



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
TEHSIL MUNICIPAL ADMINISTRATIONS  
LODHRAN**

**AUDIT YEAR 2015-16**

**AUDITOR GENERAL OF PAKISTAN**

## TABLE OF CONTENTS

<b>ABBREVIATIONS AND ACRONYMS .....</b>	<b>i</b>
<b>PREFACE .....</b>	<b>ii</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>iii</b>
<b>SUMMARY TABLES AND CHARTS .....</b>	<b>vii</b>
Table 1: Audit Work Statistics .....	vii
Table 2: Audit observations regarding Financial Management .....	vii
Table 3: Outcome Statistics.....	viii
Table 4: Irregularities Pointed Out.....	ix
Table 5: Cost Benefit.....	ix
<b>CHAPTER-1 .....</b>	<b>1</b>
1.1 Tehsil Municipal Administrations, Lodhran .....	1
1.1.1 Introduction .....	1
1.1.2 Comments on Budget and Accounts .....	1
1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2014-15.....	3
1.1.4 Brief Comments on the Status of Compliance with PAC Directives.....	3
<b>AUDIT PARAS.....</b>	<b>4</b>
1.2 Tehsil Municipal Administration, Lodhran .....	5
1.3 Tehsil Municipal Administrations, Dunyapur .....	26
1.4 Tehsil Municipal Administration, Kehror Pacca .....	36
<b>Annex.....</b>	<b>45</b>
Annex-A .....	46

Annex-B .....52

Annex-C .....53

Annex-D .....54

Annex-E .....58

Annex-F .....60

Annex-G .....61

Annex-H .....62

Annex-I .....64

Annex-J .....67

Annex-K .....68

## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
B&R	Buildings and Roads
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
DDO	Drawing and Disbursing Officer
DGA	Director General Audit
DNIT	Draft Notice Inviting Tender
FD	Finance Department
GST	General Sales Tax
IPSAS	International Public Sector Accounting Standards
LED	Light-Emitting Diode
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PDG	Punjab District Government
PLGO	Punjab Local Government Ordinance
POL	Petrol, Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PVC	Polyvinyl Chloride
RCC	Reinforcement of Cement Concrete
TAC	Tehsil / Town Accounts Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Regulations)
TS	Technical Sanction
TTIP	Tax on Transfer of Immovable Properties

## **PREFACE**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 and Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to conduct audit of Receipts and Expenditures of the Local Fund and Public Accounts of District Governments.

The report is based on audit of the accounts of Tehsil Municipal Administrations of District Lodhran for the Financial Year 2014-15. The Directorate General of Audit, District Governments Punjab (South), Multan conducted audit during Audit Year 2015-16 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The observations included in this report have been finalized in the light of written responses of the management concerned and DAC directives.

The Audit Report is submitted to the Governor of Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance 2001, for causing it to be laid before the Provincial Assembly.

Islamabad  
Dated:

**(Imran Iqbal)**  
**Auditor General of Pakistan**

## **EXECUTIVE SUMMARY**

The Directorate General Audit, District Governments, Punjab (South), Multan, a Field Audit Office of the Auditor General of Pakistan is responsible to carry out the audit of all District Governments in Punjab (South) including Tehsil and Town Municipal Administration. Regional Directorate of Audit Multan has audit jurisdiction of District Governments, TMAs and UAs of six Districts i.e. Multan, Lodhran, Vehari, Sahiwal, Pakpattan and Khanewal.

The Regional Directorate Audit has a human resource of 27 officers and staff, constituting 6,094 mandays and the budget amounting to Rs 24.922 million was allocated in Audit Year 2015-16. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly, RDA Multan carried out audit of the accounts of three TMAs of District Lodhran for the Financial Year 2014-15 and the findings are included in the Audit Report.

Each Tehsil Municipal Administration in District Lodhran is headed by a Tehsil Nazim / Administrator who carries out operations as per Punjab Local Government Ordinance, 2001. Tehsil Municipal Officer is the Principal Accounting Officer (PAO) and acts as coordinating and administrative officer, responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and By-laws. The PLGO, 2001, requires the establishment of Tehsil/Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil Nazim /Tehsil Council / Administrator in the form of Budgetary Grants.

The total Development Budget of three TMAs in the District Lodhran for the Financial Year 2014-15, was Rs 247.050 million and expenditure incurred of Rs 164.791 million, showing savings of Rs 82.259 million. The total Non-development Budget for Financial Year 2014-15 was Rs 393.116 million and expenditure of Rs 283.520 million, showing savings of Rs 109.596 million in the

year. The reasons for savings in Development and Non-development Budgets are required to be explained by TMO and PAO concerned.

Audit of TMAs of District Lodhran was carried out with the view to ascertain that the expenditure was incurred with proper authorization, in conformity with laws / rules / regulations and whether the procurement of assets and hiring of services were economical or not.

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

**a. Scope of Audit**

Out of the total expenditure of the TMAs of District Lodhran for the Financial Year 2014-15 auditable expenditure under the jurisdiction of RDA, Multan was Rs 448.311 million, covering three PAOs / formations. Out of this, Regional Director Audit (District Governments), Multan audited an expenditure of Rs 125.527 million which, in terms of percentage, is 28% of total auditable expenditure and irregularities amounting to Rs 361.867 million were pointed out. RDA planned and executed audit of three formations i.e. 100% achievement against the planned audit activities.

Total receipt of the TMAs of District Lodhran for the Financial Year 2014-15, were Rs 419.824 million. RDA, Multan audited receipts of Rs 167.930 million which, in terms of percentage, is 40% of total receipts and irregularities amounting to Rs 114.940 million were pointed out.

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

Recoveries of Rs 137.520 million were pointed out by Audit which was not in the notice of the management before audit. An amount of Rs 20,000 was recovered by the management and verified by Audit during the year 2015-16, till the time of compilation of Report.

However, against the total recovery amount of Rs 155.130 million pertaining to paras (over one million) drafted in this report, no amount of recovery has been made by the management till the time of compilation of this report.

**c. Audit Methodology**

Audit was conducted after understanding the business processes of TMAs with respect to its functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity.

**d. Audit Impact**

A number of improvements in record maintenance and procedures have been initiated by departments concerned, however audit impact in shape of change in rules could not be materialized as the Provincial Accounts Committee has not discussed Audit Reports pertaining to Tehsil Municipal Administrations.

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

Internal control mechanism of TMAs of District Lodhran was not found satisfactory during audit. Many instances of Weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like withdrawal of public funds against ghost schemes. Negligence on the part of TMA authorities may be captioned as one of important reasons for Weak Internal Controls.

Section 115-A (1) of PLGO, 2001, Nazim of each District Government and Tehsil / Town Municipal Administration shall appoint an Internal Auditor but the same was not appointed in all TMAs of District Lodhran.

**f. The Key Audit Findings of the Report**

- i. Irregularities and non compliance of Rs 56.498 million noted in ten cases<sup>1</sup>
- ii. Performance issues of Rs 153.595 million were noted in thirteen cases<sup>2</sup>

---

<sup>1</sup> Para: 1.2.1.1, 1.2.1.2, 1.2.1.3, 1.2.1.4, 1.3.1.1, 1.3.1.2, 1.3.1.3, 1.4.1.1, 1.4.1.2, 1.4.1.3

<sup>2</sup> Para: 1.2.2.1, 1.2.2.2, 1.2.2.3, 1.2.2.4, 1.2.2.5, 1.2.2.6, 1.2.2.7, 1.2.2.8, 1.2.2.9, 1.2.2.10, 1.3.2.1, 1.3.2.2, 1.4.2.1



iii. Internal Control Weaknesses of Rs 42.947 million were noted in six cases<sup>3</sup>.

Audit Paras on the accounts for the Financial Year 2014-15 involving procedural violations including internal controls weaknesses, and irregularities which were not considered worth reporting to Provincial PAC, have been included in Memorandum for Departmental Accounts Committee (MFDAC)(Annex-A).

**g. Recommendations**

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

- i. Compliance of relevant laws, rules, instructions and procedures, etc.
- ii. Addressing systemic issues to prevent recurrence of various omissions and commissions.
- iii. Realization and reconciliation of various receipts.
- iv. Expediting recoveries pointed out by Audit as well as other recoveries in the notice of management.
- v. Strengthening of internal controls.
- vi. Holding of DAC meetings in time.
- vii. Compliance of DAC directives and decisions in letter and spirit.
- viii. Appropriate actions against officers / officials responsible for violation of rules and losses

---

<sup>3</sup> Para: 1.2.3.1, 1.2.3.2, 1.2.3.3, 1.3.3.1, 1.3.3.2, 1.4.3.1

## SUMMARY TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rupees in million)

Sr. No.	Description	No.	Expenditure	Receipts	Total
1	Total Entities (PAOs) in Audit Jurisdiction	03	448.311	419.824	868.135
2	Total formations in Audit Jurisdiction	03	448.311	419.824	868.135
3	Total Entities (PAOs) / DDOs Audited	03	125.527	167.930	293.457
4	Total Formations Audited	03	125.527	167.930	293.457
5	Audit & Inspection Reports	03	125.527	167.930	293.457
6	Special Audit Reports	-	-	-	
7	Performance Audit Reports	-	-	-	
8	Other Reports (Relating to TMA)	-	-	-	

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

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Unsound asset management	1.014
2	Weak financial management	153.595
3	Weak Internal controls relating to financial management	42.947
4	Others	55.484
<b>Total</b>		<b>253.040</b>

**Table 3: Outcome Statistics**

(Rupees in million)

Sr. No.	Description	Expenditure On Physical Assets	Salary	Non Salary	Civil Works	Receipt	Total	Total Last Year
1	Total Financial Outlay	11.916	164.361	107.243	164.791	419.824	868.135	881.571
2	Outlays Audited	3.875	35.416	40.858	45.378	167.930	293.457*	244.1
3	Amount placed under audit observation / irregularities pointed out	1.014	4.341	10.297	50.550	186.838	253.040	133.497
4	Recoveries pointed out at the instance of Audit	-	-	-	1.535	153.595	155.130	62.814
5	Recoveries accepted / established at Audit instance	-	-	-	1.535	153.595	155.130	62.814
6	Recoveries realized at the instance of Audit	-	-	-	-	0.020	0.020	-

\*The amount mentioned against serial No.02 in column of "Total" is a sum of Expenditure and Receipts whereas the total expenditure was Rs 125.527 million.

**Table 4: Irregularities Pointed Out**

(Rupees in million)

<b>Sr. No.</b>	<b>Description</b>	<b>Amount Placed under Amount Placed under Audit Observation</b>
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	54.963
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS*, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems	42.947
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	155.130
6	Non production of record to Audit	-
7	Others, including cases of accidents, negligence etc.	-
<b>Total</b>		<b>253.040</b>

**Table 5: Cost Benefit**

(Rupees in million)

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audit (Items 2 of Table 3)	293.457
2	Expenditure on Audit	0.085
3	Recoveries realized at the instance of Audit	0.020
4	Cost-Benefit Ratio	0.23

\* The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

## CHAPTER-1

### 1.1 Tehsil Municipal Administrations, Lodhran

#### 1.1.1 Introduction

According to 1998 population census, the population of District Lodhran is 1.172 million. District Lodhran comprises of three TMAs namely Lodhran, Dunyapur and Kehror Pacca. Business of each TMA is run by the Administrator and five Drawing & Disbursing Officers i.e. TMO, TO (I&S), TO (Finance), TO (P&C) and TO (Regulations) under Punjab Local Government Ordinance, 2001.

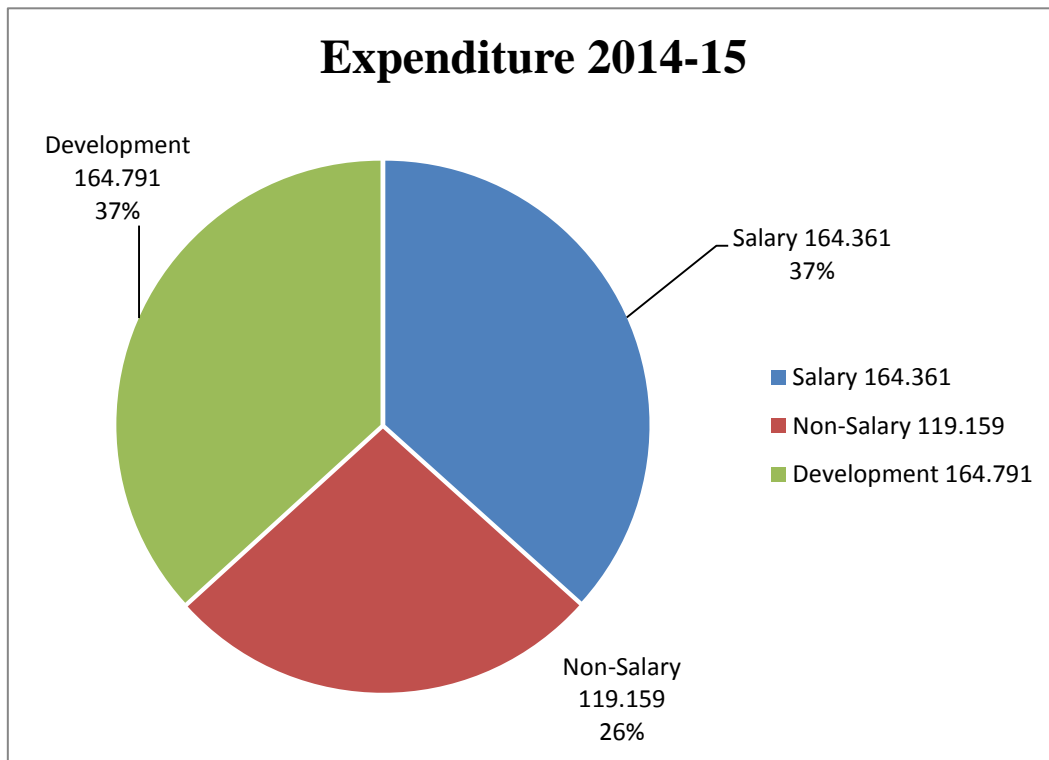
#### 1.1.2 Comments on Budget and Accounts

The detail of budget and expenditure is given below in tabulated form.

(Rupees in million)

2014-15	Budget	Actual	Excess (+) / Saving (-)	% (Saving)
Salary	185.165	164.361	(-) 20.804	-11%
Non-salary	207.951	119.159	(-) 88.792	-43%
Development	247.050	164.791	(-) 82.259	-33%
<b>Sub Total</b>	<b>640.166</b>	<b>448.311</b>	<b>(-) 191.855</b>	<b>-30%</b>
Revenue	476.517	419.824	(-) 56.693	-12%

(Rupees in million)

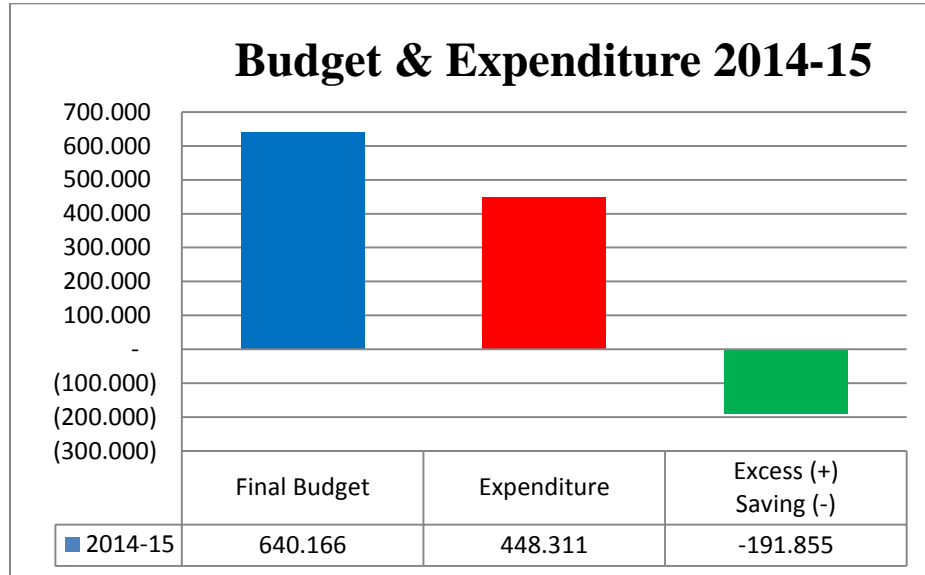


Details of budget allocations, expenditures and savings of each TMA in District Lodhran are at **Annex-B**.

As per the Budget Books for the Financial Year 2014-15 of TMAs in District Lodhran, the original and final budgets were of Rs 640.166 million. Total expenditures incurred by these TMAs during Financial Year 2014-15 were Rs 448.311 million. A saving of Rs 191.855 million came to the notice of audit which shows that the TMAs failed to provide essential municipal services as envisaged and planned at the time of preparation and approval of annual budget for the year. No plausible explanation was provided by the PAO, Tehsil Nazims and management of TMAs.

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

(Rupees in million)



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

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

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

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

#### Status of Previous Audit Reports

S. No.	Audit Report Year	No. of Paras	Status of PAC Meeting
1	2009-12	26	PAC not constituted
2	2012-13	17	PAC not constituted
3	2013-14	16	PAC not constituted
4	2014-15	07	PAC not constituted

# **AUDIT PARAS**



## **1.2 Tehsil Municipal Administration, Lodhran**

## **1.2.1 Irregularities and non compliance**

### **1.2.1.1 Irregular award of tender – Rs 5.450 million**

As per Para 2.61 of B&R Code, in giving out works on contracts, tenders should always be sealed, should invariably be invited in the most open and public manner possible, whether by advertisement in the Government Gazette or local newspapers after the estimate has been technically sanctioned and the contract documents have been approved by an authority not lower than that empowered to accept the tender.

TMA Lodhran awarded the contract amounting to Rs 5.450 million during F Y 2014-15 to those persons whom neither bid was issued nor cost of bid was deposited by them into the Government account. **Annex-C**

Audit is of the view that due to weak internal controls, tenders were awarded to the contractors whom bids were not issued.

Issuance of tenders of Rs 5.450 million to irrelevant persons resulted in violation of Government rules / instructions.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends Inquiry besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 10]

### 1.2.1.2 Irregular payment of development / contingent expenditures out of revenue – Rs 2.648 million

As per Government of Punjab Transport Department Notification bearing No.SO(TR-1)2-3/2000(ADCD) dated 11<sup>th</sup> December 2012, “income of Bus Stand can only be spent on the betterment of bus stands”.

Tehsil Account Officer TMA Lodhran made payment of development and contingent expenditures amounting to Rs 2.648 million out of Bus Stand Fee account number 3439-1 during the Financial Year 2014-15 instead of making the payment out of Tehsil Local Fund Account. The Bus Stand Fee can only be utilized for the betterment of Bus Stand as per Government of Punjab notification mentioned above. The detail is as under:

(Rupees in million)

Bank Account	Name of Account	Opening Balance	Receipt during FY 2014-15	Total	Closing Balance	Payment
3439-1	Bus Stand Fee	2.558	1.582	4.140	1.491	2.648

Audit is of the view that due to weak internal controls, irregular payment was allowed out of Bus Stand account instead of Tehsil Local Fund Account.

Irregular payment of Rs 2.648 million out of irrelevant head of account by means of misclassification of the expenditure resulted in violation of Government rules.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditures, besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 35]

### **1.2.1.3 Non-deposit of Sales Tax deducted at source and non-obtaining of proof of deposit of GST – Rs 2.549 million**

According to Para 2(1),(4) of the SRO 660(I) /2007 dated 30<sup>th</sup> June 2007 the withholding agent The sales tax so deducted shall be deposited by the withholding agent in the designated branch of National Bank of Pakistan under Head of Account “B02341-Sales Tax” on sales tax return-cum-payment challan in the form set out at Annexure to these rules, by 15<sup>th</sup> of the month following the month during which payment has been made to the supplier, Provided that a single return-cum-challan can be filed in respect of all purchases for which the payment has been made in a month, Provided further that in case the withholding agent, is also registered under the Sales Tax Act, 1990, with respect to the taxable supplies.

Tehsil Account Officer TMA Lodhran deducted 1/5<sup>th</sup> of GST on contingent bills and instead of depositing the GST into the Government account, passed the bills of full amount in favour of DDO. Further DDOs did not take the proof of deposit of GST amounting to Rs 2.549 million from the suppliers.

Audit is of the view that due to weak internal controls, proof of deposit of GST was not obtained.

Non-obtaining of proof of deposit of GST of Rs 2.549 million created doubt regarding non-realization of the Government revenue.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 2.549 million, under intimation to Audit.

[AIR Para: 40]

#### **1.2.1.4 Irregular expenditures on account of repair of water disposal - Rs 1.082 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 regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency. Further, according to Rule 4 (ii)(a)(b) and (c) of the Punjab Delegation of Financial Powers Rules 2006, Powers to sanction and incur expenditure on addition to or repairs / replacement of parts and overhauling, etc. of the machinery, tools and plants and motor vehicles subject to the restrictions that in absence of Department's own Workshop, quotations and open tenders may be invited in the following manner , small order up to Rs 10,000, Limited tender enquiry, up to Rs 0.150 million and open tender enquiry, when the estimate of repair exceeds the limit of Rs 0.150 million.

TMA Lodhran, drew Rs 1.082 million on account of repair of disposals during the Financial Year 2014-15. Repair was carried out by calling simple quotations instead of advertisement of the estimates on PPRA's website and print media for economic expenditure. Scrutiny of repair bills revealed following discrepancies:

- i. Rs 0.258 million drawn on account of repair of Masood Abad water disposal on quotation basis.
- ii. Rs 0.173 million drawn for repair of water disposals which were handed over to Water Disposal Associations.
- iii. Rs 0.320 million incurred on Khameesa Bhatta water disposal which was newly constructed and handed over to the TMA by Public Health Department.
- iv. Rs 0.331 million drawn for repair of disposal Jut Wala by showing repeated repairs in each month by changing the name of machinery being used in water disposals. **Annex-D.**

Audit is of the view that due to weak internal controls, extraordinary repairs on water disposals were carried out without proper documentation.

Irregular expenditure amounting to Rs 1.082 million resulted in violation of the Government rules.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends Inquiry of the matter besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 42]

## 1.2.2 Performance

### 1.2.2.1 Non-recovery of rent of shops – Rs 49.881 million

According to Rule 76(1) of PDG and TMA (Budget) Rules, 2003, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

TMO Lodhran failed to recover Rs 8.940 million on account of rent of shops against the demand of rent of Rs 12.170 million for the Financial Year 2014-15. The arrears on account of rent of shops for the previous years amounting to Rs 39.190 million was still recoverable. The additional rent of Rs 1.751 million (@ 50% of original rent of shops for double stories constructed by the lessee of the shops without approval of TMA was also recoverable during 2014-15. **Annex-E**

(Rupees in million)

Sr. No.	Description	Amount
1	Less recovery of rent	8.940
2	Arrears of Rent for previous years	39.190
3	Additional rent of double story	1.751
<b>Total recovery</b>		<b>49.881</b>

Audit is of the view that due to weak internal controls, recovery of rent of shops was not made.

Non-recovery of TMA dues resulted in loss amounting to Rs 49.881 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 49.881 million, under intimation to Audit.

[AIR Para: 11]

### 1.2.2.2 Less obtaining of conversion fee – Rs 25.593 million

According to Rule 76 of PDG and TMA (Budget) Rules, 2003, “The Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.” Further, according to Rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009 as amended in 2012 a City District Government or a Tehsil Municipal Administration shall levy fee for conversion of land use from agricultural, residential, industrial, peri-urban area or intercity service area to commercial use conversion fee at the rate of 5% of the value of the land up to 1 million, 10% of the value of the land up to 10 million and 20% of the value of the land if value of the land value exceeds 10 million.

TMO Lodhran did not recover conversion fee amounting to Rs 25.593 million of extended area of the hotels situated at Lodhran Bahawalpur Road and Kehror Pacca Chowk during Financial Year 2014-15. Audit physically inspected the sites along with the Building Inspector and found that the hotels had extended their areas without payment of conversion fee of extended area. No action was taken by the TO (P&C). The detail is as under:

(Rupees in million)

Name of Hotel	Extended Area	Unit	Rate	Amount	Conversion Fee
Mushtarka Hotel	7.5 Acres	Per Acre	6.329	47.466	9.493
Taj Hotel	2.5 Acre	Per Acre	6.329	15.822	3.164
Lataska Hotel	14 Kanal	Per Marla	0.231	64.680	12.936
<b>Total</b>					<b>25.593</b>

Audit is of the view that due weak internal controls, TMA authorities allowed the illegal extension in the area, without recovery of conversion fee and approval thereof.

Illegal extension by the owners of hotels without payment of conversion fee resulted in loss amounting to Rs 25.593 million.



The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of conversion fee of Rs 25.593 million, under intimation to Audit.

[AIR Para: 12]

### **1.2.2.3 Loss due to less deposit of disposal water income - Rs 18.785 million**

According to Rule 2.33 of PFR Vol-I, every government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Further, according to Rule 76(1) of PDG and TMA (Budget) Rules, 2003, “the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.”

TMO Lodhran, deposited Rs 1.415 million into the TMA fund on account of sale of water of six disposals. At least minimum income from sale of water keeping in view the electricity used and POL shown consumed in the log books for running of generators was Rs 5.172 million. This state of affairs depicted less income of Rs 3.757 million than the expected income of TMA during 2014-15. Thus the expected amount of loss sustained during last five years was Rs 18.785 million (5 x 3.757). The above situation revealed that the amount of fee deposited was far less than the actual fee collected from the sale of water. **Annex-F**

Audit is of the view that due to weak internal controls, income of water disposal was short deposited.

Less deposit of water disposal income of Rs 18.785 million resulted in loss.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends Inquiry by Administrator to probe the matter and fixing of responsibility on the person(s) at fault, besides recovery of Rs 18.785 million , under intimation to Audit.

[AIR Para: 7]

#### **1.2.2.4 Splitting of housing colony into land sub-divisions to avoid extra fee – Rs 12.612 million**

As per Government of Punjab Local Government and Community Development letter No. SOR(LG)38-2/2004 dated 13<sup>th</sup> March 2010, Housing Colony shall comprise an area of 100 Kanals or more and area less than 100 kanal shall be considered as Land Sub-division. Further, as per Government of Punjab Local Government and Community Development letter No. SOR (LG) 38-2/2004 dated 15<sup>th</sup> August 2012, “Open space or park should not be less than 7%”

TMA Lodhran, passed the land sub-division Phase-I “Al-Noor Housing Colony” having total area of 98 Kanal vide sanction letter No. TMA/LD/P&C/966 dated 16.4.2014 and Phase-II of area of 58 Kanal vide letter No. TMA/LD/P&C/1140 dated 19.3.2014.

- i. The owner of the area split-up the case with the help of the TMA officials in order to avoid the extra mortgage of 2% lands (62 Marla) for grave yard costing Rs 4.112 million by phasing the housing colony into two land sub-divisions. Whereas, the seller of the property of Phase II is the brother of the owner of Housing Colony.
- ii. The TMA authorities included the land of open space of berms of roads in order to give the benefit to the land owners. This resulted into the less space for park or open space {(67.3 Marlas + 71.155), (6 Kanal and 9

Marlas)} costing Rs 8.500 million mandatory for passing a housing colony.

- iii. Land left for commercial places was also less than the mandatory space given in above notifications.

Audit is of the view that due to weak internal controls, the owner of the housing colony split the case into two land sub-divisions keeping the area of land less than 100 Kanals, and left the less space for open ground or park to save the amount.

Splitting of the housing colony into two land sub-divisions resulted in loss amounting to Rs 12.612 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 12.612 million, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 2]

#### **1.2.2.5 Unauthorized alteration in TMA owned property and short recovery of conversion fee – Rs 9.100 million**

As per Rule 60 of Punjab Land Use Rule 2009, “the conversion fee for the conversion of residential, industrial, peri-urban area or intercity services area to commercial use shall be levied at the rate of 5% up to the value of land of 01 million, 10% up to the value of 10 million and 20% for more than 10 million of value of land”.

TMA Lodhran approved illegal map of a business unit situated at the TMA property on Multan Bahawalpur Road. The lessee submitted the plan by showing godown at the back side area of three TMA shops leased by the TMA in 1994. He constructed fast food chain by including the area of TMA having

value of Rs 20.400 million. TMA approved the map by allowing illegal construction of 8 marlas back hall. Fee was charged by applying off road rates @ Rs 250,000 per Marla instead of applying on road rates @ Rs 3.500 million per marla. This resulted in short collection of conversion fee from the owner of building of Rs 5.200 million. Similarly another lessee running a hotel on TMA owned three shops submitted map for approval of commercial hall having area of 6 marlas behind the hotel. The map was approved without 10 feet set back as required vide Clause 80 (c) of Punjab Land Use Rules 2009. This resulted into short collection of conversion fee from the owner of building of Rs 3.900 million by applying back road rates instead of on road rates.

Audit is of the view that due to weak internal controls, lessee illegally constructed on the Government owned property and map was approved by charging less rate per marla.

Charging back road rates resulted in loss amounting to Rs 9.100 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 9.100 million and sealing of building, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 6]

#### **1.2.2.6 Less recovery of conversion fee due to short assessment of land - Rs 7.918 million**

As per valuation table for Rural Areas of Tehsil & District Lodhran 2014-15, “the rate of land situated on main road of Mouza Chak No.100/M is Rs 6.329 million per Acre”.

TMA Lodhran short assessed the value of land of Shahida Islam Medical College amounting to Rs 79.184 million resulting in less recovery of Conversion

Fee amounting to Rs 7.918 million during 2014-15. Fee was charged by applying off road land @ Rs 1.600 million per acre instead of applying on road rate @ Rs 6.329 million per acre. In addition, TMA allowed the construction at an area 15.5 acres instead of 11.82 acre which is 3.68 acres in excess of that approved in the map by the TMA. The detail of short assessed fee is as under:

(Rupees in million)

Name of Project	Project Area as per map	Area as per site	Rate Charged	Applicable Rate	Difference	Total value of land of 15.5 acre	Fee due for 15.5 Acre @ 10%	Fee received for 11.82 Acre	Short Fee
Shahida Islam Medical College	11.82 Acre	15.5 Acre	1.600	6.329	4.729	98.096	9.810	1.892	7.918

Audit is of the view that due to weak internal controls, area was short measured by Building Inspectors and off road valuation rates were applied to assessed value of land instead of on road rates.

Short recovery resulted in loss amounting to Rs 7.918 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 7.918 million, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 01]

#### **1.2.2.7 Illegal utilization of land for commercial purpose without approval – Rs 7.907 million**

As per Rule 60 of Punjab Land Use Rule, 2009, “the conversion fee for the conversion of residential, industrial, pre-urban area or intercity services area to commercial use shall be levied at the rate of 5% up to the value of land of 01 million, 10% up to the value of 10 million and 20% for more than 10 million of value of land”.

TMA Lodhran, allowed the owners to use land for commercial purpose without the approval of maps and payment of conversion fee by violating the Government rules. This resulted in short collection of conversion fee amounting to Rs 7.907 million during Financial Year 2014-15. The detail as below:

(Rupees in million)

Name of the Building	Address	Area	Rate of Area	Total Cost of Area	Conversion Fee	Map Fee	Total Amount
Mian Marriage Hall	Near PSO Petrol Pump Multan Bahawalpur Road	3 Kanal	0.210 per Marla	12.600	2.520	0.004	2.520
Lala Zar Marriage Hall	Multan Bahawalpur Road Near Flaming Cool Hotel	5 Kanal	0.210 per Marla	21	4.200	0.004	4.200
Commercial Hall Ali Waha Minor	Near Ali Wahi Minor	10 Marla	0.210 per Marla	2.100	0.210	0.041	0.251
Four Shops TareenWaliGali	TareenWaliGali	5 Marla	0.400 per Marla	2	0.200	0.020	0.220
Four Shops	Khanewal Road	5 Marla	0.210 per Marla	1.050	0.105	0.020	0.125
Commercial Market	Khanewal Road	5 Marla	0.210 per Marla	1.050	0.105	0.020	0.125
Shops / Mall	Near Children Park Super Chowk	7 Marla	0.100 per Marla	0.700	0.035	0.029	0.064
Hotel Near Mushtarka	Multan Bahawalpur Road	01 Acre	3.200 per Acre	3.200	0.320	0.082	0.402
<b>Total</b>							<b>7.907</b>

Audit is of the view that due to weak internal controls, illegal usage of land was allowed by TMA authorities without receipt of conversion and map fee.

Illegal usage of land without receipt of conversion and map fee resulted in loss amounting to Rs 7.907 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 7.907 million, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 08, 26]

#### **1.2.2.8 Non-collection of advertisement fee- Rs 2.065 million**

As per notification No.32/TMA/GB dated 16.01.2015 schedule was enhanced for charging advertisement fee from billboards / hoardings affixed on the roads within the jurisdiction of TMA Lodhran.

TMO Lodhran did not collect the advertisement fee of 2.065 million as annual demand of Rs 2.100 million was fixed for the year 2014-15 but only Rs 0.035 million were deposited into the TMA account. Audit physically inspected the area and found huge numbers of advertising boards / hoardings but advertisement fee was not collected. In the year 2010-11 publicity fee was auctioned for Rs 1.400 million but despite increase in publicity only Rs 0.035 million were deposited into the Government account. Audit collected a receipt of contractor for the year 2010-11, which revealed that fee of only 16 boards were Rs 3.299 million which were charged to one company M/s Lives Ghee & Oil on account of Publicity Fee. There were hundreds of similar nature of boards of different companies on shops and on huge boards. But revenue deposited into the Government account was only Rs 0.035 million.

Audit is of the view that due to weak financial management, advertisement fee was not deposited in TMA fund.

Non deposit of Advertisement Fee resulted in loss of Rs 2.065 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends Inquiry by Administrator to probe the matter and fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 5]

### 1.2.2.9 Loss due to short levy of fee – Rs 1.568 million

As per Schedule 2014-15 in respect of Urban and Tehsil Lodhran, the rate mentioned at Sr. No.64 of area Konki Wala, Lasooray Wala, Okan Wala is Rs 100,000 per marla for the residential area. Further, according to rule 60 of Punjab Land Use Rule 2009, “the conversion fee for the conversion of residential, industrial, pre-urban area or intercity services area to commercial use shall be levied at the rate of 5% up to the value of land of 01 million, 10% up to the value of 10 million and 20% for more than 10 million of value of land”.

TMO Lodhran charged the rate of area of agriculture land Sandhi Wala New Urban amounting to Rs 16,000 per marla instead of rate of Konki Wala, Losaray Wala, Okan Wala given at Sr. No. 65 amounting to Rs 100,000 per marla. Map was approved in the High Level Design Committee by the DCO with the set back of 20 feet of 30 feet road. But site was physically inspected along with the Building Inspector who measured the setback area 12.5 feet. This resulted in short area of land of 3 marlas costing Rs 0.300 million which was also required to be recovered from the concerned owner. The detail is as under:

(Rupees in million)

Name of Enterprise	Area	Rate Applicable	Rate Charged	Difference	Area	Conversion Fee Short Calculated 10% value of land
Punjab College at Koki Wala	Konki Wala as per Aks Shujra	Rs 0.100 per marla Sr. No 65	Rs 0.016 per Marla	0.084	151 Marla	1.268



Map approved with the set back of 20 feet by the High Level Design Committee of 30 feet road. Physically site was checked dully measured and signed by the Building Inspector set back was left at site 12.5 feet which resulted into short area of setback 3 marla costing Rs 0.300 million	0.300
<b>Grand Total of Short Collection of Fee</b>	<b>1.568</b>

Audit is of the view that due to weak internal controls, Town Officer (P&C) applied the rates of schedule which was not applicable to the area of land.

Short assessment and collection of fee resulted in loss amounting to Rs 1.568 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 1.568 million besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 4]

#### **1.2.2.10 Loss due to usage of old pipes instead of new pipes – Rs 1.167 million**

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

TMO Lodhran opened the tenders of the work “Construction of sewerage of remaining portion at Fakhra Abad Union Council” costing Rs 2.500 million and later on revised for Rs 2.875 million. Old sewerage line was dismantled and old PVC pipes were relayed in the sewerage lines, but the cost of new pipes was charged as detailed below:

(Rupees in million)

Name of Item	Cost of Pipes	Cost of lying Old Pipes Labour Rate	Excess Cost Paid
P/L RCC pipes as per specification	1.290	0.123	1.167

Audit is of the view that due to weak internal controls, TMA management charged cost of new PVC pipes despite of the fact the old sewerage line was relayed against the provision of TS Estimates.

Relaying of old sewerage line and charging the cost of new PVC pipes resulted in excess payment of Rs 1.167 million and loss to TMA fund.

Matter was reported to TMO / PAO in February 2016. Despite written requests, management neither submitted reply nor convened the DAC meeting. No further progress was intimated till the finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 1.167 million, under intimation to Audit.

[AIR Para: 25]

## 1.2.3 Internal Control Weaknesses

### 1.2.3.1 Excess expenditure of POL despite reduction in the rates - Rs 4.254 million

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

TMA Lodhran, incurred Rs 12.737 million during the Financial Year 2014-2015 under the object code POL. The expenditure was compared with the expenditure for the Financial Year 2013-14 and it was observed that excess expenditure of Rs 4.254 million was made despite the reduction in prices of POL from Rs 110 to Rs 70 per liter during the Financial Year 2014-15. Increase in quantity of POL during 2014-15 was not justified despite reduction of 36% in price from the previous years.

(Rupees in million)

Head	Expenditure in 2013-2014	Expenditures in 2014-2015	Excess Expenditures
POL	8.483	12.737	4.254

Audit is of the view that due to weak internal controls, excess amount was drawn under the object code POL despite reduction of rates of POL which made the whole consumption doubtful.

Despite reduction of rates of POL excess amount of Rs 4.254 million was drawn which resulted in loss to TMA fund.

Matter was reported to TMO / PAO in February 2016. Despite written requests, management neither submitted reply nor convened the DAC meeting. No further progress was intimated till the finalization of this Report.

Audit recommends Inquiry by Administrator to probe the matter and fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 39]

### **1.2.3.2 Illegal running of car stands at TMA properties without payment of dues - Rs 2.555 million**

According to Rule 76 of PDG and TMA (Budget) Rules, 2003, “The Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

TMO Lodhran deposited Rs 0.362 million into the TMA fund on account of car parking fee situated at Children Park and at Eid Gah Stand. Both the parking stands were being used for collection of parking fee. Parking fee @ Rs 100 to Rs 200 was being charged on booking of each vehicle. It was observed that almost 30 to 40 cars remained available at stands for booking on which illegal occupant earned minimum Rs 0.007 million per day and annually Rs 2.555 million (0.007x365) whereas TMA management deposited average Rs 700 per day. These stands were in operation since last many years and loss of TMA was much higher than the above amount.

Audit is of the view that due to weak internal controls, TMA authorities were unable to collect the full amount of revenue and allowed illegal running of stand.

Running of stand without approval and charging of appropriate fee resulted in loss to the TMA fund of Rs 2.555 million.

Matter was reported to TMO / PAO in February 2016. Despite written requests, management neither submitted reply nor convened the DAC meeting. No further progress was intimated till the finalization of this Report.

Audit recommends taking appropriate steps to realize the Government revenue besides enquiry into the matter to assess the actual loss and fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para:18]

### 1.2.3.3 Excess withdrawal on account of purchase of equipment – Rs 1.076 million

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

TMA Lodhran purchased the following items on excessive rates than the estimated rates prepared by the sub engineers and approved by the competent authority after market survey during the Financial Year 2014-15 as detailed below:

(Rupees in million)

Name Of Item	Approved Rates + Profit +OH 20%	Rates Paid	Excess Rates	Quantity	Amount
Garbage Container with full specification	0.168	0.226	0.058	15	0.868
Hydraulic Trolley	0.522	0.635	0.113	1	0.113
Front Blade	0.090	0.185	0.095	1	0.095
<b>Total</b>					<b>1.076</b>

Audit is of the view that due to weak internal controls, the excess rates were paid than the estimated rates prepared after obtaining quotations from the market.

Excess payment resulted in loss of Rs 1.076 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 1.076 million, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para : 24]

## **1.3 Tehsil Municipal Administrations, Dunyapur**

### **1.3.1 Irregularities and non compliance**

#### **1.3.1.1 Irregular award of work through quotations - Rs 29.765 million**

As per Para 2.70 of B&R Code and instructions issued by the Finance Department Government of the Punjab in June 1991, splitting up of work into various work orders require the approval of Chief Engineer. According to Rule 12 & 13 of Punjab Procurement Rules, 2014, the works over rupees one Lac to 20 Lac were required to be advertised on PPRA's website, with response time of at least 15 days in between the date of advertisement and date of opening of tenders. Further, the tenders more than Rs 20 Lac were required to be advertised on PPRA website as well as at least two national Daily Newspapers, one in English and other in Urdu.

TMA Dunyapur awarded works costing Rs 29.765 million during 2014-15 by splitting the works into various small schemes in order to keep the amount under one lac to avoid the advertisement on PPRA's website. Approval of Chief Engineer was also not obtained as required under law.

Audit is of the view that due to weak internal controls, works were split i.e. the amounts were kept below one lac to avoid the approval of Chief Engineer and competition.

Splitting of various works of Rs 29.765 million resulted in irregular award of works.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

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

[AIR Para: 02]

### 1.3.1.2 Irregular payment of contingent paid staff– Rs 4.341 million

According to Para 2 (vi) of the Government of the Punjab, Finance Department Notification No. FD.SO (GOODS)44-4/2011 dated 11<sup>th</sup> September 2014, no contingent paid staff shall be appointed without obtaining prior approval of Finance Department. Further, according to Government of the Punjab, Finance Department, Notification No.RO(Tech)FD-2-2/2001 dated 03.11.2008, appointment of work charge / daily wages employee shall be made with procedure that the post(s) shall be advertised properly in the leading newspapers and recruitment to all posts shall be made on the basis of merit specified for regular establishment and according to Para 3 of Government of the Punjab LG & CD Department letter No.SO-ADMN-II (LG) 3-55/2007 dated 03.03.2016, it has also come to the notice of the Department that the Local Governments in Punjab are appointing the work charge / daily wages employees without adhering to the formalities pertaining to appointment and eligibility criteria provided in the relevant service rules. Therefore, it has been decided that in future no work charge / daily wages employee will be appointed in the local governments without the approval of LG&CD Department and without adhering to the formalities pertaining to appointment and eligibility criteria provided in the relevant service rules.

Tehsil Municipal Officer Dunyapur incurred expenditure amounting to Rs 4.341 million during the year 2014-15 on account of appointment of contingent paid staff in violation of above instructions. Neither any record regarding their appointment and procedure for re-appointment nor their duties / assignments were provided to justify their appointment. It was further observed that contingent staff was also appointed during the year for which no vacancy position was produced. Detail of expenditure is given below:

(Rupees in million)

Month of wage	No. of employees	Amount
6/2014	33	0.294
6/2014	15	0.121
7/2014	34	0.242
8/2014	34	0.309



Month of wage	No. of employees	Amount
9/2014	34	0.327
10/2014	34	0.355
11/2014	41	0.361
12/2014	40	0.239
1/2015	42	0.389
2/2015	41	0.364
3/2015	18	0.389
4/2015	40	0.443
5/2015	40	0.508
<b>Total</b>		<b>4.341</b>

Audit is of the view that due to weak internal controls and financial indiscipline, employees against permanent posts were appointed without observing the merit and appointment policy.

Unauthorized appointment of contingent paid staff resulted in violation of Government rules.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

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

[AIR Para: 10]

### **1.3.1.3 Irregular expenditure on scheme without observing procurement rules – Rs 1.927 million**

According to Rule 12 (2) & 13 (1) of the Punjab Procurement Rules, 2014, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu. The procuring

agency may decide the response time for receipt of bids or proposals. However, under no circumstances the response time shall be less than fifteen days for national competitive bidding and thirty days for international competitive bidding from the date of publication of advertisement or notice.

Tehsil Municipal Administration Dunyapur incurred expenditure on the execution of a scheme namely, “Providing & Fixing Centrifugal Pump (KSB) TMA Dunyapur Chak No.342/WB” amounting Rs 1.927 million during Financial Year 2014-15. Audit observed the following shortcomings:

- i. Two Centrifugal Pumps were supplied for Rs 1.300 million at price of Rs 0.650 million each and installed through M/s Arham Builders, Government contractor, instead of through dealer of KSB Company.
- ii. A copy of quotation of KSB Company (0.75 cusic discharge, 20 HP Motor (Siemens), 200 foot Head available on record price was inclusive of sales tax of Rs 0.650 million, but no proof of installation of said specification pump was available in record.
- iii. Unjustified 10% profit of Rs 0.130 million was added on two Pumps. The expenditure of Rs 0.497 was also irregular as the expenditure of complete scheme was charged to non-development budget.
- iv. Advertisement was floated on PPRA’s website only for quotations regarding rate for pump.
- v. Tenders were not invited for complete scheme through any advertisement on PPRA’s website or any newspaper.
- vi. Two dateless tenders were on record, one of M/s Rana Islam who quoted rate 2% above and 2<sup>nd</sup> tender of Arham Builders.

Audit is of the view that due to weak internal controls, irregular execution of work was done without any tendering process.

Irregular execution of work amounting to Rs 1.927 without any tendering process resulted in violation of Government rules.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends the regularization of matter from competent authority, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 5]

## **1.3.2 Performance**

### **1.3.2.1 Non recovery of arrears of water rates – Rs 9.413 million**

According to Rule 76(1) of PDG and TMA (Budget) Rules, 2003, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

Tehsil Municipal Officer either did not recover or accounted for the arrears of water rate amounting to Rs 9.413 million during 2014-15. The arrears were increasing with the passage of time but no concrete efforts were being made to recover the arrear amount. **Annex-G**

Audit is of the view that due to weak internal controls, arrears of water rate charges were not being made.

Non-recovery of arrears of water rate charges resulted in loss amounting to Rs 9.413 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery of arrears of Rs 9.413 million besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 17]

### **1.3.2.2 Non-recovery of fee from the owners of industrial units – Rs 2.147 million**

According to Rule 60 (d) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009, the conversion fee for the conversion of peri-urban area or intercity service area to industrial use shall be five percent of the value of the land as per valuation table, or the average sale price of preceding twelve months of land in the vicinity, if valuation table is not

available. Further, according to approved schedule of TMA Dunya Pur map fee, NOC and fine will be charged.

TMA Duniapur did not recover conversion, map, NOC fee and fine amounting to Rs 2.147 million during 2014-15 from the owners of various Industrial Units in the jurisdiction of TMA. This fact was noticed during the physical verification in presence of TMA representative. Necessary detail is given below:

(Rupees in million)

Sr. No.	Type of Construction	Location	Area (Aprox.)	Average Value per Marla	Actual value of property	Conversion Fee	Map Fee/ Sq.Ft.	NOC fee	Fine	Total
1	Feed Mill	Basti Malook Road (343/WB)	40K 10M	0.040	32.400	1.620	0.405	0.010	0.003	2.038
2	Langaryal Oil Mill	341/WB	3K	0.030	1.800	0.090	0.015	0.001	0.003	0.109
<b>Total</b>										<b>2.147</b>

Audit is of the view that due to weak financial management, TMA revenue was not realized.

Non realization of revenue resulted in loss to TMA fund amounting to Rs 2.147 million.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends recovery amounting to Rs 2.147 million besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 12]

### **1.3.3 Internal Control Weaknesses**

#### **1.3.3.1 Non-reconciliation of Tax on Transfer of Immoveable Property with Revenue Department – Rs 28.040 million**

According to Government of the Punjab, Finance Department Letter No. SO (TT) 3-1/98 dated 19<sup>th</sup> November 2001, “reconciliation of receipt and expenditures is to be done promptly as prescribed under the rule. Further, according to Rule 78(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, the Collecting Officers shall reconcile his figures with the record maintained by the Accounts Officer by the 10th day of the month following the month to which the statement relate.

TMA Dunyapur collected tax on transfer of immoveable property (TTIP) amounting to Rs 28.040 million during the Financial Year 2014-15. Scrutiny of record revealed that the Government receipts on account of TTIP were not reconciled with the Revenue Department.

Audit is of the view that due to weak internal controls, collection of TTIP was not reconciled with the Revenue Department.

Non-reconciliation of TTIP revenue amounting to Rs 28.040 million with the Revenue Department created doubt regarding the legitimacy of revenue.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

Audit recommends reconciliation of TTIP revenue of TMA with the Revenue Department on monthly basis regularly besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 16]

### **1.3.3.2 Non-obtaining of additional performance securities – Rs 5.641 million**

According to Government of the Punjab, Finance Department letter No. RC9Tech) FD-1-2/83 (v) (p) dated 06-04-2005, if contractor quotes rate 5 % below the approved DNIT lowest bidder will have to deposit additional performance security from the schedule bank within 15 days. Further, according to Government of the Punjab Notification No.RO (Tech) FD 1-2/2010 dated 04.09.2012, the performance security deposit/additional performance security deposit lodged by a contractor (in cash or /other form) shall be refunded to him after the expiry of three months after the issuance of the certificate of completion of work under Clause 40 hereof by the Engineer-in-charge, or along with the final bill if it is prospered after that period on account of some unavoidable circumstances.

Tehsil Municipal Administration Dunyapur awarded works without obtaining additional performance securities of Rs 5.641 million from the contractors who offered more than 5% below rates from TS. Furthermore, receipt and refund of performance securities was not available in record in violation of above rules. **Annex-H**

Audit is of the view that due to weak internal controls, additional performance securities were not obtained from the contractors.

Non-obtaining of additional performance securities of Rs 5.641 million resulted in irregular award of contract and unauthorized payment to contractor.

The matter was reported to TMO in February, 2016. But TMO did not submit any reply. Despite various efforts, DAC meeting was not convened. No progress was intimated till the finalization of this Report.

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

[AIR Para: 4]

## **1.4 Tehsil Municipal Administration, Kehror Pacca**



## **1.4.1 Irregularities and non compliance**

### **1.4.1.1 Unauthorized execution of works through quotations instead of tenders - Rs 4.851 million**

According to Rule 46 of the Punjab Tehsil/Town Municipal Administration (Works) Rules, 2003, where a quotation of a contractor has been accepted for piece work, the Engineer- incharge shall issue a work order for the execution of the work in the form and in the manner prescribed under the West Pakistan Building and Road Works Code. Further according to Rule 2.72 (2) of the West Pakistan Buildings & Roads Department Code up-to-date amendments 1994, in the Buildings and Roads Department work orders are used for all works and repairs estimated to cost, not more than Rs 10,000 up to which limit the Divisional Officers are competent to issue work order. The Sub-Divisional Officer may issue work orders for works and repairs estimated to cost, not more than Rs 4,000. Moreover according to Sr.No.12 (i) (ii) of Special Powers delegated to officers of Communication and Works Department under the Delegation of Financial Power Rules 2006, Sub-Divisional Officers were competent to issue work orders for works & repair up to Rs 20,000 in each case.

Tehsil Municipal Administration Kehror Pacca issued work orders of Rs 4.851 million for execution of works through calling the short tenders/quotations during Financial Year 2014-15. The officers of TMA were competent to issue work orders for the works up to Rs 0.020 million in each case but works above the prescribed limits were awarded through quotations. **Annex-I**

Audit is of the view that due to weak internal controls, work orders were issued in excess of prescribed limits and against the procedure.

Unauthorized issuance of work order of Rs 4.851 million for the works executed through quotations instead of open tenders resulted in violation of Government rules.

The matter was reported to TMO in February, 2016. The TMO replied that the TO (I&S) was competent to issue the work order. The DDO reply was not acceptable as quotations were called continuously without having any authority and beyond the delegated financial powers.

DAC, in its meeting, held in March, 2016, directed the DDO to get the record verified from Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure from the competent authority, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 3]

#### **1.4.1.2 Unauthorized purchases on quotations - Rs 2.350 million**

According to Rule 59 (b) of the Punjab Procurement Rules 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees and such procurement shall be exempted from the requirements of bidding procedures. Further according to definition “competitive bidding” means a procedure leading to the award of a contract whereby all the interested persons, firms, companies or organizations may bid for the contract. Furthermore, 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 regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

TMA Kehror Pacca made purchases of different items of Rs 2.350 million during 2014-15 on quotations instead of competitive bidding in violation of above rules. In all the cases cost of procurement was more than one hundred

thousand rupees and procurement was not exempted from the requirement of bidding procedure. Hence, purchases made through quotations were unauthorized. The detail is given below:

(Rupees in million)

Vr. No.	Month	Detail of purchase	Supplier name	Gross amount
71	7/14	Purchase of tent Items	Fahad Enterprises	0.756
42	8/14	Purchase of Stickney and phenyl	Khursheed Brothers BWP	0.191
63	4/15	Purchase of sullage pump KSB Type dia 6X6 complete	Friends Star Traders	0.222
67	5/15	Purchase of sullage pump and 30 horse power motor (Siemens)	Friends Star Traders	0.467
100	6/15	Iron Takht Poosh size 8"X4"X2.5" sheet of iron 22 gage for Ramzan Bazar	Friends Star Traders	0.175
101	6/15	Purchase of tent items for Ramzan Bazar	Fahad Enterprises	0.129
124	6/15	Purchase of water dispenser (Orient) with stabilizer	Fahad Enterprises	0.150
125	6/15	Purchase of LED outdoor light 30 W with holder 2 pin (Orient)	Fahad Enterprises	0.260
<b>Total expenditure</b>				<b>2.350</b>

Audit is of the view that due to weak internal controls, procurements were made on quotations instead of opening competitive bidding.

Unauthorized purchases of Rs 2.350 million resulted in violation of Punjab Procurement Rules 2014.

The matter was reported TMO / PAO in February 2016. The TMO replied that the expenditure was incurred according to demand and requirement. The DDO reply was not acceptable as purchases exceeding one lac were made by calling quotations.

DAC in its meeting held in 31.03.2016 directed that irregularity be got regularized from the competent authority. No compliance of DAC directive was shown till the finalization of this Report.

Audit recommends regularization of expenditure from the competent authority, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para:5]

### **1.4.1.3 Fictitious tendering due to participation of contractors without purchase of tender forms - Rs 1.535 million**

According to Rule(7) of Punjab Procurement Rules 2014 the procuring agency shall, on payment of such fee as the procuring agency may determine keeping in view the cost of printing and provision of the documents, provide a set of bidding documents to the prospective bidders.

TO (I&S) TMA Kehror Pacca allowed the contractors to participate in the competition without purchase of tender form for the concerned development works of Rs 1.535 million. This state of affairs was observed during the scrutiny of the tender register for the year 2014-15 of the office of TO (I&S). It revealed that organized pooling as well as misappropriation of tender form fee by the concerned and it was proved that the excess tenders were being sold than the tenders entered in the tender sale register after the opening of tenders to allot the work to self-favored contractors. **Annex-J**

Audit is of the view that due to weak internal controls, tender form fee was not collected and tendering process was defective due to participation of contractors without purchase of tender forms.

Non collection / deposited of tendering fee resulted in fake tendering process.

The matter was reported to TMO in February, 2016. The TMO replied that all the tenders were opened in the presence of tender opening committee and less deposited fee had been deposited. The DDO reply was not acceptable as the TMA charged fee @ Rs 100 for every tender issued and less deposited fee strengthened the audit point of view that contractors participated the tendering process without purchase of tender forms and tendering process was fictitious.

DAC, in its meeting, held in March, 2016, directed the DDO to take action against responsible under existing rules. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 1.535 and regularization from the competent authority, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 7]

## 1.4.2 Performance

### 1.4.2.1 Non recovery of water charges - Rs 5.439 million

According to Rule 76(1) of PDG and TMA (Budget) Rules, 2003, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

Tehsil Municipal Administration Kehror Pacca did not recover the water charges of Rs 5.439 million during Financial Year 2014-15 from the connection holders. The maintenance of record by the concerned collection staff was very poor. The demand registers were neither maintained properly nor any responsible officer checked and signed the demand registers. The status of connections was not updated in the demand registers. The recovery position was also poor. The detail is as under:

(Rupees in million)

Area of water supply	No. of connections	Opening balance	Demand for the year	Total demand	Recovery for the year	Balance recoverable
Dhanote	370	0.899	0.352	1.251	0.176	1.075
Kehror Pacca	421	0.513	4.079	4.592	0.227	4.365
<b>Total</b>	<b>791</b>	<b>1.413</b>	<b>4.431</b>	<b>5.843</b>	<b>0.404</b>	<b>5.439</b>

Audit is of the view that due to weak internal controls, water charges were not recovered from the connection holders.

Non-recovery of water charges of Rs 5.439 million resulted in blockage of revenue of TMA.

The matter was reported to TMO in February, 2016. The TMO replied that actual recoverable amount was Rs 1.626 million out of which Rs 0.303 had been recovered. The DDO accepted the recovery.

DAC, in its meeting, held in March, 2016, directed the DDO to expedite the recovery and reduce the amount of para for Rs 1.322 million. No progress was intimated till finalization of this report.

Audit recommends recovery of Rs 1.322 million and maintenance of proper record, besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para: 2]

### **1.4.3 Internal Control Weaknesses**

#### **1.4.3.1 Non-obtaining of additional performance securities - Rs 1.381 million**

As per Government of the Punjab, Finance Department letter No. RC9Tech) FD-1-2/83 (v) (p) dated 06-04-2005, if contractor quote rate 5 % below the approved DNIT lowest bidder will have to deposit additional performance security from the schedule bank within 15 days.

TMO Kehror Pacca awarded works without obtaining of additional performance securities of Rs 1.381 million during Financial Year 2014-15 from the contractors offered more than 5% below rate in violation of above rules.

#### **Annex-K**

Audit is of the view that due to weak internal controls, performance securities were not obtained despite contracts were awarded at the rate of more than 5% below the technical estimate.

Non obtaining of performance securities of Rs 1.381 million resulted in violation of Government rules.

The matter was reported to TMO in February, 2016. The TMO replied that security was deducted while making the payment. The reply of the DDO was not tenable as no record for deduction of additional performance was provided.

DAC, in its meeting held in 31.03.2016 directed that irregularity be got regularized from the competent authority. No compliance of DAC directive was shown till the finalization of this Report.

Audit recommends regularization of expenditure of works besides fixing of responsibility on the person (s) at fault, under intimation to Audit.

[AIR Para No.8]



## **Annex**

**Annex-A****Part-I****Memorandum for Departmental Accounts Committee Paras  
Pertaining to Audit Year 2015-16**

(Rupees in million)

<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
		<b>TMA Lodhran</b>	
1	3	Loss to the TMA due to charging the excess rates of POL	0.396
2	9	Loss to the Government due to short assessment of value of land	0.218
3	13	Non collection of advance tax	0.208
4	14	Excess drawl due to charging of excess rates and showing purchase excess than requirement	0.443
5	15	Non recovery of auction amount, income tax and refund of guarantee amount	0.416
6	16	Repair of transformer after it was stolen	0.159
7	17	Short self collection of sale of waste water	0.188
8	19	Short deposit of collected fee	0.241
9	20	Heavy expenditures on account of POL consumed in the vehicle, recovery due doubtful entries during inactiveness period of dengue	0.763
10	21	Excess drawl of cost of control panel without installation and quantity of PVC pipe, copper conductor cable at site	0.081
11	22	Non recovery of electricity charges from private canteen	0.305
12	23	Loss to the Government due to excess payment to the contractor	0.22
13	27	Tempering in the TS estimate to increase the quantities of Tuff tiles due to the reduction of rates by Chief Engineer resulted into embezzlement	0.706
14	28	Non deposit of license fee	0.102
15	29	Unjustified heavy expenditures on Ramzan bazar	0.421
16	30	Unjustified heavy on the name of purchase of cables	0.281
17	31	Doubtful expenditures on repair water supply lines	0.459
18	32	Irregular and doubtful heavy expenditures on the repair of two vehicle	0.474
19	33	Irregular expenditures without sanction	59.972

<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
20	34	Irregular payment of development project out of security account	8.249
21	36	Excess payment of earth due to defective earth calculation and short work	0.242
22	37	Illegal utilization land for commercial purpose without approval of map and payment of conversion fee	0.311
23	38	Unjustified purchase of 1,254 bamboos having length 40 feet each	0.479
24	41	Loss to the TMA due to poor performance in achievements of planned income	91.519
		<b>TMA Dunyapur</b>	
25	1	Non conducting of post completion evaluation of ADP schemes	43.480
26	3	Irregular payment to contractors	9.296
27	6	Excess payment to contractors by approving excess rate	0.218
28	7	Overpayment to contractor due to excess rate on earth work	0.191
29	8	Excess payment due to excessive measurement	0.162
30	9	Non deduction of income tax from the installments of CCB	0.078
31	11	Unauthorized repair of machinery and equipment's	0.679
32	13	Less collection of conversion fee from the owner of commercial buildings	0.623
33	14	Loss to Government due to illegal construction of buildings without payment of map and conversion fee	0.358
34	15	Illegal establishment of unapproved housing colony without payment of dues	0.18
35	18	Irregular collection of revenue through use of A-V receipt books due to Government ban	3.832
36	19	Unauthorized auction of collection rights without the involvement of media and through incomplete auction committee	1.011
37	20	Poor performance due to short fall of income than targets	3.467
38	21	Loss to the Government due to reduction in income from general bus stand	0.879
39	22	Loss to the Government due to non preparation of survey registers for license fee	0.45
40	23	Irregular auction of collection rights of	0.25

<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
		advertisement fee and loss to the Government	
		<b>TMA Kehror Pacca</b>	
41	1	Non conducting of post completion evaluation of development projects	14.033
42	11	Non production of deposit proof of sales tax	0.602
43	13	Unauthorized construction of buildings without submission and approval of maps and fee	0.442
44	14	Less recovery of buildings fee	0.234
45	16	Loss to the Government due to non-deposit of professional tax	0.129
46	17	Less charging of conversion fee due to less valuation of land	0.082
47	18	Unauthorized approval of map of petrol pumps without scrutiny and less recovery of fee	0.041
48	19	Less obtaining of enlistment and renewal	0.033
<b>Total</b>			<b>204.123</b>

**Part-II****[Para-1.1.3]****Memorandum for Departmental Accounts Committee Paras not attended in Accordance with the Directives of DAC Pertaining to Audit Year 2014-15**

<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
		<b>TMA Lodhran</b>	
1	1	Irregular expenditure of construction of development schemes without proper advertisement	140.111
2	2	Non-reconciliation of expenditures of TMA	132.573
3	6	Non maintenance of separate head of account of conversion & betterment fee	7.498
4	7	Non reconciliation of receipts and difference	5.589
5	8	Advance withdrawal without immediate requirement	4.699
6	9	Doubtful expenditure on development scheme	3.119
7	10	Irregular time extension beyond financial Power	5.714
8	11	Irregular expenditure on purchase of equipment	2.033
9	12	Irregular pay on up gradation/promotion of posts	1.61
10	13	Illegal grant of time extension on applications received after due time & non-recovery of penalty	1.463
11	14	Non-availability of stock entry and proof of consumption of stores	1.159
12	15	Irregular Purchas of safety kits and non deduction of LD charges and excess payment	0.058
13	16	Loss to the Government due to charging excess rate of earth	0.883
14	17	Unjustified / doubtful expenditure on purchase of water filters	0.717
15	18	Illegal refund of security before expiry of mandatory time	0.481
16	19	Less collection of conversion fee for commercial unit	0.476
17	20	Loss to the Government due to charging excess quantity	0.471
18	21	Irregular pay on up gradation/promotion of Superintendent	0.448
19	22	Less collection of conversion fee for commercial unit	0.326
20	23	Non collection of lease amount	0.303
21	24	Unjustified expenditure on repair of transformer	0.232
22	25	Embezzlement of billboard for measles campaign	0.216
23	26	Unjustified expenditure on repair of filtration plant	0.199

<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
24	27	Excess payment to the contractor due to non-deduction of surplus earth	0.174
25	28	Irregular expenditure by splitting up of vouchers	0.166
26	29	Excess payment to contractor in 2 <sup>nd</sup> running bill	0.123
27	30	Non deduction of HRA of designated residence	0.116
28	31	Illegal payment of sales tax without collection proof of sales tax	0.114
29	32	Less collection of cost of land of katchi abadis	0.083
30	33	Non production of progress reports of legal advisor and payment	0.099
31	34	Unjustified / doubtful expenditure on purchase for cable	0.058
32	35	Illegal collection of land cost and allotment of katchi abadis	0
<b>TMA Dunya Pur</b>			
1	1	Excess payment to contractor by charging excess rate of tuff tile	0.586
2	2	Short deduction of income tax	0.08
3	4	Irregular / unjustified heavy repair of motor car	0.182
4	5	Non-collection of advertisement fee	0.487
5	6	Loss to the Government due to non-collection of advertisement fee	0.142
6	7	Excess payment due to excessive measurement	0.068
7	8	Non preparation of progress reports of works involved expenditures	58.546
8	9	Irregular receipt of conveyance allowance	0.111
9	11	Non recovery of map and conversion fee from commercial building	0.684
10	13	Excess payment to contractor by charging excess rate of tuff tile	0.207
11	14	Chances of embezzlement of immovable property tax due to non-identification of location of land. recovery	0.123
12	16	Non recovery of arrear of water rate connections	2.213
13	17	Non verification of general sales tax deposit into the Government treasury	0.167
14	18	Unauthorized opening of tenders through irrelevant tender opening committee	75.823
15	19	Irregular receipt of conversion fee from the housing colony planned to launch on the Government owned property	0.223
16	20	Irregular execution of CCB project resulted into excess payment to the CCB	0.435
<b>TMA Kehror Pacca</b>			
1	1	Unauthorized execution of development schemes by CCB	6

<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
		without advertisement on PPRA website	
2	4	Unauthorized auction of collection rights of receipts	4.046
3	5	Unauthorized acquiring of taxable services from unregistered persons valuing and non-deduction of Punjab sales tax	0.524
4	6	Unauthorized purchase of electric material	0.45
5	7	Doubtful hiring of tentage for Ramzan bazar by preparing fictitious record	0.48
6	9	Unauthorized repair of machinery and vehicle	0.882
7	10	Loss to the Government due to less charging of conversion fee	0.333
8	11	Non collection of deposit proof of GST	0.09
9	12	Loss to the Government due to charging two rates of conversion fee	0.117
10	13	Loss to TMA due to non increase of annual rent of shops	0.367
11	14	Execution of development schemes through pool	24.924
12	15	Unauthorized expenditure due to misclassification	0.886
13	17	Unauthorized enhancement of rate and payment of donkey allowance	0.429
14	18	Misappropriation of Baker mandi fee	0.5
15	19	Non collection of advance tax	0.405
16	20	Non imposition / short Recovery of Penalty from the Contractors	1.314
17	21	Loss to the Government due to payment of excess rate on earth work	0.172
18	22	Unauthorized payment to contractors	2.471
19	23	Unauthorized auction of collection rights without the involvement of media and through incomplete auction committee	4.046

## Annex-B

### TMA wise summary of budget and expenditure Financial Year 2014-15

(Rupees in million)

Description	Budget	Actual	Excess (+) Saving (-)	% Excess (+) Saving (-)
<b>TMA Lodhran</b>				
Salary	67.405	50.56	-16.845	-25%
Non-Salary	135.15	71.111	-64.039	-47%
Development	160.59	91.568	-69.022	-43%
<b>Sub Total</b>	<b>363.145</b>	<b>213.239</b>	<b>-149.906</b>	<b>-41%</b>
Revenue	221.791	180.204	-41.587	-19%
<b>TMA Dunyapur</b>				
Salary	41.11	39.262	-1.848	-4%
Non-Salary	32.093	26.833	-5.26	-16%
Development	53.292	43.48	-9.812	-18%
<b>Sub Total</b>	<b>126.495</b>	<b>109.575</b>	<b>-16.92</b>	<b>-13%</b>
Revenue	123.514	107.89	-15.624	-13%
<b>TMA Kehror pacca</b>				
Salary	76.65	74.539	-2.111	-2%
Non-Salary	40.708	21.215	-19.493	-48%
Development	33.168	29.743	-3.425	-10%
<b>Sub Total</b>	<b>150.526</b>	<b>125.497</b>	<b>-25.029</b>	<b>-17%</b>
Revenue	131.212	131.73	0.518	0.39%



## Annex-C

[Para No.1.2.1.1]

**Irregular award of tender – Rs 5.450 million**

(Rupees in million)

Tender Issue Date 3.01.2015 Tender Opening Date 20.01.2015					
Date of Tender	Name of Work	Name of contractor whom bid issued	Name of contractor who participated	Rate of Award	Amount in million
41	Const. of sewerage flooring street Batton Wali Abadi Medical Store Mohalla Koray Wala	No bid	1. Tasim Massod But 2.Sh. M. Afzal 3. Syed Zahid Shah	2.18% below	1.5
43	Const. of Sullage Carrier Ch. Idrees Wala	No bid	1. New Tabi Co 2. Rana M. Azhar	4.35%	0.8
75	Const. of soling pavement from Pull Gari Wala to Basti Lacho wala UC Lohori	No bid	1. Rana M. Azhar 2. Ishfaq Ahmed Zia	3.50% below	0.55
82	Const. of Sullage Carrier Basti Noor Hassan Wala Mouza Kundi	1. Sajid Bhutta 2. M. Ashraf Bhutta 3. M. Saddique Bhutta	1. Aslam Wahga 2. Zahid Bilal	at Par	0.5
90	Const. of Sullage Carrier Basti Pipple Wala Gogran	1.Sh. Muhammad Dishad 2. Sh. Muhammad Mushtaq 3.Mian Muhammad Jamil	1. Imran Kashif 2. Aamir Khursheed	2.25% below	0.5
94	Const. of Sullage Carrier Basti Yaroo Wala UC Gogran	No bid	1. Malik Muhammd Ramzan 2. Riasat Ali	at Par	0.4
123	Const. of soling from M/R to Basti Dehy Wala Mouza Chah Godha UC Wahi Imran Bux	1. M. Nasarullah Malik 2. Malik Mushtaq	1. M. Nasarullah Malik 2. Shafi Shah		0.5
124	Const. of soling from M/R to Basti Malik Sharif Jahan Sar UC Wahi Imran Bux	1. Muhammd Ashraf 2. Ibrahim Const.	1. Muhammd Ashraf 2. Abid Hussain Dhudi	4.85% below	0.7
<b>Grand Total</b>					<b>5.450</b>

**Annex-D****[Para No. 1.2.1.4]****Irregular expenditures on account of repair of water disposal -  
Rs 1.082 million**

Summary of tables 1-4

(Rupees in million)

Total of table-1	0.258
Total of table-2	0.173
Total of table-3	0.320
Total of table-4	0.331
<b>Grand total of table-1-4</b>	<b>1.082</b>

Table-1

<b>Date</b>	<b>Particular of Purchase</b>	<b>Name of Disposal</b>	<b>Rupees in million</b>
9.7.2014	Bill purchase of Dwar disposal Masood Abad	Masood Abad	0.002
9.7.2014	Bill repair motor pump with boring Massod Abad	Masood Abad	0.021
9.7.2014	Bill repair gate wall disposal Masood Abad	Masood Abad	0.006
9.7.2014	Bill purchase China Charging Battery disposal Massod Abad	Masood Abad	0.006
2.9.2014	Repair of generator disposal Masood Abad	Masood Abad	0.018
15.9.2014	Grill installation at disposal Masood Abad	Masood Abad	0.015
15.9.2014	Bill purchase of Cycle Driver disposal Masood Abad	Masood Abad	0.012
15.9.2014	Bill purchase of batteries for disposal Masood Abad	Masood Abad	0.044
15.9.2014	Bill purchase of timer Circuit Braker Dispoal Masood Abad	Masood Abad	0.014
15.9.2014	Bill purchase of gate wall disposal Masood Abad	Masood Abad	0.035
19.2.2015	Bill purchase of gate wall disposal Masood Abad	Masood Abad	0.005

19.2.2015	Panel Board Disposal Masood Abad	Masood Abad	0.023
22.5.2015	Purchase of main Switch 200 Amp disposal Masood Abad	Masood Abad	0.020
22.5.2015	Bill repair of generator Disposal Masood Abad	Masood Abad	0.020
15.6.2015	Purchase of plastic disposal Masood Abad	Masood Abad	0.007
15.6.2015	Bill boring disposal Masood Abad	Masood Abad	0.007
<b>Grand Total</b>			<b>0.258</b>

Table-2

<b>Date</b>	<b>Particular of Purchase</b>	<b>Name of Disposal</b>	<b>Rupees in million</b>
-	Bill purchase wire 7/64 disposal salsadar	Salsadar	0.034
-	Purchase of wire motor disposal Salsdar	Salsadar	0.021
-	Repair of disposal 20/HP disposal Salsdar	Salsadar	0.017
-	Bill purchase of wire disposal danwaran	Danwaran	0.018
-	Purchase of gress , Pkin dori Diposal Danwaran	Danwaran	0.005
-	Purchase of circuit braker 3 Phase disposal Danwara	Danwaran	0.011
-	Purchase of pallat G/92 band flinch disposal Havelli Naseer	Haveli Naseer	0.045
27.3.2015	Bill repair of peter engine disposal works Havali Naseer	Haveli Naseer	0.008
9.6.2015	Repair of peter engion disposal Havali Naseer Khan	Haveli Naseer	0.014
<b>Grand Total</b>			<b>0.173</b>

Table-3

<b>Date</b>	<b>Particular of Purchase</b>	<b>Name of Disposal</b>	<b>Rupees in million</b>
27.08.2014	Bill purchase of Amper Fan No.2 disposal Kahmeesa	Khameesa Bhutta	0.021
-	Repair of fan No.1 disposal work Khameesa Bhatta	Khameesa Bhutta	0.008
-	Rewinding of motor 30 HP Disposal Khameesa	Khameesa Bhutta	0.021
-	Bill purchase of Mono block pump disposal Khameesa	Khameesa Bhutta	0.011

<b>Date</b>	<b>Particular of Purchase</b>	<b>Name of Disposal</b>	<b>Rupees in million</b>
-	Purchase of double motor pump Disposal Khameesa	Khameesa Bhutta	0.010
-	Purchase of grees of disposal Khameesa Bhatta	Khameesa Bhutta	0.003
-	purchase of delivery pipe disposal Khammes Bhatta	Khameesa Bhutta	0.016
02.12.2014	Bill purchase of PVC Pipe Khamees Bhatta	Khameesa Bhutta	0.046
-	Bill motor rewinding disposal Khameesa Bhatta	Khameesa Bhutta	0.017
24.02.2015	Bill purchase of gress and pakin dori Khameesa Bhatta	Khameesa Bhutta	0.003
06.04.2015	Purchase of fan disposal Khameesa Bhatta	Khameesa Bhutta	0.092
23.04.2015	Bill repair of fan No.2 Khameesa Bhatta	Khameesa Bhutta	0.005
-	repair of generator disposal Khameesa Bhatta	Khameesa Bhutta	0.037
-	Bill purchase of gress disposal Khameesa Bhatta	Khameesa Bhutta	0.004
23.06.2015	Bill repair of generator Disposal Khameesa Bhatta	Khameesa Bhutta	0.019
-	Bill purchase of gress disposal Khameesa Bhatta	Khameesa Bhutta	0.003
	Bill purchase of gress disposal Khameesa Bhatta	Khameesa Bhutta	0.003
<b>Grand Total</b>			<b>0.320</b>

Table-4

<b>Date</b>	<b>Particular of Purchase</b>	<b>Name of Disposal</b>	<b>Rupees in million</b>
-	Bill repair fan disposal jut wala	Jut wala	0.009
-	Purchase of three phase starter panel Disposal Jut wala	Jut wala	0.046
-	Generator dispsosal Jut wala	Jut wala	0.019
05.09.2014	Bill repair motor 40 HP disposal jutt wala	Jut wala	0.025
15.09.2011	Bill repair of fan No.1 disposal Jutt wala	Jut wala	0.007
-	Purchase of board wire disposal Jutt wala	Jut wala	0.001
29.12.2014	Bill repair of motor 40/HP disposal Jutt wala	Jut wala	0.023
07.01.2015	Bill purchase of gress disposal Jut wala	Jut wala	0.003
-	Bill pakind dori and gress dispsal Jutt wala	Jut wala	0.003

<b>Date</b>	<b>Particular of Purchase</b>	<b>Name of Disposal</b>	<b>Rupees in million</b>
-	Bill purchase of pakin dori and gress Jutt wala	Jut wala	0.003
-	Bill purchase of motor patta disposal Jutt wala	Jut wala	0.003
-	purchase of two barings 40/HP disposal jutt wala	Jut wala	0.010
-	Bill purchase of gress Jutt walal disposal	Jut wala	0.002
07.05.2015	Bill purchase of delivery pipe disposal Jutt wala	Jut wala	0.020
-	Repair of fan No.1 disposal Jutt wala	Jut wala	0.006
-	repair of fan disposal jutt wala	Jut wala	0.003
-	Bill purchase of gress Disposal Jutt wala	Jut wala	0.005
25.05.2015	Bill repair of disposal jutt wala	Jut wala	0.020
09.06.2015	Bill purchase of delivery pipe disposal jutt wala	Jut wala	0.021
-	Bill purchase of ampler for Fan No.1 Jutt wala disposal	Jut wala	0.021
-	Bill purchase mechanical seel fan No2 disposal Jutt wala	Jut wala	0.018
-	Repair of generator disposal Jutt wala	Jut wala	0.037
-	Bill repair motor Jutt wala	Jut wala	0.022
<b>Grand Total</b>			<b>0.331</b>

**Annex-E****[Para No. 1.2.2.1]****Non-recovery of rent of shops – Rs 49.881 million**

Table-1

(Rupees in million)

Number of Shops / Plots	Number of Shops	Date of last Auction	Period of lease / Agreement	Lease Money	Recovery	Deficiency during the year	Arrears of the previous years	Total Arrear
Quid-e-Azam Road	(4)25	1978	5 Years	1.708	0.773	0.935	3.688	4.623
Link Road	(4)12	1978	5 Years	0.777	0.390	0.387	1.324	1.711
Railway Road	(4)23	1978	5 Years	1.346	0.274	1.073	4.629	5.701
Railway Road North	(2)25	1984	5 Years	0.631	0.188	0.443	2.195	2.637
Adjacent to Mandi Movashian	(25)39	1995	5 Years	0.692	0.329	0.363	1.761	2.125
Opposite to Hospital	(16)16	1995	5 Years	0.604	0	0.604	3.376	3.980
Library Market	(03)22	1989	5 Years	1.014	0.261	0.753	2.124	2.877
Old Jalal Pur Road	(4)25	1994	5 Years	0.408	68,826	0.339	1.298	1.636
Railway Road Link	(12)35	1978	5 Years	0.583	0.006	0.577	2.270	2.847
Inside TMA	(10)19	1974	5 Years	0.960	0.212	0.749	2.409	3.158
BWP Road	(26)79	1974	5 Years	1.021	0.389	0.633	3.908	4.541
Main Bazar	(32)54	1974	5 Years	0.385	0.040	0.346	1.555	1.901
Opposite Lari Adda	(5)35	1994	5 Years	0.458	0.071	0.387	1.917	2.304
Behind Railway Road	(4)18	1994	5 Years	0.325	0.016	0.309	1.920	2.229
Old Sabzi Mundi	(2)35	1994	5 Years	0.425	0.041	0.384	2.098	2.483
Larri Adda	43	1992	5 Years	0.830	0.173	0.657	2.718	3.375
<b>Grand Total</b>	<b>505</b>			<b>12.170</b>	<b>3.230</b>	<b>8.940</b>	<b>39.190</b>	<b>48.130</b>

Table-2

Number of Shops / Plots	Number of Shops	Shops with double stories	Extra per month Rate in rupees	Rupees in million
Quid-e-Azam Road	25	4	2,847	0.137

Number of Shops / Plots	Number of Shops	Shops with double stories	Extra per month Rate in rupees	Rupees in million
Link Road	12	4	2,697	0.129
Railway Road	23	4	2,439	0.117
Railway Road North	25	2	1,052	0.025
Adjacent to Mandi Movashian	39	25	740	0.222
Opposite to Hospital	16	16	1,573	0.302
Library Market	22	3	1,921	0.069
Old Jalal Pur Road	25	4	680	0.0323
Railway Road Link	35	12	694	0.100
Inside TMA	19	10	2,106	0.253
BWP Road	79	26	539	0.168
Main Bazar	54	32	298	0.114
Opposite Lari Adda	35	5	546	0.033
Behind Railway Road	18	4	752	0.036
Old Sabzi Mundi	35	2	507	0.012
<b>Grand Total</b>				<b>1.750</b>

**Annex-F**

**[Para No. 1.2.2.3]**

**Loss due to less deposit of disposal water income - Rs 18.785 million**

Table-1

(Rupees in million)

<b>Detail of Recovery of Disposal Masood Abad</b>						
<b>Rate per Hour</b>	<b>Hours of Water</b>	<b>days</b>	<b>Average 5 Hours Per Day</b>	<b>Amount Due</b>	<b>Amount Deposited</b>	<b>Short Deposit</b>
400	234.5	328	1,665	0.666	0.302	0.364

Table-2

(Rupees in million)

<b>Description of Disposal</b>	<b>Units Consumed</b>	<b>Hours 15 Units per Hour</b>	<b>Rate Charged in rupees</b>	<b>Amount</b>
97/M	15,815	1,055	3,800	0.339
Masood Abad	33,371	2,225	3,800	0.698
Masood Abad	11,969	798	3,800	0.258
Jutt Wala	79,980	5,333	3,800	1.718
Thakar Wala	4,092	272.6	3,800	0.072
Khameesa Bhutta Old	65,038	4,336	3,800	1.412
<b>Total</b>	<b>210,265</b>	<b>14,020</b>	<b>22,800</b>	<b>4.497</b>

Table-3

<b>Description of Disposal</b>	<b>Hour Used</b>	<b>Diesel Used</b>	<b>Cost of Water</b>
Masood Abad Generator POL	563	3,800	0.174
Khameesa Bhutta Generator POL	995	3,800	0.327
Jut Wala Water Disposal Generator POL	578	3,800	0.174
<b>Total</b>	<b>2,136</b>	<b>11,400</b>	<b>0.675</b>
<b>Total Expected Income on the Basis of Electricity used and POL Consumed for Running of Generators</b>			<b>5.172</b>
<b>Amount Deposited into Government Account on Account of Sale of Water of Six Disposals</b>			<b>1.415</b>
<b>Short Recovery</b>			<b>3.757</b>
<b>Total Loss for Last Five Years</b>			<b>18.785</b>



**Annex-G****[Para No. 1.3.2.1]****Non recovery of arrears of water rates – Rs 9.413 million**

(Rupees in million)

<b>Sr. No.</b>	<b>Ward No.</b>	<b>Total Connection</b>	<b>Disconnection</b>	<b>Amount of arrears</b>
1	1	98	12	0.068
2	2	144	6	0.149
3	3	100	10	0.122
4	4	195	7	0.178
5	5	461	14	0.615
6	6	164	3	0.341
7	7	103	12	0.205
8	8	260	12	0.259
9	9	188	12	0.095
10	10	106	3	0.088
11	11	77	5	0.056
12	12	86	2	0.071
13	13	117	5	0.115
14	14	63	3	0.063
15	15	152	13	0.156
16	16	403	20	0.512
17	17	273	9	0.578
18	18	304	20	0.688
19	19	170	9	0.324
20	327/WB	39	2	0.078
21	329/WB	174	2	0.181
22	340/WB	33	0	0.031
23	342/WB	497	5	1.351
Commercial		11		0.079
Govt. Department		20		0.654
Less collection current year 2014-15				2.355
<b>Total Arrears</b>				<b>9.413</b>

**Annex-H****[Para No. 1.3.3.2]****Non-obtaining of additional performance securities – Rs 5.641 million**

(Rupees in million)

<b>Sr. No</b>	<b>Name of Scheme</b>	<b>Estimated Cost</b>	<b>Name of Contractor</b>	<b>Tender Rate (Below)</b>	<b>Additional Performance Security</b>
1	Construction of Soling Chak 382/WB	0.250	Irshad Ahmed	41.86%	0.105
2	Construction of Soling Chak 381/WB	0.200	Irshad Ahmed	46.51%	0.093
3	Construction of Soling Chak 377/WB	0.200	Rashid Bashir	40%	0.080
4	Construction of Soling Chak 379/WB	0.200	Sardar Ahmed	40%	0.080
5	Construction of Soling Chak 384/WB	0.300	Rashid Bashir	42.01%	0.126
6	Construction of Bridge Rajbah Jam Wah Chak 14/M	0.400	Manzoor Khan	31.86%	0.127
7	Construction of Soling/Tuff tiles Chak 380/WB	2.000	M.Iqbal	46.99% & 31.99%	0.790
8	Construction of Soling Chak 24/M	0.200	M. Shareef	49.89%	0.100
9	Construction of Soling Chak 26/M West	0.200	Khadim Hussain	46.05%	0.092
10	Construction of Soling Chak 27/M	0.200	Khadim Hussain	48.55%	0.097
11	Construction of Soling Chak 36/M	0.200	Khadim Hussain	47.05%	0.094
12	P/L Water Supply pipe line Chak 42/M	0.200	Aslam Khan	23.00%	0.046
13	Construction of Soling Chak 44/M	0.200	Aftab & Co.	46.55%	0.093
14	Construction of Soling Chak 46/M	0.200	Irshad Ahmed	41.86%	0.084
15	Construction of Soling Rukan Din Pur (Abdullah Dogar)	0.600	M. Arif	50.10%	0.301
16	Construction of Soling Kotla Hassan	0.100	Sadiq Bhatti	50.10%	0.050
17	Construction of Soling Tibbi Lal Shah	0.200	M. Arif	50.01%	0.100
18	Construction of Soling Chak 327/WB/Rukan Din Pur	0.200	Akmal	46.99%	0.094
19	Construction of Soling Chak 315/WB	0.200	M. Arif	50.10%	0.100

Sr. No	Name of Scheme	Estimated Cost	Name of Contractor	Tender Rate (Below)	Additional Performance Security
20	Construction of Soling Chak 350/WB (Sobydar Hayat)	0.200	Sadiq Bhatti	50.10%	0.100
21	P/L Sewerage line Chak 339/WB	0.300	Iqbal	43.99%	0.132
22	Construction of Soling Chak 351/WB (MALIK MAHBOOB)	0.200	Iqbal	42.99%	0.086
23	Construction of Soling Kotli Wajbah	0.200	Akki Khan	42.00%	0.084
24	Construction of Soling Chak 370/WB	0.200	Zulifqar	42.00%	0.084
25	Construction of Soling Chak 372/WB	0.200	Zulifqar	42.00%	0.084
26	Construction of Soling Chak 367/WB	0.300	M. Arif	50.10%	0.150
27	Construction of Culverts Chak 365/WB	0.200	Asif Gujjar	40.00%	0.080
28	Construction of Soling Chak 303/WB	0.200	M. Arif	50.10%	0.100
29	Construction of Soling Chak 340/WB	0.200	Irshad Ahmed	46.05%	0.092
30	Construction of Soling Mouza Tahir Bhutta (Abdul Qadir)	0.200	Asif Gujjar	41.00%	0.082
31	Construction of Soling Chak 386/WB	0.200	Akki Khan	42.00%	0.084
32	Construction of Soling Chak 12/M East	0.500	Shoukat Bhutta	51.50%	0.258
33	Construction of Soling Chak 12/m West	0.400	Shoukat Bhutta	51.00%	0.204
34	Construction of Soling Chak 223/WB	0.300	Iqbal	46.99%	0.141
35	Construction of Soling Manjha Kotla	0.400	Bashir Ahmed	43.00%	0.172
36	Construction of Soling Mouza Jamala	0.300	Khadim Hussain	47.55%	0.143
37	Construction of Soling Mouza Gulzar Pur	0.200	Manzoor Khan	46.05%	0.092
38	Construction of Soling Chak 233/WB	0.400	Iqbal	47.99%	0.192
39	Construction of Soling Chak 271/WB	0.200	Sadiq Bhatti	50.10%	0.100
40	Construction of Soling Chak 23/M	0.200	Shoukat Bhutta	50.00%	0.100
41	Construction of Soling Chak 9/M	0.700	Iqbal	46.99%	0.329
42	Construction of Soling Chak 295/WB	0.200	Sadiq Bhatti	50.10%	0.100
<b>Total</b>					<b>5.641</b>

**Annex-I****[Para No. 1.4.1.1]****Unauthorized execution of works through quotations instead of tenders - Rs 4.851 million**

(Rupees in million)

Sr. No.	Name of work	Name contractor	Amount of work
1	Improvement flooring near Hydrant Water Works Chowk Bukhari City Kahrora Pacca.	Malik Ameer Wad	0.100
2	Fixing ceiling Fans & Renovation Jinnah Hall TMA Kahrora Pacca.	Sheikh Muhammad Afzal	0.100
3	Supply & Fixing Main hole Covers & Repair etc city Kahrora Pacca.	Muhammad Shahid	0.100
4	Improvement paving street Rao Sabir wali Ameer Pur Sadat.	Muhammad Shahid S/O Deen Muhammad	0.060
5	Repair/improvement bathroom washroom office Administrator.	Sheikh Abdul Rasheed	0.025
6	Repair windows doors office Administrator TMA Kahrora Pacca.	Muhammad Shahid	0.025
7	Improvement toilets blocks new lari adda TMA Kahrora Pacca	Malik Abid Hussain	0.045
8	Construction of foundation for generator with shifting water works chowk Bukhari disposal works Lodhran road	Malik Abid Hussain	0.061
9	Improvement sewer drain & flooring Malik Fiaz Khan Joiya	Haji Muhammad Nawaz	0.050
10	Construction of foundation hodi for electroc water cooler 2nos filter pipe for water supply chowk Bukhari & Qasim park	Sardar Construction Co	0.035
11	Improvement & construction different works street Muhammad Iqbal Haji Sher wali	Muhammad Arif	0.100
12	Construction of culvert Basti Dhodi with RCC slab	Malik Abid Hussain	0.100
13	Improvement sewerage near telephone exchange Kahrora Pacca	Mahar Jee	0.100
14	Construction /improvement soling basti Abik	Sheikh Liaqat Hussain	0.090
15	Earth filing & construction of soling from house Malik Shahbaz Hussain to house Sadiq mahalla Jallo wala U/C Bakhshi wala	Sheikh Liaqat Hussain	0.065
16	Improvement sewer line, repair main holes & construction main holes U/C Zafar Abad with Pavement street Zubair Khan Ali Pur Kanju	Mahar Muhammad Siddique	0.100
17	Construction of RCC slab for nala jat Kahrora Pacca city with improvement pavement basti Warich Wala	Mahar Muhammad Siddique	0.100
18	Supply & fixing man hole covers & repair etc Kahrora Pacca city	Muhammad Shahid	0.100
19	Improvement sludge carrier basti koray wala	Mahar Muhammad Siddique	0.080
20	Construction of main holes improvement main sewer line near Khan Qah Hafiz Muhammad Akram press club TMA Kahrora Pacca plaza gate Qasim park etc.	Muhammad Shahid	0.100

<b>Sr. No.</b>	<b>Name of work</b>	<b>Name contractor</b>	<b>Amount of work</b>
21	Desalting disposal well disposal works Bakhtu wala with repair	Muhammad Shahid	0.100
22	Improvement water supply pipe line street Malik Sajjad Khan	Malik Muhammad Nawaz	0.042
23	Supply & fixing water supply (PVC) pipe 5 inch dia etc from dera Rana Ishfaq to office union council Dhonate CO unit Dhonate	Sheikh Liaqat Hussain	0.099
24	Fixing water supply PVC 3 inch dia from metal road to house Khalid Khan Pahar muhala Dianat pura	Dur Muhammad	0.068
25	Construction of man hole street Azhar Lodhi wali road tablighi markaz Kahrora Pacca	Wazir Ahmad Bhatti	0.077
26	Construction of sludge carrier basti tabbi wala U/C tabbi wadan Haji Muhammad Nawaz ex-naib Nazim Tehsil Kahrora Pacca	Dur Muhammad	0.085
27	Construction of brick wall Qasim park east & north remaining portion TMA Kahrora Pacca	Muhammad Shahid	0.999
28	Fixing grill remaining portion Qasim park , brick west wall(wood style) pillar etc Qasim park Kahrora pacca	Muhammad Shahid	0.088
29	Construction of remaining portion wall (wooden style) etc east & north Qasim park TMA Kahrora Pacca	Muhammad Shahid	0.088
30	Fixing grill , paint Shaheed Khan Saddique Khan Kanju ckowk Kahrora Pacca	Sheikh Abdul Rasheed	0.030
31	Improvement disposal multani wala	Muhammad Manzoor	0.100
32	Construction of soling street Maqbool Ahmad wali chah mooli wala cheley wahin	Sardar Construction Company	0.098
33	Construction of soling street Azhar Hussain wali S/O Atta Muhammad wali chah mooli wala	Sardar Construction Company	0.098
34	Construction of soling madras chah peeran wala U/C cheley wahin	Ameer Mukhtar	0.100
35	Construction of soling & resoling earth filling from Neher to house Nazar Muhammad basti Mian Pur Mouza Kot Daim U/C cheley wahin	Ameer Mukhtar	0.100
36	Construction of Tuff tile near house Hassan Nawaz Qadir Pur Chimna U/C cheley wahin	Ameer Mukhtar	0.100
37	Construction of Tuff tile near house Malik Ahmad Nawaz Qadir Pur Chimna U/C cheley wahin	Ameer Mukhtar	0.098
38	Construction of Tuff tile house Allah Nawaz Qadir Pur Chimna U/C cheley wahin	Ameer Mukhtar	0.098
39	Construction of PCC Block street Raza Hussain Khan Joiya U/C Rana Wahin	Ameer Mukhtar	0.095
40	Construction of soling street Akram Qasai Basti Nawan U/C Dkhna Gharo	Ameer Mukhtar	0.100
41	Construction of soling from metalled road to school Basti Nawan U/C Dkhna Gharo	Ameer Mukhtar	0.100
42	Construction of soling street Khan Muhammad Kumhar wali Basti Nawan U/C Dkhna Gharo	Ameer Mukhtar	0.099
43	Construction of soling & resoling street Mulazim Hussain wali	Sheikh Liaqat Hussain	0.099

<b>Sr. No.</b>	<b>Name of work</b>	<b>Name contractor</b>	<b>Amount of work</b>
	U/C Zafar Abad		
44	Construction of Drain Basti Muhammad Sai U/C Burhan Pur	Sheikh Liaqut Hussain	0.050
45	Construction of soling & earth filling from house Haji Allah Ditta Bhatti to house Muhammad Bukhsh U/C Zafar Abad	Sheikh Liaqut Hussain	0.040
46	Construction of soling & resoling House Muzafar Blouch to house Asif Shah Zafar Abad	Sheikh Liaqut Hussain	0.099
47	Construction of Sewer Line man holes soling from house Muhammad Riaz to Masjid Haider Qarar U/C Patwaryan wala	Sheikh Liaqut Hussain	0.100
48	Construction of soling & Sewer street back side house Mushtaq Bhatti Jali wala U/C Patwaryan wala	Sheikh Liaqut Hussain	0.065
<b>Total</b>			<b>4.851</b>

**Annex-J****[Para No. 1.4.1.3]****Fictitious tendering due to participation of contractors without purchase of tender forms - Rs 1.535 million**

(Rupees in million)

<b>Tender Opening Date</b>	<b>Sr. No.</b>	<b>Name of Work</b>	<b>Total No. of Tender opened</b>	<b>Name of Participants without purchase of Tender form</b>	<b>Fee Not Deposited</b>	<b>Work Allotted to</b>	<b>Amount of Work</b>
09.01.15	17	Construction tuff tile near pull Massa Kotha near shop Mufti Tariq	4	Shahid Rashid, Liaqat Hussain	200	Liaqat Hussain	0.200
09.01.15	31	Const. tuff tile and sewer street Sheikh Bashir Ahmed wali UC Patwari Wala	3	M. Zaffar Rehmani	100	Maher M. Shafique	0.300
09.01.15	42	Construction of soling street Shehzad Khan Baloach wali Choki Rangoo Khan	3	Shiekh M. Dilshad	100	Mazhar Hussain Khan	0.200
27.03.15	2	Const. of soling Basti Khudai No.2 Wanjara Factory	6	M. Hamza Sultan	100	Wazir Ahmed Bhatti	0.300
27.03.15	5	Const. of Nali and tuff tile from house Shakeel to house zulfiqar Street Asif Cloth wali Zafarabad	3	Wazir Ahmed Bhatti	100	Sheikh Liaqat Hussain	0.138
02.04.15	10	Const. pulli Basti Dhudhi with RCC slab	3	Malik Abid Hussain Dhudhi	100	Malik Abid Hussain Dhudhi	0.100
01.06.15	1	Fixing water supply (PVC) pipe 5" dia etc near dera Rana Ishfaq to Office UC Dhanote CO Unit	3	Wazir Ahmed Bhatti	100	Sheikh Liaqat Hussain	0.099
26.06.15	12	Const. of tuff tile house Allah Nawaz Qadir Pur UC Chelay wahin	2	Muhammad Shahid	100	Ameer Mukhtar	0.099
30.06.15	2	Const. of soling and resoling house Muzaffar Baloach to house Asif Shah Zafarabad	3	Bashir Ahmed Chubadhan	100	Sheikh Liaqat Hussain	0.099
<b>Total</b>							<b>1.535</b>

**Annex-K**  
**[Para No. 1.4.3.1]**

**Non-obtaining of additional performance securities - Rs 1.381 million**

(Rupees in million)

Sr. No.	Name of work	Name of contractor	Rate quoted below in %	Amount of work	Amount of Additional P. Security
1	Supply & fixing water supply PVC pipe from high school main Gate to Office U/C Dhonote CO-Unit Dhonote	Sheikh Liaquat Hussain	36	0.687	0.247
2	Contraction of Sewer line & tuff tile street back side Kosar Masjid U/C Patwarian Wala	Hafiz Muhammad Tahir	28.9	0.200	0.058
3	Contraction of sludge Carrier from Shop Muhammad Iqbal to House Yaseen Basti Allah Waraya wala U/C Dakhna Gharoo	Muhammad Manzoor	38.21	0.300	0.115
4	Contraction of sludge Carrier (2x2) with slab from house Rana Iddrees to Pehlwan U/C Patwarian Wala	Wazir Ahmad Bhatti	40.65	0.432	0.176
5	Contraction of Sewer line from house Shahid molvi to Imam Bukhsh U/C Zafar Abad	Wazir Ahmad Bhatti	37.65	0.100	0.038
6	Contraction of PVC pipe connection main Hole raising street Sheikh Liaquat Wali U/C Zafar Abad	Sheikh Liaquat Hussain	39	0.100	0.039
7	Contraction of drain & repair drain with slab street Dr. Mushtaq Wali U/C Bakhsi Wala	Malik Zulfiqar Ahmad	20.2	0.060	0.012
8	Contraction of sewer line main holes, soling, earth filing etc. from house Peer Akbar Shah Rizvi to Masjid house Mian Muzafar ,Mazhar Qureshi Edvocate Wali	Khadim Hussain	41.21	0.550	0.227
9	Contraction of Sewer Tuff tile Street from house Amin Khan Blouch to Graveyard	Liaquat Hussain	20	0.300	0.060
10	Contraction of soling Basti Khudai No.2 Wanjara Factory	Wazir Ahmad Bhatti	46.75	0.300	0.140
11	Contraction of Drain & Tuff tile , Sewer line Hodian from house Bashir Maral to house Rana Liaqat	Wazir Ahmad Bhatti	27.65	0.222	0.061
12	Contraction of Soling from Rind Jada road to Basti Nikraz Pur	Mian Sakhwat Hussain	43.55	0.300	0.131
13	Contraction of Drain & Tuff tile from house Shakeel to house Zulfiqar street Asif Cloth Wali Zafar Abad	Sheikh Liaquat Hussain	30	0.138	0.041



<b>Sr. No.</b>	<b>Name of work</b>	<b>Name of contractor</b>	<b>Rate quoted below in %</b>	<b>Amount of work</b>	<b>Amount of Additional P. Security</b>
14	Contraction of Drain PCC Street Malik Qasim khan Joiya Wali U/C Patwariyan Wala	Mian Sakhawat Hussain	10.8	0.072	0.008
15	Contraction of Water Supply line 3 inch dia Metal Road to house Khalid Khan Pahar U/C Diyanat Pura	Khadim Hussain	42.55	0.068	0.028
<b>Total</b>					<b>1.381</b>