splitting or regrouping of procurement so planned.

During audit of Metropolitan Corporation for the Financial Year 2019-20, it was observed that an amount of Rs 3.666 million was incurred for repair and maintenance works of roads and streets by splitting the indents to avoid tendering process in violation of the criteria *ibid*.

Audit holds that due to weak internal control expenditure was made by splitting the indents.

This resulted in irregular expenditure by splitting the purchase orders for Rs3.666 million.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends that matter may be got regularized from competent forum.

(PDP-8)

7.4.1.1.3 Doubtful purchase of COVID-19 items - Rs 1.140 million

According to Rule 9(b) of Punjab Local Governments (Accounts) Rules 2017, the DDO and the payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

During audit of Metropolitan Corporation for the Financial Year 2019-20, it was observed that an amount of Rs 1.140 million was incurred vide voucher No.366/06-2020 from M/s Owlakh Construction Co. The expenditure was held doubtful due to following observations:

- i. No Serial Number and date on invoice and no supply order was found attached with the bill for calculation of late delivery charges.
- ii. GST @ 20% charged for unregistered person but Income Tax @ 5% deducted instead of 9% for non-filer, resulting in less deduction of income tax Rs 45,600. No detail regarding filer of tax return was found attached with the bill.

- iii. Purchases were made from a Construction Company which further created doubt.
- iv. At para 3 of note sheet for approval from Commissioner, no stock register was provided for its consumption.
- v. At para 4, it was proposed to call the explanation for incomplete documents and non-compliance of deviation of Commissioner's comments.
- vi. Stock register was not provided for audit verification despite repeated requests.

Audit holds that due to weak internal control irregular and doubtful expenditure on COVID items made.

This resulted in doubtful expenditure of Rs1.140 million on COVID19 items.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends that matter may be investigated at appropriate level for fixing of responsibility against the person (s) at fault.

(PDP-12)

7.4.2 Value for money and service delivery issues

7.4.2.1 Non-recovery / less recovery of rent of municipal properties – Rs 26.889 million

According to Rule 47 (1) of Punjab Local Government Budget Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund and entered in the proper receipt head.

During audit of Metropolitan Corporation for the Financial Year 2019-20, it was observed that management failed to recover rent of municipal properties. Detail is as under:

Description	Amount (Rs)
Less recovery due to Lock Down during COVID19	3,531,507
Non recovery of Arrears	23,357,136
Total	26,888,643

Audit holds that was due to weak internal control rent was not recovered.

This resulted in non-recovery of rent of Municipal properties Rs 26.889 million.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of outstanding amount besides fixing of responsibility against the person(s) at fault.

(PDP-3)

7.4.2.2 Irregular payment to contractor on account of execution of work at higher rates – Rs 1.252 million

According to Rule 9(b) of Punjab Local Governments (Accounts) Rules, 2017 the DDO and the payee of the pay, allowances, contingent expenditure or any other expense shall be personally responsible for any overcharge, fraud or misappropriation and shall be liable to make good that loss.

During audit of Metropolitan Corporation Sargodha for the Financial Year 2019-20, it was observed that the scheme “Rehabilitation of Slaughter House Jhal Chakian” item No. 26 “MS Grill 6x6 (2477) sft” was executed and paid as non-scheduled item as recorded at page No. 78 of MB 24119 @ Rs 710.52/sft . Audit noticed that the same item was available in

MRS under chapter 12 item 54 @ Rs 249.25/Sft. This resulted in excess payment of Rs 1,251,695.

Audit holds that due to weak internal control irregular expenditure and overpayment was made.

This resulted in irregular payment of Rs 1.252 million.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends fixing of responsibility against the person(s) at fault.

(PDP-11)

CHAPTER 8

Municipal Corporation, Sialkot

8.1 Introduction

Municipal Corporation, Sialkot was established on 01.01.2017 under Punjab Local Government Act (PLGA) 2013. Under the clauses of Act, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

a) Audit Profile of Municipal Corporation Sialkot

(Rs in million)

Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	MC Sialkot	1	1	765.319	387.049

b) Classified Summary of Audit Observations

Audit observations amounting to Rs 934.089 million were raised in this report during current audit of “Municipal Corporation, Sialkot” This amount also includes recoveries of Rs 117.260 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

Overview of audit observations

(Rs in million)

Sr. No.	Classification	Amount Placed under audit observations
1	Non-production of record	62.95
2	Reported cases of fraud and misappropriation	14.676
3	Irregularities:	
	a. HR/Employees related irregularities	24.426
	b. Procurement related irregularities	109.172
	c. Management of accounts with commercial banks	10.420
4	Value for money and service delivery issues	331.224
5	Others	381.221
	Total	934.089

c) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2019-20 of the Municipal Corporation Sialkot, total budget (Development and Non-Development) was Rs 1,404.210 million. Against the budget, total expenditure of Rs 765.320 million was incurred by MC Sialkot during financial year 2019-20. Which was less than allocated budget of Rs 1,404.210 million indicating poor financial planning and resulting in saving of Rs 638.890 million against the budget. The break-up of total budget and expenditure is given in the following table:

Description	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age saving
Salary	276.094	226.851	-49.244	-17.84%
Non-Salary	431.840	354.817	-77.022	-17.84%
Development	696.276	183.652	-512.624	-73.62%
Total	1,404.210	765.320	-638.890	-45.50%

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

Financial Year	Budget Allocation	Expenditure	Excess (+) / Saving (-)	% age of saving
2018-19	1,305.915	696.441	-609.474	-46.67%
2019-20	1,404.210	765.320	-638.890	-45.50%

There was 7.53 % increase in budget allocation and 9.89% increase in expenditure incurred during financial year 2019-20 as compared to financial year 2018-19, while there was overall saving of Rs 638.890 million during the financial year 2019-20 showing an increase of 4.83% as compared to financial year 2018-19

8.2 Sectoral Analysis

i. Analysis of Targets and Achievements

Out of total 178 development schemes, Management of MC Sialkot was able to complete 93 schemes indicating achievement of 52.24%.

ii. Service delivery issues

In view of the above it could be stated that Municipal Corporation Sialkot needs to fix the targets to be achieved.

8.3 Brief comments on the status of compliance with PAC directives

The Audit Reports pertaining to following years have been submitted to the Governor of the Punjab. Status of PAC meetings is as under;

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2016-18		Not convened
2	2018-19		Not convened
3	2019-20		Not convened

8.4 AUDIT PARAS

8.4.1 Non-production of Record

8.4.1.1 Non-production of Record – Rs 62.950 million

According to Section 14 (2, 3) of Auditor General of Pakistan (Functions, Powers & Terms and Conditions of Service) Ordinance 2001, the officer in charge of any office shall afford all facilities and provide record for audit inspection and comply with requests for information in complete as possible and with all reasonable expedition.

Municipal Corporation Sialkot incurred expenditure of Rs 11.250 million on account of POL charges during the financial year 2019-20. Despite a number of verbal and written requests, the supporting record such as Log Books, movement register, duty roster etc was not provided for audit scrutiny. In the absence of record, authenticity, validity, accuracy and genuineness of expenditure could not be verified. Furthermore, funds amounting Rs 51.70 million were transferred by the MC Sialkot to Sialkot Waste Management Company on account of non salary expenses for the financial year 2019-20. However, SWMC did not provide the excess and surrender statements along with vouched accounts of the expenditure.

Audit holds that due to weak internal control the vouched accounts were not obtained from the SWMC.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends production of record besides fixing of responsibility against the person(s) at fault.

[PDP No. 32, 33]

8.4.2 Irregularities

8.4.2.1 HR/ Employee related irregularities

8.4.2.1.1 Non-recovery on account of salaries from contractors - Rs 1.410 million

According to Rule 25 (e) & 20(2) of Punjab Local Government Auction Rules 2016 “the contractor shall not appoint his personal staff for collection of income without the prior approval of local government and all collections shall be carried out by him through the staff of local government concerned assigned to him for this purpose. “The contractor shall be responsible for deposit of salaries, pension contribution, premium of group insurance, leave salary, all allowances and other fringe benefits permissible to the employees of a local government attached with him for administration and collection of respective income before the start of each month.

Municipal Corporation Sialkot did not recover the salary of the deputed staff at Parking stand contract located at Islamia College Road Sialkot and Slaughter House Sialkot during the financial year 2019-20. This resulted in less realization of salaries of Rs 1.410 million from the contractors as detailed below:-

(Amount in Rs)

Sr. No.	Name of Contract	Auctioned Amount	No of Personal Required	Estimate Pay & Allowances	Amount Recovered	Recoverable Amount	Name of Contractor
1	Parking Stand Islamia College Road	1,382,700	One Clerk	38,000 x 12 = 456,000	-	456,000	Kashif Anwar
2	Slaughter House	3,699,300	One Superintendent One Clerk	50,000+38,000 x 12 = 1,056,000	101,690	954,310	Naveed Zia
		5,082,000		1,512,000	101,690	1,410,310	

Audit holds that due weak financial control, salaries of staff were not recovered from the contractors.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No 7]

8.4.2.1.2 Unjustified payment of holiday allowance - Rs 7.516 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Municipal Corporation, Sialkot paid Rs 7.56 million on account of Holiday Allowance to various officials to perform the duties during gazetted holidays for the financial year 2019-20. During scrutiny of record it was noticed that payment was made without duty orders and evidence of attendance. Furthermore the payment of holiday allowance to the officials of branch of Chief Officer & Administrator is unjustified because the officials of these branches were not directly involved in service delivery. This resulted in unjustified payment of holiday allowance Rs 7.516 million, as detailed below:

Name of Branch	No. of officials	Amount (Rs)
Street Light Branch	12	649,302
Gardens Branch	21	531,752
Water Supply	188	6,033,084
Chief Office	03	116,395
Administrative Office	04	185,769
Total	228	7,516,302

Audit holds that due to weak internal control the irregular payment was made on the rates of basic pay instead of gross pay.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of overpaid allowance besides fixing of responsibility against the person(s) at fault.

[PDP No.17]

8.4.2.1.3 Unauthorized drawl of pay and allowances on account of illegal promotions after change of cadre - Rs 15.500 million

According to rule 9(b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss.

Municipal Corporation Sialkot illegally promoted the following officials after changing the cadre of the officials without any permission of the competent authority. This resulted in unauthorized drawl of pay and allowances of Rs 15.500 million (approx.).

Sr. No.	Name of Officials	Initial Appointment	Promotion/ Nomenclature	Present Post
1	M.Sharief	SW-BPS-01 on 27.08.2011	Kurra Lorre Diver BS-5 on 20.12.2012	Kurra Lorre Diver BS-5 on 20.12.2012
2	M.Bilal Meer	Mate Mali BPS-01 on 04.06.2010	Junior Clerk BPS-07 on 25.03.2015	Junior Clerk BPS-11 on 01.01.2016
3	Arshad Mehmood	Octroi Clerk BPS-5	Junior Clerk	Assistant/Head Clerk BS-16
4	Ghulam Mustfa	Octroi Clerk BPS-5	Junior Clerk	Assistant/Head Clerk BS-16
5	M.Tanvir	Octroi Clerk BPS-5	Junior Clerk	Assistant/Head Clerk BS-16
6	Javed Iqbal	Octroi Clerk BPS-5	Junior Clerk	Senior Clerk BS-14
7	Munib-ul-Hassan	Octroi Clerk BPS-5	Junior Clerk	Senior Clerk BS-14
8	M.Ishaq	Octroi Clerk BPS-5	Junior Clerk	Senior Clerk BS-14
9	Pervaiz Iqbal	Octroi Clerk BPS-5	Junior Clerk	Senior Clerk BS-14
10	Feryad Hussain	Octroi Peon BPS-1	Junior Clerk	Senior Clerk BS-14

Audit holds that due to non compliance of rules and weak internal control the officials were promoted after changing the cadre without approval of the competent authority.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No. 39]

8.4.2.2 Procurement related irregularities

8.4.2.2.1 Excess payment of street light electricity bills – Rs 19.327 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Audit of MC Sialkot revealed that management incurred expenditure on electricity bills of street lights against 61 connections in which 12 connections were metered and 49 connections were unmetered during financial year 2019-20. GEPCO was generating the billing of un-metered connections on estimated basis. Comparison between the metered and un-metered billing revealed that MC Sialkot made excess payment of Rs 394,431 on each un-metered connection. Resultantly an amount of Rs 19.327 million was excess paid on 49 un-metered connections during the financial year 2019-20 as detail below:-

Nature of Connection	Number of Meters	Unit Consumed	Billing Amount	Average Bill Per Meter
Meter Connection	12	19,911	6,297,768	524,814
Un Metered Connection	49	141,306	45,043,020	919,245
Per meter difference between Meter & Un Meter = Rs 394,431				
Estimated Excess Bill of 49 Un-metered Connections: 49 x 394,431 = 19,327,119				

Audit is of the view that due to weak internal control, excess payment was made on unmetered connections.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends inquiry of the matter besides fixing of responsibility against the person(s) at fault.

[PDP No.14]

8.4.2.2.2 Undue favor to contractor on account of non-deposit of additional performance security - Rs 9.347 million

In case the total tendered amount or the contracting agency quoting the rates (cost) of tender below 5% to 10% of estimates amount the difference amount i.e. below 5% of estimated cost would be deposited in cash within 7 days of the issuance of acceptance letter as additional performance security otherwise his contract will be rescinded and earnest

money forfeited in favour of District Government in public interest along with black listing of firm according to clause 18 of the agreement and notification issued by Finance Department vide No. RO (Tech) FD 1-2/83 (VI) (P) dated 06.04.2005.

Municipal Corporation Sialkot awarded the development schemes to various contractors on percentage below 5% the TS Estimates during the financial year 2019-20. However additional performance security of Rs 9.347 million was neither collected nor deposited into security account and contractors started working on the schemes. **Annexure-T**

Audit is of the view that due to weak internal control, additional performance security was not obtained from the contractors.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends inquiry of the matter besides fixing of responsibility against the person(s) at fault.

[PDP No.25]

8.4.2.2.3 Non-recovery of penalty on account of delay in completion of work -Rs 8.705 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.

During audit of Municipal Corporation Sialkot for the year 2019-20, it was observed that the following works were awarded to various contractors. The works could not be completed within stipulated time. The contractors did not apply for extension in time limit to the Engineer-in-charge in time, but no penalty was imposed on the contractors on account of delay. If penalty of delay imposed on the contractor then he cannot claim price variation from the government. This resulted in non-recovery of penalty of Rs 8.705 million. **Annexure-U**

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of liquidated damages besides inquiry of the matter besides fixing responsibility against the person(s) at fault.

[PDP No.27]

8.4.2.2.4 Unjustified payment on hiring of cleaning machines - Rs 1.906 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Municipal Corporation Sialkot incurred expenditure of Rs 1.906 million for hiring of dragline machine, excavator machine for cleaning activities during the financial year 2019-20 despite the fact that 04 sucker, 1 jetting & 2 excavator were already available and functioning. Furthermore, neither the contractor mentioned in the claim bill about the date, time and location of work performed nor the MC Sialkot verified date, time and location of work performed. In the absence of such information, audit was unable to make comparison with the working of MC Sialkot owned machine on the day of working of hired machine. Audit concludes that the expenditure was made on arranged documents as detail below:-

Vr. No	Date	Description	Amount (Rs)
7014571990	24.10.2019	Rent of Dragline Machine 300 Hours @ 5491	387,000
7014571991	24.10.2019	Rent for Excavator Machine 400 Hours @ 5974	896,866
7014557847	07.09.2019	Rent for Excavator Machine 41 Hours @ 3800	155,708
7014557846	07.09.2019	Rent of Dragline Machine 88 Hours @ 4200	369,596
Total			1,906,610

Audit holds that the amount was drawn on arranged documents and misappropriated.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends inquiry of the matter besides fixing responsibility against the person(s) at fault.

[PDP No.34]

8.4.2.2.5 Unjustified payment on account of repair of transformer - Rs 1.498 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Municipal Corporation Sialkot incurred expenditure of Rs 1.498 million for repair of transformers during the financial period 2019-20. During the security of record it was found that the amount was drawn but the demand notices / estimates regarding the repair of transformers were not attached with claim bill. In the absence of demand notices/estimates from the concerned Sub-Division of WAPDA office the expenditures could not be justified. This resulted in unjustified payment on account of repair of

Audit holds that due to weak internal control, unjustified payment was made on account repair of transformer.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends justifications besides fixing responsibility against the person(s) at fault.

[PDP No. 36]

8.4.2.2.6 Doubtful payment of main hole covers without stock entry and consumption - Rs 3.204 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

During scrutiny of record relating to scheme “fabrication of mainhole covers size 22”, 24” and 26” executed by Mian Ifkthar Ali during Financial Year 2019-20, it was observed that mainhole covers were supplied for Rs 3.204 million but the stock entry and its consumption was neither prepared nor shown for verification. Furthermore, no survey report was found attached in the record to show the need / assessment of the manhole covers. This resulted in doubtful payment of manehole covers of Rs 3.204 million as detailed below;

Size of the main hole cover	Rate	Qty	Amount (Rs)
26 inch	3188.29	265	831,698

24 inch	2856.25	1046	2,987,721
22 inch	2432.81	201	488,055
Total			4,307,474
PST deducted 16%			689,340
Below rate 39.90%			1,704,179
Payment made			3,203,534

Audit holds that due to weak internal control the stock entry and consumption of the main hole covers were not prepared.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.47]

8.4.2.2.7 Undue favor to the contractor due to non forfeiture of security - Rs 1.411 million

According to clause 11 of agreement signed between the contractor and MO (I&S) MC Sialkot that in case of any dispute arises between the parties the administrator, MC Sialkot decision shall be final after having arbitrator report from Superintending engineer, C&W department or Chief Engineer, Local Government department through Secretary, LG&CD department, Government of the Punjab.

Contract for scheme titled “Rehabilitation of Mirza Nasir street, Qasim street, Arif street etc and link streets UC Hajipura Bann Sialkot” was awarded to contractor Mr. Zulfiqar bearing estimated cost of Rs 10.00 million on 17% below to complete the work within 60 days. The contractor did not complete the work within the stipulated time period and was issued warning to complete the work according to standard quality, otherwise he would be black-listed. Finally it was decided to cancel the contract and complete the scheme on “Risk and Cost” of the contractor by the Municipal Corporation vide approved noting dated 03.02.21, but the work was still pending and was not awarded to any other contractor. Neither process of black-listing of the contractor was not initiated nor was the security deposited by the contractor forfeited.

This resulted in undue favour to the contractor which leads to unnecessary delay of the work of Rs 10 million.

Audit is of the view that due to weak internal control, excess payment was made on unmetered connections.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.49]

8.4.2.2.8 Overpayment on account of quantity executed over and above TS Estimates –Rs 5.967 million

According to para 1.59 & 2.89 of Buildings and Roads Code, during the execution of work, neither the specification nor the quantity of different items / any additional item scheduled approved in the Technical Sanction be changed and executed without prior approval of such change / new addition by the authority who has issued Technical Sanction. Such authority will record reason if any.

During audit of work scheme “Patch work City roads Sialkot” executed by M/s Toqeer Hussain Contractor for the financial year 2019-20, scrutiny of paid vouchers and record entries of detailed below items revealed that the department measured and paid quantities over and above the admissible quantity in TS Estimates of Rs 5.967 million detailed as under:

Item Name	Name of road	Quantity as per revised estimates	Quantity Paid	Difference overpaid (Rs)
P/L Plant premix carpet 4.5% bitumen complete in all respect	Pasrur Road	19647.32 sft	33661.32 sft	$14014 \times 12270.57 / 100 = 1,719,597$
	Kh. Safdar Road	9,367 sft	19367 sft	$10000 \times 17586.18 / 100 = 1,758,617$
	Allama Iqbal chowk	0	24532 sft	$24532 \times 816.46 / 100 = 2,488,374$
		Total overpaid		=5,966,588

Furthermore, PST @ 16% was first added in the amount of the bill before its deduction from the bill of the contractor, whereas only registered contractor at PRA were allowed such addition of PST. There was no certificate or proof that following contractors were registered at PRA. This resulted in over payment of Rs 2,727,500 as detail below.

(Amount in Rs)

Name of Work	Name of Contractor	Work Order No	Amount of bill	PST Added	PST deducted
Patch work Roads City Package	Touqeer Hussain	MC/Works/169 dated 05.12.2019	17,652,837	2,727,500	2,434,874

Audit holds that items executed over and above the approved Technically Sanctioned Estimates, were due to weak internal controls and poor financial discipline. This resulted in overpayment Rs 5.967 million

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends investigation of the matter besides fixing responsibility against the persons at fault.

[PDP No.50]

8.4.2.2.9 Irregular payment of street lights electricity bills - Rs 51.340 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Municipal Corporation, Sialkot paid an amount of Rs 51.340 million on account of electricity bills of street lights against 61 connections for the financial year 2019-20. During scrutiny of record it was noticed MC Sialkot was paying electricity bills to GEPCO, without having knowledge of number of streets lights attached with each meter connections. No survey was conducted since 2013. MC Sialkot was blindly making the payment and there were chances that GEPCO was making over line losses and theft.

(Amount in Rs)

Month	Amount of Bill	Month	Amount of Bill
Jul-19	3,676,780	Feb-20	7,336,989
Aug-19	4,374,954	Mar-20	7,271,429
Sep-19	4,125,042	Apr-20	5,300,192
Oct-19	3,991,254	May-20	2,562,868
Nov-19	6,186,688	Jun-20	5,289,329
Dec-19	4,398,248	Total	51,340,788
Jan-20	3,495,989		

Audit is of the view that due to weak internal control, irregular payment of was made on street lights electricity bills.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends inquiry of the matter besides fixing of responsibility against the person(s) at fault.

[PDP No.16]

8.4.2.2.10 Non-appointment of qualified technical personnel, non-deduction of salary from contractor - Rs 3.800 million

According to clause 18 of contract agreement the contractor shall employ for each contract, whole time qualified technical personnel to the satisfaction of the Engineer-in-charge for the supervision of the work at the scale given below:

Upto Rs 7.50 Million	One diploma engineer
Exceeding Rs 7.50 Million	One senior graduate engineer
	One junior graduate engineer

If the contractor fails to employ the qualified technical personnel to the above scale, the engineer-in-charge shall, after giving 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.

During audit of Municipal Corporation Sialkot, scrutiny of different works revealed that the qualified technical personnel were not appointed. Neither details of such personnel were available nor the notice was served to contractor for appointment of the same. Moreover, the engineer-in-charge did not employ the technical person at the risk and cost of the contractor. The salaries of the qualified technical personnel, not employed by the contractors was to be deducted from the amount of the agreement.

This resulted in overpayment of Rs 3.800 million. **Annexure-V**

Audit holds that due to poor financial control, salary was not deducted from contractors.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.26]

8.4.2.2.11 Non-accountal of purchased street light material - Rs 2.667 million

As per rule 2.22 and 15.7 of PFR Vol-I, 15.7 Heads of offices and others entrusted with the care of stores of any kind should maintain suitable accounts and inventories of the stores in their charge. For securing this object it is important that all quantities received in or issued from stores are entered in the stock accounts strictly in accordance with the rule and in the order of Recurrence on the dates the transactions take place, so that it should be possible at any time to check the actual balances with the book balances.

Management of Municipal Corporation Sialkot incurred expenditure of Rs 2.667 million on account of street light items during the financial year 2019-20. The purchased items were not accounted for in the relevant stock register, as the same was not produced for audit verification. Furthermore, the detailed specification of the purchased LED bulb was neither mentioned on the bill nor the purchase invoices were obtained from the supplier. This resulted in non-accountal of street light material of Rs 2.667 million:-

Vr. No	Date	Description	Amount (Rs)	Supplier
84	01.10.2019	Purchase of Street Lights (LED Bulb)	727,497	Haider & Co
7014586638	09.01.2020		369,396	
7014586607	01.01.2020		1,570,744	
Total			2,667,637	

It was also noticed that MC Sialkot did not maintain the record of replacement of LED bulb because every LED bulb had replacement warranty of one year.

Audit holds that due to poor financial control, street light items were not entered in stock register.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.42]

8.4.2.3 Management of Accounts with Commercial Banks

8.4.2.3.1 Irregular payment of stale cheques -Rs 10.42 million

According to Rule 4(4&5) of the Punjab Local Government Accounts Rules 2017 if a pre audited cheque is not claimed or presented or paid within due date or up to 30th June of the relevant financial year, it shall be a stale cheque and a new cheque shall only be issued on deposit of stale cheque with the drawing and disbursing officer, a reverse entry shall be made in the relevant books of accounts.

During scrutiny of records of Municipal Corporation Sialkot it has been observed that cheques of Rs 10.42 million were remained un-presented/un-cashed as on 30th June 2020 which become the stale cheques and required to be issued new cheques by the drawing and disbursing officer but the same was not done in violation of the rule *ibid*. The expenditure of the financial year was overstated due to this act. This resulted in irregular payment of Rs 10.422 million.

Audit holds that due to weak internal control and weak management the stale cheques were not renewed.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends justification of the matter and reconciliation of the amount besides fixing of responsibility against officers at fault.

[PDP No.18]

8.4.3 Value for money and service delivery issues

8.4.3.1 Unknown whereabouts of the open space property-Rs 331.224 million

According to Rule 4(a),(i) & (l) of Punjab Local Government (Property) Rules 2018, the manager shall take such care of the property of the local government as a man of ordinary prudence would take care of his own property of like nature and under similar circumstances and the manager shall keep all title deeds and other documents in the duplicate in safe study. Furthermore manager should be vigilant about encroachments on, or wrongful occupation of the property.

Municipal Corporation Sialkot has under mentioned properties as evident from Property register. It was revealed that these properties have no backup record in the office such as title deeds, fard and even the exact address (location) of these properties. The management was unable to explain the factual position of these properties whether these are in public or private use.

Sr. No.	Property No.	Status	Current Use	Area	Estimated Value of Property (Current DC Rate) (Rs)
1	03	Open Space	Use for Public	99 M	29,814,000
2	04	Land for waste store	Waste Store	18 M	5,984,000
3	06	Open Space	Dispensary	132 M	37,876,800
4	02	Plot for Tanga Stand	Masjid	162.5 M	78,750,000
5	02	Godam &Shop	Godam &Shop	17.5 M	5,250,000
6	07	Open Space & Plot	School	530 M	133,350,000
7	01	Not Mentioned	Land for School	7 M	2,100,000
8	01	Exact location not traceable	Old Wastage	6K & 7M	38,100,000
Total					331,224,800

Audit holds that concerned officials did not provide the record intentionally; resultantly the chance of wrongful occupation cannot be overruled.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends maintaining of property record besides fixing of responsibility against the person(s) at fault.

[PDP No.41]

8.4.3.2 Loss of Property due to illegal occupation-Rs 7.50 million

According to Rule 4(a), (i) & (l) of Punjab Local Government (Property) Rules 2018, the manager shall take such care of the property of

the local government as a man of ordinary prudence would take care of his own property of like nature and under similar circumstances and the manager shall keep all title deeds and other documents in the duplicate in safe study. Furthermore manager should be vigilant about encroachments on, or wrongful occupation of the property.

Municipal Corporation Sialkot showed under mentioned property at Chapper Kachi Pump wala, in the property register but the land was occupied by different people. Due to negligence of the management huge land and precious property estimating value Rs 7.50 million was lost. Audit made various verbal and written requests for providing the files. Efforts were made to re-occupy the property but nothing was provided in this regard.

Audit holds that due to weak financial management concerned officials did not provide the record intentionally to cover possible misappropriation.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires investigation of the matter at competent level, fixing of responsibility against the person(s) at fault.

[PDP No.40]

8.4.4 Others

8.4.4.1 Non-recovery of government receipts from contractors - Rs 6.032 million

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, 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.

Municipal Corporation Sialkot auctioned the parking stands, slaughter house and advertisement tax during the financial year 2019-20, but recovery of Rs 6,032,019 on account of monthly installments, PST, Income Tax, Professional Tax and Salary of deployed staff was still outstanding against the contractors. **Annexure-W**

Audit holds that due to weak internal controls and negligence the outstanding amount was not received from the contractors.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of amount from defaulters besides fixing of responsibility against officers at fault.

[PDP No.01]

8.4.4.2 Unauthorized collection of PST from general public - Rs 2.531 million

According to Rule 24 (1) & (2) of Punjab Local Government Auction Rules 2003 (amended 2016) "The contractor shall not be involved in overcharging either by himself or through his agent or any other person. In case of violation of sub-rule (1), action shall be taken against the contractor or his agent or any other person, involved in overcharging, under Chapter XVIII of the Act and his contract shall be cancelled and all deposits made by him shall be forfeited forthwith.

Municipal Corporation Sialkot auctioned the collection rights of Parking Stands, Slaughter House and Advertisement tax during the Financial Year 2019-20. The contractors were bound to collect the fee as per approved rates and have to pay all the taxes out of the amount collected. The work orders issued to the successful contractor by adding 16% PST in the approved rates. Contractors made the collection from the general public after adding 16% PST in approved rates. **Annexure-X**

This resulted in transfer of burden of PST to the general public which was to be collected from the income of contractor Rs 2.531 million.

Audit holds that due to poor financial control, PST was collected from general public instead of contractor.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.02]

8.4.4.3 Loss to the Government due to non-auction of parking stands - Rs 1.00 million

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, 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.

Municipal Corporation Sialkot auctioned the parking stands at Sialkot Murray College and Poly Technical College during the financial year 2019-20, after the successful completion of bidding process but these contracts were cancelled due the agitation of general public despite of the fact that the place is still using for parking.

Audit holds that due to poor financial control, local Government sustained a loss on account of non-auction of parking stand.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends auction of parking stands besides fixing of responsibility against the person(s) at fault.

[PDP No.03]

8.4.4.4 Loss due to non auction of shops - Rs 5.145 million

According to Rule 4(d) of Punjab Local Government (Property) Rules 2018, the manager shall ensure that the rented property fetches the maximum rent. Moreover, according to Rule 9 & 16 of PLG (Property) Rules 2018 and Government of The Punjab Local Government & Rural Development, Department letter No. SO-Estate (LG)2-2/2016 dated 30.04.2018 the local government shall lease out the shops/commercial

property after the assessment of rent by the District Rent Assessment Committee.

Municipal Corporation Sialkot did not auction 127 commercial shops during financial year 2019-20 and collected rent on the old rates of last eight decades. These shops were required to be re-auctioned after rent assessment by District Rent Assessment Committee (DRAC). Assistant Commissioner Sialkot, Excise & Taxation Officer with the coordination of MC Sialkot surveyed through shop to shop for re- assessment of rent as directed in above mentioned letter. On the basis of survey, District Assessment Committee proposed monthly and annual rent of the shops instead of re-auction of these shops. Although MC Sialkot collected rent from existing tenants as per proposed rent assessed by District Assessment Committee but these shops were required to be re auctioned as per above mentioned letter.

These shops should be re auctioned according the reserved price of proposed rent of DRAC. These shops can be rented out on 25% increase in rent as compared to current rent. This resulted short realization by the amount of Rs 5.145 million.

Sr. No	Name of Market	No. of Shops	Amount of Rent (2019-20) as per assessment of 2018
1	Market Commissioner Road	31	3,720,000
2	Railway Road	19	3,756,000
3	Bano Bazar	16	3,456,000
4	Kachary Road	05	960,000
5	Adda Shahbaz Khan	08	1,752,000
6	Bazar Sheedan	05	1,188,000
7	Over Head Bridge	24	3,000,000
8	Railway Road	12	1,320,000
9	Misc	07	1,428,000
Total		127	20,580,000
Rs 20,580,000 X 25% = Rs 5,145,000			

Audit holds that in the absence of agreement, both tenants and actual amount of government revenue cannot be justified.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.08]

8.4.4.5 Loss due to non-auction of Shops - Rs 1.848 million

According to Rule 4(d) of Punjab Local Government (Property) Rules 2018, the manager shall ensure that the rented property fetches the maximum rent.

Municipal Corporation Sialkot did not auction 15 shops located at various locations of District Sialkot during the Financial Year 2019-20. During the scrutiny of record, it was found that the shops were not auctioned since long time and no serious efforts were made to auction them for general public. This resulted in the loss of revenue by the amount of Rs 1.848 million as detailed below:

Sr. No.	Name of Market	No. of Shops Vacant	Amount of Rent (2019-20) as per assessment of 2018
1	Railway Road	2	288,000
2	Adda Shahbaz Khan	01	240,000
3	Municipal Plaza Railway Road	12	1,320,000
Total		15	1,848,000

Audit holds that due to poor financial control, local Government sustained loss on account of non-auction of shoppes.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.09]

8.4.4.6 Non-recovery of rent of shops - Rs 4.223 million

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, 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.

Municipal Corporation Sialkot did not recover rent of shops amounting to Rs 4,223,392 during the financial year 2019-20. Total demand for rent of shops was Rs 18,828,000 but only a sum of Rs 14,604,608 was recovered which resulted in short recovery of Rs 4,223,392.

Audit holds that due to weak internal controls and negligence the rent of shoppes was not recovered.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of amount from defaulters besides fixing of responsibility against officers at fault.

[PDP No.10]

8.4.4.7 Non-collection of water charges – Rs 42.202 million

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, 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.

Municipal Corporation Sialkot did not recover the water charges of Rs 42.202 million from the water users during the financial year 2019-20. Total demand for 42072 water connections was Rs 129.000 million but only a sum of Rs 86.798 million was recovered which resulted in short recovery of Rs 42.202 million.

Audit holds that due to weak internal controls and negligence, water charges were not recovered.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of the outstanding amount besides fixing of responsibility against the person(s) at fault.

[PDP No.12]

8.4.4.8 Non-recovery of water charges from defaulters - Rs 17.054 million

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, 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.

During the scrutiny of Ledger of water charges of Municipal Corporation Sialkot for the financial year 2019-20, it was revealed that a huge amount of Rs 17.054 million was due against 1357 consumers since long time. No serious efforts were made for recovery of outstanding dues from defaulters.

Audit holds that due to weak internal controls and negligence, arrears of water chares were not recovered.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends early recovery from the concerned besides fixing of responsibility against officers at fault.

[PDP No.13]

8.4.4.9 Doubtful payment for rent of generator - Rs 1.058 million

According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

During scrutiny of records of the scheme “provision of Generators along with operators” for the financial year 2019-20, it was observed that contract was awarded for the amount of Rs 913,500 to M/s shabbier & Co to provide two 100 KVA generators with operator for Dara Arian and Modal town Disposal and one 150 KVA generator with operator for Rangpura disposal for flood water. Similarly rent of generator was Rs 144,923 and hired from M/S Usman Ijaz. The payment of Rs 1.058 million was held doubtful because PST of Rs 126,000 @ 16% was added in the rates after the bidding rates which were required to be deducted from the payment of the contractor because the bid rates are inclusive of all taxes. Furthermore, no dates of provision of generators for 45 days at site were mentioned in the contractor’s bill, no logbooks were maintained for the operation of generators; no evidence i.e Pictures of generators provided at site were available in the record, names & address of the operators of generators were not available in the file, provision of POL for operation of generators was neither defined in the estimates nor in the advertisement, no measurement book was maintained to authenticate the payment and the invoice of the contractor is ambiguous and prepared on the letter head pad which does not clear the execution of work. This resulted in doubtful payment of Rs 1.058 million

Audit holds that non observance of the above codel formalities made the payment doubtful.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

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

[PDP No.23]

8.4.4.10 Non-recovery of income tax on rent of shops - Rs 1.460 million

According to Section-236 (A) of Income Tax Ordinance 2001, 10% advance income tax required to be collected from any person making sale by public auction [or auction by a tender], of any property or goods [(including property or goods confiscated or attached)] either belonging to or not belonging to the Government, local Government, any authority, a company, a foreign association declared to be a company under sub-clause (vi) of clause (b) of sub-section (2) of section 80, or a foreign contractor or a consultant or a consortium or Collector of Customs or Commissioner of [Inland Revenue] or any other authority, shall collect advance tax, computed on the basis of sale price of such property and at the rate specified in Division VIII of Part IV of the First Schedule, from the person to whom such property or goods are being sold.

During audit of Municipal Corporation Sialkot for the financial year 2019-20, it was observed that Municipal Officer Regulation did not recover income tax for Rs 1.460 million on account of rent of shops auctioned for a period of five years as detailed below.

Unit	Amount of Rent 2019-20	Income Tax Recoverable @10%
Shops at Municipal Corporation, Sialkot	14,604,608	1,460,461

Audit holds that due to weak internal controls and negligence, income tax on rent of shopees was not recovered.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends recovery of outstanding amount besides fixing of responsibility against officers at fault.

[PDP No.24]

8.4.4.11 Loss to government due to incorrect calculation of reserve price - Rs 1.00 million

According to Rule 10 (2) If an income introduced by a local government for the first time, the assessed and expected income as provided in the budget from the source shall be the reserve price for the income from that source.

Municipal Corporation Sialkot auctioned various Parking Stands for the first time during the Financial Year 2019-20 by declaring the reserve price i.e Rs 2.00 million but no assessment method (whether on actual collection basis or estimates on the basis of covered area) for calculation of reserve price. Audit holds that due to non adoption of any basis for calculation of reserve price, government sustained a loss of Rs 1 million because the same could be auctioned on a higher rate during the current Financial Year 2019-20. This resulted in a suspected loss of revenue of Rs 1.00 million approximately (Rs 4,155,000-3,155,000). Detail is as under:

(Amount in Rs)

Name of Contract	Period	Reserved Price	Auctioned Price
Parking Fee Sialkot Medical Complex	2019-20	1,300,000	2,225,000
Parking Fee Zohra Memorial Hospital	2019-20	100,000	150,000
Parking Fee Alkhidmat Children Hospital	2019-20	350,000	500,000
Parking Fee Irrigation Office	2019-20	100,000	110,000
Parking Fee MCB Bank	2019-20	50,000	60,000
Parking Fee Chowk Shaeedan	2019-20	100,000	110,000
Total		2,000,000	3,155,000

Audit holds that due to negligence of the management the proper assessment of the reserve price could not be made.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends fixing responsibility against the person(s) at fault.

[PDP No.04]

8.4.4.12 Non-obtaining the surety against the auctions of contracts - Rs 63.348 million

According to Rule 27 (1 &4) Punjab Local Government Auction Rules 2003 (amended 2016), the successful bidder shall, at the time of signing the agreement, furnish a surety for the due performance of the contract to the satisfaction of the local government concerned. In case of default of contractor to discharge his obligations under the contract for any reason, then, without prejudice to the claims of local government against the contractor, the local government shall be entitled to recover from the surety, not only the amount including charges, dues and fees which may have become due under the contract, but also the cost of proceedings initiated in this regard.

Municipal Corporation Sialkot did not obtain the surety for the due performance of the contract to the satisfaction from a person who has valid NTN and bank balance equal to the contracted amount against the auction of various contracts during the financial year 2019-20 in violation of rule *ibid*. The contracts were awarded for Rs 63.348 million to various contractors. **Annexure-Y**

Audit holds that due to weak internal controls and negligence, the surety against the auctions of contracts was not obtained.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends fixing responsibility against the person(s) at fault.

[PDP No.05, 06]

8.4.4.13 Non-reconciliation of TTIP Income – Rs 163.574 million

According to LG&CD department government of Punjab letter No SOtax (LG)2-46/08(PI) dated 20.2.2011 on the subject collection of Tax on transfer of immovable property the recovery of TTIP shall be reconciled with the revenue staff preferably on a daily basis any departure from the direction shall be interpreted as “misconduct” and “corrupt practice” in terms of PEEDA Act 2006

During audit of Municipal Corporation Sialkot for the financial year 2019-20, it was observed that Municipal Corporation shown income of Rs 163,574,532 during the period on account of Transfer Tax on Immovable Property but same was not reconciled with the Registrar office/ Revenue

office Sialkot. This resulted in un-authentic receipt due to non-reconciliation of TTIP income of Rs 163,574,532.

Audit holds that due to weak internal controls and negligence, TTIP income was not reconciled with revenue department.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends reconciliation on income besied fixing responsibility of the person(s) at fault.

[PDP No.19]

8.4.4.14 Unauthentic Govt. receipt due to non-conducting survey of manufacturers, vendors and traders

According to section 13 of The Tehsil / Town Municipal Administration Licensing Bylaws, 2007, the TO(R) shall cause the survey to be conducted at the beginning of each financial year to have complete list and particulars of all the manufacturers, vendors traders and the other persons carrying on any occupation or operation in the local area of the T.M.A and maintain a complete record on “formT.L.10” as appended to these bylaws.

Scrutiny of receipt record of the license and permit fee revealed that MO (Regulation) Municipal Corporation Sialkot did not conduct the survey for the financial period 2019-20 to have complete list and particulars of all the manufacturers, vendors traders and the other persons carrying on any occupation or operation in the local area of the Municipal Corporation and did not maintain a complete record on “formT.L.10”. No Demand and Collection register was maintained. This resulted un-authentic revenue of Rs 8.891 million which was collected and deposited into Municipal Corporation account during the period 01.07.2019 to 30.06.2020.

(Amount in Rs)

Detail Receipt Head	Budget 01.07.19 to 06.11.19	Actual 01.07.19 to 06.11.19	Revised Budget 07.11.19 To 30.06.2020)	Actual w.e.f 07.11.19 to 30.06.2020	Total
(A) License fee Profession & Trades P-I (Shops)	1,350,000	1,402,150	1,600,000	1,200,875	2,603,025
(B) License fee Profession & Trades fee P-II (Dangerous)	3,450,000	3,580,300	2,920,000	2,411,500	5,991,800
(C) License fee Tyre Shop	80,000	84,200	250,000	46,000	130,200
(D) License fee Junk yard	80,000	84,000	200,000	82,000	166,000
Total License fee of	4,960,000	5,150,650	4,970,000	3,740,375	8,891,025

Trades Professions	&					
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Audit is of the view that due to defective financial discipline survey of manufacturers, venders & traders, occurred was not conducted.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends conducting of survey besides fixing of responsibility against officers at fault.

[PDP No.20]

8.4.4.15 Doubtful consumption of POL due to defective maintenance of log book - Rs 2.510 million

According to rule 9(b) of Punjab District Authorities (Accounts) Rules 2017, the drawing and disbursing officer and payee of the pay, allowance, contingent expenditure or any other expense shall be personally responsible for any over charge, fraud or misappropriation and shall be liable to make good that loss.

Municipal Corporation Sialkot incurred the expenditure of Rs 2.510 million on account of POL for Sucker machines during the financial period 2019-20. During the security of record, following shortcomings found which made the expenditure doubtful:-

- i) Columns of log books left unfilled such as timings of departure and return, meter reading and detail regarding purpose of journeys to hide the consumption of POL.
- ii) Complaint register did not show all the activities performed on telephonic complaints. Officials admitted that no complaint record was maintained in the office through which audit could authenticate the consumption of POL
- iii) Scope of work before and after execution work was not on record. There was no supporting record available such as verification report of work performed or pictorial evidences to justify the huge expenditure.

Audit was unable to verify the consumption of POL in the absence of defective maintenance of log books and non maintenance of allied record.

Audit is of the view that due to defective financial discipline and weak internal controls, proper record was not maintained.

The matter was reported to the CO/PAO in June, 2021. Neither reply was furnished nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit recommends fixing of responsibility against the person(s) at fault and amount be recovered from the concerned.

[PDP No.38]

ANNEXURES

Annexure-A

**Memorandum for Departmental Accounts Committee
Paras Pertaining to Audit Year 2019-20**

(Rs in million)

Sr. No	Name of Formation	Description of Para	Nature of Para	Amount
Municipal Corporation Gujranwala				
1	Municipal Corporation Gujranwala	Doubtful expenditure on burial arrangements during corona	Irregularity	0.174
2		Non-recovery of contractor enlistment/renewal Fee and professional tax	Recoverable	0.392
3		Irregular payment to DGPR	Irregularity	0.990
4		Non deduction of PST	procurement	0.158
5		Unauthorized SAAMA Agreement with Gujranwala Waste Management Company	Irregularity	
6		Non-recovery of dues/fees from Private housing societies	Recoverable	
7		Irregular appointment, adjustment & promotion, irregular drawl of Pay	HR Related Irregularity	1.935
8		Irregular expenditure on establishment of Bakra Sale points at Eid ul Azha	Others	1.570
9		Irregular approval of building plans	Others	21.834
10		Unclassified receipts	Others	193.784
11		Non-approval of cases from District Planning and Design Committee for conversion of land	Others	120.682
12		Non-imposition of fine for unauthorized construction of building	Others	91.30
13		Unauthorized expenditure due to irregular execution of schemes	Others	75.026
14		Misclassification of expenditure	Others	32.374
15		Loss due to non-recovery of rent from GEPCO Gujranwala	Others	10.243
16		Non-credit of lapse securities into general fund	Others	7.326
17		Irregular/excess payment to PLGB on PFC share and government grants	Others	5.901
18		Unauthorized sub-division of shops by the tenants as personal source of income	Others	4.880
19		Less collection of additional performance security	Others	3.585
20		Irregular auction causing sub-letting of shops, loss thereof	Others	1.857
21		Doubtful sale of old stock	Others	1.670
22		Misclassification of street light items	Others	1.295
23		Non-recovery of PST @ 16% from the contracts of auction of collection rights of parking stands	Value of money & Service delivery	6.579
Municipal Corporation Gujrat				
1	MC Gujrat	Non submission of progress reports of development expenditure	Irregularity	68.740
2		Less deduction of Income Tax & GST on account of civil works	Irregularity	4.172
3		Irregular payment to contractor on account of plants	Irregularity	0.988
4		Payment of plants without taking quotations for TS Estimates rates	Irregularity	0.987
5		Unauthorized expenditure on account beautification	Irregularity	0.827
6		Payment of desilting without taking quotations for TS Estimates rates	Irregularity	2.836

7	Unjustified payment of 5% tools/plant studies and contractor profit on account of desilting	Irregularity	0.979
8	Non forfeiture of call deposit due to non-commencement of work at site	Irregularity	0.667
9	Non recovery of performance security amounting	Irregularity	2.507
10	Unjustified payment on account of earth filling/work	Irregularity	2.358
11	Overpayment on account of RCC (1:2:4) and fabrication of mild steel	Irregularity	0.314
12	Unauthorized expenditure on account of PVC pipe and tuff tiles	Irregularity	1.235
13	Unauthorized expenditure on account of repair of transport	Irregularity	3.90
14	Unjustified drawl of POL	Irregularity	22.21
15	Unjustified payment to the contractor on account of POL	Irregularity	20.65
16	Unauthorized expenditure on account of repair of water supply	Irregularity	1.492
17	Non reconciliation of TTIP	Irregularity	115.988
18	Less recovery of water rate charges	Irregularity	15.651
19	Non recovery of Income Tax on rent of shops	Irregularity	3.539
20	Non realization of water rate charges	Irregularity	63.569
21	Loss due to rent out the shops below market rate	Irregularity	5.145
22	Loss of local government due to auctioning of contracts less than the last year price	Irregularity	11.15
23	Unauthorized payment of pension amounting	Irregularity	73.889
24	Building plans in violation of Building Bylaws	Irregularity	-
25	Less collection of conversion fee	Irregularity	0.619
26	Non accountal of stationery items	Irregularity	0.10
27	Unauthorized expenditure on account printing	Irregularity	0.303
28	Unauthorized expenditure on repair of transport	Irregularity	0.158
29	Unjustified expenditure on repair of F&F	Irregularity	0.157
30	Unauthorized expenditure on account of purchase of medicine	Irregularity	0.293
31	Unauthorized expenditure under detailed object- Unforeseen	Irregularity	7.429
32	Unjustified drawl of POL for vehicle	Irregularity	0.514
33	Unauthorized expenditure on TA/DA	Irregularity	0.068
34	Un-authentic Govt. receipt due to non conduction of survey of manufacturer, vendor and Trader and non realization of receipts	Irregularity	1.344
35	Non realization of NOC fee amounting	Irregularity	1.008
36	Non recovery of fine from Encroachment	Irregularity	0.300
37	Non reconciliation of license fee- and less recovery of	Irregularity	1.344 & 1.656
38	Non-conduction of quality control field test	Others	10.0
39	Non-imposition of penalty	Others	8.850
40	Overstatement of closing balance due to non deduction of un-cashed cheques	Others	19.482
41	Unauthorized repair of transport	Others	17.27
42	Unauthorized expenditure on account of repair of street due to splitting	Procurement	3.652

43		Non-realization of Provincial Sales Tax @ 16% on accounts of outsourcing income	Others	7.88
Metropolitan Corporation Lahore				
1	Chief Corporation Officer & Chief Public Relation Officers	Irregular expenditure on flags for Kashmir Rally	Irregular	-
2		Hiring of double core wire	Irregular	-
3		Irregular expenditure on hiring of fork lifter on Tableegi Ijtema at Raiwind	ICW	-
4		Irregular expenditure on hiring of lighting and generators on the eve of Tableegi Ijtema at Raiwind-Rs 58.020 million	Irregular	-
5		Unauthorized payment of Dengue, Polio and Anti-corruption Campaign out side ambit	ICW	-
6		Irrational expenditure on installation of lights on the eve of Christ Miss	ICW	-
7		Non-transparent expenditure on Flex, Streamer and digital portrait	Irregular	-
8		Non-Verification of Payment of General Sales Tax	ICW	-
9		Irregular payment to DGPR	Irregular	-
10		Excess payment of Rs 600,000	ICW	-
11		Irregular payment of pending liabilities	Irregular	-
12		Non reconciliation of expenditure	ICW	-
13		Improper maintenance of Cash Book	ICW	-
14		Non preparation of Cash Book	ICW	-
15		Irregular procurement in violation of PPRA Rules 2014	Irregular	-
16		irregular expenditure on account of repair	Irregular	0.884
17		Doubtful expenditure of purchase of lap top	ICW	0.348
18		Expenditure on POL without maintenance of Log Books	ICW	1.97
19	MO Infrastructure	Irregular expenditure on repair of street lights without detailed scope of work and pointation of repairable points	Irregular	-
20		Irregular payment for purchase of lights without bill of suppliers and verification report of the committee	Irregular	-
21		Doubtful payment to contractor for supply of patch work material	Irregular	-
22		Irregular expenditure on purchase of Manhole covers	Irregular	-
23		Providing & Laying inferior RCC worth Rs 116343	ICW	0.116
24		Irregular expenditure on repair and maintenance of vehicles and other items	Irregular	-
25		Doubtful expenditure due to non reconciliation of expenditure	Irregular	-
26		Execution of schemes without preparation of PCI	Irregular	-
27		Unauthorized payment to contactors	Irregular	-
28	MO Finance	Non-achievement of receipts targets	ICW	-
29		Irregularity due to expenditure excess than budget	ICW	-
30		Unrealistic revision of receipts targets	ICW	-
31		Irregular payment of financial assistance	Irregular	-
32		Non reconciliation of TTIP receipt	ICW	-
33		Difference of opening balance of Bank accounts in revised budget book & annual accounts	ICW	-
34		Defective preparation of budget and irrational	ICW	-

		increase in non-salary budget		
35		preparation / reconciliation of expenditure	ICW	-
36		Non preparation / reconciliation of receipts	ICW	-
37		Non-utilization of development funds causing loss of infrastructure	ICW	-
38		Non-transfer of existing bank account balances into newly created MCL fund account	ICW	-
39		Non recovery of license fee	ICW	0.832
40		Irregular payment of salary due to shifting of Head Quarter	Irregular	40.57
41		Unauthorized payment to work charge employees	ICW	0.955
42		Non deposit of 80% remaining balance of GST	Irregular	0.349
43		Excess transfer of pension contribution	Irregular	-
44	MO(S)	Irregular expenditure on account of repair of vehicles	Irregular	
45		Irregular expenditure on account of POL charges	ICW	4.357
46		Irregular expenditure on account of repair of office M&E	Irregular	3.596
47		Irregular purchase without tender	Irregular	-
48		Irregular expenditure on account consumable material	Irregular	2.152
49		Non disposal of off road vehicles	ICW	1.0
50		Non maintenance of cash book	ICW	
51		Irregular expenditure without tender	Irregular	3.877
52		Irregular expenditure on account of purchase of store items	ICW	2.499
53		Irregular expenditure on account of repair of vehicles	Irregular	1.709
54		Irregular expenditure on account of repair of office M&E	Irregular	1.462
55		Non maintenance of cash book	ICW	-
56		Los to Government due to Non Handing Over the Building	ICW	-
57		Unauthorized deposit of government Receipt	Irregular	-
58	MO (P)	Doubtful Collection of building plan fee	ICW	-
59		Illegal construction of building and non imposition of penalty	ICW	-
60		Non-recovery of building plan fee	ICW	-
61		Unauthorized delay in approval / rejection of building plan	ICW	-
62		Approval of building plan violating MCL building bye laws	ICW	-
63		Irregular payment of financial assistance	Irregular	-
64		Irregular purchase of assets	Irregular	-
65		Irregular Purchase of stationery	Irregular	-
66		Non-implementation of show cause notice	ICW	-
67		Non obtaining of NOC and EIA prior to approval of industrial building plan	Irregular	-
68		Non-obtaining of structural design drawings and non-vetting by structural engineer	Irregular	-
69		Irregular repair of transport	Irregular	0.908
70		Absence of inspection notes	Irregular	-
71		Irregular repair of machinery & equipment	Irregular	0.254
72		Non issuance of completion certificates	ICW	-
73		Non-cessation / demolition of construction work and non registering of case against violator	ICW	-
74		Irregular expenditure on POL	Irregular	3.887

75	MO (R)	Unjustified payment	Irregular	0.826
76		Irregular expenditure due to defective prequalified procedure	Irregular	-
77		Unjustified expenditure	Irregular	-
78		Non preparation of Cash Book	ICW	-
79		Non preparation / reconciliation of expenditure	ICW	-
80		Non preparation / reconciliation of receipts	ICW	-
81		Non-auction of shops causing loss to MCL	ICW	-
82		Non Deposit of government receipts	Irregular	0.578
83		Non compliance of SOPs for poultry	Irregular	-
84		Non availability of record pertaining to petrol pumps	ICW	-
85		Doubtful purchase of assets in absence of stock taking report	Irregular	-
86		irregular payment due to wrong estimation of areas of bakkar mandi	Irregular	-
Municipal Corporation Murree				
1	MC Murree	Loss due to less collection of Lease amount of Murree International Hotel than Market Rates	Others	0.600
2		Loss due to non-leasing and non-vacation of Sozo Water Park property	Value of money & Service delivery	11.000
3		Loss of building Approval fees due to delay in approval of Building maps-	Value of money & Service delivery	3.637
4		Misclassification of Expenditure amounting	Others	49.799
5		Non-recovery of Penalty Due to Delay in Completion of work	Value of money & Service delivery	1.928
6		Non recovery of BTS charges from Tower Communication Company	Others	1.518
7		Non-collection of PST	others	1.657
Municipal Corporation Rawalpindi				
1	MC Rawalpindi	Non-recovery of Income Tax from Contractor	Others	1.537
2		Non-recovery of loss from contractor	Others	0.480
3		Non transparent expenditure without tender	Others	0.756
4		Over payment due to excess measurement	Others	0.408
5		Un-authorize payment of PST	Others	0.609
6		Non-recovery of CDR due to submission of fake colour copy of CDR	Others	0.800
7		Doubtful expenditure on POL	Others	0.141
8		Loss due to non-auction of play land behind Nawaz Sharif Park	Others	16.854
9		Doubtful execution of schemes	Others	1.025
10		Non- collection of receipt targets	Others	1,404
11		Recovery due to non-deduction of PST on auction of collection rights	Others	10.063
Municipal Corporation Sargodha				
1	Municipal Corporation Sargodha	PCC without dividing the floor into Panel	Others	2.827
2		Non imposition of penalty – Rs1.069 million	Value for money	1.069
3		TTIP not entered in computerized Cash Book	Others	0.340
4		Unauthentic receipts from contractors	Value for money	0.284
5		Non imposition of penalty for Liability Work		0.248
6		Expenditure without supply order	Others	0.198
7		Doubtful Expenditure on PCC		0.194
8		Overpayment for Sand Filling	Value for money	0.174
9		Doubtful Expenditure on COVID items	Procurement	0.154
10		Overpayment of RCC by incorrect rates	Value for money	0.132
11		Non obtaining of additional performance		0.120

		security		
12		Likely embezzlement		0.096
13		Overpayment for cleaning surface/dismantling etc.		0.095
14		Overpayment for Purchase of COVID19 items		0.091
15		Overpayment of Contractor's Profit on supply items		0.062
16		Overpayment for compaction of sub-base material		0.059
17		Non preparation of Cash Book	Others	
18		Loss due to Illegal Housing Societies	Value for money	
19		Non-completion of process for issuing NOC to Housing Authorities	Others	
20		Irregular payment to contingent paid staff	Irregularity	52.417
21		Fake withdrawal of POL through fictitious meter reading in Log Books	Value for money	42.524
22		Non-recovery of Conversion Fee	Value for money	0.988
23		Overpayment due to excessive measurement	Value for money	0.507
24		Overpayment for Earth filling	Value for money	0.399
25		Non-approval of PC-I	Others	16.00
26		Irregular M&R Work without technical sanction	Others	15.064
27		Irregular payment of electricity bills for street lights and water disposals without vouchers	Others	13.493
28		Irregular expenditure without approval	Others	0.599
29		Irregular and doubtful Payment on Development Work	Others	0.590
Municipal Corporation Sialkot				
1	MC Sialkot	Non Recovery of Rent of Sub-judicious Shops	Others	0.397
2		Doubtful Expenditure for publicity campaign for COVID-19	Others	0.496
3		Non Recovery of license & permit fee	Others	0.538
4		Non-recovery of Encroachment Fines	Others	0.105
5		Irregular refund the Additional Performance Security	Others	0.435
6		Fraudulent Payment of Pay & Allowances	Others	0.292
7		Doubtful Expenditure on Purchase of Personal Protective Equipments	Others	0.822
8		Unjustified Payment of Rent of Trolleys for Encroachment	Others	0.982
9		Unjustified Payment on arrangement of Quaid-e-Azam Day	Others	0.399
10		Doubtful Expenditure on Water Test Charges & Biometric Machine	Others	0.540
11		Non Preparation of maps for immoveable properties	Others	0
12		Unjustified Expenditure on Arrangement of Medical Entry Test	Others	0.831
13		Non-inspection of offices of Municipal Corporation	Others	-
14		Doubtful purchase of assets in absence of stock taking and preparation of report thereof	Others	-
15		Overpayment for RCC	Others	0.116
16		Non-recovery of commercialization / Conversion Fee	Others	0.121

Annexure-B
(Rs in million)

Sr. No.	Local Government	Revised Budget	Expenditure	Excess / (Saving)
1	Municipal Corporation Gujranwala	1,927.796	706.527	(1,221.269)
2	Municipal Corporation Gujrat	1,111.102	1,038.463	(72.639)
3	Metropolitan Corporation Lahore	8,533.055	5,967.724	(2,565.331)
4	Municipal Corporation Murree	421.818	346.602	(75.216)
5	Municipal Corporation Rawalpindi	3,983.141	1,338.166	(2,644.975)
6	Municipal Corporation Sargodha	1,894.429	920.667	(973.762)
7	Municipal Corporation Sialkot	2,311.521	765.319	(1,546.202)
Total		20,182.862	11,083.468	(9,099.394)

Annex-C
2.4.2.1.1

Sr No.	Branch	No of C-IV	Recovery per person (Rs)	Total (Rs)
1	Administrator Branch	06	36,000	216,000
2	Office of Convener	02	36,000	72,000
3	CO Branch	15	36,000	540,000
4	MO R	37	36,000	1,332,000
5	MO F	13	36,000	468,000
6	MO IT	02	36,000	72,000
7	MO I	17	36,000	612,000
8	Street Light Branch	13	36,000	468,000
9	MO S	67	36,000	2,412,000
10	Others Misc branches	91	36,000	3,276,000
Total		263	Total	9,468,000

Annexure-D

Sr No	Head Detail	Date	To whom Paid	Gross Amount
1	Bill Paint Elec. Polls	7.12.2019	Mian Muhammad Arif	98,930
2	Bill Paint Elec. Polls	9.12.2019	Construction Company	98,732
3	Bill Repairing Street Light	27.02.2020	Abdul Hafeez Raja	97,350
4	Bill Repairing Street Light	27.02.2020		96,450
5	Bill Repairing Street Light	27.02.2020		95,900
6	Bill Repairing Street Light	27.02.2020		96,900
7	Bill item Street Light	3.3.2020	Abdul Rasheed	48,300
8	Bill item Street Light	3.3.2020		8,000
9	Bill item Street Light	3.3.2020		95,200
10	Bill item Street Light	3.3.2020		97,630
11	Bill item Street Light	3.3.2020		49,500
12	Rep of LED DC Road	6.4.2020	Hunza & Co.	96,953
13	Rep of LED GT Road	6.4.2020		96,855
14	Rep of LED GT Road	6.4.2020		96,855
15	Bill S. Light Prince Road	20.05.2020	Alfaz Sheikh & Co.	90,020
16	DO	20.05.2020		40,060
17	Bill S. Light G T Road	20.05.2020		97,050
	Total			1,400,685

Annexure-E

Sr. No.	Name Of Market	No. of Shop	Current Rent	Revised Rent	Difference
1	Adda Gondalanwala (North Side)	8	961,292	6,108,168	5,146,876
2	Shop Purana Shifa Khana	5	162,219	6,668,772	6,506,553
3	Azad Cloth Markit	20	963,291	10,560,000	9,596,709
4	Mazlom Road (G.T Side / Gondlanwala Adda Side)	37	1,781,505	19,536,000	17,754,495
5	Chowk Chashma	16	995,423	8,291,712	7,296,289
6	Inside Lahori Gate	32	2,041,785	25,649,316	23,607,531
7	Bagh Jinnah	10	385,869	7,836,378	7,450,509
8	Others	29	853,408	20,672,652	19,819,245
9	Gaib Chowk	42	1,407,101	28,728,850	27,321,748
10	Bakr Mandi Sheikhpura Road	5	410,642	2,244,026	1,833,384
11	Khakwani Cloth Markit	62	813,658	73,656,000	72,842,342
12	Tanga Stand (Oppsite Wapda Office)	14	261,315	9,240,000	8,978,685
13	Sialkot Road Old Part	15	2,310,946	9,849,840	7,538,894
14	Sialkot Road New Part	16	651,371	8,496,180	7,844,810
15	Safdar Goods Sialkot Road	18	1,342,615	9,425,328	8,082,713
16	Kachahri Road (Near District Council)	16	679,518	8,951,712	8,272,194
17	Civil Line / DHQ Hospital Road	9	483,078	9,418,860	8,935,782
18	Bakr Mandi Sheikhpura Road	5	657,575	2,244,026	1,586,452
19	Under Over Head Bridge Sialkot Road (East & West Side)	58	3,514,262	13,775,960	10,261,698
20	General Bus Stand Outside (East)	25	1,980,000	9,438,000	7,458,000
21	General Bus Stand Inside (East)	53	10,525,562	26,654,100	16,128,538
22	General Bus Stand Inside (West)	47	3,632,200	15,794,856	12,162,656
Total		542	36,814,635	333,240,736	296,426,103

Annexure-F

Sr. No	Name of Market	No. of Shop	Rent receivable	Rent Recovered	Recoverable
1	Adda Gondalanwala (North Side)	8	1,922,584	0	1,922,584
2	Adda Gondanawal (subjudice)	22	20,412,278	0	20,412,278
3	Shop Purana Shifa Khana	5	162,220	108,355	53,865
4	Chowk Chashma	16	1,003,507	655,233	348,274
5	Lahori Gate	32	2,262,339	849,795	1,412,544
6	Bagh Jinnah / Shairan Wala Bagh	10	539,541	140,500	399,041
7	Others/ Misc.,	29	2,215,004	431,123	1,783,881
8	Gaib Chowk	42	1,595,514	366,362	1,229,152
9	Bakr Mandi Sheikhpura Road	5	410,649	136,900	273,749
10	Khakwani Cloth Markit	62	813,463	-	813,463
11	Sialkot Road Old Part (Near Badar Din School)	15	2,548,622	963,665	1,584,957
12	Sialkot Road New Part (Near Badar Din School)	16	716,842	267,587	449,255
13	Safdar Goods Sialkot Road (Near Badar Din School)	18	1,679,352	409,798	1,269,554
14	Kachahri Road (Near District Council)	16	955,662	287,534	668,128
15	Civil Line / Dhq Hospital Road	9	415,085	113,775	301,310
16	Under Over Head Bridge Sialkot Road (East & West Side)	58	3,738,753	1,554,703	2,184,050
17	General Bus Stand Outside (East)	25	2,433,052	946,800	1,486,252
18	General Bus Stand Inside (East)	53	5,860,285	2,025,540	3,834,745
19	General Bus Stand Inside (West)	47	4,663,130	729,220	3,933,910
20	Gur Shakkar Market (Demolished in 10/2018)	40	20,248,577	0	20,248,577
21	Shop Purana Shifa Khana (Demolished)	05	232,278	0	232,278
22	Others (Demolished)	03	13,709	0	13,709
Total		536	74,842,446	7,298,622	64,855,556

Annexure-G

Sr. No.	Name of scheme	Estimated Cost	Date of work order	Time period for completion	Due date of completion	Status of work on 30.06.2020	Late completion penalty
1	Re-construction / re-habilitation of chaman shah road	42,417,000	06.02.20	3 months	05.05.20	Work in progress	4,241,700
2	Re-construction / re-habilitation of Kachery road	14,104,000	15.02.20	3 months	05.05.20	Work in progress	1,410,400
3	Re-construction / re-habilitation of Hamilton road & D.C road	13,905,000	06.02.20	3 months	05.05.20	Work in progress	1,390,500
4	Reconstruction / Rehabilitation of Road Gondlanwala Phatak to ADB Chowk via DHQ Hospital Gujranwala.	49,814,000	18-02-20	3 months	17-5-20	Work in progress	4,981,400
5	Reconstruction / Rehabilitation of Tuff Paver on Road Shoulders at Hafiz Abad Road (Ghartalian Road to Alam Chowk).	39,760,000	6-2-20	3 months	5-5-20	Work in progress	3,976,000
6	Reconstruction / Rehabilitation of Asghar Ali Road Bukhari Road to Chowk Civil Line Police Station Gujranwala.	22,634,000	6-2-20	3 months	5-5-20	Work in progress	2,263,400
7	Reconstruction / Rehabilitation of Tahli wala Graveyard Road Fareed Town Gujranwala.	23,271,000	18-02-2020	3 months	17-5-20	Work in progress	2,327,100
8	Reconstruction / Rehabilitation Road fixing of new Kurb Stones and Patch work from Chan Da Qila to Aziz Cross Fly Over G.T Road Gujranwala.	5,071,000	6-2-20	3 months	5-5-20	Work in progress	507,100
9	Patch work at Pasroor Road and Nowshera Road Gujranwala.	1,022,000	18-02-20	3 months	17-5-20	Work in progress	102,200
10	Reconstruction / Rehabilitation Road from Sialkot Road Shell Pump via Popular Nursery to Pasroor Road Gujranwala.	14,193,000	6-2-20	3 months	5-5-20	Work in progress	1,419,300
11	Reconstruction / Rehabilitation of Street Masjid Ibrahim wali Gujranwala.	8,424,000	6-2-20	3 months	5-5-20	Work in progress	842,400
Total							23,461,500

Annexure-H

Meter No	Month	Units	Rate	Total Bill paid	Bill to be paid	Over payment
27121111781300u	M/O July 2019	2664	12.5	63,459	59274	4,185
24121110115200U	M/O July 2019	2617	12.5	61,534	58228	3,306
121140071700u	M/O July 2019	1742	12.5	40,173	38760	1,414
21122132105802u	M/O July 2019	1049	12.5	24,818	23340	1,478
24122141297903u	M/O July 2019	6114	12.5	143,476	136037	7,440
24122120417001u	M/O July 2019	3274	12.5	77,220	72847	4,374
2412212091501u	M/O July 2019	2187	12.5	51,253	48661	2,592
24122141088406U	M/O July 2019	1161	12.5	27,248	25832	1,416
24122141088408U	M/O July 2019	1157	12.5	27,786	25743	2,043
24122141088411U	M/O July 2019	2220	12.5	52,072	49395	2,677
27121250518600u	M/O July 2019	9960	12.5	256,507	221610	34,897
21121210742500U	M/O July 2019	1903	12.5	45,239	42342	2,897
24121211519001U	M/O July 2019	2513	12.5	58,812	55914	2,898
24121211398401U	M/O July 2019	2339	12.5	54,937	52043	2,894
				984,534		74,509
Percentage Extra payment in selected bills				7.57%		
Extra payment for all bill of street light		23,412,375		1,771,836		

Annexure-I

Scheme	Contractor	Award letter No. & dt	Qty.	Rate	Amount
Construction main path sabowal road to Shahzad Town	M/s Shahzada Tabraiz	73 dt 11.07.2019	11088 cft	9515.55	1055084
Construction of main path Dera Rasheed Gujjar to Sabowal More	M/s Mayed Construction	42 dt 11.07.2019	5880	9515	559540
Construction and repair of stree PCC drains and slabs along with water supply line Kareem street ward No. 4	M/s Waqas Ahmed Cheema	153 dt 20.07.2019	1273	9515.55	121133
Construction of Dubai road Khajoor wali gali with link streets	M/s Shahzada Tabraiz	56 dtd 11.07.2019	11475	9515.55	1091909
Construction of streets and drains Zafar colony	M/s Muhammad Munawar	165 dt 08.08.2019	5522	9673.95	534195
P/F of water supply pipe Mohallah Rang Pura UC 10	M/s Syed Irshad Hussain	160 dt 08.08.2019	1836	9673.95	177614
Construction/Repair Bus Bay and slip road Katchary Chowk near Zahoor Elahi Stadium Gujrat	M/s Rajid Ali & Brothers	50 dt 25.03.2020	3455	10088.7	348566
Construction Streets/drains contractor Mudasar wali , sabowal road	M/s Mirza Shafiq	291 dt 15.10.2017	1251	9098	113816
Total					4,001,857

Annexure-J

Scheme	Contractor	Award letter No. & dt	Agreement amount	2% compensation charges
Desilting of Sewerage line Jail Chowk to Bholay	M/s Asif Associates	83 dt 06.05.2020	5216000	104320
Construction main path sabowal road to Shahzad Town	M/s Shahzada Tabraiz	73 dt 11.07.2019	8490000	169800
Construction of gala Kiran Cinema to Ch. Khalid Kothi	M/s Shahzada Tabraiz	55 dt 11.07.2019	4500000	90000
Construction of main path Dera Rasheed Gujjar to Sabowal More	M/s Mayed Construction	42 dt 11.07.2019	4280000	85600
Construction and repair of stree PCC drains and slabs along with water supply line Kareem street ward No. 4	M/s Waqas Ahmed Cheema	153 dt 20.07.2019	1482000	29640
Construction of Dubai road Khajoor wali gali with link streets	M/s Shahzada Tabraiz	56 dtd 11.07.2019	7000000	140000
Construction of streets and drains Zafar colony	M/s Muhammad Munawar	165 dt 08.08.2019	2763000	55260
P/F of water supply pipe Mohallah Rang Pura UC 10	M/s Syed Irshad Hussain	160 dt 08.08.2019	1314000	26280
Construction & repair of dumping point inside city Gujrat	M/s Rajid Ali & Brothers	259 dt 19.10.2019	1200000	24000
P/F road studs in MC Limits Gujrat	M/s Rana Amir Shahzad	269 dt 22.10.2019	400000	8000
Rehab. / desilting and cleaning Sewer line Ramtalai Disposal to Prince Chowk Gujrat	M/s Syed Irshad Hussain	304 dt 12.11.2019	3000000	60000
Construction/Repair Bus Bay and slip road Katchary Chowk near Zahoor Elahi Stadium Gujrat	M/s Rajid Ali & Brothers	50 dt 25.03.2020	1641000	32820
Construction/Repair Quarter Mir Nouman MC Mohallah Ali Masjid near Islamia School	M/s Ibrar Hussain Dar	53 dt 25.03.2020	1200000	24000
Construction Streets/drains Jail road near Municipal School	M/s Sajjad Hadir	76 dt 11.07.2019	1950000	39000
Construction Streets/drains contractor Mudasar wali , sabowal road	M/s Mirza Shafiq	291 dt 15.10.2017	813000	16260
Construction/Repair/ Renovation Lari Adda Gujrat	M/s New Sachal Builders	21 dt 24.06.2019	1000000	20000
Providing manhole covers and frames (Concrete)	M/s Sajjad Hadir	03 dt 17.06.2019	1000000	20000
Construction of Nallah Cha Tahrang road toward furit mandi GT road	M/s Rajid Ali & Brothers	347 dt 15.11.2017	3680000	73600
Supply of Garbage Containers 10 Nos.	M/s Yasrub Traders	46 dt 09.03.2019	3500000	70000
Total				1088580

Annexure-K

Sr. No.	Name of Scheme/Contract	Amount
1	Providing / fixing of street light system (energy saver 45-watt complete fitting) in all respect of Union Council No. 57,58,61-65,68,69 Lahore	1,620,600
2	Providing / fixing of street light system (energy saver 45-watt complete fitting) in all respect of Union Council No. 48-56,59,60,66 Lahore	1,620,600
3	Argumentation of existing street light system (LED Bulb 45 watt with plastic body complete fitting) and repair of existing lights uc 81,168,169,171,198,199 Lahore	3,206,200
4	Providing & fixing of energy savers fitting 45 watts & material for UC-83 Samanabad Zone, M.C. Lahore	1,163,841
5	Providing / fixing of street light system (energy saver 45 watt complete fitting with sodium fitting 250 watt dye-cast) for the area of MCL Wahga Zone Lahore	2,835,930
6	P/F of complete new street light for NA-135 Allama Iqbal Zone Lahore	857,380
7	Providing / fixing of street light system (energy saver 45-watt complete fitting) of Union Council No. 67,70-74,81,168,170,171,1988,199 Data Gunj Bukhsh Zone Lahore	1,525,700
8	Repair and Maintenance of Faulty Street Lights on All Roads/ Streets	377,689
9	P/F LED LIGHTS IN UC-72	241,152
10	Replacement of Spare Parts of Street Lights Vehciles (Battries, Tires, Aerial Kits, Hydrolic Pumps)	182,570
11	Fixing of Street Lights Energy Sewer With Wire Switch etc Full Set Aziz Bhatti Zone.	122,400
12	Purchase of street Light Material Under head A09601 on13/03/2020	3,856,253
13	Purchase of street Light Material Under head A09601 on 02/11/2019	1,277,474
14	Purchase of street Light Material Under head A09601 on 28/11/2019	1,209,225
15	Purchase of street Light Material Under head A09601 on 07/03/2020	1,195,835
16	Purchase of street Light Material Under head A09601 on 03/12/2019	1,080,424
17	Purchase of street Light Material Under head A09601 on 28/11/2019	1,015,326
Total		23,388,599

Annexure-L

Detail	Reserve Price 2019-20	Recovery	Less Recovery
Contract of MCL Fees Intercity Wagon Fee Sector Gujranwala Road Lahore	120,342,810	60,684,650	59,658,160
Joint Contract MCL Fees Intercity Wagon Sector Multan Road, Gulshan Ravi, Babu Sabu, Hanjerwal, Thokar Niaz Baig & Raiwind Road / Sector Ferozepur Road Lahore	112,550,000	39,035,900	73,514,100
Joint Contract of MCL Parking Fee, Bus, Coaster, Wagon etc. GBS Badami Bagh Lahore	48,466,670	20,997,290	27,469,380
Contract of MCL Fees, Intercity Wagon Sector Sheikhpura Road / Saggian Bridge Road, Lahore	50,836,530	19,919,350	30,917,180
Parking Stand, Jinnah Bus Terminal Thokar Niaz Baig, Lahore (59675 sqft).	6,461,670	966,110	5,495,560
Public Toilet No.1 near Water Tank, Public Toilet No. 2, near Driver Rest House, Public Toilet No.3, WASA Drain, Jinnah Bus Terminal Thokar Niaz Baig Lahore	3,125,580	0	3,125,580
Local Wagon Fee Route No. 107-119-131 GBS Badami Bagh Lahore	384,840	0	384,840
Total	338,657,680	141,603,300	197,054,380

Annexure-M

Sr. No.	Detail of Tender	Name of Contractor 2019-20	Arrears
1	Joint contract of MCL Fees Non AC Buses 22-Bays & AC Buses 20-Bays Badami Bagh, Lahore	Muhammad Asghar Javed	31,120,040
3	Contract of MCL Fees, AC/Non AC Buses, Jinnah Bus Terminal Thokar Niaz Baig, Multan Road, Lahore.	Abdul Shakoor Chaudry	12,207,340
4	Contract of MCL Fees AC Buses, City Bus Terminal Sikandaria Colony, Bund Road, Lahore.	Faisal Shehzad	24,044,700
6	Porter /Hand Carriage & Mazda Suzuki Pickup, Chingchee Rickshaw Fee etc. GBS Badami Bagh Lahore	Muhammad Ali & Co.	2,104,700
10	Contract of AC/Non AC Buses, Coaster, Mazda, Toyota Hiace, Hi-roof, Bus Stand Raiwind.	Abdul Shakoor Chaudry	1,608,560
11	Site for Motor Cycle / Car/Truck & Mazda Parking Plot No. 1 & rear plot Dispensary old Truck Stand Ravi Link Road Lahore	Muhammad Ali & Co.	937,280
12	Ideal Parking Vehicles City Bus Terminal, Sikandaria Colony Bund Road, Lahore.	Mubeen Ashraf Gondal	1,114,200
17	Site for Tuckshop front Non AC Buses opposite Bay No.7 adjacent old Waiting Hall GBS Badami Bagh Lahore (Size 10x23)	Abid Hussain	263,430
18	Site for Tuckshop front Non AC Buses opposite Bay No.16 (8x8)	Muhammad Junaid	565,720
19	Site for Tuckshop front Non AC Buses opposite Bay No.22 (8x8)	Abdul Shakoor Chaudry	282,200
20	Site for Tuckshop No. 1 Intercity wagon stands 47-Bays (8x8)	Muhammad Asghar Javed	256,100
21	Site for Tuckshop No. 2 Intercity wagon stands 47-Bays (8x8)	Shehbaz Iftikhar	265,100
24	Site for Tuckshop front AC Vehicle Stand No.32 (8x8)	Muhammad Junaid	518,580
25	Tuckshop PCO & Newspaper No.1 inside Waiting Hall New Bus Terminal (Size 8x9)/Biryani & Slaad No.2 inside waiting hall new bus terminal (8x9) / Bakers & Sweets No.3 inside Waiting Hall New Bus Terminal (8x9) / Disposable Fast Food No.4 inside Waiting Hall New Bus Terminal (11x9)	Muhammad Asghar Javed	479,100
26	Cafeteria upper storey New Bus Terminal Badami Bagh Lahore (10x4)	Muhammad Asghar Javed	27,820
27	Public Toilet Male & Female inside New Bus Terminal Badami Bagh Lahore	Muhammad Ali & Co.	940,920
38	Site for Tuckshop No.2 outside Jinnah Bus Terminal Thokar Niaz Baig Lahore (6x6)	Muhammad Asghar Javed	363,280
40	Public Toilet No.4 near 22-Bays, Public Toilet No.5 near Male Waiting Hall, Public Toilet No.6 near Female Waiting Hall Jinnah Bus Terminal Thokar Niaz Baig Lahore	Abid Hussain	663,560
42	Canteen / Tuck shop inside Trailer structure at park corner outside office, GBS Badami Bagh Lahore	Muhammad Asghar Javed	86,740
43	Site for Canteen outside Jinnah Bus Terminal Thokar Niaz Baig Lahore (8x15)	Muhammad Asghar Javed	368,200
	Total		78,217,570

Sr. No	Detail of Tender	Date of Auction	Date of collection	Late (No. of days)	Per day penalty	Total penalty
1	ٹھیکہ MCL فیس اے سی بیس سٹی بس ٹرمینل سکندریہ کالونی بند روڈ لاہور	26 & 27.6.2019	6.11.2019.12.2019.1.2020.2.20206.3.2020	5	10,000	50,000
2	انٹیڈ پارکنگ گاڑیاں سٹی بس ٹرمینل سکندریہ کالونی بند روڈ لاہور	26 & 27.6.2019	6.12.2019.1.2020.2.20206.3.2020	4	10,000	40,000
3	کتنین ملحقہ دفتر ٹی ایم اے راوی	13&	April-4.12.2020	248	5,000	1,240,000

	ٹاؤن (15x17)	14.6.2019				
4	پس سی او/ ٹک شاپ ملحقہ دفتر ٹی ایم اے راوی ٹاؤن لاہور (15x8)	13& 14.6.2019	April-4.12.2020	248	5,000	1,240,000
5	جگہ ٹک شاپ فرنٹ نان اے سی بسیں بلمقابل سٹیٹ نمبر 16 (8x8)	14.9.2019	8.11.20199.12.2 0198.2.202011. 3.2020	4	5,000	20,000
6	جگہ ٹک شاپ اے سی گاڑیاں پارکنگ سٹیٹ (8x8)	26&27.6. 209	April-4.12.2020	248	5,000	1,240,000
7	جگہ ٹک شاپ فرنٹ اے سی گاڑیاں سٹیٹ نمبر 32 (8x8)	14.9.2019	8.11.20199.12.2 0198.2.202011. 3.2020	4	5,000	20,000
8	جگہ ریستورنٹ نمبر 2 فرنٹ ورکشاپ پلاٹ نمبر 5 ٹرک سٹیٹ روی لنک روڈ لاہور (20x20)	13&14.6. 2019	April-4.12.2020	248	5,000	1,240,000
9	ٹک شاپ نمبر 1 سٹی بس ٹرمینل سکندریہ کالونی (17x13)	13&14.6. 2019	April- 27.11.2020	241	5,000	1,205,000
10	ٹک شاپ نمبر 2 سٹی بس ٹرمینل سکندریہ کالونی (17x13)	13&14.6. 2019	April- 27.11.2020	241	5,000	1,205,000
11	کارگو آفس سٹی بس ٹرمینل سکندریہ کالونی (7x24)	13&14.6. 2019	April- 27.11.2020	241	5,000	1,205,000
12	ریستورنٹ جناح بس ٹرمینل ٹھوکر نیاز بیگ (90x40)	13&14.6. 2019	April-4.12.2020	248	5,000	1,240,000
13	ٹک شاپ نمبر 1 (اندرون جناح بس ٹرمینل) ٹھوکر نیاز بیگ لاہور (15x10)	13&14.6. 2019	April-4.12.2020	248	5,000	1,240,000
14	ٹک شاپ نمبر 2 (اندرون جناح بس ٹرمینل) ٹھوکر نیاز بیگ لاہور (15x10)	13&14.6. 2019	April-4.12.2020	248	5,000	1,240,000
15	جگہ ٹک شاپ نمبر 1 (بیرون جناح بس ٹرمینل) ٹھوکر نیاز بیگ لاہور (6x6)	26 & 27.6.2019	April- 27.11.2020	241	5,000	1,205,000
16	پبلک لیٹرین فرنٹ نان اے سی بسیں 22 بیڑ بادامی باغ لاہور	13&14.6. 2019	April- 27.11.2020	241	5,000	1,205,000
17	جگہ کتتین بیرون جناح بس ٹرمینل ٹھوکر نیاز بیگ لاہور (8x15)	13&14.6. 2019	April-4.12.2020	248	5,000	1,240,000
18	جگہ ریستورنٹ نمبر 4 نزد 7 شاپسیرانا ٹرک سٹیٹ راوی لنک روڈ لاہور (8x6)	13&14.6. 2019	April- 26.11.2020	240	5,000	1,200,000
19	جگہ کتتین بس سٹیٹ رائے ونڈ					17,275,000

Annexure-N

Sr. No.	Name	Rent Received	Reasonable Rent Per Month	Less Rent	Loss per Year
1	Ch. Sardar Muhammad	7,212	25,000	17,788	213,456
2	Abdul Razzaq	7,212	25,000	17,788	213,456
3	Ikraam Ali	7,212	25,000	17,788	213,456
4	Rana Mubashar Hussain	7,212	25,000	17,788	213,456
5	Rana Tassaduq Hussain	7,212	25,000	17,788	213,456
6	M. Nazir	7,212	25,000	17,788	213,456
7	Mian M. Sharif	7,212	25,000	17,788	213,456
8	Khalil Ahmed Qureshi	7,212	25,000	17,788	213,456
9	M. Siddique	7,212	25,000	17,788	213,456
10	Nisaar Ahmed	7,212	25,000	17,788	213,456
11	Naeem Malik	7,212	25,000	17,788	213,456
12	Malik fazal Kareem & M. Aslam	7,935	25,000	17,065	204,780
13	M. Rafique	8,045	25,000	16,955	203,460
14	M. Jameel	7,212	25,000	17,788	213,456
15	Arshad Mehmood	7,212	25,000	17,788	213,456
16	Shoukat Ali & Abdul hameed	7,212	25,000	17,788	213,456
17	M. Hanif	7,212	25,000	17,788	213,456
18	M. Arif	7,212	25,000	17,788	213,456
19	Abdul Latif	7,212	25,000	17,788	213,456
20	Sufi M. Yaqoob	7,212	25,000	17,788	213,456
21	M. Riaz	7,212	25,000	17,788	213,456
22	Irshad Ahmed Qureshi	7,212	25,000	17,788	213,456
23	Nazir Hussain	7,212	25,000	17,788	213,456
24	Shahid Tabassum	8,045	25,000	16,955	203,460
25	Ghulam Rabbani	7,212	25,000	17,788	213,456
26	Khalil Ahmed	8,045	25,000	16,955	203,460
27	Abdul aziz	7,212	25,000	17,788	213,456
28	Mushtaq Ahmed	7,212	25,000	17,788	213,456
29	Abdul Shakoob	7,935	25,000	17,065	204,780
30	Abdul Manan	7,212	25,000	17,788	213,456
31	Haji Abdul Razzaq	7,212	25,000	17,788	213,456
32	Liaqat Ali	7,935	25,000	17,065	204,780
33	M. Ashraf & Akbar Khan	7,212	25,000	17,788	213,456
34	Abdu Ghafoor	3,610	25,000	21,390	256,680
35	M. Iqbal	3,610	25,000	21,390	256,680
36	Ghulam Muhammad	7,212	25,000	17,788	213,456
37	M. Iqbal	7,212	25,000	17,788	213,456
38	M. Rafique	7,212	25,000	17,788	213,456
39	Sufi M. Riaz	7,212	25,000	17,788	213,456
40	M. Rafique	7,212	25,000	17,788	213,456
41	M. Saeed	7,212	25,000	17,788	213,456
42	M. Ishaq	7,212	25,000	17,788	213,456
43	Khawaja M. Latif	7,212	25,000	17,788	213,456
44	M. Saad	7,212	25,000	17,788	213,456
45	Azhar Hussain	7,212	25,000	17,788	213,456
46	Syed Shafqat Hussain Shah	7,212	25,000	17,788	213,456
47	M. Sharif	7,212	25,000	17,788	213,456
48	Irfan Elahi	7,212	25,000	17,788	213,456
49	Ayad Ullah Butt	7,212	25,000	17,788	213,456
50	Sadar-ud-Din	7,212	25,000	17,788	213,456
51	Khawaja Abdul Qayyum	7,212	25,000	17,788	213,456
52	M. Yasin	7,212	25,000	17,788	213,456
53	Ghulam Nabi	7,212	25,000	17,788	213,456
54	M. Hassan	7,212	25,000	17,788	213,456
55	M. Latif	7,212	25,000	17,788	213,456
56	Zahir-ud-Din Butt, Zaka-ud-Din Butt & Alla-ud-Din Butt	2,420	25,000	22,580	270,960
57	Gull Akbar Khan	13,625	25,000	11,375	136,500
58	M. Draz & Nasir Ahmed	7,448	25,000	17,552	210,624
59	Abdul Razzaq	7,448	25,000	17,552	210,624
60	Mushtaq Ahmed	7,448	25,000	17,552	210,624
61	Mushtaq Ahmed	7,448	25,000	17,552	210,624
					13,020,468

Annexure-O

Office	Date	Amount
Restoration of Road Cuts Storm Water Drainage System From Haji Camp to Sham Nagar via Lakshmi Chowk Mclgan Road, Jain Mandar, Chouburji Chowk to Sham Nagar Lahore.	16/01/2020	8,469,193
Restoration of Road Cuts Made by SNGPL at Madre e Millat Road Green Town To Ghazi Chwk College Road Township Lahore	22/06/2020	4,885,894
Restoration of Road Cuts as Per Enclosed Estimates in Jurisdiction Of Gulberg Zone	24/04/2020	4,254,375
Restoration of Road Cuts as Per Enclosed Estimates in Jurisdiction of Nishter zone	24/04/2020	2,677,557
Road Cut Made by Suigas Makan Pura and Allied Roads in Shalimar Zone	19/02/2020	2,011,689
Restoration of Road Cuts as per Enclosed Estimates in Jurisdiction of Allama Iqbal Zone	04/11/2019	1,902,703
Rehabilitation Road Cut Timber Market (Part-4)	18/09/2019	1,333,163
Restoration of Road Cuts as Per Enclosed Estimates in Jurisdiction of Gulberg Zone	20/06/2020	1,285,325
Restoration of Road Cuts From Urdu Bazar Upto Karbala Gamay Shah Lahore (Part-I)	07/05/2020	1,022,654
Restoration of Road Cuts for Laying of Fiber Optical Cable at Mustafa Town Exchange AREA Ahmad Yar Block, Abbas Block Education Town and Kramat Colony	26/12/2019	867,587
Restoration of Road Cuts in Different Locations / Areas in Jurisdiction of Gulberg Zone	29/06/2020	637,204
Restoration of Road Cuts as Per Enclosed Estimates in Jurisdiction of Ravi zone	08/11/2019	546,361
Restoration of road cuts Storm Water drainage system From Haji Camp to Sham Nagar VIA VIA Lakshmi Chowk Mclgan Road, Jain MANDAR, Chouburji Chowk to Sham Nagar Lahore.	06/05/2020	488,033
Restoration of Road Cut, Tuff Tile, PCC at Church King Mehal to King Mehal School to Mini Market Near U FONE to P Block, Gurumangat to Bloom School To Provincial Highway Workshop To Back Side of Siddique Trade Centre Near Gulberg Exchange Marateb Ali Road, Sikander Malhi Road, Rana Shaukat Mahmood Road, Main Market Gulberg, Mushtaq Gurmani Road, Back Side Macdonalds Near Punjab College, Police Station Ghalib Market, Gulberg-V	19/02/2020	403,504
Road Cut Made by Suigas Makan Pura and Allied Roads in Shalimar zone	20/06/2020	153,923
Restoration of Road Cuts Storm Water Drainage System From Haji Camp to Sham Nagar via VIA Lakshmi Chowk Mclgan Road, Jain Mandar, Chouburji Chowk to Sham Nagar Lahore.	13/05/2020	6,566
Restoration of Road Cut, Tuff Tile, PCC at Church KING Mehal To King Mehal School to Mini Market Near U FONE to P Block, Gurumangat To Bloom School to Provincial Highway Workshop To Back Side of Siddique Trade Centre Near Gulberg Exchange Marateb Ali Road, Sikander Malhi Road, Rana Shaukat Mahmood Road, Main Market Gulberg, Mushtaq Gurmani Road, Back Side Macdonalds Near Punjab College, Police Station Ghalib Market, Gulberg-V	13/05/2020	4,134
		30,949,865

Annexure-P

Sr. No.	Name of Scheme/Contract	Premix Carpeting		
		Qty	Rate	Amount
1	Restoration of road cuts strom water drainage system from Haji Camp to Sham Nagar via Lakshmi Chowk Mecload Road Jain Mander Chouburji Chowk to Sham Nagar Lahore	37138 SFT	9022.65	3,350,896.00
		34622.96 SFT	11354.48	3,931,257.00
2	Repair & maintenance of Road Main Nonarian Bazar to new Shalimar Road Nonarian Pull UC-80 MCL Samanabad Zone Lahore	20200 SFT	8955.21	1,808,952.00
3	Rehabilitation of Sher Shah Road Gandhi Bambi to Bara dari Chowk	25126 SFT	9622.66	2,411,789.00
4	Restoration of road cuts made by SNGPL at Madr-e-Millat Road green Town to Ghazi Chowk College Road Township	3486 SFT	9622.88	3,354,632.00
5	Rehabilitation / repair of Road Rasheed Chowk to Moulana Choukat Ali Road, Lahore	224103	9719.24	2,178,082.00
6	Construction PCC and Carpeting Nabi Pura Ghose Azam Colony Nabi Pura UC 201	125868 SFT	8815.82	1,109,628.00
7	Reconditioning/re-carpeting of road 1-H, to 6-H Link Mini Market Gulberg Zone	13020	7800.99 % cft	1,015,859.00
8	Construction of duel carriage way Khawaja Ahmad Hassan Road	16464 CFT	7355.50 %CFT	1,211,010.00
				20,372,105.00

Annexure-Q
6.5.2.2

Name of Market	Description	No.	Rental value	Yearly Rent of each shop	Total loss
Sabzimandi (plots 7x10)	Plot # 9,10, 33, 34, 38, 41, 44, 46, 54, 60	10	5,500	66,000	660,000
Sabzimandi (plots 6x4)	Plot # 5 to 33,36 to 40, 50, 53, 65, 67-70, 80, 81, 83	44	2,500	30,000	1320,000
Astabal Road	Shop No. 55, 56 & 77	3	11,000	132,000	396,000
Sher pao Market	Shop No.42 to 63	22	6,600	79,200	1742,400
Sher pao Market	Shop No.134 to 136	3	6,600	79,200	237,600
Banni Market	Shop No.1 to 6, 60, 149, 150, 230, 268, 270, 299, 305, 306, 315, 351, 356-361, 363 (24 shops)	24	3,300	39600	950,400
Ghazani-II	Shop No.205, 206	2	5,500	66,000	660,000
Ghazani-VI	Shop No.43, 48, 49 50	4	8250	99,000	396,000
PirwadhaiAdda-Block B	Shop No.57, 79, 80	3	16,500	198000	594,000
PirwadhaiAdda-KooraGudam	Shop No.36, 37, 42, 43, 46	5	5000	60,000	300,000
PirwadhaiAdda-Suzuki stand	Shop No.153, 164, 168, 171,	4	5000	60,000	240,000
PirwadhaiAdda-Van stand	Shop No.7, 11, 12	3	5000	60,000	180,000
PirwadhaiAdda-Fruit block	Shop No.172	1	5000	60,000	60,000
PirwadhaiAdda-Transport block	Shop No.1-A, 1-B	2	5,500	66,000	132,000
	Total				7,868,400

Annexure-R

Sr. No.	Name of Owner	Total Area of Land in marla	Residential Rate per Marla as per Valuation Table 2019-2020	Total Value of plot	Conversion Fee Received	Commercial Rate per Marla Vide S.No. of Valuation Table 2019-2020	Total value	Assessment of Conversion Fee as per Commercial Rate
1.	Shafiq-ur-Rehman	3	1,012,000	3,036,000	303,600	1,780,400	5,341,300	534,130
2.	Abdul hameed	5.5	691,955	3,805,755	380,575	1,349,760	7,423,680	742,368
3.	Ijaz ahmad	4.05	592,020	2,402,905	1,140,895	2,393,380	9,693,189	969,319
4.	Zeeshan bux	3.36	937,365	3,156,715	315,675	1,695,100	5,695,536	569,553
5.	Muhammad fayaz	10.75	863,995	9,287,950	928,800	2,346,580	25,225,735	5,045,147
6.	Asghar Ali	27.32	977,845	26,715,660	5,343,125	1,543,300	42,162,956	8,432,591
7.	Mr Ghulam Shabir	5.5	691,955	3,805,755	380,575	1,349,760	7,423,680	742,368
	TOTAL				8,793,245			62,442,476
	Difference					8,793,245-62,442,476		53,649,231

Annexure-S

Sr. No.	Items	Supplier	Vr No/Date	Bill No./Date	Amount
1	Sanitizers and Face Mask	Arbab & Co	278/06-2020	NIL	99,684
2	Copper Wire		279/06-2020	NIL	35,955
3	Supply of Bamboos for Health Branch	M. Jabbar	80/06-2020	NIL	198,880
4			81/06-2020	NIL	198,880
5	Painting Divider Khushab Road *** WO 07.04.20	Mudassar Hussain Natt	85/06-2020	NIL	99,450
6	Painting Divider from Chungi No.17 to Main Water Works ***WO 15.04.20		87/06-2020	NIL/20.04.20 20	97,996
7	Supply of 100 W LED lights for Mela Mandi	Owlakh Construction Co	181/06-2020	NIL	30,000
8	Painting Divider Arfa Motors Lahore Road*** WO 20.05.20	Muneer Hussain Butt Traders	98/06-2020	NIL	66,900
9	Repair of Suction Pipe Ludy Wala		275/06-2020	NIL	74,200
10	Providing Tractor Trollies (Rented) for cleaning and dumping at GPO Office Shaheen Abad Road	Mudassar Hussain Natt	110/06-2020	NIL	98,780
11	Providing Excavator for Cleaning and digging trench Lahore Road	Owlakh Construction Co	111/06-2020	NIL	99,000
12	Supply of Street Lights Material	Muhammad Zia Ullah Khan Niazi	111A/06-2020	NIL	1,550,205
13	Strychnine (Dog killer Medicine)	M. Jabbar	164/06-2020	NIL	400,000
14	Face Masks and Hand Sanitizers	Muhammad Zia Ullah Khan	165/06-2020	NIL/23.05.20 20	88,050
15	S/o Sogo Lights Bulbs, Chowks etc		167/06-2020	NIL/01.06.20 20	99,329
16	Face Masks and Hand Sanitizers		168/06-2020	NIL/05.06.20 20	49,640
17			169/06-2020	NIL/28.04.20 20	49,734
18	Paint Brush and Paint for Divider Shaheen Chowk	M Jabbar	135/06-2020	NIL	98,317
19	Repair of Pick up No.SGG 139	Sufi Asghar Ali	306/12-2019	NIL	98,786
20	P/F 4 core wire for street lights circuit house road	M. Ramzan	307/12-2019	NIL	89,950
21	Lime etc. for Eid Milad un Nabi (SAW)	Hashmi Brothers	309/12-2019	NIL	98,761
22	New Radiator and Water Body for Dumper 145		310/12-2019	NIL	65,432
23	Liquid Chlorine for Chlorinators and Bleaching powder	Munir Hussain Butt Traders	97/12-2019	NIL	98,800
24	New Grass Cutter Machine etc		98/12-2019	NIL	96,100
25	Bamboos for Health Branch	M. Jabbar	260/12-2019	NIL	198,880
26	Lime for Eid Milad un Nabi (SAW)	Hashmi Brothers	371/12-2019	NIL	82,300
27	Repair of Sucker Machine 5193	Muhammad Zia Ullah Khan	415/12-20109	NIL	99,915
28	P/F Energy savers	Muhammad Zia Ullah Khan	416/12-2019	NIL S.O 19.12.2019	46,946
29	Street Lights material for Moharram Routes	Muhammad Zia Ullah Khan	335/12-2019	NIL/10.12.20 19	598,692
30	Supply or Almirah for Light branch	Owlakh Construction Co	185/06-2020	NIL	37,000
31	Repair of Tractor 10 Messi 240	Hashimi Brothers	312/06-2020	NIL	96,919
32	Supply of LED 18 Watt Bulb for Street lights Y Block	Hashmi Brothers	314/06-2020	NIL	35,000
33	Repair of Dumper 13 for clean and green program	Muhammad Zia Ullah Khan	316/06-2020	NIL	98,269

34	Supply and Erection of Bracket Fans in Office		317/06-2020	NIL	89,500
35	Prov of Clutch Plates for Succer Machine Clean and Green program	Ms Arbab & Co	321/06-2020	NIL	97,917
36	Engine overhaul of Peter Engine Clear and Green program		322/06-2020	NIL	99,470
37	P/F Arm Roll No 16		323/06-2020	NIL	99,456
38	Painting of Road Divider	Sargodha Const. Co	224/06-2020	NIL	99,474
39	Providing of Bamboos for Health Branch	M. Jabbar	334/06-2020	NIL	198,880
40	Painting Divider Opp. Local Govt Office	Saqib Saleem	66/06-2020	NIL	94,500
41	S/o Paint, Brush etc for Divider MPC Sargodha		67/06-2020	NIL	97,883
42	P/F Barbed wire for safety of plants wall mela mandi ground	Hashmi Brothers	69/06-2020	NIL	98,500
43	P/F Radiator Wiring and other work sucker machine 21		70/06-2020	NIL	97,000
44	Supply of Dog killing Medicine	Abid Hussain Co	71/06-2020	NIL/30.03.2020	99,000
45	P/F Batter Upper Engine, Repair of Diesel pump sucker machine	Muhammad Zia Ullah Khan	75-06-2020	NIL	98,828
46	Repair of Tractor No.22 Clean and Green Program	Mudassar Hussain Natt	343/06-2020	NIL	87,408
47	Repair of Arm Roll 152 Clean and Green program		344/06-2020	NIL	99,800
48	Repair of Loader 30 Messi 375 used in Clean and Green Program		345/06-2020	NIL	94,466
49	Repair of Dumper 144 Clean and Green		346/06-2020	NIL	97,887
50	Engine overhaul Tractor 24 Clean and Green		347/06-2020	NIL	98,300
51	P/F Finger Plates Dumper 17 for Clean and Green		349/06-2020	NIL	99,500
Total					7,124,519

Annexure-T

Sr No	Name of Scheme	Work Order No	below	Cost Estimate	Additional Performance security
1	Reconstruction/Repair Street Rasheed Javed to Master Azam etc Mohallah Shamas Pura Hamza Ghous RCC sever line from Chowk Kathian to Kathian wala chowk Hamza Ghouse	MC/Works/246 dated 04.02.2020	16.90% below	4,887,000	825903
2	Reconstruction/Repair RCC sever line from Chowk Kathian to Kathian wala chowk Hamza Ghouse	MC/Works/247 dated 04.02.2020	13.00% Below	2,049,000	266370
3	Reconstruction/Repair RCC sever line from Aimenabd Road to Mehar Shahbaz from Link Hafiz Zahid Chowk to Aimenabd road etc Hamza Ghous	MC/Works/234 dated 30.01.2020	17.03% below	9,400,000	1600820
4	Reconstruction/Repair RCC sever line from Aimenabd Road to Mehar Shahbaz from Hafiz General Store to Nala Aik Daska Road Hamza Ghous	MC/Works/249 dated 04.02.2020	16.30% Below	2,873,000	468299
5	Reconstruction/Repair RCC sever line Tuff tile from Graveyard Mughal House to towards Mian Shaihid Rang Mahal street Rangpura Pura Heeran	MC/Works/231 dated 30.01.2020	11.55% below	1,762,000	203511
6	Reconstruction Tuff tile from Azam House Azhar Hospital toward Arshad House etc Duburgi Arian	MC/Works/230 dated 27.01.2020		5,034,000	553740
7	Patch work Roads City Package	MC/Works/169 dated 05.12.2019	5.60% below	17,000,000	952000
8	Line Marking City Area Roads	MC/Works/292 dated 06.03.2020	19.19% below	9,400,000	1803860
9	Rehabilitation/Reconstruction of Nasir Street,Qasim Street etc Haji Pura			10,000,000	950000
10	Rehabilitation/Reconstruction RCC Sever Pipe Line & Tuff tile Main Hunterpura etc towards Nala Palkhoo Gohadpur	MC/Works/374 dated 02.07.2020	15.66% below	11,000,000	1722600
					9,347,103

Annexure-U

Sr	Name of Scheme	Work Order No	Time period	Cost Estimate	Penalty @ 10%
1	Reconstruction/Repair Street Rasheed Javed to Master Azam etc Mohallah Shamas Pura Hamza Ghous RCC sever line from Chowk Kathian to Kathian wala chowk Hamza Ghouse	MC / Works / 246 dated 04.02.2020	90 days	4,887,000	488700
2	Reconstruction/Repair RCC sever line from Chowk Kathian to Kathian wala chowk Hamza Ghouse	MC/Works/247 dated 04.02.2020	60 days	2,049,000	204900
3	Reconstruction/Repair RCC sever line from Aimenabd Road to Mehar Shahbaz from Link Hafiz Zahid Chowk to Aimenabd road etc Hamza Ghous	MC/Works/234 dated 30.01.2020	90 days	9,400,000	940000
4	Reconstruction/Repair RCC sever line from Aimenabd Road to Mehar Shahbaz from Hafiz General Store to Nala Aik Daska Road Hamza Ghous	MC/Works/249 dated 04.02.2020	90 days	2,873,000	287300
5	Reconstruction of Drain from Bao Ayub Chowk towards Rarhi chowk Ward No 5 Pura Heeran	MC/Works/270 dated 06.02.2020	60 days	3,176,000	317600
6	Reconstruction Tuff tile from Azam House Azhar Hospital toward Arshad House etc Duburgi Arian	MC/Works/230 dated 27.01.2020	60 days	5,034,000	503400
7	Reconstruction/Repair RCC sever line & Tuff tile from Rashid towards Zahid etc Sher pura Mohallah Lalpura Talwara Mughlan	MC/Works/236 dated 30.01.2020	90 days	3,588,000	358800
8	Reconstruction/Repair RCC sever line & Tuff tile from PSO Pump Towards Haji House kaky wali Road Pindi Arian	MC/Works/255 dated 06.02.2020	45 days	1,473,000	147300
9	Patch work Roads City Package	MC/Works/265 dated 06.02.2020		17,000,000	1700000
10	Line Marking City Area Roads	MC/Works/292 dated 06.03.2020	30 days	9,400,000	940000
11	Improvement of Park Shawala Teja Singh	MC/Works/293 dated 06.03.2020	30 days	3,220,000	322000
12	Improvement of Haider Park	MC/Works/297 dated 06.03.2020	30 days	3,953,000	395300
13	Rehabilitation/Reconstruction of Nasir Street, Qasim Street etc Haji Pura	MC/Works/325 dated 06.03.2020	60 days	10,000,000	1000000
14	Rehabilitation/Reconstruction RCC Sever Pipe Line & Tuff tile Main Hunterpura etc towards Nala Palkhoo Gohadpur	MC/Works/374 dated 02.07.2020	60 days	11,000,000	1100000
	Total			87,053,000	8705300

Annexure-V

Name of Scheme	Date of Tender	Name of Contractor	Cost Estimate	Deduction of salary from the contractor
Patch work Roads City Package	23.11.2019	Touqeer Hussain	17,000,000	350,000
Rehabilitation/Reconstruction RCC Sever Pipe Line & Tuff tile Main Hunterpura etc towards Nala Palkhoo Gohadpur	30.6.2020	Kashif Ishaq & Co	11,000,000	350,000
Rehabilitation/Construction/Repair of Main Holes Slabs Streets City Area		M.S Islam udin & Co	10,000,000	350,000
Rehabilitation/Reconstruction of Nasir Street, Qasim Street etc Haji Pura	03.06.2020	Zulfiqar	10,000,000	350,000
Construction/Repair PCC Roads Streetes & Carpet Road RCC Slabs	14.11.2019	Malik Muhammad Nasir	9,528,000	350,000
Reconstruction/Repair RCC sever line from Aimenabd Road to Mehar Shahbaz from Link Hafiz Zahid Chowk to Aimenabd road etc Hamza Ghous	23.12.2019	Alshafi Contractors	9,400,000	350,000
Line Marking City Area Roads	15.2.2020	Bajwa & Co	9,400,000	350,000
Reconstruction Tuff tile from Azam House Azhar Hospital toward Arshad House etc Duburgi Arian	23.12.2019	M.S Javed Akhtar	5,034,000	250,000
Fabrication Main Hole covers Size 22", 24" & 26"	12.9.19	Muhammad Ifkthar Ali	5,000,000	250,000
Reconstruction/Repair Street Rasheed Javed to Master Azam etc Mohallah Shamas Pura Hamza Ghous RCC sever line from Chowk Kathian to Kathian wala chowk Hamza Ghouse	23.12.2019	Ch Sanaullah Goraia	4,887,000	250,000
Improvement of Haider Park	15.2.2020	M .Waleem & Co	3,953,000	200,000
Reconstruction/Repair RCC sever line & Tuff tile from Rashid towards Zahid etc Sher pura Mohallah Lalpura Talwara Mughlan	23.12.2019	M.S Lasani & Co	3,588,000	200,000
Provision and erraction Cnncreet Grating	15.2.2020	R.A Builders	3,245,000	200,000
				3,800,000

Annexure-W

Sr. No.	Name of Contract	Total Demand	Received Amount	Remaining per month Installment	I. Tax	PST	P. Tax	Salary	Total Outstanding Amount
1	Slaughtering Fee	3,403,340	3,085,730	254,250	28,250			35,110	317,610
2	Advertisement Tax	51,536,318	41,034,818	3,322,382			10,000	169,118	3,501,500
3	Parking Fee Commissioner Road	2,818,134	2,482,300	162,000	18,000	38,800		117,034	335,834
4	Car Parking Fee Over Head Bridge	575,780	564,262	39,870	4,430	7,088			11,518
5	Parking Fee outside Sahulat Center	872,040	835,680		13,600	21,760	1,000		36,360
6	Parking Fee Paris Road	8,670,574	7,741,355	404,700	63,300	349,525		111,694	929,219
7	Parking Fee Allama Iqbal Chowk, Metropolitan Bank Mujahid Road etc.	2,302,834	2,000,340	126,450	14,050	44,960		117,034	302,494
8	Parking Fee outside Nadra Office Church Road HBL Shahab Road	1,185,380	1,086,740	74,850	9,150	14,640			98,640
9	Praking Fee outside Syed Medical Complex	1,428,020	1,301,000	98,550	10,950	17,520			127,020
10	Parking Fee outside Sialkot Medical Complex	3,306,194	2,939,150	200,250	22,500	35,000		104,194	361,944
11	Parking Fee Chowk Shaheedan	142,600	132,700	9,900					9,900
12	Praking Fee AlKhidmat Children Hospital	64,400	627,000						
	Total	76,305,614	63,831,075	140,136,689					6,032,039

Annexure-X
8.5.4.2

Sr. No.	Name of Contract	Name of Contractor	Auctioned Amount	PST
1	Parking Fee Commissioner Road	Pak Management Network: Azhar Abbas	1,800,000	288,000
2	Car Parking Fee Over Head Bridge	Sarwar Shah	443,000	70,880
3	Parking Fee outside Sahulat Center	Sarwar Shah	680,000	108,800
4	Parking Fee Paris Road	Sarwar Shah	6,330,000	1,012,800
5	Parking Fee Allama Iqbal Chowk, Metropolitan Bank Mujahid Road etc.	Kashif Anwar	1,405,000	224,800
6	Parking Fee outside Nadra Office Church Road HBL Shahab Road	Kashif Anwar	915,000	146,400
7	Praking Fee outside Syed Medical Complex	Kashif Anwar	1,095,000	175,200
8	Parking Fee outside Sialkot Medical Complex	Mian Ijaz	2,225,000	356,000
9	Parking Fee Chowk Shaheedan	Mian Ijaz	110,000	17,600
10	Parking Fee Irrigation Office	Pervaiz Hussain	110,000	17,600
11	Parking Fee Zohra Memorial	Nazar Abbas	150,000	24,000
12	Parking Fee AlKhidmat Children Hospital	Mian Ijaz	500,000	80,000
13	Parking Fee MCB Bank	Ammadul in	60,000	9,600
Total			15,823,000	2,531,680

Annexure-Y

Sr. No.	Name of Contract	Name of Contractor	Auctioned Amount
1	Slaughtering Fee	Ch .Naveed Raza	2,825,000
2	Advertisement Tax	Zabta Khan	44,700,000
3	Parking Fee Commisisoner Road	Pak Management Network: Azhar Abbas	1,800,000
4	Car Parking Fee Over Head Bridge	Sarwar Shah	443,000
5	Parking Fee outside Sahulat Center	Sarwar Shah	680,000
6	Parking Fee Paris Road	Sarwar Shah	6,330,000
7	Parking Fee Allama Iqbal Chowk, Metropoliton Bank Mujahid Road etc.	Kashif Anwar	1,405,000
8	Parking Fee outside Nadra Office Church Road HBL Shahab Road	Kashif Anwar	915,000
9	Praking Fee outside Syed Medical Complex	Kashif Anwar	1,095,000
10	Parking Fee outside Sialkot Medical Complex	Mian Ijaz	2,225,000
11	Parking Fee Chowk Shaheedan	Mian Ijaz	110,000
12	Parking Fee Irrigation Office	Pervaiz Hussain	110,000
13	Parking Fee Zohra Memorial	Nazar Abbas	150,000
14	Praking Fee AlKhidmat Children Hospital	Mian Ijaz	500,000
15	Parking Fee MCB Bank	Ammadul in	60,000
Total			63,348,000