



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

AUDIT YEARS 2009-2012

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PDG	Punjab District Government
PDSSP	Punjab Devolved Social Sector Programme
TAC	Town/Tehsil Accounts Committee
TMA	Town /Tehsil Municipal Administration
TMO	Town/Tehsil Municipal Officer
TO (F)	Town /Tehsil Officer (Finance)
TO (I&S)	Town /Tehsil Officer (Infrastructure & Services)
TO (P&C)	Town /Tehsil Officer (Planning & Coordination)
TO (R)	Town /Tehsil Officer (Regulations)
WHO	World Health Organization

PREFACE

Articles 169 and 170 (2) 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 the audit of the receipts and expenditure of the Local Fund and Public Accounts of Tehsil / Town Municipal Administrations of the Districts.

The Report is based on audit of Tehsil Municipal Administrations of District Vehari for the years 2008-09, 2009-10 and 2010-11. The Directorate General of Audit District Governments Punjab (South), Multan, conducted audit during 2009-10, 2010-11 and 2011-12 on test check basis with a view to reporting significant findings to relevant stakeholders. The main body of Audit Report includes only the systemic issues and audit findings carrying value of Rs1 million or more. Relatively less significant issues are listed in the Annexure-I of the Audit Report. The Audit observations listed in the Annexure-I 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 need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

Most of the observations included in these Reports have been finalized in the light of written responses and discussion with the management.

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

Islamabad
Dated:

(Muhammad Akhtar Buland Rana)
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 Administrations. Its Regional Directorate of Audit Multan has audit jurisdiction of District Governments, TMAs and UAs of six Districts i.e. Multan, Lodhran, Vehari, Khanewal, Sahiwal and Pakpattan.

The Regional Directorate has a human resource of 23 officers and staff, constituting 1,255 man days and the budget of about Rs 6.275 million per financial year. It has the mandate 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 Regional Directorate of Audit Multan carried out audit of the accounts of three TMAs of District Vehari for the financial years from 2008-09 to 2010-11 and the findings included in the Audit Report.

Each Tehsil Municipal Administration in District Vehari is headed by a Tehsil Nazim / Administrator. He/she 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 above mentioned TMAs in District Vehari for the financial years from 2008-09 to 2010-11, was Rs969.624 million and expenditure incurred was of Rs355.830 million, showing savings of Rs 613.793 million. The total Non development Budget for financial years 2008-2011 was Rs981.630 million expenditure was of Rs694.471 million, showing savings of Rs287.159 million. The reasons for savings in Development and Non development Budgets are required to be provided by TMO and PAO concerned.

Audit of TMAs of District Vehari was carried out with the view to ascertain that the expenditure was incurred with proper authorization, in conformity with laws/rules/regulations, economical procurement of assets and hiring of services etc.

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

a. Audit Methodology

Audit was conducted after understanding the business processes of TMAs with respect to 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. Audit used desk audit techniques for analysis of compiled data and review of permanent files/record. Desk Audit greatly facilitated identification of high-risk areas for substantive testing in the field.

b. Audit of Expenditure and Receipts

Audit of development expenditure of Rs124.540 million was carried out, out of total expenditure of Rs355.830 million and Audit of non-development expenditure of Rs381.959 million out of a total of Rs694.471 million for the financial years 2008-2011 was conducted which are 35%&55% of development and non-development expenditures, respectively. Total overall expenditure of TMAs of District Vehari for the financial years 2008-11 was Rs1,050.301 million, out of which overall expenditure of Rs506.499 million was audited, which is 48% of total expenditure. Therefore, there was 100% achievement against the planned audit activities.

c. Recoveries at The Instance of Audit

Recoveries of Rs176.639 million were pointed out through various audit paras and no recovery was effected till the compilation of this Report. Out of the total recoveries Rs28.454 was not in the notice of the Executive before audit.

d. The Key Audit Findings of the Report

- i. Non production of record of Rs19.790 million noted in one case.¹
- ii. Non compliance of Rules and Regulations amounting to Rs52.685million noted in eight cases.²
- iii. Performance issues involving Rs 164.398 million were noted in sixteen cases³.
- iv. Weak internal control issues involving Rs63.481million were noted in fourcases⁴.

Audit Paras on the accounts for 2008-11 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), Annexure-A.

e. Recommendations

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

- i. Strengthening of internal controls
- ii. Holding of DAC meetings well in time
- iii. Compliance of DAC directives and decisions in letter and spirit
- iv. Expediting recoveries pointed out by Audit as well as others recoveries in the notice of management
- v. Compliance of relevant laws, rules, instructions and procedures, etc.
- vi. Proper maintenance of accounts and production of record to audit for verification
- vii. Appropriate actions against officers/officials responsible for violation of rules and losses
- viii. Addressing systemic issues to prevent recurrence of various omissions and commissions.
- ix. Realization and reconciliation of various receipts
- x. Holding of investigations for wastage, fraud, misappropriation and losses, and take disciplinary actions after fixing responsibilities.

¹ Para: 1.3.1.1

² Para: 1.2.1.1 to 1.2.1.4, 1.3.2.1 to 1.3.2.2, 1.4.1.1 to 1.4.1.2

³ Para: 1.2.2.1 to 1.2.2.4, 1.3.3.1 to 1.3.3.6, 1.4.2.1 to 1.4.2.6

⁴ Para : 1.4.3.1 to 1.4.3.4

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budget / Expenditure
1	Total Entities (PAOs) in Audit Jurisdiction	03	1,951.254
2	Total formations in audit jurisdiction	03	1,951.254
3	Total Entities (PAOs)/ DDOs Audited	03	1,050.301
4	Audit & Inspection Reports	03	-
5	Special Audit Reports	Nil	Nil
6	Performance Audit Reports	Nil	Nil
7	Other Reports (Relating to TMA)	Nil	Nil

*(2 TMAs out of 3 were audited for the financial year 2010-11)

Table 2: Audit Observations

(Rs in million)

Sr. No.	Description	Amount under audit observation
1	Asset management	-
2	Financial management	164.398
3	Internal controls	63.481
4	Violation of rules	52.685
5	Others	19.790
Total		300.354

Table 3: Outcome Statistics**Expenditure Outlay Audited**

(Rs in million)

Sr. No.	Description	Physical Assets	Civil Works	Receipt	Others	Total
1	Outlays audited	34.723	355.830	1,533.137	659.748	2,583.438*
2	Amount placed under audit observation / irregularities	2.381	4.241	225.690	68.042	300.354
3	Recoveries pointed out at the instance of Audit	-	1.128	148.185	27.326	176.639
4	Recoveries accepted / established at Audit instance	-	1.128	148.185	27.326	176.639
5	Recoveries realized at the instance of Audit	-	-	-	-	-

*The amount in serial No.1 column of “Total Current Year” is the sum of Expenditure and Receipts whereas the total expenditure for the current year was Rs1,050.301 million.

Table 4: Irregularities pointed out

(Rs in million)

Sr. No.	Description	Amount under Audit observation
1	Violation of rules and regulations and principle of propriety and probity.	52.685
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public funds.	-
3	Quantification of weaknesses of internal controls system.	63.481
4	Recoveries, overpayments, or unauthorized payments of public money.	164.398
5	Non production of record to Audit	19.790
6	Others, including cases of accidents, negligence etc.	-
Total		300.354

CHAPTER-1

1. TEHSIL MUNICIPAL ADMINISTRATIONS, VEHARI

1.1 INTRODUCTION

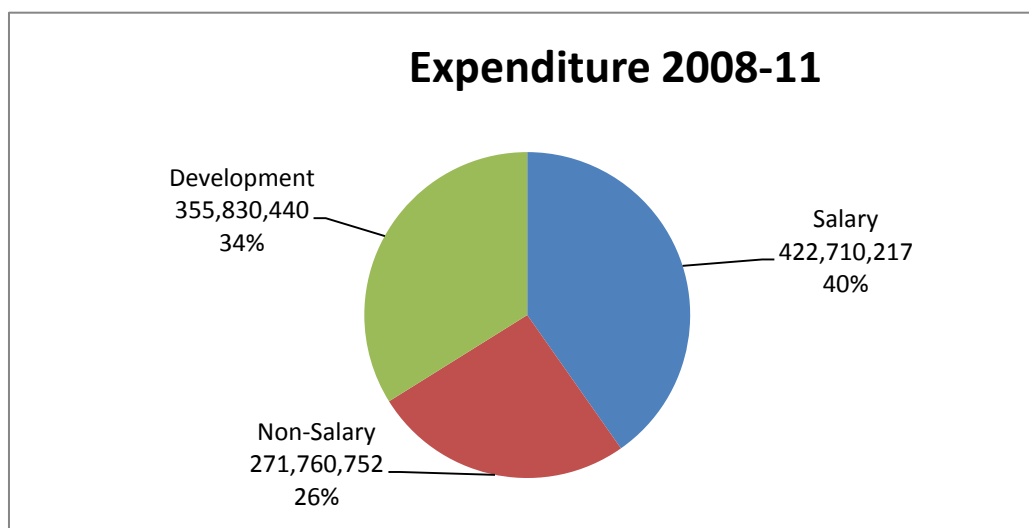
Tehsil Municipal Administration (TMO) consists of Tehsil Nazim, Tehsil Naib Nazim and Tehsil Municipal Officer (TMO). Each TMA comprises five Drawing and Disbursing Officers i.e. TMO, TO (Finance), TO (Infrastructure and Services), TO (Regulation), TO (Planning and Coordination) and Tehsil Nazim and Tehsil Naib Nazim. The main functions of TMAs are as follows:-

- i. Enforce all municipal laws, rules and bye-laws governing TMA's functioning;
- ii. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils;
- iii. Propose taxes, cesses, user fees, rates, rents, tolls, charges, surcharges, levies, fines and penalties under Part-III of the Second Schedule and notify the same;
- iv. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties;
- v. Manage properties, assets and funds vested in the Town Municipal Administration;
- vi. Develop and manage schemes, including site development in collaboration with District Government and Union Administration;
- vii. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice;
- viii. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction;
- ix. Maintain municipal records and archives.

1.1.1 Comments on Budget and Accounts (Variance Analysis)

(Amount in Rupees)

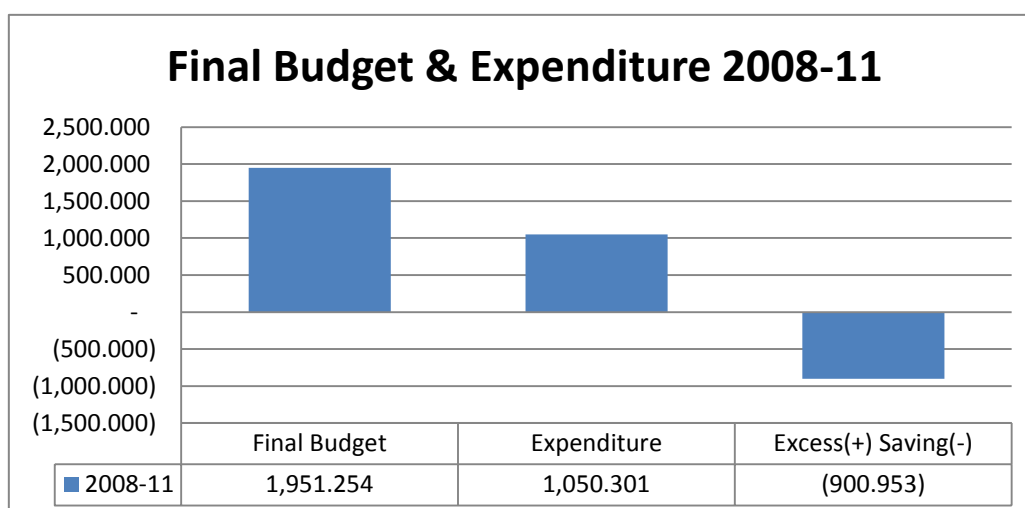
2008-11	Budget	Expenditure	Excess (+) / Saving (-)	% (Saving)
Salary	595,109,000	422,710,217	(172,398,783)	-29%
Non-salary	386,521,000	271,760,752	(114,760,248)	-30%
Development	969,624,000	355,830,440	(613,793,560)	-63%
Revenue	1,533,137,000	-	-	-
Total	3,484,391,000.00	1,050,301,409.00	-900,952,591.00	-30%



Details of budget allocations, expenditures and savings of each TMA in District Vehari for three financial years are at Annexure-B.

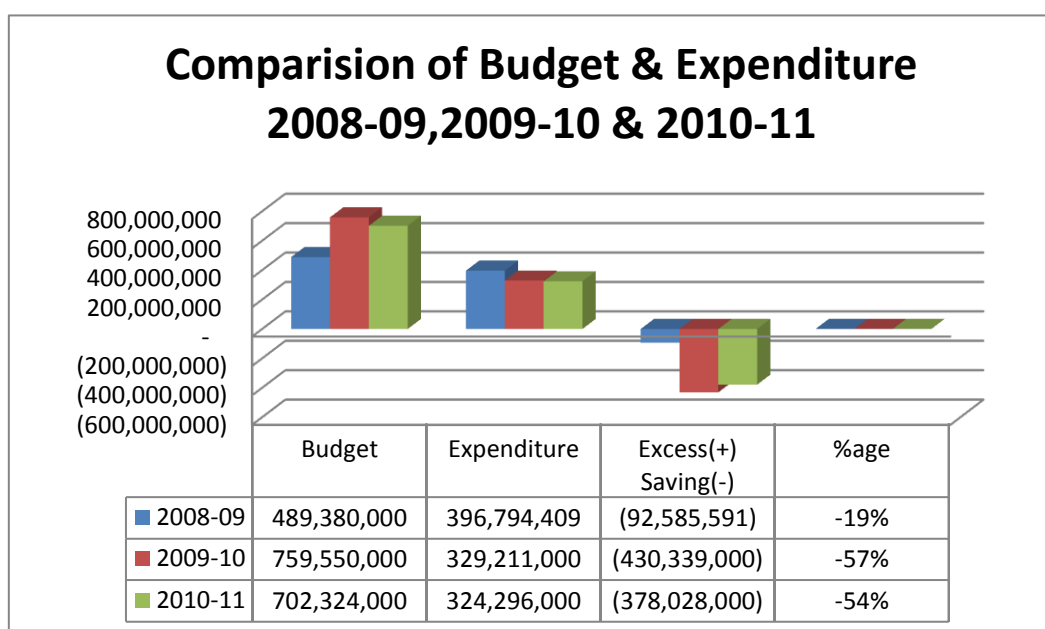
As per Budget Books for the financial years 2008-09, 2009-10 and 2010-11 of TMAs in District Vehari, the original and final budget were of Rs1,951.254 million. Actual total expenditures incurred by these TMAs during financial years 2008-2011 was Rs1,050.301 million. There was a saving of Rs900.952 million the reasons for which should be provided by the PAO, Tehsil Nazims and management of TMAs.

(Rupees in million)



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

(Amount in Rupees)



There were overall savings in the budget allocation of the financial year 2008-09, 2009-10 and 2010-11 as follows:

(Amount in rupees)

Financial Year	Budget Allocation	Expenditure	Total Savings	%age of Savings
2008-09	489,380,000	396,794,409	(92,585,591)	-19%
2009-10	759,550,000	329,211,000	(430,339,000)	-57%
2010-11	702,324,000	324,296,000	(378,028,000)	-54%
Total	1,951,254,000	1,050,301,409	(900,952,591)	

The justification of saving when the development schemes have remained in-complete is required to be provided by PAO and TMOs concerned.

1.2 Tehsil Municipal Administration Vehari

1.2.1 Non-compliance of Rules

1.2.1.1 Unauthorized Auction of Collection Rights - Rs 14.730 Million

According to the Punjab Local Govt. & Community Development Department letter No. SOR (LG)5-23/2003 dated 20.06.2008, all auctions conducted or contract awarded by the local government in contradiction of the amended rule shall be void and the same shall be re-auctioned strictly in accordance with the subject rules. Further, as per Para 3, while re-auctioning "Collection Rights" the highest bids received as result of auctions conducted under the previous rules but after 03.06.2008 (i.e., when amended rules came into force) shall be treated as a base-line.

Tehsil Municipal Officer Vehari did not consider the highest bids received under the previous rules as base-line and auctions were finalized on bids less than the base-line resulting in loss of Rs.14.730 Million as detailed below.

(Amount in Million)

Name of collection rights	Amount of auction on 27-05-2008	Re-auctioned on			Departmental collection	Less recovered
		30.06.08	15.11.08	14.02.09		
Cattle MandiLudden	26.010	7.400	-	-	6.083	12.527
Cattle MandiMachiwal	2.000	-	0.915	-	0.877	0.208
BakarMandiVehari	1.315	-	-	0.4000	0.157	0.758
Bus Stand Fee	3.100	0.985			0.878	1.237
Total loss						14.730

Audit is of the view that due to weak financial management, collection rights were auctioned in an unauthorized way.

Unauthorized auction of collection rights resulted in loss to government.

The matter was reported to the Tehsil Municipal Officer in February, 2010. The TMO replied that matter was taken up with the Secretary Local Government who advised that matter should be dealt as per Government's standing orders. The reply of the DDO was not satisfactory as no record was produced for

verification. DAC meeting was held in April, 2010. The Committee directed the TMO to take up the matter with Secretary Local Government for recovery of short amount. No progress was intimated till the finalization of this Report.

Audit recommends recovery of said amount, besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 02-2008-09]

1.2.1.2 Unauthorized Appointment of Contingent Paid Staff and Payment of Salaries – Rs13.254 Million

According to instructions issued Vide Letter No.FD-PC-2-1/2008 dated 11/07/2008 by the Finance Department and preface of schedule of wages, no appointment can be made without advertisement. Further, according to para (VI) of Letter No. FD SO (Goods) 44-4/2010, dated 9-08-2010, of the Finance Department, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department.

Tehsil Municipal Officer Vehari appointed 146 contingent paid employees without advertisement. The pay and allowances of Rs 6.364 Million were withdrawn from the TMA funds for payment to such employees during the financial year 2009-10.

Tehsil Municipal Officer also appointed contingent paid staff and made the payment of Rs 6.890 Million on account of salary and wages during the period 2010-11 without prior approval of Finance Department as detailed in **Annexure-C**.

The matters were reported to the TMO in February, 2011 and February, 2012. The TMO replied that the appointments were made by display of public notice at prominent place at T.M.A office for calling applications and maintenance of merit and after conducting interviews. Appointment orders to the successful candidates were issued for 89 days for 2009-10. The reply was not acceptable as appointments were not advertised in the newspaper. The TMO did not provide detailed reply for 2010-11. The DAC meeting was held in April,

2011 and March, 2012. The Committee directed the concerned to get the expenditure regularized from the competent authority. No further progress was intimated till the finalization of this Report.

Audit is of the view that due to financial mismanagement, funds were withdrawn for payment of salaries without observing government instructions.

Non-observance of government instructions resulted in unauthorized appointments and irregular expenditure.

Audit recommends taking appropriate action for unauthorized appointments against the concerned, besides regularization of expenditure from the competent authority, under intimation to Audit.

[AIRs Para: 36-2009-10, Para:18-2010-11]

1.2.1.3 Unauthorized Expenditure on Quotation Basis– Rs 4.133 Million

According to Rule 42 (b) (i) of the Punjab Procurement Rules 2009, a procuring agency shall engage in the request for quotations method of procurement only if the cost of object of procurement is below the prescribed limit of one hundred thousand rupees.

Tehsil Municipal Officer Vehari incurred an expenditure of Rs 4.133 million on account of arrangement for Ramzan Bazaar, Sasta Bazaar, tenting, purchase of copper conductor cable and non-standardized items during 2010-11 on quotation basis from the local market instead of tendering the same as detailed in **Annexure-D**.

Audit is of the view that due to weak financial management, unauthorized expenditure was incurred.

Unauthorized expenditure resulted in violation of government instructions.

The matter was reported to TMO in February 2012. The TMO signed the observation but did not provide detailed reply. Despite various efforts, DAC meeting was not convened till the finalization of this Report.

Audit recommends action against the responsible for unauthorized payment, besides regularization of the expenditure, under intimation to Audit.

[AIR Paras: 1,2,12,16,20-2010-11]

1.2.1.4 Unauthorized Construction without Approval of Map fee and Payment of Conversion Fee-Rs1.535 Million

According to Punjab Local Government Ordinance, 2001, Building and Land Control, Para 27(6), read with Chapter 10 Para 10.4.1, within 45 days of the receipt of a notice with required plans and documents and payment of scrutiny fee for permission to carry out building works, the TMA shall;

- a) Pass orders granting or refusing permission to carry out such building works and in case of refusal specify the provisions of the building bye laws violated; or
- b) Require further detail of the plans, documents, plan scrutiny fee, specification and any other particulars to be submitted to it.
- c) If TMA does not inform about objections or does not pass orders granting or refusing permission and such neglect continues for further fifteen 15 days from the date of written communication, the plans shall be deemed to have been sanctioned.

Further, according to Para 60 (1)(a,b,c,d& e) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, read with the Punjab Gazette Notification vide No.148 dated.05.03.2007, regarding the schedule of taxes, a Tehsil Municipal Administration shall, prior to issuance of approval of map of a building, levy prescribed fee for conversion of land use.

Tehsil Municipal Officer Vehari neither passed nor rejected the map submitted for approval with in due time. The owner constructed the buildings

without approval of map. TMO did not take any action against those responsible for unauthorized construction of buildings without approval of map and payment of map and conversion fee of Rs. 1.535 Million. **Annexure-E**

Audit is of the view that due to weak internal control, the buildings were constructed without approval of map and payment of government dues.

The unauthorized construction of buildings without approval of map resulted in loss of government receipts.

The matter was reported to TMO in February, 2011. The TMO accepted the recovery and replied that challan of all unauthorized builders had already been submitted to the court. The DAC meeting was held in April, 2011. The committee decided to reduce the amount of the para to the extent of recovery effected of Rs 142,337 and directed the concerned to expedite the recovery process. No further progress was intimated till the finalization of this Report.

Audit recommends immediate recovery besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Para 22-2009-10]

1.2.2 Performance

1.2.2.1 Non- Recovery of Government Receipts – Rs68.425Million

According to Rule 76(1) of PDG & 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 Vehari did not recover receipts of Rs68.425million up to June, 2011. The amounts were shown as arrears in budget 2011-12. The detailed is as below:

(Rupees in Million)

Sr. No.	Particulars of Receipt	Year	Amount
1	Rent of Shops	2010-11	14.325
2	Rent of Shops	2009-10	13.397
3	Rent of Shops	2008-09	6.507
4	Rent of Shops	2008-09	19.486
5	Water Rate	2010-11	9.942
6	Water Rate	2008-09	4.768
Total			68.425

Audit is of the view that due to weak financial discipline and inefficiency, government receipts were not realized.

Non realization of government receipts resulted in loss of TMA funds.

The matter was reported to TMO in January, 2010 February, 2011 and February, 2012. The TMO replied that notices have been issued to defaulters of rent of shops and sealing of shops is under process and the Committee directed to recover the amount within five months for water rates. For the year 2009-10, the TMO accepted the recovery and replied that TMA authorities had made all efforts to fetch maximum rent from its rented property. In past, rent was decreased by the political representative. For the Year 2010-11, the TMO replied that recovery was in progress. Reply was not tenable as no evidence of recovery effected was produced to Audit. DAC meeting was held in March, 2010 April, 2011 and March,

2012. The DAC directed the concerned officer to recover the amount from the defaulters for 2008-09 and also decided for 2009-10 to reduce the amount of the para to the extent of recovery effected of Rs 323,878 and directed the concerned to expedite the recovery process. The DAC took serious view that no concrete efforts were being made to recover the arrears due. The Committee directed to recover the dues which had been outstanding since long for the year 2010-11. No progress was intimated till the finalization of this Report.

Audit recommends immediate recovery besides taking disciplinary action against the responsible, under intimation to Audit.

[AIRs Paras: 3, 04, 06-2008-09, Para: 27-2009-10, 10,17-2010-11]

1.2.2.2 Less Recovery of Revenue – Rs5.621 Million

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

Tehsil Municipal Officer Vehari recovered an amount of Rs 885,598 against total recoverable amount of Rs.6.507 million during 2008-09 on account of Water Rates, Sewerage Tax and light charges resulting in less recovery of revenue of Rs 5.621 Million as detailed below.

(Amount in Million)

Detail of revenue	Total No. of Connections	Arrear of 2007-08	Expected Income For The Year 2008-09	Total Income	Recovery during the year 2008-09	Balance not recovered	% of amount not recovered
Water Rates	0.006	2.250	3.761	6.011	0.813	5.198	86.477
Sewerage Tax	Not Provide	0.079	0.150	0.229	0.0456	0.184	80.127
Light charges	Not Provide	0.128	0.138	0.266	0.027	0.239	89.840
Total	0.006	2.457	4.049	6.506	0.8856	5.621	256.444

Audit is of the view that due to weak financial management and poor performance, there was decrease in recovery.

Less recovery resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in February 2010. The Tehsil Municipal Officer replied that efforts were being made to recover the amount. The reply was not tenable as no recovery was effected. DAC meeting was held in April, 2010. The Committee directed the TMO to expedite the recovery process. No progress was intimated till the finalization of this Report.

Audit recommends immediate recovery besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 03-2008-09]

1.2.2.3 Less Recovery of Rent of Shops – Rs2.736 Million

According to rule (1) (b) of Punjab Local Government (Property) Rules, 2003, the period of lease of property shall be up to five years at a time. Further, according to Rule 4 (d) of the Punjab Local Government (Property) Rules, 2003, it is the responsibility of the manager of the property of TMA that rented property fetches maximum rent.

Tehsil Municipal Officer Vehari did not recover rent of shops properly. As per record, agreement of most of the shops had already expired after 5 years of their auction. After this date, shops were to be openly re-auctioned but the same were not re-auctioned. Rent was also not increased as per government instruction of 10% annual increase. Calculations of few shops are given in **Annexure-F**

Audit is of the view that due to weak administration and inefficiency, shops were not auctioned after expiry of 5 years.

Non auction of shops after 5 years at competitive rates resulted in loss to government.

The matter was reported to TMO in February, 2011. The TMO replied that these tenants did not fall under the Punjab Local Govt. Property Rules, 2003. These were covered under Tenancy Act and 10% increase in the rent was charged. The reply was not acceptable as the rent was not collected after 10% increase. The DAC meeting was held in April, 2011. The Committee directed for re-auctioning of shops. No further progress was intimated till the finalization of this Report.

Audit recommends immediate recovery and auction of shops at competitive rates besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para 1-2009-10]

1.2.2.4 Non Recovery of Rent of Shops – Rs1.421 Million

According to Rule 4 (d) of the Punjab Local Government (Property) Rules, 2003, it is the responsibility of the manager of the property of TMA that rented property fetches maximum rent. Further, as per agreement condition, if tenants did not pay his rent for maximum period of 2 months, their lease agreement should be cancelled.

Tehsil Municipal Officer Vehari had not taken any action against following tenants who had not paid their rent of shops since 2007-08. Detail is given below.

(Amount in Rupees)		
Name of market and shop No. with name of tenants	Period for which rent was not paid	Amount recovery
Chongies building Saddar. Rao Sajid Mehmood	1/07/07 to 30/012/2010 @ 9743 per Month	384,109
Muhammad Anwar S/O Muhammad Buksh Godown meat market.	1/07/07 to 30/012/2010 @ 13442/-per month	894,141
Plot at bus stand No.19 Rao Muhammad Jamil	1/07/07 to 30/012/2010 @ 1758/-per month	62,744
Godown in vegetable market No.10	1/07/07 to 30/012/2010 @ 879/-per month	80,248
Total		1,421,242

Audit is of the view that due to poor financial management and inefficiency, the government receipts were not realized.

This non-collection of rent of shops resulted in loss to government.

The matter was reported to TMO in February, 2011. The TMO accepted the recovery and replied that the rent of the shops was higher than the market rate and in the interest of government, leases were not cancelled. However, notices had been issued to concerned shopkeepers for recovery of arrears. The DAC meeting was held in April, 2011. The Committee decided to reduce the amount of the para to the extent of recovery effected of Rs 20,000 and directed the concerned to expedite the recovery process. No further progress was intimated till the finalization of this Report.

Audit recommends fixing of responsibility for non-cancellation of leases of shops besides recovery of arrears, under intimation to Audit.

[AIR Para13-2009-10]

1.3 Tehsil Municipal Administration Burewala

1.3.1 Non-Production of Record

1.3.1.1 Non Production of Vouched Account - Rs 19.790 million

According to Section 14 (2) of Auditor General's (Functions, Powers and Terms & Conditions of Service) Ordinance, 2001, the officer in charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition. Also, Section 14(3) of AGP Ordinance requires that any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

Tehsil Municipal Officer Burewala transferred funds of Rs 19.790 million to four CCBs during 2008-09. The record pertaining to approvals council, releases, vouched accounts, bank statement of CCB projects and monitoring reports etc. were not produced to audit in violation of above rule.

Audit is of the view that due to poor management or intentional concealment, the record was not produced.

The non-production of record constitutes violation of government rules and legal provisions and attempt to cause hindrance in the auditorial functions of the Auditor General of Pakistan.

The matter was reported to Tehsil Municipal Officer in February 2010. In DAC meeting held in March, 2010, Committee directed to conduct post evaluation of CCB schemes and produced vouched account to audit within three months. No progress was intimated till the finalization of this Report.

Audit recommends that responsibility be fixed and appropriate disciplinary action non-production of record, besides production of record for Audit for scrutiny.

[AIR Para: 9-2008-09]

1.3.2 Irregularities & Non-Compliances

1.3.2.1 Unauthorized Auctions of Collection Rights - Rs11.535 million

According to Government of Punjab, Local Government & Community Development Department Notification No.SOV (LG) 5-23/2003 dated 03.06.2008 the auction committee in Tehsil Municipal Administration shall consist of the following:

I	Tehsil/Town Municipal Officer	Convener/Member
II	Tehsil/Town Officer Finance	Member
III	A representative of the District Government, not being below the rank of District Officer, nominated by the DCO	Member
IV	An officer nominated by the Director General (I&M)	Member

Tehsil Municipal Officer Burewala auctioned the collection rights valuing Rs 11.535 million during 2009-10 through unauthorized auction committee. The detail is as under:

(Amount in Rupees)

Sr. No	Name of Receipt Head	Allotted Price
1	Cattle MandiGagoo	8,000,000
2	Cattle Mandi Urban	505,000
3	Adda Fee	2,505,000
4	Advertisement fee	525,000
Total		11,535,000

Audit is of the view that due to mismanagement, government instructions were not observed.

Violation of government instructions resulted into unauthorized auction of collection rights.

The matter was reported to TMO in February, 2011. The TMO replied that the compliance would be made. The reply was not acceptable as no compliance was not shown to audit. The DAC was convened in March, 2011. The committee decided to get the auction regularized. No further progress was intimated till the finalization of this Report.

Audit recommends regularization besides taking appropriate action against the concerned under intimation to Audit.

[AIR Para: 2-2009-10]

1.3.2.2 Unauthorized Purchase of Machinery – Rs 2.381 million

According to Rules 12 (1) & 13 (1) of Punjab Procurement Rules 2009, 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. Under no circumstances the response time shall be less than fifteen days for national competitive bidding. Further according to rule 7 (2) of Punjab Local Governments (Contract) Rules, 2003 the Nazim shall, at least seven days before entering into a contract involving an expenditure exceeding rupees twenty five thousand in case of Tehsil Administration give public notice in a newspaper inviting tenders for such contract and may accept any of the tenders so made, which appears to him the most advantageous.

Tehsil Municipal Officer Burewala purchased machinery for Rs2.381 million without advertisement on the PPRA's website. Further response time was also given less than 15 days. The tenders were not invited as sale of tender register was not maintained. Moreover, cartridge water filters were purchased for more than advertised quantity. The detail of expenditure is as under:

(Amount in Rupees)				
Vr No	Month	Name of Supplier	Item Purchased	Amount
101	Dec-09	Khursheed Brothers	Fog Generator	164,900
131	Dec-09	Qadoos Corporation	Electric Material	897,175
96	Sep-09	SAG Engineering Co	Cartridge Water Filter	498,800
108	Jan-10	Kisan Engineering	hydraulic ladder trailor 40 feet	820,000
Total Expenditure				2,380,875

Audit is of the view that due to mismanagement, PPRAs instructions were violated.

This non-observance of PPRA's instructions resulted into non-transparent and uneconomical purchase of machinery.

The matter was reported to TMO in February, 2011. The TMO replied that the quotations for the purchase of various items were invited by the TMA under the Punjab Local Government (Contract) Rules 2003 and response time of at least seven day was given under rule 7 (2) of the rules *ibid*. The reply was not acceptable as quotations were accepted instead of tender. The DAC was convened in March, 2011. Committee decided to take the clarification from the Finance Department regarding adoption of PPRA's rules. No further progress was intimated till the finalization of this Report.

Audit recommends regularization and taking appropriate action against the concerned under intimation to Audit.

[AIR Para: 6-2009-10]

1.3.3 Performance

1.3.3.1 Short Recovery of Cost of Land and Development Charges - Rs 14.845 million

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

Tehsil Municipal Officer Burewala recovered an amount of Rs 727,092 on account of cost of land and development charges from occupants of kachi abadi against total recoverable amount of Rs 16.572 million resulting in short recovery of Rs 14.845 million.

Audit is of the view that due to poor financial management and inefficiency, the government receipts were not realized.

Non-collection of receipts resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in February, 2010. In DAC meeting held in March, 2010, Committee directed the TMO to take up the matter with Deputy District Officer Revenue for early recovery. No progress was intimated till the finalization of this Report.

Audit recommends that responsibility be fixed and the appropriate action be taken against the concerned besides recovery of balance amount from defaulters under intimation to Audit.

[AIR Para: 2-2008-09]

1.3.3.2 Illegal construction of Buildings without the payment of TMA dues - Rs14.611 million

According to Rules 60(1), (a)(b)(c)(d)(e) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, a City District Government or a Tehsil Municipal Administration shall levy conversion-of-land-

use fee for conversion of residential, industrial, pre-urban area or intercity service area to commercial use which shall be twenty percent of the value of the commercial land as per valuation table or twenty percent of the average sales price of the preceding twelve months of commercial land in the vicinity.

Tehsil Municipal Officer Burewala did not recover commercialization fee of Rs 13.892 million from the owners of buildings who constructed the illegal buildings without payment of commercialization fees in violation of above rule.

Further, Tehsil Municipal Officer did not obtain the conversion fee of Rs 719,835 for residential use of land in violation of above rules during 2009-10. **(Annexure-G)**

Audit is of the view that due to poor financial management and inefficiency, the government receipts were not realized.

This non-realization of government receipt resulted into loss to government.

The matters were reported to Tehsil Municipal Officer in February 2010 and February, 2011. In DAC meeting held in March, 2010, Committee directed the TMO to recover the amount. In reply to para of 2009-10 the TMO replied that conversion fees on residential plots already having residential status in revenue record could not be imposed. The reply was not acceptable as amount was required to be recovered under existing rules. The DAC was convened in March, 2011. The committee admitted the version and decided that Rs 251,402 be recovered. No further progress was intimated till the finalization of this Report.

Audit recommends recovery of government revenues, along with the interest, from the concerned owners / authorities besides disciplinary action against persons(s) at fault under intimation to Audit.

[AIR Paras:1-2008-09 & 12-2009-10]

1.3.3.3 Non- Recovery of Arrears of Revenue - Rs 12.437 million

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

Tehsil Municipal Officer Burewala did not recover an amount of Rs 12.437 million on account of arrears of revenue from defaulters under various receipt heads i.e. adda / tanga fee, sullage water, baker mandi, cattle fair , octroi etc resulting in non-recovery of TMA receipts.

Audit is of the view that due to poor financial management and inefficiency, the government receipts were not realized.

This non-realization of government receipt resulted into loss to government.

The matter was reported to Tehsil Municipal Officer in February 2010. In DAC meeting held on 8th March, 2010, Committee DAC directed to recover the arrear amount. No progress was intimated till the finalization of this Report.

Audit recommends that responsibility be fixed and the appropriate action be taken against the concerned besides recovery under intimation to Audit.

[AIR Para: 10-2009-10]

1.3.3.4 Non-Recovery of Rent of Shops - Rs 7.955 million

According to Rule (1) (b) of Punjab Local Government (Property) Rules, 2003, the period of lease of property shall be up to five years at a time. According to Rule 76 (1) of PDG and TMA Budget Rules, 2003, the primary obligation of the collection officers shall be to ensure that all revenue due is claimed, realized and credited immediately in to the local government fund under the proper receipt head.

Tehsil Municipal Officer Burewala did not recover the rent of shops for Rs 7.955 million from the lessee of the shops during the financial year 2009-10. Further re-auction of shops was required after every five years but no such auction was available on the record in violation of above rules. The detail is as under:

(Amount in Rs)				
Roads	No. of Shops	Total Demand	Recovery	Arrears
Joyia Road	94	7,090,590	0	7,090,590
Municipal Store	1	317,632	0	317,632
Different Roads	458	4,908,304	4,361,503	546,801
Total Arrears				7,955,023

Audit is of the view that due to poor financial management, the government receipts were less realized and government rules were violated. This non-realization of government receipt resulted into loss to government.

The matter was reported to TMO in February, 2011. The TMO said that efforts were being made at various forums for recovery. The reply was not acceptable as no recovery was shown to audit. The DAC was convened in March, 2011. The committee did not accept the reply and directed for detailed record verification. No further progress was intimated till the finalization of this Report.

Audit recommends recovery and taking appropriate action against the concerned under intimation to Audit.

[AIR Para: 3-2009-10]

1.3.3.5 Non Recovery of Arrears of Water Rate Charges- Rs 6.957million

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

Tehsil Municipal Officer Burewala did not recover an amount of Rs 4.768 million on account of water rate charges during 2008-09 from defaulters since devolution i.e. 2001.

Further, Tehsil Municipal Officer did not recover Rs 2.189 million on account of water rate charges during 2009-10. The performance of the section deputed on the recovery of water charges remained poor due to huge amount of arrears.

Audit is of the view that due to poor financial management, the government receipts were not realized. This non-realization of government receipt resulted into loss to government.

The matter was reported to Tehsil Municipal Officer in February 2010 and February, 2011. In DAC meeting held in March, 2010, Committee directed to recover the amount within five month. TMO stated to the Para of 2009-10 the TMO replied that the efforts were being made to recover the amounts. The reply was not acceptable as no recovery was shown to audit. The DAC was convened on 28th March, 2011. The committee directed the concerned to expedite the recovery. No progress was intimated till the finalization of this Report.

Audit recommends responsibility be fixed and the appropriate action taken against the concerned besides recovery under intimation to Audit.

[AIR Para: 3-2008-09 & 7-2009-10]

1.3.3.6 Loss to Government due to Illegal Construction of Colonies Without Payment of TMA dues - Rs1.602 million

According to Punjab Private Site Development Schemes (Regulation) Rules, 2005 para 3 (1) (2) (a) that a developer shall submit an application for sanction of scheme to concerned TMA along with scrutiny fee @ Rs 100 per kanal of the proposed scheme area.

Further, according to Para 46(6) of Punjab Private Housing Schemes and Land Sub-division Rules, 2010, read with the Punjab Gazette Notification

regarding the schedule of taxes a Tehsil Municipal Administration shall, prior to issuance of approval for sub-division, require a developer to:

- a) submit transparency of technically cleared sub-division plan;
- b) deposit sub-division fee;
- c) deposit the land use conversion fee if applicable; and
- d) submit a transfer deed in the light of Form B for fee of cost transfer to a Tehsil Municipal Administration area reserved for road/open space.

Tehsil Municipal Officer Burewala did not initiate any action against the developers of twenty-six private colonies who constructed illegal colonies within the urban precincts even along intercity roads without the prior approval of building plans by the TMA during 2008-09. The TMA staff was not vigilant enough to curb unauthorized constructions resulting in financial loss to the TMA due to non-recovery of building plans / application processing fees of Rs 158,000.

Further, Tehsil Municipal Officer did not take action against the illegal housing schemes and did not recover prescribed fee of Rs 1.444 million from the developers of the housing schemes who applied for approval during 2009-10. **(Annexure-H)**

Audit is of the view that due to poor financial management and inefficiency, the government receipts were not realized.

This non-realization of government receipt resulted into loss to government.

The matters were reported to Tehsil Municipal Officer in February 2010 and February, 2011. In DAC meeting held in March, 2010, Committee directed the TMO to recover the amount besides taken up the matter with higher authorities. In reply to the Para of 2009-10, The TMO replied that the schemes were in progress and government revenues, admissible, would be recovered. The reply was not acceptable as complete recovery was not shown to audit. The DAC was convened in March, 2011. The committee directed the concerned to expedite

the recovery process and para was reduced to the extent of Rs 596,731. No progress was intimated till the finalization of this Report.

Audit recommends that responsibility be fixed and the appropriate action be taken against the concerned besides recovery under intimation to Audit.

[AIR Paras: 18-2008-09,8-2009-10]

1.4 Tehsil Municipal Administration Mailsi

1.4.1 Non-compliance of Rules

1.4.1.1 Unauthorized Issuance of Work Order Before Agreement of Works - Rs3.113 million

According to term and conditions advertised in the newspaper work order will be issued after completion of all documents within 10 days failure to which work will be re-advertised and security deposit will be forfeited. Further according to rule 48 of Punjab Tehsil/Town Municipal Administration (Works) Rules 2003, the Engineer Incharge and his subordinates shall be responsible for strict implementation of the terms of the contract. All the contract deeds shall be executed on standard contract form issued by the Government. The agreement between engineer and contractor shall be written on stamp paper.

Tehsil Municipal Officer Mailsi issued work orders for three development schemes to contractors at a cost of Rs 3.113 million during 2008-09 despite the fact that work orders were issued without receipt of contracts deeds and written agreements in violation of above rule. Further, the security deposits of concerned contractors amounting to Rs 62,260 were also not forfeited for not entering into agreement. Detail is as under:

(Amount in rupees)				
Scheme No	Name of Scheme	Date of Agreement	Security deposit	Cost of Work
93/204	Const. of Soling Drain & Sullage Carrier From Dera Ali Raza Khan Khichi to Basti Haleem Wala Mouza Fadda	21.05.09	21,600	1,080,000
185/204	Const. of Sewerage Chak No.84/WB	22.06.09 (date was erased)	20,000	1,000,000
86/204	Const. of Drains/Soling & Resoling Mohallah Riazabad Mailsi	No date mentioned	20,660	1,033,000
Total			62,260	3,113,000

Audit is of the view that due to weak internal controls, unauthorized work order was issued.

Unauthorized issuance of work order resulted in violation of government instructions.

The matter was reported to Tehsil Municipal Officer in January 2010. In the DAC meeting held in March 2010, TMO replied that all the documentation was completed except stamp paper. However, projects had been completed. Reply was not tenable as work order was issued before agreement. The DAC directed the Tehsil Municipal Officer to hold an enquiry and report within 15 days.

No further progress was intimated till the finalization of this report.

Audit recommends fixing of responsibility for issuance of work order against the terms and conditions under intimation to Audit.

[AIR Para: 07-2008-09]

1.4.1.2 Unauthorized Appointment of Daily Wages Employees Beyond Sanctioned Strength and Posts –Rs2.004 million

According to section (VI) of letter no. FD SO (Goods) 44-4/2010, dated 9-08-2010 of the Finance Department, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department. Further, according to the Rule 17 (Part-III) of the Punjab Civil Servants (Appointment and Conditions of Service) Rule 1974, initial appointment to all posts in grades 1 and above except those filled under rule 16, shall be made on the basis of the examination or test to be held by the appropriate committee or the board as the case may be, after advertisement of the vacancies in the newspapers or in the manner to be determined by the Government.

Tehsil Municipal Officer Mailsi appointed various employees on daily wages and paid an amount of Rs 2.004 million during the Financial Year 2010-11. The entire recruitment was unauthorized on following grounds:

1. The appointments were made without prior approval of Finance Department.
2. 55, 55 and 38 No. of sweepers was appointed in excess of the vacant sanctioned posts available in the TMA for cadre of sweeper in the 1st, 2nd and 3rd recruitment respectively. TAO made payment of salaries to all these sweepers without observing the sanctioned strength and nomenclature of post for them in the TMA.

3. The recruitment was made without advertising the posts in print media. Necessary detail is given in **Annexure-I**.

Audit is of the view that due to weak internal controls employees were appointed in excess of sanctioned posts and without prior approval of Finance Department.

Appointment of employees in excess of sanctioned posts and against the nomenclature of posts resulted in violation of Government instructions and unauthorized payment of salaries.

The matter was reported to TMO in February 2012. TMO replied that the recruitment was made against vacant posts. The reply was not tenable as the nomenclature of the posts was not observed and prior approval from FD was not obtained. DAC in its meeting held in March 2012 directed that the case may be sent to Finance Department for regularization.

No further progress was intimated till the finalization of this report.

Audit recommends regularization of the appointment as well as expenditure besides fixing responsibility against responsible under intimation to Audit.

[AIR Para 12-2010-11]

1.4.2 Performance

1.4.2.1 Non-recovery of Outstanding Rent of Shops –Rs11.469 million

According to Rule 12 (2) of Punjab Local Governments (Taxation) Rules, 2001, a statement of account certified by the Tehsil/Town Officer (Finance) in case of Tehsil/Town Municipal Administration shall be forwarded to the Collector of the district concerned to recover the sum demanded as arrears of land revenue from the defaulter.

Tehsil Municipal Officer Mailsi did not recover rent of shops properly which resulted in non-recovery of Rs11.469 million. Neither the TMO made efforts to recover the arrears nor cases of defaulter tenants were sent to district collector as arrear of land revenue. As per record, agreement of most of the shops had already expired after 5 years of their auction. After this date, shops were to be openly re-auctioned but the same were not re-auctioned. Rent was also not increased as per government instruction of 10 % annual increase. Calculations of few shops are given in **Annexure-J**

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

Non recovery of receipts resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in January 2010 and February, 2011. The DAC was held in March, 2010 and March, 2011. TMO replied that notices have been issued to the defaulters of rent of shops and sealing of shops is under process. The reply was not tenable as efforts were not made to recover the outstanding rent of shops. The DAC directed the concerned officer to recover the amount from the defaulters. For the year 2009-10 the committee partially accepted the recovery of Rs 2.392 million and amount of para reduced to the extent of Rs 4.962 million and DAC directed the collecting officer to take appropriate measure to expedite the recovery.

No further progress was intimated till the finalization of this report.

Audit recommends immediate recovery and fixing of responsibility against the concerned under intimation to Audit.

[AIR Para: 04-2008-09, 01-2009-10]

1.4.2.2 Non-recovery of Various Government Receipts – Rs 8.131 Million

According to Rule 76(1) of PDG & 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 Mailsi did not recover receipts of Rs 8.131 million up to June, 2011. The head wise detail is given in **Annexure-K**

(Rupees in Million)

Sr. No.	Particulars of Receipt	Amount
1	Rent of Shops	6.509
2	Water Rate	1.129
3	Permit Fee	0.492
Total		8.131

Audit is of the view that due to weak internal controls and inefficiency, TMA dues were not recovered.

Non-recovery of TMA dues resulted in loss to TMA.

The matter was reported to TMO in February 2012. TMO admitted the irregularity stating that notices had been served for recovery. DAC in its meeting held in March 2012 directed the TO (Regulation) to expedite the recovery.

No further progress was intimated till the finalization of this report.

Audit recommends immediate recovery besides fixing of responsibility against the concerned under intimation to Audit.

[AIR Para 10,4,9-2010-11]

1.4.2.3 Less Recovery of Commercialization Fee – Rs 3.779 million

According to Rule 9(1) (a) of Punjab Local Government (Commercialization) Rules, 2004 Commercialization charges at the rate of 20% shall be received for the urban commercial land, on the basis of valuation tables prepared under the Stamp Act, 1899.

Tehsil Municipal Officer Mailsi failed to recover full commercialization fee of Rs 3.779 million from the owners of twelve private business entities who constructed the illegal buildings without payment of full commercialization fees in violation of above rule. Neither efforts were made for recovery nor action was taken against illegal constructions. (**Annexure-L**)

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

Less recovery of commercialization fee resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in January 2010. In the DAC meeting held on 20th March 2010, TMO replied that fee was recovered under the rules 57 of Punjab Site Development Rules 2008 @ Rs 10% of valuation table instead of Commercialization Rules 2004. Reply was not tenable in view of the above referred rule. The DAC directed to verify the sites and report within 15 days and to impose penalties on the concerned, if the work was going on without approval.

No further progress was intimated till the finalization of this report.

Audit recommends immediate recovery besides fixing of responsibility against the concerned under intimation to Audit.

[AIR Para: 06-2008-09]

1.4.2.4 Non-recovery of enhanced amount of collection rights of property tax – Rs 2.130 million

According to condition No.25 of term and conditions of agreement if government enhanced rates of the land valuation table, the contract price will be enhanced in the same ratio and contractor has to pay that amount.

Tehsil Municipal Officer Mailsi auctioned the collection rights of property tax on 30.06.2008 at an amount of Rs 17.751 million. The said collection rights were previously advertised on 18.06.2008 but the bid proceedings record of said date was not produced for audit verification to verify the increase/decrease in bid amounts. Further, the rates of land valuation table were enhanced on 21.07.2008, and the contract amount of said contract was required to be enhanced to Rs 19.881 million but the same was not done resulting in non-recovery of Rs 2.130 million in violation of above rule.

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

Less recovery of receipts resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in January 2010. In the DAC meeting held in March, 2010, TMO replied that contract was awarded for an amount more than the previous years and reserve price and difference of valuation table was recovered. The reply was not tenable as full recovery was not made. The DAC directed the concerned officer to get the record verified from audit.

No further progress was intimated till the finalization of this report.

Audit recommends fixing of responsibility for non-recovery of enhanced value of contract besides recovery of the amount under intimation to Audit.

[AIR Para: 03-2008-09]

1.4.2.5 Non-recovery of sSewerage Tax - Rs 1.150 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 Mailsi did not recover the sewerage tax from the public during 2005-06 to 2009-10. Further, it was noticed that no record of sewerage tax was maintained, no entry of the connection holders was made with

name and address and no demand and collection register was available with the office. No staff was deputed for collection of this tax and resultantly recovery could not be made despite the fact that TOFinance was responsible to recover the tax but he did not pay any attention towards this serious matter. Year wise detail is given below:

(Amount in Rupees)

Demand for the year 2005-06	Demand for the year 2006-07	Demand for the year 2007-08	Demand for the year 2008-09	Demand for the year 2009-10	Total Demand 2005-06 to 2009-10	Recovery made	Recovery outstanding
230,000	230,000	230,000	230,000	230,000	1,150,000	Nil	1,150,000

Audit is of the view that due to poor financial management, the government receipts were less realized.

Non-realization of government receipt resulted into loss to government.

The matter was reported to TMO in February, 2011. The TMO replied that the record was available, staff was deputed for recovery and also notices had been issued to the concerned defaulters. The reply of the DDO was not accepted as nothing in this regard was provided at the time of the audit. The DAC meeting was convened on 24th March 2011. The committee directed to prepare D&C register and take the action to expedite the recovery process.

No further progress was intimated till the finalization of this report.

Audit recommends recovery and taking appropriate action against the concerned under intimation to Audit.

[AIR Para: 8-2009-10]

1.4.2.6 Loss due to Less Recovery of Trade License Fee—Rs 1.129 million

According to Notification No.TMA/M/133 dated 25.07.2006 trade license fee was imposed category wise to different traders on the basis of approved rates

and 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 Mailsi did not recover an amount of Rs1.129 million during the period 2008-11 on account of trade license fee from different traders during the period 2008-11. As per demand register, neither recovery was made nor action was taken against the defaulters. Non taking of action against the defaulters lead to doubt that recovery was to be made and amount was misappropriated by the concerned staff. An amount of Rs 773,000 was either misappropriated or not brought into accounts. **(Annexure-M)**

Audit is of the view that due to poor financial management and inefficiency, the government receipts were less realized.

Non-realization of government receipts resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in January, 2010 February, 2011 and February, 2012. The DAC meeting was held in March 2010, March, 2011 and March, 2012. TMO replied that survey has been conducted and demand & collection registers were being maintained. The DAC directed to recover the whole amount. For the year 2009-10, TO (P&C) stated that legal notices had been issued to the defaulters through special judicial magistrate. The DAC directed the TO (P&C) to expedite the follow up of the court case so that the revenue of TMA could be realized timely. For the year 2009-10, TMO replied that legal notices had been served to the defaulters. The DAC directed the TO (Regulation) to expedite the recovery and take action against responsible.

No further progress was intimated till the finalization of this report.

Audit recommends recovery and taking appropriate action against the concerned under intimation to Audit.

[AIR Para: 15-2008-09, 4-2009-10, 2-2010-11]

1.4.3 Weak Internal Controls

1.4.3.1 Loss to TMA Fund due to Non-Auction of Shops to Actualize Recovery of Rent at Competitive Rates – Rs 51.240 million

According to Rule 16 (1) (a) and (b) of Local Govt. (Property) Rules, 2003 the immovable property shall be given on lease through competitive bidding, the period of such lease shall be up to five years at a time.

Tehsil Municipal Officer Mailsi did not re-auction 427 No. of shops and chobar as since 1973 despite the expiry of valid period of lease agreement. All the lessees had been running their businesses on the old rates which were much fewer as compared to current market rates of respective areas. DDO neither made concrete efforts to auction these properties nor cancelled the expired agreements to get property vacated from the lessees. Furthermore, various shops were irregularly Sublette by the original lessees of TMA at the higher rates but no action was taken by such violators. Necessary detail of latest auction of all markets is given below:

(Amount in rupees)

Total No. of Shops with expired lease agreement	Average Monthly Rent per shop	Average Monthly Rent to be Recovered after fresh auction	Difference	Total Expected Loss for 5 Years
427	1,500	3,500	2,000	51,240,000

Audit is of the view that due to weak financial management shops were not auctioned at competitive rates to fetch maximum revenue.

Non-auctioning of shops at current rates resulted in loss to TMA.

The matter was reported to TMO in February 2012. TMO signed the observation but did not submit any reply. DAC in its meeting held in March 2012 decided that all agreements may be reviewed and action may be taken accordingly within a period of three months.

No further progress was intimated till the finalization of this report.

Audit recommends action against the responsible besides re-auctioning of shops at current market rates under intimation to Audit.

[AIR Para 6-2010-11]

1.4.3.2 Non-initiation of Action Against Illegal Housing Schemes & non recovery of Government fee – Rs6.495 million

According to Section 146-D of Punjab Local Government Ordinance 2001, inspector can suspend any work, seize the goods, seal the premises, demolish or remove work and issue directions for taking corrective measures in the time specified by him. Further, according to para 46(6) of Punjab Private Housing Schemes and Land Sub-division Rules, 2010, read with the Punjab Gazette Notification vide No.148 dt.05.03.2007 regarding the schedule of taxes a Tehsil Municipal Administration shall, prior to issuance of approval for sub-division, require a developer to:

- a) submit transparency of technically cleared sub-division plan;
- b) deposit sub-division fee;
- c) deposit the land use conversion fee if applicable; and

submit a transfer deed in the light of Form B for fee of cost transfer to a Tehsil Municipal Administration area reserved for road/open space.

Tehsil Municipal Officer Mailsi did not recover map fees, scrutiny fees and conversion fee of Rs6.495 million during 2008-11 from the developers of the private housing colonies constructed without prior approval of building plans. The staff of the Tehsil Municipal Administration was not vigilant to monitor these unauthorized constructions and did not make any efforts to recover these fees. **(Annexure-N)**

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

Less recovery of receipts resulted in loss to government.

The matter was reported to Tehsil Municipal Officer in January, 2010 February, 2011 and February, 2012. The DAC meeting was held in March 2010, March, 2011 and March, 2012. TMO replied that map approval fee would be recovered after scrutiny at the time of approval of schemes. Reply was not tenable as no action against illegal schemes was taken. The DAC directed to submit report regarding action at site within 15 days and also recover the amount of map fee. For the year 2009-10, TO (P&C) stated that proceedings against the defaulters had been initiated. The DAC directed the TO (P&C) to expedite the follow up of the court case so that the revenue of TMA could be realized timely. For the year 2010-11, TMO signed the observation but did not submit any reply. The DAC the TO (P&C) to follow up all the cases and intimate progress with recovered amount within a month

No further progress was intimated till the finalization of this report.

Audit recommends that responsibility be fixed and the appropriate action be taken against the concerned besides recovery under intimation to audit.

[AIR Para: 13-2008-09, 2-2009-10, 11-2010-11]

1.4.3.3 Loss to Government due to Illegal Construction of Buildings without Payment of Map Fee and Conversion Fee – Rs 4.618 million

According to Rule 60(1)(a)(b)(c)(d)(e) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009 a City District Government or a Tehsil Municipal Administration shall levy prescribed fee for conversion of land use.

Tehsil Municipal Officer Mailsi did not take any action against the culprits of illegal construction of buildings in the jurisdiction of TMA. Physical inspection of buildings was carried out along with Building Inspector which revealed that a lot of buildings were illegally constructed without approval, payment of map fee and conversion fee which resulted in loss of Rs 4.618 million as detailed in **Annexure-O**.

Audit is of the view that due to weak building controls illegal buildings were constructed without recovery of Government dues.

Constructions of illegal buildings and non-recovery of Government dues resulted in loss to TMA fund.

The matter was reported to TMO in February 2012. TMO admitted the irregularity stating that notices had been served for recovery. DAC in its meeting held in March 2012 directed the Tehsil Officer (P&C) to arrange a meeting with Judicial Magistrate for proper outcome of the cases within one month and ensure recoveries of Government dues.

No further progress was intimated till the finalization of this report.

Audit recommends action against the responsible besides recovery under intimation to Audit.

[AIR Para 1-2010-11]

1.4.3.4 Overpayment due to Allowing Excess Rates – Rs 1.128 Million

According to condition No.3 of work order No.93 dated 14.01.2011, the work shall be executed strictly according to specification. Further According to Rule 29 of Punjab Local Govt. (Account) Rules 2008 every drawing and disbursing officer is personally responsible for any erroneous payment and claim of bill.

Tehsil Municipal Officer Mailsi made excess payment to different contractors and Faizan CCB amounting to Rs 1.128 million by allowing excess rates during the period 2010-11 in various works as detailed in **Annexure-P**.

Audit is of the view that due to weak internal controls excess payment to contractors was made.

Excess payment to contractors resulted in loss to government.

The matter was reported to TMO in February 2012. TMO signed the observation but did not reply. Despite repeated reminders DAC meeting was not convened.

No further progress was intimated till the finalization of this report.

Audit recommends action against the concerned for unjustified record entries and excess payment besides recovery of government loss under intimation to Audit.

[AIR Para: 1,2,3,13,14-2010-11]

Annexures

Annexure-I

(Rupees in Million)

Sr. No.	AIR Para No.	Description	Amount
	1	Tehsil Municipal Administration Vehari	
1	6	Misappropriation of Funds on Construction of Soling	0.484
2	4	Unauthorized Purchase of Novel Items without Approval of the Competent Authority	0.355
3	15	Loss to Government on Account of Unauthorized Payment of Contractor's Profit	0.134
4	18	Unjustified Purchase of Insecticide Spray without consumption Record	0.132
5	1, 2, 3	Loss to Government due to Non-Recovery of Conversion Fee at Prescribed Rates	0.748
6	9	Non Recovery of Fine for Delay in Payment of Rent	0.519
7	3	Loss to Government due to Non-Cancellation of Leases of Rent of Shops and Recovery	0.515
8	2	Loss to TMA Fund due to Unjustified Allotment of TMA Shops	0.443
9	13	Unauthorized Installation of Mobile Towers without Payment of Map Fee	0.399
10	5	Excess Payment due to Excess Charging of Rate of Earth Filling	0.180
	2	Tehsil Municipal Administration Burewala	
11	11	Un-authorized purchase of insecticide and chemicals	0.940
12	16	Un-authorized purchase and recovery of contractor profit and overhead charges	0.215
13	14	Un-authorized award of auction and recovery	0.422
14	13	Loss to government due to self collection	0.654
15	4	Loss to TMA funds due to non-recovery of balance amount from the Contractor	0.342
16	17	Loss to government due to less charging of conversion fee on construction of petrol pumps	0.212
17	19	Non-recovery of license fee of medical store	
	3	Tehsil Municipal Administrations Mailsi	
18	14	Un-authorized release of funds to CCB without agreement	0.600
19	8	Unauthorized Procurement of Insecticide and Street Lights	0.585
20	12	Irregular repair of transformer and electric motors of	0.242

		disposal works	
21	17	Un-authorized repair of machinery and equipment	0.171
22	18	Unjustified purchase of insecticide spray without consumption record	0.133
23	10	Non-completion of CCB projects	0.965
24	3	Non-recovery of NOC Fee and Map Fee of Cellular Towers from Telecommunication Companies	0.532
25	5	Un-authorized Running of Three Star CNG Station without Payment of Government Dues	0.495
26	11	Less recovery of renewal fee from contractors	0.395
27	7	Non-Deduction of Income Tax	0.827
28	5	Loss to Government due to Excess Payment to Contractor	0.203
29	19	Non-recovery of salary from contractor	0.079
Total			11.921

Annexure-A**List of MFDAC paras****(Rupees in Million)**

Sr. No.	Name of Formation	Para . No.	Description	Amount
1		1	Loss due to Decrease in Income	6.091
2	Vehari	6	Non auction of shops since 1967, expected loss to revenue Rs. 32.87 million	32.87
3	2008-09	8	unrealistic targets of license fee without survey which resulted into expected loss of rs.100 million	100
4		10	Less recovery of renewal fee from contractors rs.64,400	0.064
5		12	Illegally Construction Of Commercial Buildings without approved Maps & paying The Commercialization Fee Of Rs. 2.5 Million	2.5
6		15	Illegal Construction of Buildings without Approved Maps and Payment of Commercialization fee	1.500
7		19	Doubtful Award of CCBs Projects To The Contractors For Concealing the Contractor Profit Which Resulted Into the Loss Of Rs. 2.34	2.34
8		21	Illegal Construction of Housing Colonies and Non-Recovery of Processing fee	1.130
9		28	Non performing of assigned functions by Tehsil Council obtaining remuneration of Rs.432,000	0.432
Total				146.927
10	Burewala 2008-09	5	Non collection of commercialization fee from cng/petrol pumps	
11		7	Non recovery of shops of joya road loss of RS.5,839,463	5.84
12		13	Non-collection of fee from owners of residential colonies – LOSS OF RS.4,511,244	4.511
13		15	Irregular payment of RS.573,000	0.573

Total				10.924
14	Mailsi 2008-09	4	Non Recovery of outstanding rent of shops Rs.6.51 millions	6.51
15		5	Loss due to Less Recovery of Income	3.52
16		10	Poor recovery position of water rates and blockage of revenue -	1.793
Total				11.823
17	TMA, Vehari 2009-10	4	Non-recovery of amount of income tax and pay of staff	0.054
18		5	Non-recovery on account of electricity bills from contractor of slaughter house	0.039
19		6	Non-recovery of penalty on account of late deposit of installment of leases	0.449
20		9	Less recovery on account of MAPS fees of residential scheme urban area	0.236
21		11	Non-maintenance of Demand and Collection register of license fees and loss to TMA	0.161
22		14	Less recovery of fine from contractor for late submission of application for renewal of contractor ship	0.084
23		15	Non-Completion of work and non-recovery of penalty	0.061
24		16	Non Approval of Housing Schemes and Non- Recovery of Map fee	6.600
25		17	Less Obtaining of Interest on Deposit of Running Account	8.753
26		18	Non-recovery on account of rent of TMA property	0.514
27		21	Excess payment of sub base course	0.0931
28		24	Unjustified payment of earth/surplus earth and recovery thereof	0.484

29		25	Improper maintenance of stock register of trees and recovery thereof	0.1
30		29	Non-conducting of physical verification of immovable property and loss to government	1.078
31		31	Unjustified payment of pay and allowance and recovery thereof	0.107
32		32	Unjustified purchase of library books	0.8
33		33	Non-recovery of house rent allowance	0.168
34		38	Less recovery on account of unjustified rate charged in state land katachiadadies	0.161
35		39	Unjustified use of Government POL for removal of encroachment items recovery thereof	0.337
36		40	Non-maintenance of demand and collection registers of sewerage tax and light charges and non recovery of water rate fees	2.706
37		41	Non-Production of record of pension and Katchi abadies	8.334
Total				31.3191
38	TMA Mailsi 2009-10	7	Less/excess allocation of CCB share	1.692
39		9	Short fall of income	0.965
40		14	Irregularities clearance of liabilities of past years	0.114
41		16	Illegal construction of buildings without approved maps & paying the conversion fee	0.133
42		17	Short recovery of sullage water	0.085
43		18	Irregular provision of lump sum budget for ADP without specifying development schemes in details	14.233
total				17.222

44	TMA, Burewala 2009-10	1	Un-authorized Lump Sum provision of development grant during ban period	106.894
45		5	Loss to Government due to Reduction of Revenues in the Revised budget	2.67
46		9	Un-authorized repair of machinery and equipment	1.072
47		15	Non-obtaining of conversion fee on parking area of commercial buildings	0.33
48		18	Non-recovery of sewer connection fee - Rs 207,200	0.207
49		20	Loss to Government due to non-recovery of income tax	0.06
Total				111.233
50	TMA VEHRI (except TO-I&S) 2010-11	4	Loss of revenue to tma due to less recovery of TMA incomes	0.771
51		5	Non collection of record from the contractors	6.868
52		6	Loss to TMA due to illegal cancellation of bids	33.273
53		7	Loss to TMA due to non delay in proceedings for auction	17.154
54		8	Loss to TMA due to Un-authorize Reduction in Rent of Shops –	8.741
55		11	Loss to TMA due to acceptance of bid at less rate	1.846
56		12	Loss to TMA due to acceptance of bid at less	0.989
57		13	Loss to TMA by less assessment of value to collect the cattle fee	0.869
58		14	Irregular Purchase of machinery & Equipment without approval from austerity committee	2.14
59		15	Non obtaining of Performance guarantee	0.214

60		16	maintenance of separate head of account of conversion fee	5.559
61		19	Unrealistic Targets of License Fee Without conducting survey & DNC Record Resulted in Expected Loss	1
62		20	Non collection of conversion fee from educational institutes	0
63		21	Non Obtaining of Security Deposits of TMA Shops	0.298
64		22	Unauthorized Transfer of Property and Less Collection of Cost of land	0.586
total				80.308
65	TO (I&S) TMA VEHARI 2010-11	3	Doubtful Contribution of CCB Share for the Project	1
66		7	Irregular & Uneconomical Repair of Vehicle	0.877
67		8	Irregular Purchase in Violation of Austerity Measures	0.133
68		9	Defective rate analysis and unjustified payment	0.441
69		10	Non Collection of Deposit Proof of Sales Tax	0.228
70		11	Excess Payment and Irregular Releases for CCB Project	1.993
71		13	Excess Payment on Account of Excavation of Earth Filling and Non Completion of Work within Stipulated Time Period	0.225
72		14	Loss to Government Due to Non-Forfeiture of Performance Security	0.11
73		17	Irregular Expenditure on Repair of Electric Motors by Splitting the Indents	0.395
74		18	Irregular Release of Funds to CCB	1
75		19	Defective rate analysis and unjustified payment	0.194

total				6.596
76	TMA MAILSI (except TO-I&S) 2010-11	7	Loss to TMA fund due to doubtful auction of cattle-markets and their allotment to single bidder	12.323
77		13	Misappropriation of Govt. revenue realized on account of temporary encroachment fine	0.34
78		14	Non-recovery of rent of residential quarter	0.288
79		15	Loss to Govt. due to un-authorized encroachments at Quaid-e-Azam Road & Colony Road Mailsi	2.252
80		16	Doubtful utilization of POL	1.002
81		17	Non-collection of NOC issuance charges for the installation of utility connections	0.27
82		18	Doubtful utilization of POL in vehicle No. KAL 9241	0.245
83		19	Non-recording of Petrol Pump in the Property Register and non-realization of revenue	0.18
84		20	Non-realization of sewerage fee	17.874
total				34.774
85	TO (I&S) TMA Mailsi 2010-11	4	Doubtful Withdrawal of CCB Share before Execution of Work	0.28
86		6	Non-obtaining of Additional Performance Securities	5.798
87		8	Unauthorized Purchase of Electric Material	0.237
88		9	Irregular Purchase of Different Items	24.875
89		10	Irregular Release of Fund to CCBs	13.404
90		11	Loss to government due to non-deposit of 15% surcharge on payable income tax	0.456

91		12	Non-Deduction of Liquidated Damages	0.626
92		15	Recovery due to excess rate charged than the schedule rate through payment of irrelevant item	0.069
93		16	Fraudulent Excess Payment through Replacement of TS Estimate	0.031
94		17	Unauthorized Execution of Work and Excess Payment to Contractor	0.167
95		18	Uneconomical & Doubtful Expenditure	0.963
96		19	Loss to TMA due to non-deposit Funds in the Bank Account	5.898
97		20	Non-Recovery of Professional Tax	0.036
total				52.84

Annexure-B**TMA of Vehari District**

(Amount in rupees)

Budget and Expenditure Statement for Financial Years 2008-2011 TMA of District Vehari Budget and Expenditure details for the FY 2008-09 (Amount in Rupees)					
Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	208,980,000	157,424,217	(51,555,783)	-25%	
Non Salary	110,090,000	84,502,752	(25,587,248)	-23%	
Development	170,310,000	154,867,440	(15,442,560)	-9%	
Revenue	730,790,000	-	-	-	
Total	1,220,170,000	396,794,409	(92,585,591)	-8%	
Financial Year 2009-2010					
Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	208,844,000	163,480,000	(45,364,000)	-22%	
Non Salary	154,891,000	99,230,000	(55,661,000)	-36%	
Development	395,815,000	66,501,000	(329,314,000)	-83%	
Revenue	418,785,000	-	-	-	
Total	1,178,335,000	329,211,000	(430,339,000)	-37%	
Financial Year 2010-2011					
Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	177,285,000	101,806,000	(75,479,000)	-36%	
Non Salary	121,540,000	88,028,000	(33,512,000)	-35%	
Development	403,499,000	134,462,000	(269,037,000)	-67%	
Revenue	383,562,000	-	-	-	
Total	1,085,886,000	324,296,000	(378,028,000)	-35%	

Annexure-C**[Para 1.2.1.2]****Unauthorized Appointment of Contingent Paid Staff and Payment of Salaries
Thereof – Rs 13.254 million**

(Amount in rupees)

Period	No. Of Employees Recruited	Amount Drawn
Jul-10	149	532,861
Aug-10	149	527,453
Sep-10	149	514,938
Oct-10	149	602,220
Nov-10	149	545,860
Dec-10	149	855,827
Jan-11	149	293,813
Feb-11	149	533,544
Mar-11	152	518,315
Apr-11	152	1,092,139
May-11	152	352,085
Jun-11	152	520,487
Total		6,889,542
2009-10		6,364,000
GRAND TOTAL		13,253,542

Annexure-D**[Para 1.2.1.3]****Unauthorized Expenditure on Quotation Basis– Rs 4.133 million**

(Amount in rupees)

Month	Name of supplier	Nature of Expenditure	Amount
Jun-11	Sulman& Brothers	3 Automatic switch star delta	150,000
Jun-11	Sulman& Brothers	3 Electric Cooler (Canon Co)	154,440
Jun-11	Rashid Naveed Traders	Purchase of electric lights items	299,090
May-11	Aziz Tyre Center	Purchase of Tyres	164,400
May-11	Aziz Tyre Center	Purchase of Tyres	233,400
Sep-10	Ashraf & Brothers	Purchase of water filter cartridge	225,000
Jan-11	Ravi Builders	Purchase of hand carts	731,322
Dec-10	Sulman& Brothers	Purchase of street light materiel	344,250
Sub-Total			2,301,902
Month	Name of supplier	Nature of Expenditure	Amount
10-Nov	Chaudhry Tent Service Vehari	Tenting on Ramzan Bazar Vehari	537,470
10-Oct	Moeen Tent Service Ludden	Tenting on Ramzan Bazar Ludden	176,790
10-Oct	Zahid Tent Service Machiwal	Tenting on Ramzan Bazar Machiwal	264,330
10-Oct	A One Movie	Movie Making	21,000
10-Oct	Muhammad Khalil	Rent of Fans	17,000
10-Oct	Mughal Arts	Purchase of Banners	12,379
10-Oct	Ashraf & Brothers	Rent of Speakers	6,000
Sub-Total			1,034,969
Month	Name of supplier	Nature of Expenditure	Amount
10-Sep	Ravi Builders	Purchase of Copper Conductor Cable	142,059
Sub-Total			142,059
Period		Nature of Expenditure	Amount
2010-11		Purchase of Hydraulic Trolley	485,000
2010-11		Purchase of Motors	168,875
Sub-Total			653,875
Grand Total			4,132,805

Annexure - E**[Para 1.2.1.4]****Unauthorized construction without submitting maps and non-recovery of conversion fees Rs 1.535 million**

(Amount in rupees)

Nature of construction	Name of owner	Approximate area and value of land	Amount of conversion fees 20 % of the area of construction.
Petrol pumps	Muhammad Ashraf S/O Rashid Ahmad	1 acres Rs;1120000/-	224,000
Petrol pumps	Abdul Latifs/o Din Muhammad	9 klanals Rs;1487000/-	297,400
Petrol pumps	Zafar Iqbal s/o Muhammad Ramzan	7 kanals Rs;988000	197,600
Protean farms	Ikhlaq Hussain 190/E.B	16 kanals Rs;20444000	408,000
Protean farms	Muhammad Khalid Gujjar 5/W.B	16 kanals Rs;20444000	408,000
Total Conversion fee			1,535,000

Annexure-F

[Para 1.2.2.3]

Less recovery of rent of shops -Rs 2.736 million

(Amount in rupees)

Name of market and shop No.	Date of auction	Period of agreement	Rate of rent on which recovery was to be made	Rate on which recovery was made	Difference For 01/07/09 to 30/06/10	Recovery Amount.
Goal chowk Vehari shop No.49,50,51	01/06/64 and rent fixed Rs;41,44 & 42 Photo copies of these 3 files are	1/10/64 to 31/05/69	2,783	759/- per month	2024x12x3	72,864
Goal Chowk Vehari shop No. 01 to 08	01/06/64	No agreement was available in the file	954	144	810x12x1	9,720
Municipal Market shop No.20.	1/11/71	01/11/71 to 31/10/74	9,545 Photo copies of calculation is enclosed	1837/-	7708x12x1	92,496
Mini market Shop No.35	13/10/81	31/10/81 to 12/10/82	2,812 Photo copies are enclosed.	2340	472x12x1	5,664
Total Recovery						180,744

Above data revealed that files of shops were not maintained completely. Proper calculation of these shops was not made. On the basis of above calculation of 3 shops, recovery of all the markets is given below.

(Amount in rupees)

Name of market.	Total Nos of shops	Rate of rent to be recovered per month on the basis of above data.	Total amount of recovery for
Goal chowk	75 Nos. 11 no was give above.	64 Nos @ 2024/- per shop	1,554,432
Municipal Market	32 No shops. 1 No is given above	31 No @ 1837/- per shop	683,364
Mini market.	57 No shops, one is given	56 No shops @ 472/- per	317,184
Total Recovery			2,554,980

All other market shops be looked accordingly

Annexure-G**[Para 1.3.3.2]****Illegal construction of Buildings without the payment of TMA dues -
Rs14.611 million****Table 1**

(Amount in Rupees)

S. No	Name of Owner	Location	Area	Commercial lization Fee	Process fee	Dev. Fee	Malba fee	Total
1.	Liaqat Ali S/O M. Ramzan	Nili Bar City	9 Marla	405000	18000	1350	1200	424950
2.	Mukhtar Khan S/O Yaqub	New Z Block Ludden Road Burewala	3.62 Marla	162900	8000	600	600	172100
3.	Showkat Ali S/O Wali Muhammad	New Z Block Ludden Road Burewala	9.63 Marla	433350	20000	1500	1200	456050
4.	M. Ramzan S/O Rahmat Ali	New Z Block Ludden Road Burewala	10.66 Marla	479700	22000	1650	1500	504850
5.	Mian Khalid	Nili Bar City	4.21 Marla	265230	10000	1050	600	276880
6.	M. Afzal S/O M. Ramzan	Nili Bar City	3.84 Marla	242550	8000	600	600	251750
7.	RanaMuzafar	F Block Burewala	60.84	4336920	122000	Nil	4800	4463720
8.	RaoSaleem S/o Rao Khan Bahadar	H Block Near Bhatti Plaza	1.54 Marla	115500	4000	Nil	600	120100
9.	Nadir Khan S/O Nabi Khan	Civil Park Ludden Road	3 Marla	90000	6000	450	600	97050
10.	Ch. M. Arshad Jut	Multan Road Near Exchang	14.13 Marla	105750	28280	2250	1800	1092080
11.	Haji Tofail S/O Noor Muhammad	Multan Road Dr. Rauf	12.3 Marla	909750	24060	1950	1800	937560
12.	Amanat Ali	Multan Road	2.06	154500	4120	450	600	159670

	S/O M. Sharif	MarziPura	Marla					
13.	Amjad Ali S/O M. Ramzan	Nahar Housing Scheme	20.56 Marla	925200	41120	3150	2700	972170
14.	M. Waris S/O M. Ilyas	GhulshanRaza Town	20 Marla	500000	40000	3000	2400	545400
15.	Malik Nazir S/O Abdul Khaliq	Fish Bazar	2 Marla	150000	4000	Nil	600	154600
16.	M. Jamil S/O Bashir Ahmad	91/H Block	2.50 Marla	187500	5000	Nil	600	193100
17.	Liaqat Ali s/o Rahmat Ali	Old Post Office Chowk Near Bhatti Plaza	1.54 Marla	97020	3080	Nil	600	100700
18.	Dr. M. Imran Sami	Old Post Office Chowk Near Bhatti Plaza	1.54 Marla	97020	3080	Nil	600	100700
19.	MirzaEntazar S/O M. RAfique	Karkharan Road F Block Kunda	15 Marla	945000	30000	Nil	1800	976800
20.	M. Jamil S/O M. Sharif	F Block Ara Machine	3 Marla	189000	6000	Nil	900	195900
21.	Abdul Shakoor	Nahar PI Link Multan Road Shops	17.1 Marla	1282500	35000	2700	2400	1322600
22.	M. Sharif S/O Jan Muhammad	Rail Bazar G Block	1 Marla	370000	2000	Nil	900	372900
Total								13,891,630

Table 2

(Amount in Rupees)

Sr. No	Date	Name	Address	Area in Marla	Average Price Per Marla	Conversion fee 1%
157	30.06.09	Muhammad Abbas	Riazabad	5	76,000	3,800
158	30.06.09	Muhammad Jamil	Hameed Block B/Wala	4.5	109,000	4,905
159	30.06.09	Asia Begum	LalaZar Housing Scheme	5	61,000	3,050
160	30.06.09	Asghar Ali	LalaZar Housing Scheme	5	61,000	3,050
161	08.07.09	M SaleemAkhtar	Gulshan-e-Rehman Town	10	109,000	10,900
163	15.07.09	KhalidaParveen	New Model Town	10	121,000	12,100
164	18.07.09	Meher Ahmed	Shah Faiz Colony	10	61,000	6,100
167	25.07.09	MusharafHussain	M Hussain Town	7	61,000	4,270
168	30.07.09	Muhammad Ali	106/E Block Burewala	4.38	109,000	4,774
169	30.07.09	Muhammad Ishfaq	Gulshan-e-Noor Housing Scheme	5	5,675	284
170	05.08.09	Muhammad Mumtaz	G-Block Rail Bazar Burewala	4	109,000	4,360
171	05.08.09	Muhammad Arshad	Gulshan-e-Ghani Town	10	121,000	12,100
172	06.08.09	Muhammad Ishfaq	Gulshan-e-Noor Housing Scheme	10	5,675	568
173	06.08.09	Muhammad Riaz	54/N-Block	4	109,000	4,360
174	15.08.09	ShahidNaveed	Gulshan-e-Ghani Town	5	121,000	6,050
175	15.08.09	Sajjid Abbas	New Model Town	17.33	152,000	26,342
176	26.08.09	Muhammad Jamil	21/P-Block	8.77	109,000	9,559
177	29.08.09	SaimaLatif	Canal View Housing Scheme	5	61,000	3,050
179	08.10.09	Muhammad Ejaz	90/E Block Burewala	4.35	109,000	4,742
18	08.10.09	GhulamMurtaza	56/N	1.17	109,000	1,275

0						
181	08.10.09	ZafarIqbal	Gulshan-e-Rehman Town	7	109,000	7,630
182	08.10.09	Muhammad Afzal	New Model Town	12	152,000	18,240
183	08.10.09	M AslamShehzad	Gulshan-e-Rehman Town	10	109,000	10,900
184	21.10.09	Asif Ali	Jewan City Burewala	10	110,000	11,000
185	21.10.09	Muhammad Ismail	Gulshan-e-Raza Town	7	61,000	4,270
186	21.10.09	Abdul Hameed	110 New K Block Burewala.	4.66	109,000	5,079
187	23.10.09	Rehmat Ali	Ghulshan-e-Raheem Town	6	5,675	340
188	23.10.09	Muhammad Rafiq	Street No.8 Habib Colony	3.67	31,000	1,138
190	28.10.09	Muhammad Nawaz	Ghulshan-e-Rehman Town	10	109,000	10,900
191	28.10.09	Munir Ahmad	Ghulshan-e-Rehman Town	10	109,000	10,900
192	28.10.09	GhulamRasool	LalaZar Housing Scheme	10	61,000	6,100
194	11.11.09	RehanaMehmood	M Block Burewala	5.33	109,000	5,810
195	11.11.09	Abdul Hameed	441.EB Shah Faisal Colony	10	61,000	6,100
196	09.12.09	Muhammad Alam	437/EB Lalazar Colony Burewala	10	61,000	6,100
197	09.12.09	ShabanaPerven	Waraich Town 437/EB Burewala.	5	61,000	3,050
198	09.12.09	Muhammad Shafiq	437/EB Lalazar Colony Burewala	40	61,000	24,400
199	14.12.09	Muhammad Nawaz	New Model Town Burewala.	6	121,000	7,260
201	14.12.09	IqraJaveed	Ghulshan-e-Ghani Town	5	121,000	6,050
202	30.01.2010	Muhammad Yameen	Anwar Town 441/EB Burewala.	7	85,000	5,950
203	30.01.2010	IftikharHussain	Ghulshan-e-Ghani Town	5	121,000	6,050
207	30.01.2010	Muhammad Jameel	New Model Town 441/EB	5	121000	6,050
208	30.01.2010	AsiyaSamman	443/EB Canal View Housing	5	61,000	3,050
21	30.01.201	Muhammad	Shah Faisal Colony	5	61,000	3,050

0	0	Mushtaq	Burewala			
21 1	30.01.201 0	Muhammad Aslam	Ghayass Colony Chak No.441/EB	5.5	121,000	6,655
21 2	30.01.201 0	Muhammad Saleem	New Model Town burewala.	11	121,000	13,310
21 3	30.01.201 0	Zulfiqar	Bismillah Town 505/EB Burewala	5	5,675	284
21 5	3.02.2010	Abdul Ghaffor	Hameed Block Burewala	5	109,000	5,450
21 6	3.02.2010	Bashir Ahmad	Azim Abad Burewala	3.5	61,600	2,156
21 7	3.02.2010	Aziz ulRehman	Mujahid Colony Burewala.	4	31,000	1,240
21 8	10.2.201	Muhammad Akram	Yousaf Block Burewala.	8	40,000	3,200
21 9	10.2.201	Muhammad Raiz	3/K Block Burewala.	3	109,000	3,270
22 0	12.2.2010	Muhammad Anwar	437/EB Lalazar Colony Burewala	10	61,000	6,100
22 1	18.2.2010	Tariq Masood	437/EB Waraich Town Burewala.	10	61,000	6,100
22 2	18.2.2010	Sajeela Almas	441/EB Azeem Abad Burewala	10	61,600	6,160
22 3	18.2.2010	Sajjad Ahmad	439/EB Yousaf Block Burewala.	8	40,000	3,200
22 4	18.2.2010	ShguftaPerven	new model town Burewala	6	121,000	7,260
22 5	18.2.2010	Muhammad Ramzan	Walket Factory Karkhana Road	5	109,000	5,450
22 7	24.2.2010	RukhsanaKausar	439/EB Ghulshan-e- Raza Town	7	61,000	4,270
22 8	24.2.2010	GhulamFareed	439/EB Ahata Shah Nawaz	4	40,000	1,600
22 9	24.2.2010	GhulamRasool	Walket Colony Karkhana Road	14	109,000	15,260
23 2	1.03.2010	Muhammad Nawaz	Shadman Colony Burewala	7.67	40,000	3,068
23 3	1.03.2010	Sofia Samranah	Model Town Burewala.	5	121,000	6,050
23 4	3.03.2010	ShaziaFarooq	New Model Town Burewala.	15	121,000	18,150
23 5	3.03.2010	ShahidIqbal	Housing Scheme Affq Khan	7.7	109,000	8,393
23 6	3.03.2010	Nazar Abbas	Gulshan-e-Noor Housing Scheme	10	5,675	568
23	5.03.2010	Amjad Ali	Civil Park Burewala.	11	103,400	11,374

8						
23 9	5.03.2010	Ashiq Ali	Civil Park Burewala.	11	103,400	11,374
24 0	5.03.2010	Mehmood Ali	Civil Park Burewala.	11	103,400	11,374
24 1	13.03.201 0	Rafiq Ahmad	old 17/P, New 31/P,P Block	4.35	109,000	4,742
24 2	13.03.201 0	Muhammad Unis	505/EB Road	10	5,675	568
24 3	13.03.201 0	JameelHaidar	Gulshan-e-Noor Housing Scheme	10	5,675	568
24 4	30.03.201 0	Farooq Ahmad	97/I block Burewala.	5	109,000	5,450
24 6	2.04.2010	AbidahAzhar	ghulshan-e-Rehman Town	5	109,000	5,450
24 7	5.04.2010	AzrahSharief	97/I block Burewala.	5	109,000	5,450
24 8	5.04.2010	Muhammad Saleem	Riaz Abad Burewala	5	76,000	3,800
24 9	7.04.2010	Muhammad Naeem	Ghulshan-e-Ghani Town	10.44	121,000	12,632
25 0	7.04.2010	Muhammad Anwar	Shadman Colony Burewala	5	40,000	2,000
25 1	7.04.2010	AkhtarYar	Shadman Colony Burewala	5	40,000	2,000
25 2	9.04.2010	Ejaz Ahmad etc	Settlite Town Burewala	10	121,000	12,100
25 3	15.04.201 0	Muhammad Akram	Ghulam Muhammad Colony	6	31,000	1,860
25 4	28.04.201 0	Abdul Khaliq	Shah Faisal Colony Burewala	5	61,000	3,050
25 5	4.05.2010	ZaffarIqbal	Hameed Block Burewala	5	109,000	5,450
25 7	10.5.2010	IftikharHussain	Ghulshan-e-Rehman Town	10	109,000	10,900
25 8	10.5.2010	ShameemAkhtar	Ghulshan-e-Raheem	14.22	5,675	807
25 9	10.5.2010	MumtazAkhtar	Chak No.443/EB Marshal Town	15	61,000	9,150
26 0	10.5.2010	Khalid Mehmood	new Model Town burewaa	10	121,000	12,100
26 5	19.5.2010	M. AbdiHussain	437/EB Lalazar Colony Burewala	7.22	61,000	4,404
26 6	19.5.2010	Muhammad Zahid	Ghulshan-e-Raza Town Burewala	8	61,000	4,880
26	20.5.2010	Asif Ali	New Model Town	4	121,000	4,840

7			Burewala			
269	21.5.2010	NasreenAkhtar	Shah Faiz Colony Burewala	5	49,000	2,450
270	21.5.2010	AyshaQurashi	New K/Block Burewala.	7.89	109,000	8,600
271	27.5.2010	Muhammad Latif	Chak No.225/EB GaggooMandi	18.22	3,750	683
272	27.5.2010	Muhammad Arshad	247/EB GaggooMandiBurewala	6.33	3,750	237
273	27.5.2010	Numan Ahmad	451/EB LattBhattian	10	3,781	378
274	27.5.2010	Muhammad Rafiq	New Model Town Burewala	10	121,000	12,100
275	3.6.2010	Khalid Hussain	441/EB New Model Town	30	121,000	36,300
276	3.6.2010	Muhammad Tariq	437/EB Lalazar Colony Burewala	10	61,000	6,100
277	3.6.2010	Muhammad Naeem	Sattlite Town Burewala.	10	121,000	12,100
278	3.6.2010	NosheenAnjum	Walkert Colony Burewala.	8.5	109,000	9,265
279	7.6.2010	M. Tariq Javeed	New Model Town Burewala	12	121,000	14,520
280	9.6.2010	Iftikhar Ahmed	Azim Abad Burewala	5	61,600	3,080
281	9.6.2010	Mehboob Ahmad	437/EB Lalazar Colony Burewala	10	61,000	6,100
282	9.6.2010	Abdul Ghaffar	ghulshan-e-Rehman	6	109,000	6,540
283	14.06.2010	M. Amin Arif	505/EB Ghulshan-e-Raheem Town	19.78	5,675	1,123
284	14.06.2010	WasimAsif	Ghulshan-e-Raheem Town	20	5,675	1,135
285	14.06.2010	M. Anwar Tahir	437/EB Lalazar Colony Burewala	10	61,000	6,100
287	22.06.2010	Hshamat Ali	Sattlite Town Burewala.	10	121,000	12,100
288	23.06.2010	Muhammad Asif	Canal View housing scheme	5.33	61,000	3,251
289	23.06.2010	Muhammad Ajmal	437/EB Burewala	5	61,000	3,050
290	30.06.2010	Muhammad Ashraf	New Model Town Burewala.	5	121,000	6,050
Total Non-Recovery of Conversion fee						719,835
Grand Total of Table 1 & 2						14,611,465

Annexure-H**[Para 1.3.3.6]****Loss to government due to illegal construction of colonies without payment of
TMA dues - Rs1.602 million**

(Amount in Rupees)

Case. No	Name of Housing Scheme	Location	Area in Kanal	Conversion fee of commercial area	Plan Approval fee @ Rs 1000 per Kanal	Approval fee water supply, sewerage, drainage @ Rs 500 per Kanal	Approval fee for road, bridges, footpath @ Rs 500 per Kanal	Total Recovery
256	Al-Syed Housing Scheme	187/EB Gagoo	116.22	192,805	117,000	58,500	58,500	426,805
264	Gulshan-e-Wahab Housing Scheme	187/EB Gagoo	100	351,975	100,000	50,000	50,000	551,975
245	Green City Housing Scheme	187/EB Gagoo	89.5	185,489	90,000	45,000	45,000	365,489
268	Marshall Town	443/EB Burewala	49.65	0	50,000	25,000	25,000	100,000
Total Recoverable Fee								1,444,269
2008-09								158,000
Grand total of both years								1,602,269
Reduction in Para of 2009-10								596,731
Recoverable amount								1,005,538

Annexure-I**[Para 1.4.1.2]****Un-authorized appointment of daily wages employees beyond sanctioned strength and sanctioned nomenclature of posts Rs 2.004 million**

(Amount in rupees)

Sanitation & Drains Wing										
Order No.	Period of Appointment	Category	Posts as per	Filled	Vacant	Appointed	Extra	Rate	Month	Amount
Not Mentioned/ Not provided	24.05.10 to 20.08.10	Sweep er (Male + Female)	73	40	33	88	55	4,361	3	719,565
No. 890/CO HQ dated 23.08.10	23.08.10 to 19.11.10	Sweep er (Male + Female)	73	40	33	88	55	4,361	3	719,565
No. not provided dated 13.11.10	22.11.10 to 18.02.11	Sweep er (Male + Female)	73	40	33	71	38	4,955	3	564,870
Recommendati ons of committee dated 15.02.11	21.02.11 to 20.05.11	Sweep er (Male + Female)	73	40	33	31	(2)	-	3	-
Grand Total										2,004,000

Annexure-J

[Para 1.4.2.1]

Non-recovery of outstanding rent of shops- Rs. 11.469 million

Detail of non-recovery of outstanding rent of shops (Amount in rupees)

Particulars	Amount
Arrear on 01.07.2008	6,288,578
Current Demand	6,919,378
Total	13,207,956
Recovery	6,700,426
Balance on 30.06.2009	6,507,530

(Amount in rupees)

Sr. #	Name of Market	No. of Shops	Defaulter Shops	Balance
1	Qaid -e-Azam Road-I	37	12	139,681
2	Qaid -e-Azam Road-II	78	39	752,828
3	Razaq Bazar	42	29	480,685
4	Thana Sadar	9	7	165,046
5	Railway Road A-Block	18	13	157,243
6	Railway Road B-Block	35	13	140,082
7	Railway Road C-Block	25	16	145,548
8	Colony Road	34	17	63,764
9	AllamaIqbal Market	48	35	1,736,865
10	Petrol Pump	1	1	26,364
11	Jinnah Market	55	55	2,493,132
12	ChobaraQaid-e-Azam Road	27	9	89,797
13	Chobara Colony Road	20	8	116,495
Total		429	254	6,507,530

Non-recovery of outstanding rent of shops – Rs4.962 million

(Amount in Rupees)

Sr. #.	Name of Market	No. of Shops	Arrear on 1.7.2009	Demand 2009-10	Total	Arrear Recovered	Current Demand Recovered	Total Recovery	Recovery	Arrear on 30.06.10
1	AllamaIqbal Market Qaid-e-Azam Road Mailsi	48	1,286,635	1,736,865	3,023,500	914,442	517,398	1,431,840	1,431,840	1,591,660
2	Jinnah Market	55	1,827,911	2,493,132	4,321,043	1,053,341	24,117	1,077,458	1,077,458	3,243,585

	Near Railway Crossing									
3	Qaid-e- Azam Road Mailsi	37	889,817	139,681	1,029,498	103,397	728,043	831,440	831,440	198,058
4	Qaid-e- Azam Road Block-II Mailsi	78	1,600,76 8	752,828	2,353,596	470,402	1,161,969	1,632,37 1	1,632,37 1	721,225
5	Razaq Bazar Mailsi	42	896,568	321,250	1,217,818	305,002	494,171	799,173	799,173	418,645
6	Shopping Center Near Thana SadarMailsi	9	101,282	165,046	266,328	69,613	32,828	102,441	102,441	163,887
7	Railway Road A- Block	18	210,780	157,243	368,023	120,098	108,600	228,698	228,698	139,325
8	Railway Road B-Block	35	409,850	140,082	549,932	97,059	313,084	410,143	410,143	139,789
9	Railway Road C-Block	25	292,750	145,548	438,298	90,296	144,547	234,843	234,843	203,455
10	Colony Road Mailsi	34	699,733	95,296	795,029	84,129	599,020	683,149	683,149	111,880
11	Chobaras	69	142,741	205,481	348,222	33,286	149,475	182,761	182,761	165,461
12	Petrol Pump	1	73,908	260,364	334,272	77,000	0	77,000	77,000	257,272
	Total	451	8,432,74 3	6,612,81 6	15,045,55 9	3,418,065	4,273,252	7,691,31 7	7,691,31 7	7,354,24 2
	TOTAL AMOUNT RECOVERED									2,392,00 0
	NET AMOUNT RECOVEREABLE									4,962,24 2

Annexure-K**[Para 1.4.2.2]****Non-recovery of various Government Receipts – Rs 8.131 Million**

(Amount in rupees)

Head	No. of Shops	Amount	Recovered	Balance
Arrears on 30.6.2010		6,842,339	4,730,661	2,111,678
Current FY 2010-11	428	8,571,371	4,373,953	4,397,418
Total		15,413,710	9,104,614	6,509,096

Water Rates

(Amount in rupees)

Water Rate Charges	No. of Connection	Amount	Recovery	Balance
Arrears on 30.6.2010		1,228,490	709,861	518,629
Domestic Connection	2130	1,789,200	-	-
Commercial Connection	12	28,800	-	-
Total Current FY 2010-11	2142	1,818,000	1,207,516	610,484
Total		4,864,490	1,917,377	1,129,113

Permit Fees

(Amount in rupees)

Sr. No.	Period	Outstanding Dues
1	2008-09	315,100
2	2009-10	44,000
3	2010-11	133,800
Grand Total		492,900
Grand Total of Rent of Shops, Water Rate & Permit Fee		8,131,109

Annexure-L**[Para 1.4.2.3]****Less recovery of commercialization fee – Rs 3.779 million**

(Amount in Rupees)

File No	Name of Applicant	Purpose	Valuation	Fee @ 20% of Valuation	Fee Recovered	Less Recovered
7	Ali Muhammad	Shops	1,100,000	220,000	100,000	120,000
9	Imam Bukhsh	CNG	8,085,000	1,617,000	100,000	1,517,000
40	Allah Wasaya	Petrol Pump	6,444,000	1,288,800	10,740	1,278,060
44	Muhammad Waqas	Shops	322,200	64,440	16,500	47,940
50	Muhammad Manzar	Shops	264,240	52,848	26,400	26,448
58	Muhammad Ismail	Shops	12,800	2,560	1,385	1,175
77	Sana-Ullah	Shops	350,000	70,000	35,000	35,000
81	Maqbool Khan	Shops	3,080,000	616,000	0	616,000
89	Ikhlaq Hussain	Petrol Pump	146,328	29,265	16,035	13,230
118	Sardar Muhammad	Good own	974,090	194,818	97,370	97,448
122	Muhammad Afzal	Shops	181,500	36,300	18,150	18,150
126	Jan Muhammad	Shops	93,800	18,760	10,270	8,490
Total Less Recovery			21,053,958	4,210,791	431,850	3,778,941

Annexure-M**[Para 1.4.2.6]****Loss due to Non Recovery of trade license fee—Rs 1.129 million**

(Amount in rupees)

Year	Amount not recovered
2008-09	328,900
2009-10	27,300
2010-11	773,000
Total	1,129,200

(Amount in rupees)

S.No.	Particular	Amount
1	Demand 2009-10	625,000
2	Recovery	597,700
	Balance	27,300

Misappropriation of revenue of license / permit fee – Rs 773,000

(Amount in rupees)

Detail of Non-recovery of License / Permit Fee during the period 2010-11								
Sr. No.	Item	Rate	Total Recoverable	Recovered	Not Recovered	Total Recoverable as per TMA Record	Amount Recovered	Amount Not Recovered
1	Medical Store, Homio, unani etc. Urban	500	85	53	32	42,500	26,500	16,000
2	medical Store, Homio, unani etc. Rural	400	109	49	60	43,600	19,600	24,000
3	Hotel	1,000	68	10	58	68,000	10,000	58,000

4	Tikka Shops without dinning table	700	15	9	6	10,500	6,300	4,200
5	Breakfast point, ChawalCholy , HalwaPurri, SiriPaay etc. Shops	300	75	22	53	22,500	6,600	15,900
6	Breakfast point, ChawalCholy , HalwaPurri, SiriPaay etc. Rehri	200	-	1	(1)	-	200	(200)
7	Dry Fruit Shops	700	4	2	2	2,800	1,400	1,400
8	Dry Fruit Rehrian	200	10	1	9	2,000	200	1,800
9	Bakeri	1,000	30	15	15	30,000	15,000	15,000
10	Berger point	600	10	5	5	6,000	3,000	3,000
11	Oil Mills	4,000	10	4	6	40,000	16,000	24,000
12	Cooking Oil by Kohloo	1,000	23	4	19	23,000	4,000	19,000
13	Cooking Oil by Expeller	2,500	12	1	11	30,000	2,500	27,500
14	Electric Store	500	65	22	43	32,500	11,000	21,500
15	Welding Spot, electric + Gas	300	320	153	167	96,000	45,900	50,100
16	Iron & hardware store of Windows etc. manufacture r	500	25	19	6	12,500	9,500	3,000
17	Leather relevant business holders	900	6	1	5	5,400	900	4,500
18	marble, chona etc. store, and sell	900	6	3	3	5,400	2,700	2,700
19	Glass Houses, Stores	400	10	4	6	4,000	1,600	2,400
20	Atta Chaki	800	450	108	342	360,000	86,400	273,600

21	Pepper Chaki	500	40	9	31	20,000	4,500	15,500
22	Salt Chaki	800	3	2	1	2,400	1,600	800
23	Mehndi related business	500	5	2	3	2,500	1,000	1,500
24	Flour Mills	8,000	4	3	1	32,000	24,000	8,000
25	Tobacco business	300	13	5	8	3,900	1,500	2,400
26	Almirah, trunk manufacturing	300	49	29	20	14,700	8,700	6,000
27	Fertilizer Dealers,	1,000	110	52	58	110,000	52,000	58,000
28	Khal, Binola, seeds,	700	70	23	47	49,000	16,100	32,900
29	Kiryana Store (Wholesale)	500	25	19	6	12,500	9,500	3,000
30	Kiryana Store (Retailers)	300	400	315	85	120,000	94,500	25,500
31	Kiryana Stores in Rural Areas	200	700	440	260	140,000	88,000	52,000
Total			2,752	1,385	1,367	1,343,700	570,700	773,000

Annexure-N**[Para 1.4.3.2]****Non-initiation of action against illegal housing schemes & non recovery of government fee – Rs6.495 million****Non-initiation of action against illegal housing schemes & non recovery of government fee**

Year	Rupees in Million
2008-09	0.610
2009-10	2.893
2010-11	2.992
Total	6.495

(Amount in Rupees)

Sr. No	File No	Name of Applicant	Name of Housing Scheme	Acre	Rate	Fee
1	74	Israr Ali	Model City Colony	125	2,000	249,000
2	93	QammerSaeed Ansari	Fine City Colony	92.5	2,000	185,000
3	123	Muhammad Akhtar	Al-Karam City Colony	23.5	2,000	47,000
4	124	Muhammad Khurshid	Al-Janat Housing Scheme	32	2,000	64,000
5	125	Muhammad Irfam	Green Canal View Housing scheme	32.5	2,000	65,000
Total Fee Recoverable						610,000

Illegal construction of colonies and loss to government – Rs 2.893 million

(Amount in Rupees)

Sr. No.	Name of Housing Scheme	Area			Scrutiny Fee	Map Fee	Conversion Fee	Total
		K	M	S				
1	Al Jannat Housing Colony Tibba Sultan Pur	64	13	0	1,000	16,250	12,800	30,050
2	Green Canal View Housing Colony 166/WB	51	12	0	1,000	13,000	80,300	94,300
3	Al-Ghani Housing Colony Chak No.100/WB Garah More	64	0	0	1,000	16,000	80,000	97,000

5	Rehman Town Housing Colony Mailsi City	96	0	0	1,000	24,000	140,000	165,000
6	Shafqat Town Housing Colony Chak No.166/WB	86	0	0	1,000	20,960	110,000	131,960
7	Model Town Housing Colony Mailsi City	140	0	0	14,000	35,000	245,000	294,000
8	New Al-Karam Housing Colony 100/WB	82	13	0	1,000	20,500	115,000	136,500
9	Ali Garden Housing Scheme MauzaSehr	40	0	0	1,000	10,000	75,000	86,000
10	GulshanAzeem Housing Scheme Zaheer Abad Shaheed	55	13	0	1,000	14,000	84,100	99,100
11	Al- Rehman City Housing Colony Mitroo	64	0	0	1,000	16,000	86,200	103,200
12	Al Rahim City Housing Scheme MouzaMitroo	40	0	0	1,000	10,000	75,000	86,000
13	Al-Rehman City Housing Scheme Chak No.88/WB	83	5	0	1,000	21,000	97,100	119,100
14	Ali Garden Housing Colony 88/WB Garah More	98	10	0	1,000	24,600	120,000	145,600
15	Nawab Town Chak No.166/WB Tibba Sultan Pur	48	0	0	1,000	12,000	74,100	87,100
16	Azeem Town Housing Colony Mailsi City	21	17	0	1,000	17,112	72,200	90,312
17	Green Town Housing Colony Chak No.330 Road Tibba Sultan Pur	31	7	0	1,000	8,000	68,700	77,700
18	Haider Town Housing Colony Tibba Sultan Pur	25	17	0	1,000	7,000	78,400	86,400
19	Al-Rehman Housing Colony Tibba Sultan Pur	24	0	0	1,000	6,000	76,200	83,200
20	Gilani Town Tibba Sultan Pur	15	0	0	1,000	4,000	54,100	59,100
21	Khan Town Chak No.202/WB	37	11	0	1,000	9,500	76,200	86,700

	TibbaSultanpur							
22	Karam Housing SchememChakLagah	20	0	0	1,000	5,000	54,160	60,160
23	Green Canal View ChakLagah	21	16	0	1,000	5,500	58,400	64,900
24	Ali Town Housing Chak 195/WB LalSaggu	33	0	0	1,000	8,250	61,300	70,550
25	Shafiq Town Chak No.205/WB LalSaggu	22	0	0	1,000	5,500	48,200	54,700
26	Gulshan Fatima Tragad, LalSaggu	20	17	0	1,000	5,200	42,400	48,600
27	Green Town Kot Malik LalSaggu	38	18	0	1,000	10,000	57,600	68,600
28	Rehmat Town Kot Malik LalSaggu	32	13	0	1,000	8,400	54,200	63,600
29	Bismillah Housing Scheme Pir Shah Road KaramPur	27	10	0	1,000	7,000	47,400	55,400
30	Sadaf Town KotSoruKaramPur	28	0	0	1,000	7,000	48,200	56,200
31	GulshanZahoor Housing Scheme Chak No.100/WB	33	8	0	1,000	8,375	52,400	61,775
32	Ahmad City Housing Scheme Chak No.102/WB	34	10	0	1,000	8600	57,220	66,820
33	Al-Ghani Phase-II Housing Colony Garah More	31	7	0	1,000	7,875	54,800	63,675
Total					45,000	391,622	2,456,680	2,893,302

Loss to Govt. due to illegal construction of un-approved colonies and non recovery of conversion fee & map fee – Rs 2.992 million

(Amount in rupees)

Sr. No .	Name of Housing Scheme	Area			Scrutiny Fee	Map Fee	Conversion Fee	Total
		K	M	S				
1	Al Jannat Housing Colony Tibba Sultan Pur	64	13	0	1,000	16,250	12,800	30,050
2	Green Canal View Housing Colony 166/WB	51	12	0	1,000	13,000	80,300	94,300

3	Al-Ghani Housing Colony Chak No.100/WB Garah More	64	0	0	1,000	16,000	80,000	97,000
4	Rehman City Housing Scheme ZorKotPuranaLuddan Road KaramPur	56	0	0	1000	14,000	84,100	99,100
5	Rehman Town Housing Colony Mailsi City	96	0	0	1,000	24,000	140,000	165,000
6	Shafqat Town Housing Colony Chak No.166/WB	86	0	0	1,000	20,960	110,000	131,960
7	Model Town Housing Colony Mailsi City	14 0	0 0	0	14,000	35,000	245,000	294,000
8	New Al-Karam Housing Colony 100/WB	82	1 3	0	1,000	20,500	115,000	136,500
9	Ali Garden Housing Scheme MauzaSehr	40	0	0	1,000	10,000	75,000	86,000
10	GulshanAzeem Housing Scheme Zaheer Abad Shaheed	55	1 3	0	1,000	14,000	84,100	99,100
11	Al- Rehman City Housing Colony Mitroo	64	0	0	1,000	16,000	86,200	103,200
12	Al Rahim City Housing Scheme MouzaMitroo	40	0	0	1,000	10,000	75,000	86,000
13	Al-Rehman City Housing Scheme Chak No.88/WB	83	5	0	1,000	21,000	97,100	119,100
14	Ali Garden Housing Colony 88/WB Garah More	98	1 0	0	1,000	24,600	120,000	145,600
15	Nawab Town Chak No.166/WB Tibba Sultan Pur	48	0	0	1,000	12,000	74,100	87,100
16	Azeem Town Housing Colony Mailsi City	21	1 7	0	1,000	17,112	72,200	90,312
17	Green Town Housing Colony	31	7	0	1,000	8,000	68,700	77,700

	Chak No.330 Road Tibba Sultan Pur							
18	Haider Town Housing Colony Tibba Sultan Pur	25	1 7	0	1,000	7,000	78,400	86,400
19	Al-Rehman Housing Colony Tibba Sultan Pur	24	0	0	1,000	6,000	76,200	83,200
20	Gilani Town Tibba Sultan Pur	15	0	0	1,000	4,000	54,100	59,100
21	Khan Town Chak No.202/WB TibbaSultanpur	37	1 1	0	1,000	9,500	76,200	86,700
22	Karam Housing SchememChakLaga h	20	0	0	1,000	5,000	54,160	60,160
23	Green Canal View ChakLagah	21	1 6	0	1,000	5,500	58,400	64,900
24	Ali Town Housing Chak 195/WB LalSaggu	33	0	0	1,000	8,250	61,300	70,550
25	Shafiq Town Chak No.205/WB LalSaggu	22	0	0	1,000	5,500	48,200	54,700
26	Gulshan Fatima Tragad, LalSaggu	20	1 7	0	1,000	5,200	42,400	48,600
27	Green Town Kot Malik LalSaggu	38	1 8	0	1,000	10,000	57,600	68,600
28	Rehmat Town Kot Malik LalSaggu	32	1 3	0	1,000	8,400	54,200	63,600
29	Bismillah Housing Scheme Pir Shah Road KaramPur	27	1 0	0	1,000	7,000	47,400	55,400
30	Sadaf Town KotSoruKaramPur	28	0	0	1,000	7,000	48,200	56,200
31	GulshanZahoor Housing Scheme Chak No.100/WB	33	8	0	1,000	8,375	52,400	61,775
32	Ahmad City Housing Scheme Chak No.102/WB	34	1 0	0	1,000	8,600	57,220	66,820
33	Al-Ghani Phase-II Housing Colony Garah More	31	7	0	1,000	7,875	54,800	63,675
Total					45,000	405,622	2,540,780	2,992,402

Annexure-O**[Para 1.4.3.3]****Loss to Government due to Illegal Construction of Buildings without Payment of Map Fee and Conversion Fee – Rs 4.618 million**

(Amount in rupees)

Physical Inspection Report of Illegally Constructed/ Under Construction Buildings in TMA Mailsi							
Sr. No.	Type of Building	Address	Map Fee	Conversion Fee	Development Charges	NOC Fee	Total Recoverable
1	Commercial ShowRoom 3S Ittefaq Motors	Colony Road Mailsi	27,500	440,000	6,600	N/A	474,100
2	Commercial Motorcycle ShowRoom	Fattah Pur Road JallaJeem	8,000	60,000	2,400	N/A	70,400
3	Shops	WahirceeWahin Road	6,000	15,000	-	-	21,000
4	Godown Commercial	AddaHarri Chand KaramPur Road	6,000	12,000	-	-	18,000
5	Shops	Colony Road Mailsi	15,000	240,000	2,400	-	257,400
6	Allied Bank of Pakistan	Colony Road Mailsi	25,000	400,000	6,000	-	431,000
7	Shops	Kehrorpacca off road	4,000	48,000	1,200	-	53,200
8	Shops	Kehrorpacca off road	25,000	240,000	6,000	-	271,000
9	Joiya Market Dokota	Main Road Dokota	15,000	80,000	-	-	95,000
10	Haidery Market	Main Road Dokota	15,000	80,000	-	-	95,000
11	School Market	Main Road Dokota	15,000	80,000	-	-	95,000
12	7 Shops under construction	Main Road Dokota	1,000	5,882	-	-	6,882
13	Hotel under Construction (Resturant)	Main Road metlachowk to Bwp Road	15,000	480,000	-	-	495,000
14	ZaibHospital	Railway Road	15,000	480,000	-	-	495,000

		Mailsi					
15	Rashid Srurgical Complex	Garahmor	15,000	480,000	-	-	495,000
16	Chattan hardware Store Plaza Multi story	Garahmor	10,000	240,000	-	-	250,000
17	Cellular Tower	Colony Road Mailsi	Paid	-	-	20,000	20,000
18	Ali Poly Clinic Hospital multi story	Garahmor	15,000	960,000	-	-	975,000
Total			232,500	4,340,882	24,600	20,000	4,617,982

Annexure-P**[Para 1.4.3.4]****Overpayment due to Allowing Excess Rates – Rs 1.128 Million**

(Amount in rupees)

Table – I							
Name of Work	Name of Item	Rate Paid	Actual Rate	Excess Rate	Qty	Excess Payment	Remarks
"Construction of soling and Sullage Carrier Basti Abbas Nagar & Chak No.145/WB" work executed through 'Faizan CCB'	Earth filling ordinary soil lead up to 100 Rft	1995.8	1283.05	712.75	58530	41,717	Earth filling with Lead up to 1/2 mile was approved @ Rs 4,185.40 per 1000 Cft (inclusive of 100 Rft lead which was not admissible) but payment was made with lead up to one mile @ Rs 4,641 and Rs 41,717 was paid in excess
	leveling dressing	177.85	177.85	0	58530	-	NIL (Rate inclusive in the item)
	compaction up to 85%	633.45	498.95	134.5	58530	7,872	Compaction was approved by mechanical means which was not justified. Hence hand

							rammed compaction rate was required to be approved. Need recovery of Rs 7,872
	Lead up to 1/2 mile	1833.9	1378.3	455.6	58530	26,666	Lead was paid up to one mile instead of 1/2 mile. Recovery of Rs 26,666 may be made.
	Total					76,255	
	(+) Contract awarded at 3.95% above TS					3,012	
	Sub-Total					79,268	
"Construction of soling Sargana Road ChahPeroPiky to ChahSarang Khan WalaMouzaSargana"	Earth filling leveling dressing & compaction up to 85% lead up to 1/4 mile	3271.05	2561.15	709.9	91168	64,720	Rate analysis for earth work was defective.
	Construction of culverts 20' long Pacca brick work RCC slab etc	48951			3	146,853	Unjustified payment was made without record entries in MB for each item of culverts which makes the payment doubtful.
	Sub-Total					211,573	

"Construction of soling, drains MouzaFatehPur"	Earth filling leveling dressing & compaction up to 85% lead up to one mile	4015.6 5	3305.7 5	709.9	29006	20,591	Rate was charged in excess of actual rate of 4th quarter 2010 which needs recovery.
	Constructio n of drain type-I (Rft)	181	NA	NA	2473	447,613	Lump sum payment without recording detail of measureme nt in the MB. The payment was unjustified
	Constructio n of Nala/ Sullage carrier (Rft)	597	NA	NA	118	70,446	Lump sum payment without recording detail of measurement in the MB. The payment was unjustified
Sub-total Excess Payment						538,650	
Total of Table-I						829,491	
Table – II							
Name of Project	Name of Item	Rate Paid	Actual Rate	Exces s Rate	Qty	Excess Paymen t	MB & Page No.
Construction of soling BastiArrayWalaMouzaJahan Pur and BastiQaziWalaMouzaRahol a of Faizan CCB	Earth filling ordinary soil lead up to 100 Rft leveling dressing compaction up to 85% and lead up to 1/2 mile	4185.4	3338.1 5	847.2 5	10852 8	91,950	MB 2115 Page 35- 36
Construction of soling Colony PakkiKothi to Chak Mughal Road of Faizan CCB	Earth filling ordinary soil lead up to 100 Rft leveling dressing compaction up to 85% and lead up	4185.4	3338.1 5	847.2 5	60128	50,943	MB 2115 Page 22- 23

	to 1/2 mile						
Construction of soling Colony PakkiKothi to Chak Mughal Road (2nd Phase) of FaizanCCB	Earth filling ordinary soil lead up to 100 Rft leveling dressing compaction up to 85% and lead up to 1/2 mile	4185.4	3338.15	847.25	60128	50,943	MB 2115 Page 67-70
Total of Table- II						193,836	
Table – III							
Name of Work	Name of Item	Rate Paid	Actual Rate	Excess Rate	Qty	Amount	Remarks
Construction of Soling & Culverts in MouzaQutabPur	Earth filling leveling dressing & compaction up to 85% lead up to one mile	4015.65	3305.75	709.9	20052	14,235	The rate was not justified as compaction was not executed through mechanical means and rate was required to be reduced up to compaction with hand rammed. Lead was paid separately therefore not admissible in the item.
Construction of Soling & Culverts in MouzaQutabPur	Earth filling leveling dressing & compaction up to 85% lead up to 1/2 mile	3519.25	2809.35	709.9	127561	90,556	The rate was not justified as compaction was not executed through mechanical

							means and rate was admissible for hand rammed. Lead was paid separately therefore not admissible in the item.
Total of Table -III						104,791	
Grand Total of Table I, II & III						1,128,118	