



AUDIT REPORT
ON
THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
LAYYAH
AUDIT YEAR 2014-15

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

| | |
|----------|--|
| AGP | Auditor General of Pakistan |
| B&R | Building & Road |
| CCB | Citizen Community Board |
| CO | Chief Officer |
| C&W | Communication and Works |
| DAC | Departmental Accounts Committee |
| DDO | Drawing and Disbursing Officer |
| DG | Director General |
| FD | Finance Department |
| GST | General Sales Tax |
| IPSAS | International Public Sector Accounting Standards |
| LG & CD | Local Government and Community Development |
| MB | Measurement Book |
| MFDAC | Memorandum for Departmental Accounts Committee |
| MRS | Market Rate System |
| NAM | New Accounting Model |
| PAC | Public Accounts Committee |
| PAO | Principal Accounting Officer |
| PDG | Punjab District Governments |
| PFR | Punjab Financial Rules |
| PLGO | Punjab Local Government Ordinance, 2001 |
| POL | Petroleum Oil and Lubricants |
| PPRA | Punjab Procurement Regulatory Authority |
| RDA | Regional Directorate of Audit |
| S&GAD | Services and General Administration Department |
| TDC | Tehsil Development Council |
| TMA | Tehsil Municipal Administration |
| TMO | Tehsil Municipal Officer |
| TO (F) | Tehsil Officer (Finance) |
| TO (I&S) | Tehsil Officer (Infrastructure & Services) |
| TO (P&C) | Tehsil Officer (Planning & Coordination) |
| TO (R) | Tehsil Officer (Regulation) |
| TSE | Technically Sanctioned Estimate |

Preface

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

The report is based on Audit of the accounts of Tehsil Municipal Administrations of District Layyah for the financial year 2013-14. The Directorate General of Audit District Governments Punjab (South), Multan, conducted audit during 2014-15 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 Rs 1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

The Audit Report is submitted to the Governor of 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 Assembly.

Islamabad
Dated:

(Rana Assad Amin)
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 mandated to carry out the audit of all District Governments in Punjab (South) including Town / Tehsil Municipal Administration. Regional Directorate of Audit (RDA), D.G. Khan has audit jurisdiction of District Governments, TMAs and UAs of four Districts i.e. D.G. Khan, Rajanpur, Layyah and Muzaffargarh.

The Regional Directorate has a human resource of 23 officers and staff, constituting 3,939 man days and the budget amounting to Rs 12.179 million was allocated in Audit Year 2014-15. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of the entities, projects and programmes. Accordingly RDA D.G.Khan carried out audit of the accounts of TMAs of District Layyah for the Financial Year 2013-14 and the findings included in the Audit Report.

Each Tehsil Municipal Administrations in District Layyah 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 TMAs in District Layyah, for the Financial Year 2013-14, was Rs 351.638 million and expenditure amounting to Rs 203.108 million was incurred showing savings of Rs 148.530 million. Total Non Development Budget for Financial Year 2013-14 was Rs 358.864 million and expenditure amounting to Rs 292.128 million was incurred showing saving of Rs 66.736 million. The reasons for savings in Development and Non development Budgets are required to be provided by the TMO and PAO concerned.

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

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

a. Scope of Audit

Out of total expenditure of the Tehsil Municipal Administrations of District Layyah for the financial year 2013-14, auditable expenditure under the jurisdiction of Regional Director Audit (District Governments), D.G. Khan was Rs 495.236 million covering three PAOs. Out of this, Regional Director Audit (District Governments), D.G. Khan audited an expenditure of Rs 168.380 million which, in terms of percentage, was 34% of total auditable expenditure and irregularities amounting to Rs 201.426 million were pointed out. Regional Director Audit planned and executed audit of 3 formations, i.e. 100% achievements against planned audit activities.

Total receipts of three TMAs of District Layyah for the financial year 2013-14, were Rs 582.270 million. RDA, D.G. Khan audited receipts of Rs 378.475 million which was 65% of total receipts and irregularities amounting to Rs 31.030 million were pointed out.

b. Recoveries at the Instance of Audit

Recovery of Rs 39.735 million was pointed out by Audit which was not in the notice of the management before audit. An amount of Rs 0.506 million was recovered during 2013-14, till the compilation of report.

However against the total recovery amount of Rs 25.931 million pertained to paras (over one million) drafted in this report, no amount of recovery has been made by the management till the time of compilation of this Report.

c. Audit Methodology

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

d. Audit Impact

A number of improvements in record maintenance and procedures have been initiated by the concerned departments, however audit impact in shape of change in rules could not be materialized as the Provincial Accounts Committee has not discussed audit reports pertaining to Tehsil Municipal Administration for the year 2014-15.

e. Comments on Internal Control and Internal Audit Department

Internal control mechanism of TMAs District Layyah was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during course of audit which includes some serious lapses. Negligence on the part of TMA authorities may be captioned as one of the important reasons for weak Internal Controls.

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

f. The Key Audit Findings of the Report;

- i. Misappropriation of Rs 1 Million was noted in one case.¹
- ii. Irregularities and non compliance amounting to Rs 229.950 million were noted in 29 cases.²

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum for Departmental Accounts Committee (MFDAC) Annex-A.

¹Para 1.4.1.1

²Para 1.2.1.1, 1.2.1.2, 1.2.1.3, 1.2.1.4, 1.2.1.5, 1.2.1.6, 1.2.1.7,1.2.1.8, 1.2.1.9, 1.2.1.10, 1.2.1.11, 1.2.1.12, 1.3.1.1, 1.3.1.2,1.3.1.3, 1.3.1.4, 1.3.1.5, 1.3.1.6, 1.3.1.7, 1.3.1.8, 1.4.2.1, 1.4.2.2, 1.4.2.3, 1.4.2.4, 1.4.2.5, 1.4.2.6, 1.4.2.7, 1.4.2.8, 1.4.2.9

g. Recommendations

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

- i. Production of record to audit for verification.
- ii. Compliance of relevant laws, rules, instructions and procedures, etc.
- iii. Expediting recoveries pointed out by Audit as well as others recoverable in the notice of management.
- iv. Strengthening of financial and managerial controls.
- v. Holding of DAC meetings well in time.
- vi. Appropriate actions against officers/officials responsible for negligence in performance of duties and achievement of targets.
- vii. Addressing systemic issues to prevent recurrence of various omissions and commissions.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rupees in Million)

| Sr. No. | Description | No. | Expenditure | Receipts |
|---------|---|-----|-------------|----------|
| 1 | Total Entities (PAOs) in Audit Jurisdiction | 03 | 495.236 | 582.270 |
| 2 | Total Formations in Audit Jurisdiction | 03 | 495.236 | 582.270 |
| 3 | Total Entities (PAOs)/ DDOs Audited | 03 | 168.380 | 378.475 |
| 4 | Total Formations/ DDOs Audited | 03 | 168.380 | 378.475 |
| 5 | Audit & Inspection Reports | 03 | - | - |
| 6 | Special Audit Reports | - | - | - |
| 7 | Performance Audit Reports | - | - | - |
| 8 | Other Reports (Relating to TMA) | - | - | - |

Table 2: Audit Observations Classified by Category

(Rupees in Million)

| Sr. No. | Description | Amount Placed under Audit Observation |
|--------------|----------------------|---------------------------------------|
| 1 | Asset Management | - |
| 2 | Financial Management | 229.950 |
| 3 | Internal Controls | - |
| 4 | Others | 1.000 |
| Total | | 230.950 |

Table 3: Outcome Statistics

(Rupees in Million)

| Sr. No | Description | Expenditure on Physical Assets | Salary | Non Salary | Civil Works | Receipts | Total Current Year | Total Last year |
|--------|--|--------------------------------|---------|------------|-------------|----------|--------------------|-----------------|
| 1 | Total Financial Outlay | 3.512 | 179.446 | 109.170 | 203.108 | 582.270 | 1077.506 | 1,253.379 |
| 2 | Outlays Audited | 3.117 | 42.436 | 39.37 | 83.457 | 378.475 | 546.855* | 607.853 |
| 3 | Amount Placed under Audit Observation / irregularities pointed out | - | 8.951 | 23.213 | 167.756 | 31.030 | 230.950 | 480.703 |
| 4 | Recoveries Pointed out at the instance of Audit | - | - | - | 6.999 | 18.932 | 25.931 | 48.076 |
| 5 | Recoveries Accepted / Established at the instance of Audit | - | - | - | 6.999 | 18.932 | 25.931 | - |
| 6 | Recoveries realized at the instance of Audit | - | - | - | 0.092 | 0.413 | 0.506 | 1.627 |

* The amount mentioned against Sr. No. 2 in column of "Total Current Year" is the sum of expenditure and receipt whereas the total expenditure was Rs 168.380 million.

Table 4: Irregularities Pointed Out

(Rupees in Million)

| Sr. No. | Description | Amount Placed under Audit Observation |
|----------------|--|--|
| 1 | Violation of rules and regulations and violation of principle of propriety and probity in public operations. | 204.019 |
| 2 | Reported cases of fraud, embezzlement, thefts and misuse of public resources. | 1.000 |
| 3 | Accounting errors (accounting policy departure from NAM ¹ , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements. | - |
| 4 | Quantification of weaknesses of internal control systems | - |
| 5 | Recoveries and overpayments, representing cases of establishment overpayment or misappropriations of public monies | 25.931 |
| 6 | Non production of record | - |
| 7 | Others, including cases of accidents, negligence, non accountal of store etc. | - |
| Total | | 230.950 |

Table 5: Cost-Benefit

(Rupees in Million)

| Sr. No. | Description | Amount |
|----------------|--|---------------|
| 1 | Outlays Audited (Items 2 Table 3) | 546.855 |
| 2 | Expenditure on Audit | 0.058 |
| 3 | Recoveries realized at the instance of Audit | 0.506 |
| 4 | Cost-Benefit Ratio | 9 |

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

CHAPTER-1

1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, LAYYAH

1.1.1 Introduction

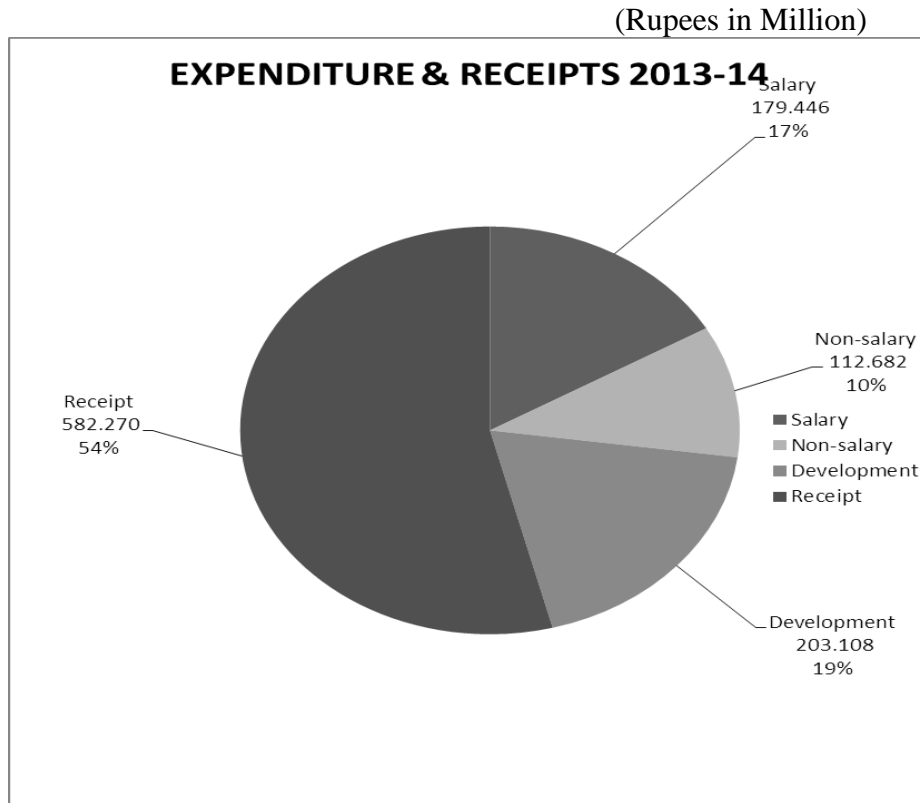
According to 1998 population census, the population of District Layyah is 1.121 million. District Layyah comprises of three TMAs namely Layyah, Karor and Choubara. Business of TMAs is run by the Administrator and five Drawing & Disbursing officer i.e. TMO, TO (I&S), TO(Finance), TO (P&C) and TO (Regulation) under Punjab Local Government Ordinance, 2001.

1.1.2 Comments on Budget and Accounts

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

(Rupees in Million)

| 2013-14 | Budget | Actual | Excess (+)/ Savings(-) | (Savings) % |
|-----------------|----------------|----------------|---------------------------|-----------------|
| Salary | 209.181 | 179.446 | -29.735 | -14.215% |
| Non Salary | 149.683 | 112.682 | -37.001 | -24.720% |
| Development | 351.638 | 203.108 | -148.530 | -42.239% |
| Total | 710.502 | 495.236 | -215.266 | 30.298% |
| Receipts | 780.071 | 582.270 | -197.801 | -25.357% |

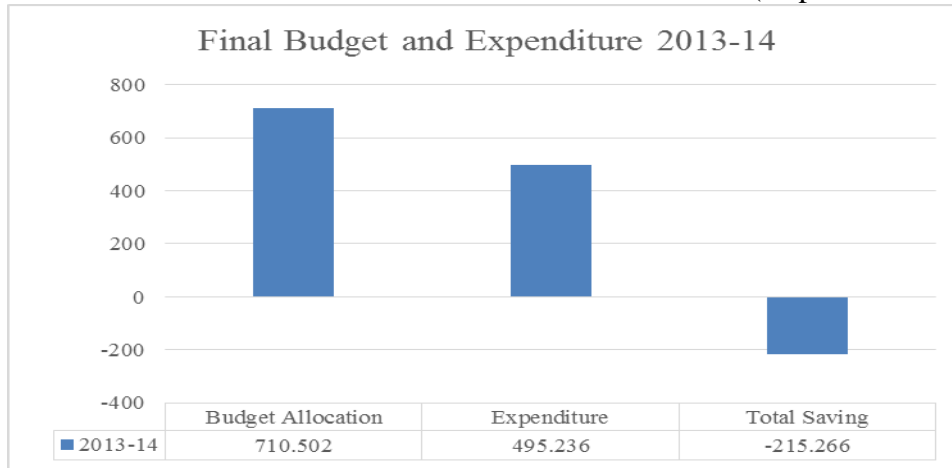


Details of budget allocations, expenditures and savings of each TMA in District Layyah are at Annex-B.

As per Budget Books for the Financial Year 2013-14 of TMAs in District Layyah, the original and final budgets were of Rs 710.502 million. Total expenditures incurred by these TMAs during Financial Year 2013-14 were Rs 495.236 million. A saving of Rs 215.266 million came to the notice of audit which shows that the TMAs failed to provide the basic municipal services to the community. No plausible explanation was provided by the Administrators, PAOs and management of TMAs.

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

(Rupees in Million)



1.1.3 Brief Comments on the Status of Compliance on MFDAC Audit Paras of Audit Report 2013-14

Audit paras reported in MFDAC (Annex-1) of last year Audit Report which have not been attended in accordance with the directives of DAC have now been reported in part II of Annex-A.

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

| Sr. No. | Audit Report Year | No. of Paras | Status of PAC Meeting |
|----------------|--------------------------|---------------------|------------------------------|
| 1 | 2009-12 | 31 | PAC not constituted |
| 2 | 2012-13 | 15 | PAC not constituted |
| 3 | 2013-14 | 33 | PAC not constituted |

AUDIT PARAS

1.2 Tehsil Municipal Administration Layyah

1.2.1 Irregularities & Non-Compliance

1.2.1.1 Unauthorized retention of revenue - Rs 12.059 million

According to Rule 7.1 of Subsidiary Treasury Rules, Punjab, all receipts, recoveries of Government should be deposited in to Government treasury on the same day or on the next day positively.

Contrary to above, TMO deducted an amount of Rs 12.059 million from the employees and suppliers on account of Income Tax and General Sales Tax for the period 2009 to 2011. But the same was not deposited into Government treasury till June 2014. The detail is below:

(Amount in Rupees)

| Sr. No. | DDOs | Detail | Bank Account No. | Amount |
|--------------|------------|----------------------------------|----------------------|-------------------|
| 1 | TMO | GST, Income Tax & profit thereon | 000-PLS-00/017-000-1 | 11,668,801 |
| 2 | TO (I&S) | | 000-PLS-00/020-000-3 | 278,411 |
| 3 | TO Finance | | 000-PLS-00/019-000-4 | 111,345 |
| Total | | | | 12,058,557 |

Audit is of the view that due to weak internal controls, Government revenue was not deposited into treasury.

Undue retention of public money resulted in loss to Government for Rs 12.059 million.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDOs replied that the matter was being investigated. DAC directed the DDOs to transfer the amount to the concerned heads without further delay. No progress was intimated to Audit till the finalization of this Report.

Audit recommends to deposit the same into public exchequer and Inquiry for fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 18]

1.2.1.2 Unauthorized expenditure on development schemes beyond competency – Rs 8 million

According to Rule 16 (1) of the TMA (Works) Rules, 2003, the schemes costing above rupees five million but not exceeding rupees twenty million shall be submitted to the District Development Committee, as notified by the Planning and Development Department, for administrative approval.

Contrary to above, TMO incurred an expenditure of Rs 8 million during 2013-14 on a development scheme i.e. “Construction of soling, concrete flooring, R.C.C pipe, Culverts, RCC slab, boundary wall, janaza gah, grave yard, metaled road, sodium lights in area of TMA Layyah”. Scrutiny of relevant record revealed that the administrative approval of this scheme was accorded by TDC (Tehsil Development Committee) which was beyond its competency.

Audit is of the view that due to weak internal controls, necessary approval from the appropriate forum was not obtained.

Expenditure amounting to Rs 8 million without approval from competent authority was unauthorized.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO replied that the sanction was obtained from the TDC. The reply was not tenable as the scheme was beyond the power of TDC. DDO was directed to get the expenditure regularized from competent forum. No progress was intimated to Audit till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 14]

1.2.1.3 Irregular expenditure without calling tenders-Rs 3.762 million

According to Rule 9 of Punjab Procurement Rules 2009, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus

determined would be advertised in advance on the PPRA's web site and also in two national papers. Further, according to 2b (xix) Delegation of Financial Power Rules, 2006 amended up to 26 March 2010, the hire charges of tentage for administrative department was Rs 0.100 million and for category-II officer Rs 50,000 per annum each case.

Contrary to above, TMO incurred an expenditure of Rs 3.762 million on purchase and leasing of tentage without advertisement on the PPRA website and proper tendering process during 2013-14. In some cases the expenditure was split to avoid the necessity of advertisement. Further the expenditure incurred was beyond the competency of the TMO. (Annex-C)

Audit is of the view that due to weak internal controls, expenditure was incurred without tenders and beyond competency.

Expenditure amounting to Rs 3.762 million without tendering process was unauthorized.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO replied that the codal formalities could not be met because of urgency of need. The reply was not accepted and DAC directed the DDO to get the expenditure regularized from the competent authority. No progress was intimated to Audit till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Paras: 2, 6]

1.2.1.4 Unauthorized splitting of scheme-Rs 3.129 million

According to para 2.70 of B&R Code and Finance Deptt. Letter No.FD(D-11)10(3)90 Dated 27th June 1991, the splitting will have to be got approved from the Chief Engineer concerned. Further, according to Rule 15.2 (iii) of Punjab Financial Rules, Vol-I, expenditure should not be split up so as to avoid the necessity for obtaining the sanction of higher authority.

TMO incurred an expenditure of Rs 3.129 million during 2013-14 on development schemes. One scheme was split into four schemes to avoid the

technical sanction from higher authority. Necessary approval for splitting of scheme was not obtained from the Chief Engineer. The detail is given below:

(Amount in Rupees)

| Sr. No. | Description | TS Amount | Agreement Amount | Completion date | Expenditure |
|--------------|---|-----------|------------------|-----------------|------------------|
| 1 | Construction & Repair of Drain, Nala, Soling, Concrete Flooring, Tuff Tile, Moharrum Routs Layyah City. | 1,500,000 | 1,089,000 | 31.03.2014 | 1,090,539 |
| 2 | Construction & Repair (Patch work) Metaled Roads Moharrum routs Layyah City. | 1,500,000 | 1,020,000 | 31.03.2014 | 1,019,082 |
| 3 | Providing & Fixing Manhole cover, repair manholes, sewer connection Moharrum Routs Layyah City. | 800,000 | 528,000 | 31..12.2013 | 524,750 |
| 4 | Providing & Fixing Gully Grating, Slab, Repair Gully Grating Chamber Moharrum routs Layyah City. | 700,000 | 502,000 | 31.03.2014 | 494,810 |
| Total | | | | | 3,129,181 |

Audit is of the view that due to weak internal controls, schemes were executed without approval from competent authority.

Splitting of schemes to avoid approval of the higher authorities resulted in unauthorized expenditure of Rs 3.129 million.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO replied that the schemes were executed on the basis of Administrative Approval. DAC did not agree with the justification of Department as the administrative approval was also granted by the TMA authorities. Committee directed the DDO to get the expenditure regularized from competent authority. No progress was intimated to Audit till the finalization of this Report.

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

[AIR Para: 10]

1.2.1.5 Wasteful expenditure due to abandoned work - Rs 2.325 million

According to B&R Code 2.82, it is a fundamental rule that no work shall be commenced unless Administrative Approval by competent authority is given, and properly detailed design and estimate have been sanctioned, allotment of funds made, and orders for its commencement issued by competent authority.

Contrary to above, TMO failed to complete 09 different development schemes having TS value of Rs 5.100 million. The schemes were started during 2009 and up to June 2014 an expenditure amounting to Rs 2.325 million was incurred. After lapse of considerable time schemes were still pending for completion. (Annex-D)

Audit is of the view that due to weak internal controls, development schemes were not completed.

Non-completion of schemes, deprived the people of the area from the benefit of devolution plan and also funds amounting to Rs 2.325 million were wasted.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO replied that the schemes were under process and progress would be reported in the next meeting. DAC directed to finalize the schemes within three months and submit report. No progress was intimated to Audit till the finalization of this Report.

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

[AIR Para: 11]

1.2.1.6 Loss due to acquiring of private land on lease for cattle markets- Rs 2.203 million

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

TMO acquired land on lease from private owners to establish cattle markets at Layyah and Chowak Azam and paid an amount of Rs 2.203 million to

the land owners despite availability of TMA's / Government land in the adjacent areas. The detail is given below:

(Amount in Rupees)

| Sr. No. | Description | Acquiring Rate per Acre | Acquired land | Period | Amount |
|--------------|---------------------------|-------------------------|--------------------|---------|------------------|
| 1 | Cattle Market Layyah | 45,000 | 25 kanal&12 marla | 2009-14 | 1,008,702 |
| 2 | Cattle Market Chowak Azam | 40,000 | 47 kanal& 10 marla | 2010-14 | 1,194,247 |
| Total | | | | | 2,202,949 |

Audit is of the view that due to weak internal controls, private land was acquired for establishing cattle markets.

Acquisition of private land despite availability of TMA's / Government land caused loss of Rs 2.203 million to Local Government.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO was unable to justify the action with reasonable evidence and was directed to get the expenditure regularized from competent authority. No progress was intimated to Audit till the finalization of this Report.

Audit recommends inquiring the matter for fixing of responsibility against the concerned besides regularization from competent authority under intimation to Audit.

[AIR Para: 1]

1.2.1.7 Unauthorized payment of work charged established -Rs 2.122 million

According to preface of the Wage Rate Act 2012, appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment vide Para 11 of the Recruitment Policy issued

TMO appointed 20 work charged employees to perform the duties on water supply schemes, disposal works and street lights operation. An amount of Rs 2.122 million was paid out of Non Development Budget on account of salaries to those employees during the financial year 2013-14. The recruitment process

was conducted without observing the codal formalities i.e. advertisement of the posts, detail of the candidates applied, minutes of recruitment committee, offer letters and joining reports etc.

Audit is of the view that due to weak internal controls, recruitment process was not followed as laid down in the Wage Rate Act, 2012.

Irregular recruitment of work charged employees resulted into unauthorized payment of salaries amounting to Rs 2.122 million.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April 2015, DDO replied that the work charged employees were recruited by the competent authority. The reply was unjustified as the codal formalities were not observed. DDO was directed to get the expenditure regularized from the competent authority. No progress was intimated to Audit till the finalization of this Report.

Audit recommends regularization besides fixing of responsibility on the concerned, under intimation to Audit.

[AIR Para: 7]

1.2.1.8 Non approval of residential schemes - Rs 2.116 million

According to the Bye Laws notified by TMA Layyah vide its notification No.TMA(Layyah)/TO(R)/967 dated 26.06.2004 and published in the Punjab Gazette dated May 15, 2006 the fee for the conversion of the non-residential area to a residential area will be Rs 200/ per marla.

Contrary to above, the owners of the 10 residential schemes applied for registration. TMO did not approve the registration of the schemes having potential revenue of Rs 2.116 million during 2013-14. The detail is given below:

(Amount in Rupees)

| Sr. No. | Name of Colony | Location | Kanal area | Area in Marla | Rate Per Marla | Conversion Fee |
|----------------|-----------------------|--|-------------------|----------------------|-----------------------|-----------------------|
| 1 | Al-Qamar Colony | By Pass Near Bismillah Hotel | 56 | 1120 | 200 | 224,000 |
| 2 | Ideal City | Near Gilani Manzil Road Chank No.148/TDA | 32 | 640 | 200 | 128,000 |
| 3 | Taimoor Town | Near Gilani Manzil Road Chank No.148/TDA | 17 | 340 | 200 | 68,000 |

| Sr. No. | Name of Colony | Location | Kanal area | Area in Marla | Rate Per Marla | Conversion Fee |
|--------------|----------------|--|------------|---------------|----------------|------------------|
| 4 | Usman Garden | Near New subzi Mandi behind Model Town | 96 | 1920 | 200 | 384,000 |
| 5 | Township | Kids University By Pass road Chowakazam Karor Layyah | 24 | 480 | 200 | 96,000 |
| 6 | Zakriya Town | Kids University By Pass road Chowakazam Karor Layyah | 56 | 1120 | 200 | 224,000 |
| 7 | Gulberg Town | Kids University By Pass road Chowakazam Karor Layyah | 24 | 480 | 200 | 96,000 |
| 8 | Taqbeer Town | Kids University By Pass road Chowakazam Karor Layyah | 36 | 720 | 200 | 144,000 |
| 9 | Hussain Garden | Near Tail Mondi Minor Chowkazam | 168 | 3360 | 200 | 672,000 |
| 10 | Khan City | Manzoor Hussain khan Duftri | 20 | 400 | 200 | 80,000 |
| Total | | | | | | 2,116,000 |

Audit is of the view that due to weak internal controls, Local Government was deprived of potential revenue.

Non approval of residential schemes caused loss amounting to Rs 2.116 million to the Local Government.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO replied that the residential schemes were under scrutiny and action would be taken accordingly. DDO was directed to expedite the recovery without fail. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of Rs 2.116 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 23]

1.2.1.9 Irregular payment against maintenance & repair - Rs 1.528 million

According to para 2.82 of B&R Code, it is fundamental rule that no work shall be commenced unless Administrative Approval by competent authority is given and properly detailed design and estimate have been sanctioned. Further according to B & R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book.

Contrary to above, TMO withdrew an amount of Rs 1.528 million out of block allocation for repair and maintenance of various works during the financial year 2013-14 without the administrative approval, technical sanction of the competent authority and record entry in the measurement book. (Annex-E)

Audit is of the view that due to weak internal controls, expenditure was incurred without observing the codal requirement.

Payments without observing the codal requirements resulted in irregular expenditure amounting to Rs 1.528 million.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April 2015, DDO replied that all record was available. The reply was not justified as the record as mentioned in the audit para was not available. DDO was directed to get the expenditure regularized from the competent authority. No progress was intimated to Audit till the finalization of this Report.

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

[AIR Para: 5]

1.2.1.10 Non-imposition of penalty for delayed completion of schemes – Rs 1.364 million

According to Clause-39 of Contract Agreement, if contractor failed to complete the work within stipulated / extended period, he was required to be penalized @1% to 10% of the agreement amount for delayed completion of work.

Contrary to above, TMO did not impose penalty of Rs 1.364 million for delayed completion of 21 schemes during 2013-14. The schemes were not completed even after lapse of more than one year. (Annex-F)

Audit is of the view that due to weak internal controls, penalty was not imposed by the department.

Non-imposition of penalty resulted in loss of Rs 1.364 million to Local Government.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDOs replied that compliance would be ensured at the time of refunding of the security deposit. DDO was directed to recover the amount from the contractor security within one month. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of Rs 1.364 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 3]

1.2.1.11 Irregular payments against CCB schemes – Rs 1.198 million

According to Clause 19 of TMA (Works) Rules 2003, an estimate for a work other than a maintenance work, shall unless be otherwise specified, lapse after a period of three years.

Contrary to above, TMA authorities incurred an expenditure amounting to Rs 1.198 million during 2013-14 on 05 CCB schemes which started during the financial year 2007-08 and 2010-11 without fresh TSE and still the schemes remained incomplete. The detail is given below:

(Amount in Rupees)

| Sr. No. | Name of CCBs | Scheme | TS Amount | TS Year | Expenditure during 2013-14 |
|---------|-----------------------|--|-----------|---------|----------------------------|
| 1 | Sada Bahar C.C.B | Construction of soling, concrete flooring, R.C.C pipe, Culverts, RCC Slab,Pull, Boundary Wall, Janaza Gah Grave Yard, Metalled Road, Sodium Lights in Area of Tehsil Council Layyah. | 8,000,000 | 2007 | 486,187 |
| 2 | Bukhari C.C.B | Construction of soling & Metalled Road form Chak No. 280/TDA to Basti Hasan Wali Baroon Block. | 4,750,000 | 2011 | 15,433 |
| 3 | Sadat C.C.B | Construction of soling, Metalled road Cattle Mandi Chowk Azam from Aslam Kalya to Abadi Chana Wali. | 3,500,000 | | 28,566 |
| 4 | City Developers C.C.B | Construction of soling & Metalled Road form Chak No. 125/TDA Mandi Town to Chak No. 125-A /TDA Tail Indus. | 4,900,000 | | 107,949 |
| 5 | Layyah | Construction of soling & Metalled | 4,900,000 | | 559,986 |

| Sr. No. | Name of CCBs | Scheme | TS Amount | TS Year | Expenditure during 2013-14 |
|--------------|----------------|---|-----------|---------|----------------------------|
| | Developers CCB | Road form Chak No. 389/TDA to Chak No. 423/TDA. | | | |
| Total | | | | | 1,198,121 |

Audit is of the view that due to weak internal controls, expenditure was incurred without fresh TSE.

Incurrence of expenditure amounting to Rs 1.198 million without fresh TSE was irregular.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO was unable to justify the action with reasonable evidence and was directed to get the expenditure regularized from competent authority. No progress was intimated to Audit till the finalization of this Report.

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

[AIR Para: 13]

1.2.1.12 Non recovery of revenues -Rs 1.030 million

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, it is the duty of the departmental authorities to see that all Government dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Government account.

Contrary to above, TMO failed to recover the following revenues amounting to Rs 1.030 million during 2013-14.

| (Amount in Rupees) | |
|--|----------------------------|
| Description | Outstanding amount of Rent |
| Rent of Shops and Plots CO Unit Layyah | 754,063 |
| Professional Tax | 276,000 |
| Total | 1,030,063 |

Audit is of the view that due to weak internal controls, Government receipts could not be realized.

Non-recovery of revenues resulted in loss amounting to Rs 1.030 million to the TMA.

The matter was reported to TMO and Administrator in January, 2015. In the DAC meeting held during April, 2015, DDO replied that efforts were being made to maximize the recovery. DDO was directed to expedite the recovery at earliest. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of Rs 1.030 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Paras: 20,44]

1.3 Tehsil Municipal Administration Karor

1.3.1 Irregularities & Non-Compliance

1.3.1.1 Unauthorized sanction of technical estimates- Rs 55.250 million

According to Government of Punjab LG&CD Department Notification No.SO-V(LG) 5-48/2002 dated 28-03-2006, Tehsil Officer (I&S) of BS-17, a qualified engineer, has the power to accord technical sanction up to the value of one million rupees. Furthermore, as per Chief Engineer letter No.CE(HQ)PLGB-6/2008 dated 13-05-2008, the scheme beyond the competency of Tehsil Officer (I&S) was required to be forwarded to the Chief Engineer for technical sanction.

Contrary to above, TMO executed 58 schemes having TS value for Rs 55.250 million during 2013-14. The schemes were technically sanctioned by EDO (Works & Services) and TO (I&S) of other TMAs, instead of approval from the Chief Engineer. (Annex-G)

Audit is of view that due to weak internal controls, technical sanctions were granted by the irrelevant authority.

Execution of schemes without technically sanctioned estimates by the relevant authority resulted in unauthorized expenditure amounting to Rs 55.250 million.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Para: 18]

1.3.1.2 Unauthorized splitting of schemes - Rs 31.430 million

According to Para 2.70 of B&R Code and vide Finance Department Letter No.FD(D-11)10(3)90 dated 27th June 1991, the splitting will have to be got approved from the Chief Engineer concerned. Further, according to Rule 15.2 (iii) of Punjab Financial Rules, Vol-I, expenditure should not be split up so as to avoid the necessity for obtaining the sanction of higher authority.

TMO incurred an expenditure of Rs 31.430 million during 2013-14 on development schemes by splitting 09 schemes into 18 schemes, without the sanction of competent authority i.e. Chief Engineer. (Annex-H)

Audit is of the view that due to weak internal controls, schemes were executed without approval from competent authority.

Splitting of schemes to avoid approval of the higher authorities resulted in unauthorized expenditure of Rs 31.430 million.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Para: 12]

1.3.1.3 Non-recovery of revenues – Rs 8.304 million

According to Rule 76 (1) of the PDG and TMA (Budget) Rules, 2003, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to above, TMO did not recover outstanding rent of shops, commercialization fee and outstanding arrears amounting to Rs 8.304 million during 2013-14. The detail is given below:

(Amount in Rupees)

| Sr. No | Description | Amount |
|---------------|---------------------------|------------------|
| 1 | Commercialization Fee | 442,004 |
| 2 | Outstanding Rent of Shops | 332,348 |
| 3 | Pending Revenue | 1,250,000 |
| 4 | Outstanding Lease | 6,280,203 |
| Total | | 8,304,555 |

Audit is of view that due to weak internal controls, timely action was not taken for recovery of outstanding revenue.

Non-recovery of outstanding revenue caused a loss of Rs 8.304 million to the public exchequer.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends recovery of Rs 8.304 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Paras: 10,11,21,29]

1.3.1.4 Non-recovery of rent of shops - Rs 7.482 million

According to Rule 76 of Punjab District Government and TMA (Budget) Rules 2003, it is the duty of the departmental authorities to see that all Government dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Government account.

During the scrutiny of the record it was observed that 94 shops were constructed by the TMA Karor during 2011-12 and not leased out till June 2014. These shops were illegally occupied by the various individuals to whom the same were auctioned later on in 2014-15. TMO failed to auction the newly constructed shops for almost 3 years and had not recovered the outstanding rent amounting to Rs 7.482 million. The detail is given below:

| (Amount in Rupees) | | | | | |
|--------------------|---|---------------------|-----------------------|------------------------|------------------|
| Sr. No. | Detail | No. of Shops | Rent per month | Period (Months) | Amount |
| 1 | Shop No. 1 to 78 General Bus Stand Karor | 78 | 3,000 | 29 | 6,786,000 |
| 2 | Shop No.79 to 94, Opposite to Takbeer chowk Karor | 16 | 1,500 | 29 | 696,000 |
| Total | | | | | 7,482,000 |

Audit is of view that due to weak internal controls, the local Government receipts could not be realized.

Non-recovery of rent of shops resulted in loss of Rs 7.482 million to the Local Government.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends recovery of Rs 7.482 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 20]

1.3.1.5 Irregular expenditure without calling tenders-Rs 5.464 million

According to rule 9 of Punjab Procurement Rules 2009, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's web site.

Contrary to above, TMO incurred an expenditure of Rs 5.464 million on purchase of electric material, insecticides and some necessary arrangement for Fair and Exhibition without advertisement on the PPRA website and newspaper along with non-observance of the codal requirements. (Annex-I)

Audit is of view that due to weak internal controls, expenditure incurred without observing the codal requirements.

Incurrence of expenditure amounting to Rs 5.463 million without tendering process was irregular.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Paras: 3,6]

1.3.1.6 Irregular payment of work charged establishment – Rs 4.715 million

According to preface of the Wage Rate Act 2012, appointment to a post included in the schedule shall be advertised properly in leading newspapers and

recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment vide Para 11 of the Recruitment Policy issued by the S&GAD vide No. SOR-IV(S&GAD)10-1/2003 dated 17.09.2004.

Contrary to above, TMO appointed 63 work charged employees in Karor and Fatehpur units. An amount of Rs 4.715 million was paid out of Non Development Budget on account of salaries to those employees, during 2013-14. The recruitment process was conducted without observing the codal formalities i.e. advertisement of the posts, detail of the candidates applied, minutes of recruitment committee, offer letters and joining reports etc. The detail is given below:

(Amount in Rupees)

| Sr. No. | CO Unit | No. of Employees | Amount |
|--------------|----------|------------------|------------------|
| 1 | Karor | 40 | 3,116,104 |
| 2 | Fatehpur | 23 | 1,598,406 |
| Total | | | 4,714,510 |

Audit is of the view that due to weak internal controls, recruitment process was not followed as laid down in the Wage Rate Act, 2012.

Irregular recruitment of work charged employees resulted into unauthorized payment of salaries amounting to Rs 4.715 million.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends regularization besides fixing of responsibility on the concerned, under intimation to Audit.

[AIR Para: 4]

1.3.1.7 Overpayment by allowing unjustified rates of earthwork-Rs 4.104 million

According to Para No.2.31 (a) of Punjab Financial Rules Vol; I, a drawer of bill for pay and allowances contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

TO (I&S) applied the road item No. 5(iii) of chapter-3 of MRS which related to the earthwork in ordinary soil for embankments including ploughing and mixing with blade grade or disc harrow or other suitable equipment and compaction by mechanical means up to 85% for construction of street soling with drain instead of item No. 1(a) & 17(a) of chapter-3 of MRS i.e. excavation with transportation of earth which resulted in overpayment amounting to Rs 4.104 million. (Annex-J)

Audit is of view that due to weak internal controls, unjustified rate of earthwork was allowed to the contractor.

Application of irrelevant rate of earthwork resulted in loss of Rs 4.104 million to local Government.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends recovery of Rs 4.104 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 24]

1.3.1.8 Non-imposition of penalty for delayed completion of schemes – Rs 2.403 million

According to Clause-39 of Contract Agreement, if contractor failed to complete the work within stipulated / extended period, he was required to be penalized @1% to 10% of the agreement amount for delayed completion of work.

Contrary to above, TMO did not impose penalty of Rs 2.403 million for delayed completion of 15 schemes during 2013-14. (Annex-K)

Audit is of the view that due to weak internal controls, penalty was not imposed by the department.

Non-imposition of penalty resulted in loss of Rs 2.403 million to Local Government.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends recovery of Rs 2.403 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 14]

1.4 Tehsil Municipal Administration Chowbara

1.4.1 Fraud / Misappropriation

1.4.1.1 Likely misappropriation on account of special repair of road - Rs 1 million

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

TMO executed and completed the development scheme “Construction of Metalled Road Nawan Kot Athara Hazari Road Dogar more to Chah yaseen wala” during the year 2012-13. The same scheme was again executed as “Special repair of Metaled road Nawan kot Atharan Hazari road Adda Dogar More to Chah Yasin Wala” during 2013-14. The incurring of expenditure of Rs 1 million on newly constructed road was likely misappropriation of Government funds. The detail is below.

(Rupees in Million)

| Sr. No. | FY 2012-13 | | | FY 2013-14 | | |
|---------|---|-----------|-------------|---|-----------|-------------|
| | Scheme | TS Amount | Amount paid | Scheme | TS Amount | Amount paid |
| 1 | Construction of Metalled Road Nawan Kot Athara Hazari Road dogar more to Chah yaseen wala | 2,000,000 | 1,999,725 | Special repair of Metalled Road Nawan Kot Athara Hazari Road dogar more to Chah yaseen wala | 1.500 | 1.002 |

Audit is of the view that due to weak internal controls, expenditure was incurred on scheme which already existed.

Making payment as special repair against the newly constructed road resulted in likely misappropriation of Rs 1 million

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends fixing of responsibility against the concerned for likely misappropriation money through incurring expenditure on existing scheme besides recovery of Rs 1 million, under intimation to Audit.

[AIR Para: 20]

1.4.2 Irregularities & Non-Compliance

1.4.2.1 Unauthorized sanction of technical estimates - Rs 40.225 million

According to Government of Punjab LG&CD Department Notification No.SO-V(LG) 5-48/2002 dated 28-03-2006, Tehsil Officer (I&S) of BS-17, a qualified engineer, has the power to accord technical sanction up to the value of one million rupees. Furthermore, as per Chief Engineer letter No.CE(HQ)PLGB-6/2008 dated 13-05-2008, the scheme beyond the competency of Tehsil Officer (I&S) was required to be forwarded to the Chief Engineer for technical sanction.

Contrary to above, TMO executed 25 schemes amounting to Rs 40.225 million during 2013-14. The schemes were technically sanctioned by EDO (Works & Services) and TO(I&S) of other TMAs, instead of approval from the Chief Engineer. (Annex-L)

Audit is of the view that due to weak internal controls, technical sanctions were granted by the irrelevant authority.

Execution of schemes without technically sanctioned estimates by the relevant authority resulted in unauthorized expenditure amounting to Rs 40.225 million.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Para: 6]

1.4.2.2 Substandard execution of work –Rs 16 million

According to Rule 2.33 of the PFR Vole-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part. Further as per para 4.5 (5) of B&R Code, every officer making or ordering payment on behalf of the Government shall satisfy himself that the work has been actually done in accordance with the bill submitted for payment. He should personally inspect all the

important works & measurements made by his subordinates before making the final payment.

TMO awarded the construction work of TMA Complex having TS value of Rs 16 million vide work order No.235 dated 16.04.2011. The building was completed during 2012-13 and security had been released. Construction of building was executed through inferior material as walls of the assembly hall, bathrooms and structure of corridor were cracked from different places and quality and thickness of plaster was not satisfactory.

Audit is of the view that due to weak internal control, building of the complex was not examined before refunding the security to the contractor.

Releasing of securities without monitoring the completed scheme resulted in loss of Rs 16 million owing to substandard execution of work.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audits recommends Inquiry and fixing of responsibility against the concerned, under intimation to Audit.

[AIR Paras: 11]

1.4.2.3 Irregular expenditure without calling tenders - Rs 5.760 million

According to rule 9 of Punjab Procurement Rules 2009, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's web site.

Contrary to above, TMO incurred an expenditure of Rs 5.760 million on purchase of sports activity, insecticides, tentage, LED lights, grass and plants without advertisement on the PPRA website along with non-observance of the codal requirements. Further, in some cases the location, list of participant and stock entries was not available on record. The detail is given below:

(Amount in Rupees)

| Sr. No | Description | Amount |
|--------------|--|------------------|
| 1 | Expenditure on sports activity | 1,386,890 |
| 2 | Purchase of insecticide, tires and tentage | 1,330,502 |
| 3 | Purchase of grass and plants | 1,098,976 |
| 4 | Purchase of LED light | 1,944,000 |
| Total | | 5,760,368 |

Audit is of the view that due to weak internal controls, expenditure incurred without observing the codal requirements.

Incurrence of expenditure amounting to Rs 5.760 million without tendering process was irregular.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Paras: 2, 3, 4, 8]

1.4.2.4 Unauthorized splitting of schemes - Rs 2.200 million

According to para 2.70 of B&R Code and Finance Deptt. Letter No.FD(D-11)10(3)90 Dated 27th June 1991, the splitting will have to be got approved from the Chief Engineer concerned. Further, according to Rule 15.2 (iii) of Punjab Financial Rules, Vol-I, expenditure should not be split up so as to avoid the necessity for obtaining the sanction of higher authority.

TMO incurred an expenditure of Rs 2.200 million during 2013-14 on development schemes by splitting one scheme into two schemes, without the sanction of competent authority i.e. Chief Engineer. The detail is given below:

(Rupees in Million)

| Sr. No. | Scheme | Work order | Date | TS Amount |
|---------|---|------------------|-----------|-----------|
| 1 | Construction of Soling Burly Adda to Basti Khaira | TMA/(CH) I&S/332 | 7.11.1013 | 1,200,000 |

| Sr. No. | Scheme | Work order | Date | TS Amount |
|--------------|--|------------------|-----------|------------------|
| 2 | Construction of Soling Basti Dangi to Basti Khaira | TMA/(CH) I&S/334 | 7.11.1013 | 1,000,000 |
| Total | | | | 2,200,000 |

Audit is of the view that due to weak internal controls, schemes were executed without approval from competent authority.

Splitting of schemes to avoid approval of the higher authorities resulted in unauthorized expenditure of Rs 2.200 million.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Para: 23]

1.4.2.5 Unauthorized payment of work charged establishment – Rs 2.114 million

According to preface of the Wage Rate Act 2012, appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment vide Para 11 of the Recruitment Policy issued by the S&GAD vide No. SOR-IV(S&GAD)10-1/2003 dated 17.09.2004.

Contrary to above, TMO appointed 20 work charged employees for sanitation work during 2013-14. An amount of Rs 2.114 million was paid out of non development budget on account of salaries to those employees during the year. The recruitment process was conducted without observing the codal formalities i.e. advertisement of the posts, detail of the candidates applied, minutes of recruitment committee, offer letters and joining reports etc. The detail is given below:

(Amount in Rupees)

| Sr. No. | Month | Sanitary staff | Amount |
|--------------|--------|----------------|------------------|
| 1 | Jul-13 | 20 | 177,528 |
| 2 | Aug-13 | 20 | 189,720 |
| 3 | Sep-13 | 20 | 160,300 |
| 4 | Oct-13 | 20 | 163,100 |
| 5 | Nov-13 | 20 | 199,721 |
| 6 | Dec-13 | 20 | 180,729 |
| 7 | Jan-14 | 20 | 182,470 |
| 8 | Feb-14 | 20 | 184,500 |
| 9 | Mar-14 | 20 | 179,830 |
| 10 | Apr-14 | 20 | 149,100 |
| 11 | May-14 | 20 | 175,500 |
| 12 | Jun-14 | 20 | 171,600 |
| Total | | | 2,114,098 |

Audit is of the view that due to weak internal controls, recruitment process was not followed as laid down in the Wage Rate Act, 2012.

Irregular recruitment of work charged employees resulted into unauthorized payment of salaries amounting to Rs 2.114 million.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends regularization besides fixing of responsibility on the concerned, under intimation to Audit.

[AIR Para: 28]

1.4.2.6 Unjustified expenditure on POL-Rs 1.805 Million

According to Rule 9 (1) and (20) of the West Pakistan Government Staff Vehicles (Use and Maintenance) Rules, 1969, In respect of every Government Vehicle, there shall be maintained a logbook in form "A" wherein shall be entered the journeys performed by a Government Vehicle. The logbook maintained under sub-Rule (i) shall remain in the custody of the driver in-charge of the vehicle and shall be examined and signed by the officer in –charge every day at the time the driver is relieved from duty.

Contrary to above, scrutiny of relevant record revealed that TMO incurred an expenditure amounting to Rs 1.805 million on account of POL during 2013-14 while the meters of tractors were not working, detail of the assigned roads / streets for sanitation was not available and the log books were not maintained. The detail is given below:

(Amount in Rupees)

| Sr. No. | Month | Tractor LYA-2611 liters | Tractor LYG-1002 liters | Total liters | Rate | Amount |
|--------------|--------|-------------------------|-------------------------|--------------|--------|------------------|
| 1 | Jul-13 | 425 | 535 | 960 | 109.50 | 105,120 |
| 2 | Aug-13 | 400 | 536 | 936 | 112.50 | 105,300 |
| 3 | Sep-13 | 400 | 550 | 950 | 115.00 | 109,250 |
| 4 | Oct-13 | 310 | 570 | 880 | 119.70 | 105,336 |
| 5 | Nov-13 | 500 | 725 | 1225 | 119.50 | 146,388 |
| 6 | Dec-13 | 680 | 945 | 1625 | 118.90 | 193,213 |
| 7 | Jan-14 | 730 | 795 | 1525 | 118.90 | 181,323 |
| 8 | Feb-14 | 535 | 595 | 1130 | 118.90 | 134,357 |
| 9 | Mar-14 | 780 | 750 | 1530 | 118.90 | 181,917 |
| 10 | Apr-14 | 565 | 900 | 1465 | 116.00 | 169,940 |
| 11 | May-14 | 745 | 965 | 1710 | 111.50 | 190,665 |
| 12 | Jun-14 | 725 | 910 | 1635 | 111.50 | 182,303 |
| Total | | | | | | 1,805,112 |

Audit is of the view that due to weak internal controls, expenditure was incurred without actual meter reading.

Incurrence of expenditure amounting to Rs 1.805 million without actual record was unjustified.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

AIR Para: 27]

1.4.2.7 Non-imposition of penalty for delayed completion of schemes – Rs 1.631 million

According to Clause-39 of Contract Agreement, if contractor failed to complete the work within stipulated / extended period, he was required to be

penalized @1% to 10% of the agreement amount for delayed completion of work.

Contrary to above, TMO did not impose penalty of Rs 1.631 million for delayed completion of 11 schemes during 2013-14. (Annex-M)

Audit is of the view that due to weak internal controls, penalty was not imposed by the department.

Non-imposition of penalty resulted in loss of Rs 1.631 million to Local Government.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

Audit recommends recovery of Rs 1.631 million besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 15]

1.4.2.8 Unauthorized cash payments – Rs 1.418 million

According to the Government of Punjab Finance Department Letter No FD(FR)V-6/75/P/ DT 17-9-08 read with sub Rule 4.49 of treasury Rules, no payment should be made in cash. Furthermore according to Government of Punjab Finance Department letter No.FD(FR) V-6/75(P) dated 17.09.2008, Payments of Rs 100,000 and above, to the contractors and suppliers shall not be made in cash by the DDO. The payments shall be made through crossed cheque in favour of suppliers to minimize the chances of fraud / embezzlement / theft.

TMO drew an amount of Rs 1.418 million during 2013-14 as cash through open cheques instead of direct credit or cross cheques which resulted in an unauthorized and unauthentic cash payments. The acknowledgments of the same were not available. The detail is given below:

(Amount in Rupees)

| Sr. No. | Date | Reference / Cheque No. | Amount |
|----------------|-------------|-------------------------------|---------------|
| 1 | 06.02.2014 | 69802 | 170,198 |
| 2 | 26.02.2014 | 69823 | 513,013 |

| Sr. No. | Date | Reference / Cheque No. | Amount |
|----------------|-------------|-------------------------------|------------------|
| 3 | 15.03.2014 | 69867 | 274,292 |
| 4 | 24.04.2014 | 995032 | 460,914 |
| Total | | | 1,418,417 |

Audit is of view that due to weak internal control, payments were made in cash instead of cross cheques.

Making cash payments of Rs 1.418 million, resulted in unauthorized and unauthentic payment.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Para: 35]

1.4.2.9 Irregular expenditure against fair and exhibition – Rs 1.273 million

According to Rule 2.33 of PFR Vol-I, every Government servant should realize fully and clearly that he would be held personally responsible for any loss sustained by the Government through fraud or negligence on his part. Further, According to rule 9 of Punjab Procurement Rules 2009, “A procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA’s web site and also in two national papers.

TMO incurred an expenditure of Rs 1.273 million during 2013-14 against Mela at Inayat Shah without advertisement on PPRA’s website. No committees were framed to conduct the events. List of total participants / teams was not on record and winners were also not recommended by the concerned committees. No proof of ownership of land i.e. farad of land, was on record. Cash payments were made without acknowledgement. The detail is given below:

(Amount in Rupees)

| Sr. No. | Payment Date | Token No. | Voucher Date | Detail | Amount |
|--------------|--------------|-----------|--------------|--|------------------|
| 1 | 24.04.14 | 40 | Nil | Tentage | 487,740 |
| 2 | 27.06.14 | 78-81 | Nil | Land acquired 46.5 acre & Rs 5,000/ acre | 232,500 |
| 3 | 13.03.14 | 34 | 07.03.13 | Misc. size of pane flex | 96,500 |
| 4 | 15.03.14 | 35 | 09.03.13 | 5 Nos hand pump 40 tab | 63,400 |
| 5 | 15.03.14 | 42 | 08.03.14 | 40 shields & 24 trophy | 97,000 |
| 6 | 18.03.14 | 44 | Nil | Khar-dar tar | 99,980 |
| 7 | 08.04.14 | 35 | Nil | Tentage for 9 days | 98,000 |
| 8 | 26.03.14 | 64 | Nil | sound system | 25,000 |
| 9 | 26.03.14 | 63 | Nil | Energy Savers 24/W | 25,000 |
| 10 | 26.03.14 | 65 | Nil | Cable | 24,430 |
| 11 | 21.04.14 | 38 | Nil | Hiring of generator | 23,875 |
| Total | | | | | 1,273,425 |

Audit is of view that due to weak internal controls, expenditure incurred without observing the codal requirements.

Incurrence of expenditure amounting to Rs 1.273 million without observing the codal requirements was irregular.

The matter was reported to TMO and Administrator in February, 2015. Department neither submitted any reply nor convened the DAC meeting despite repeated requests.

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

[AIR Para: 1]

ANNEX

Annex-A**Part-I****Memorandum for Departmental Accounts Committee Paras
pertaining to Current Audit Year 2014-15**

(Rupees in Million)

| Name of Formation | Sr. No. | A.P No. | Subject | Amount |
|-------------------|---------|---------|--|--------|
| TMA Layyah | 1 | 4 | Unjustified and doubtful purchase of electric material | 1.193 |
| | 2 | 8 | Non-transparency in execution contract for the purchase of sport material | 1.396 |
| | 3 | 9 | Irregular and unjustified purchase of storable items/assets | 1.009 |
| | 4 | 12 | Undue financial aid to contractor due to non depositing of additional performance security | 1.751 |
| | 5 | 16 | Irregular expenditure due to defective advertisement to avoid healthy competition | 8.902 |
| | 6 | 17 | Non credit of additional performance of security deposit | 2.260 |
| | 7 | 19 | Loss due to non-auction of shops after the expiry period | 2.707 |
| | 8 | 22 | Unjustified release of security deposits | 13.777 |
| | 9 | 24 | Unjustified and doubtful payment on account of 14 th august and eid-milad program | 0.825 |
| | 10 | 25 | Execution of works without detailed measurements | 2.374 |
| | 11 | 27 | Overpayment due to non deduction of shrinkage | 0.053 |
| | 12 | 28 | Misappropriation owing to fake drawl of tents service | 0.189 |
| | 13 | 29 | Unjustified expenditure due to doubtful lab test / compaction test reports | 5.445 |
| | 14 | 30 | Irregular, unjustified and doubtful incurrence of expenditure on repair of vehicles | 0.741 |
| | 15 | 31 | Unjustified and doubtful expenditure on plantation and repair of jangla | 0.738 |
| | 16 | 32 | Loss due to unjustified advertisement and publicity | 0.548 |

| Name of Formation | Sr. No. | A.P No. | Subject | Amount |
|-------------------|---------|---------|---|--------|
| | 17 | 33 | Misappropriation on account of jhalr of tents | 0.119 |
| | 18 | 34 | Unjustified and doubtful payment on account of hiring of generator | 0.248 |
| | 19 | 35 | Unjustified and doubtful payments | 0.795 |
| | 20 | 36 | Non completion of small development schemes within stipulated time | 10.064 |
| | 21 | 37 | Undue financial aid to contractors | 0.771 |
| | 22 | 39 | Overpayment due to non-deduction on account of marble patti | 0.048 |
| | 23 | 40 | Unjustified expenditure on POL | 1.338 |
| | 24 | 41 | Doubtful consumption of POL | 0.464 |
| | 25 | 42 | Overpayment due to payment of higher rates of POL than notified by OGRA | 0.106 |
| | 26 | 43 | Misappropriation on account of POL | 0.113 |
| | 27 | 45 | Non-achievement of receipt target of income | 5.918 |
| TMA Karor | 28 | 1 | Defective tendering of works | 55.250 |
| | 29 | 2 | Execution of works without detailed measurements | 1.350 |
| | 30 | 5 | Doubtful payment of work done without dates of measurements record entries, and billings | 6.115 |
| | 31 | 7 | Unjustified release of security deposits | 10.325 |
| | 32 | 8 | Unjustified consumption of POL due to non maintenance proper log books | 1.473 |
| | 33 | 9 | Unapproved and illegal residential colonies resulted loss | 0.761 |
| | 34 | 13 | Loss to Government Due none/less deposit of additional performance security | 21.609 |
| | 35 | 15 | Execution of original and repair work without collaboration of District Government and UA's | 28.794 |
| | 36 | 16 | Defective budget, loss due non achievement of receipt targets | 20.906 |
| | 37 | 17 | Unjustified expenditure on repair of vehicles | 0.350 |
| | 38 | 19 | Non forfeiture of Earnest Money | 0.130 |
| | 39 | 23 | Execution of development schemes without lab test, compaction test report | 1.944 |
| | 40 | 24 | Loss to Government due to unjustified provision of excess carriage/lead of crushed stone for triple surface treatment and non-adjustment of excavated earth | 0.241 |

| Name of Formation | Sr. No. | A.P No. | Subject | Amount |
|-------------------|---------|---------|---|--------|
| | 41 | 26 | Non conducting of post completion evaluation of development schemes | 28.974 |
| | 42 | 27 | Recruitment of underage employee and payment of salaries | 1.506 |
| | 43 | 28 | Loss due to unjustified advertisement and publicity | 0.380 |
| | 44 | 29 | Execution of works without detailed measurements | 2.524 |
| TMA Chowbara | 45 | 5 | Irregular expenditure due to defective advertisement | 52.375 |
| | 46 | 7 | Undue financial aid to contractor due to non depositing of additional performance security | 10.528 |
| | 47 | 9 | Misappropriation on account of purchase of LED lights due to high rate | 0.336 |
| | 48 | 10 | Miss-utilization of revenue on account of lease amount of Mela cattle mandi | 0.818 |
| | 49 | 12 | Overpayment due to allowing of unjustified rates/item of earthwork | 0.299 |
| | 50 | 13 | Overpayment due to non deduction of shrinkage | 0.259 |
| | 51 | 14 | Unjustified and doubtful purchase of storable items/assets of worth | 1.056 |
| | 52 | 16 | Unauthorized and unjustified enhancement of development schemes and change in scope of work | 1.145 |
| | 53 | 17 | Overpayment due to payment of higher rates of POL than notified by OGRA | 0.037 |
| | 54 | 18 | Unjustified and doubtful consumption of POL | 0.351 |
| | 55 | 19 | Unjustified execution of special repair of metaled road works | 11.000 |
| | 56 | 21 | Unauthorized delay in finalization of schemes | 1.976 |
| | 57 | 22 | Overpayment due to allowing of unjustified rates/item of earthwork | 0.059 |
| | 58 | 24 | Wasteful expenditure on account of identification of pillars | 0.038 |
| | 59 | 25 | Unjustified payment against bitumen | 4.906 |
| | 60 | 26 | Overpayment on account of contractor profit on schedule items | 0.116 |
| | 61 | 29 | Un-authorized use of Government vehicle | 0.376 |
| | 62 | 30 | Unauthorized clearance of outstanding | 0.181 |

| Name of Formation | Sr. No. | A.P No. | Subject | Amount |
|--------------------------|----------------|----------------|--|---------------|
| | | | liabilities | |
| | 63 | 31 | Non-maintenance of cash book | 23.046 |
| | 64 | 32 | Misappropriation of revenue resulting nominal collection of revenue | 0.039 |
| | 65 | 33 | Unauthorized auction of collection rights through irrelevant auction committee | 6.700 |
| | 66 | 34 | Non production of vouched account | 0.955 |

Part-II
[Para 1.1.3]

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

(Rupees in Million)

| Name of Formation | Sr. No. | A.P No. | Subject | Amount | Nature of Observation |
|-----------------------|---------|---------|---|--------|-----------------------|
| TMA Layyah 2012-13 | 1 | 8 | Unjustified payment of earth work | 0.185 | Recovery |
| | 2 | 9 | Overpayment due to allowance of unjustified carriage and 20% contractor profit on carriage. | 0.174 | |
| | 3 | 11 | Loss to Government due to unjustified provision of excess carriage/lead of crushed stone for triple surface treatment | 0.113 | |
| | 4 | 17 | Less recovery of self collection of adda parking fee | 0.256 | |
| | 5 | 24 | Non-collection of Map Fee | 0.290 | |
| | 6 | 27 | Overpayment due to allowance of unjustified leveling and compaction. | 0.051 | |
| | 7 | 35 | Overpayment due to non-deduction of sewer pipe | 0.166 | |
| | 8 | 36 | Overpayment due to non-application of deduction factor | 0.226 | |
| TMA Karor 2012-13 | 9 | 7 | Loss to Government due to unjustified provision of excess carriage/lead of crushed stone for triple surface treatment and non-adjustment of excavated earth | 0.171 | Violation of Rule |
| | 10 | 8 | Overpayment due to allowing unjustified rates/item of earthwork | 0.370 | |
| | 11 | 10 | Overpayment due to allowing of unjustified rates/item of earthwork | 0.181 | |
| | 12 | 13 | Unjustified and doubtful expenditure on culverts of | 0.896 | |
| | 13 | 15 | Non- forfeiture of earnest money | 0.204 | |
| | 14 | 16 | Doubtful expenditure on plants and Tree protection iron jangla | 0.499 | |

| Name of Formation | Sr. No. | A.P No. | Subject | Amount | Nature of Observation |
|----------------------------|---------|---------|---|--------|-----------------------|
| | | | worth | | |
| | 15 | 18 | Less Recovery of Rent of Shops | 0.247 | Recovery |
| | 16 | 19 | Recovery of unauthorized deduction worth | 0.140 | Recovery |
| | 17 | 24 | Loss due to non recovery of pay from the contractor of cattle Mandies | 0.192 | |
| | 18 | 39 | Irregular and unjustified expenditure on tentage | 0.777 | Violation of Rule |
| TMA Chowbara 2012-13 | 19 | 4 | Overpayment on account of earthwork | 0.239 | Recovery |
| | 20 | 9 | Overpayment on account of extra measurement than earth work | 0.023 | Recovery |
| | 21 | 11 | Overpayment on account of earthwork | 0.052 | Recovery |
| | 22 | 12 | Overpayment due to allowing of unjustified 20% contractor profit on carriage. | 0.046 | Recovery |
| | 23 | 13 | Overpayment on account of use of local sand | 0.075 | Recovery |
| | 24 | 14 | Unjustified provision of lead on earth work | 0.048 | Recovery |
| | 25 | 16 | Unjustified payment On Account of Compaction | 0.540 | Recovery |
| | 26 | 21 | Misappropriation of POL on account of machinery | 0.700 | Misappropriation |
| | 27 | 25 | Non recovery of water charges | 0.305 | Recovery |
| | 28 | 36 | Un-justified expenditure and loss Due to Hire of tentage | 0.439 | Violation of Rule |

TMAs of District Layyah

Budget and Expenditure Statement for Financial Year 2013-14

(Rupees in Million)

| TMA Layyah | | | | |
|---------------------|----------------|----------------|-------------------------|-------------|
| 2013-14 | Budget | Actual | Excess / Savings | %age |
| Salary | 118.883 | 111.1620 | 7.721 | 6% |
| Non-Salary | 86.866 | 76.770 | 10.096 | 12% |
| Development | 161.688 | 141.993 | 19.695 | 12% |
| Total | 367.437 | 329.925 | 37.512 | 10% |
| Receipts | 416.958 | 305.406 | 111.552 | 27% |
| TMA Karor | | | | |
| 2013-14 | Budget | Actual | Excess / Savings | %age |
| Salary | 68.5 | 54.004 | 14.496 | 21% |
| Non-Salary | 43.435 | 19.674 | 23.761 | 55% |
| Development | 122.65 | 29.428 | 93.222 | 76% |
| Total | 234.585 | 103.106 | 131.479 | 56% |
| Receipts | 246.701 | 170.564 | 69.74 | 28% |
| TMA Chowbara | | | | |
| 2013-14 | Budget | Actual | Excess / Savings | %age |
| Salary | 21.798 | 14.28 | 7.518 | 34% |
| Non-Salary | 19.382 | 16.238 | 3.144 | 16% |
| Development | 67.3 | 31.687 | 35.613 | 53% |
| Total | 108.48 | 62.205 | 46.275 | 43% |
| Receipts | 116.412 | 106.300 | 10.112 | 9% |

Annex-C**[Para 1.2.1.3]****Irregular expenditure without calling tenders**

(Amount in Rupees)

| Sr. No | Payment date | Token no. | Voucher date | Detail | Contractor | Amount |
|---------------|---------------------|------------------|---------------------|---|----------------------------------|------------------|
| 1 | 30.06.14 | 2525 | 16.06.14 | Purchase of Tents with accessories | Ghosia Tent Services Chowak azam | 1,271,500 |
| 2 | | | 21.06.14 | Purchase of Tents with accessories | -do- | 455,000 |
| 3 | 02.09.13 | 426 | 13.08.13 | Tentage for Ramzan Bazar CO JamanShah | Arsalan Tent Service | 308,670 |
| 4 | 02.09.13 | 427 | 13.08.13 | Tentage accessories (Jhalar, Kaleen& Saari)for Ramzan Bazar CO JamanShah | Arsalan Tent Service | 59,400 |
| 5 | 02.09.13 | 428 | 13.08.13 | Tentage for Ramzan Bazar CO Chowak azam | Gosia Tent Service | 474,659 |
| 6 | 02.09.13 | 429 | 13.08.13 | Tentage accessries (Jhalar, Kaleen& Saari)for Ramzan Bazar CO Chowak Azam | Bashir Ahmed Sial | 97,680 |
| 7 | 02.09.13 | 430 | 13.08.13 | Tentage for Ramzan Bazar Kot Sultan | Papu Tent Service | 291,510 |
| 8 | 02.09.13 | 431 | 13.08.13 | Tentage accessories (Jhalar, Kaleen& Saari)for Ramzan Bazar Kot Sultan | Papu Tent Service | 88,480 |
| 9 | 02.09.13 | 431 | 13.08.13 | Tentage for Ramzan Bazar Layyah | Papu Tent Service | 463,715 |
| 10 | 02.09.13 | 432 | 13.08.13 | Tentage accessries (Jhalar, Kaleen& Saari)for Ramzan Bazar Layyah | Papu Tent Service | 98,520 |
| 11 | 21.09.13 | 628 | 15.08.13 | Tentage for 14 August 2013 for chowak azam | Bashir Ahmed Sial | 26,600 |
| 12 | 26.11.13 | 1156 | 15.08.13 | Tentage for 14 August 2013 for layyah | Bashir Ahmed Sial | 81,100 |
| 13 | 26.11.13 | 1156 | 29.08.13 | Tentage for meeting Aman Committee | Qadri tent service | 23,900 |
| 14 | 26.11.13 | 1157 | 28.08.13 | Tentage for seminar of dengue | Bashir Ahmed Sial | 21,296 |
| Total | | | | | | 3,762,030 |

Annex-D**[Para 1.2.1.5]****Wasteful expenditure due to abandoned work****(Amount in Rupees)**

| Sr. No. | Schemes | TS Value (Million) | Tendered Value (Million) | Completion date | Expenditure up to 30.06.14 | Utilization of Fund | Progress |
|----------------|--|---------------------------|---------------------------------|------------------------|-----------------------------------|----------------------------|-----------------|
| 1 | Const: & Repair of Fawarah Chowk Layyah City. | 0.200 | 0.200 | 31.12.2009 | 47,985 | 24% | 30% |
| 2 | Const: of Fire Hide Rent Layyah City. | 0.200 | 0.200 | 30.06.2009 | 45,315 | 23% | 39% |
| 3 | Const: of Boundary Wall Manhole Cover, Sewer for Disposal Works Chak No. 156/TDA. | 0.200 | 0.188 | 30.06.2011 | 103,651 | 55% | 60% |
| 4 | Const: of Fawarah Plantations near Pull Layyah Minor Layyah City. | 0.250 | 0.250 | 30.06.2009 | 17,298 | 7% | 20% |
| 5 | Const: of soling Aziz Waqas street Kot Sultan. | 0.200 | 0.200 | 30.06.2011 | 88,301 | 44% | 50% |
| 6 | Const: of soling Basti Allah Dad Sanjrani Kharal Azeem Nashiab. | 0.200 | 0.200 | 30.06.2011 | 123,803 | 62% | 65% |
| 7 | Const: of concrete flooring, drain main street Mohallah Asgar Abad, St: Dr. Sharief Wali Ward No.7 Chowk Azam. | 1.000 | 1.000 | 31.03.2012 | 246,784 | 25% | 35% |
| 8 | Const: of Room Shifting Water Filtration Plant Chowk Azam at Tail Monda. | 0.500 | 0.500 | 31.03.2012 | 347,996 | 70% | 85% |
| 9 | Const: of concrete flooring, sewer, street disposal works Mohallah Shumali Eid Gah Wali Layyah City. | 2.350 | 2.348 | 31.08.2012 | 1,304,293 | 56% | 60% |
| Total | | | | | 2,325,437 | | |

Annex-E**[Para 1.2.1.9]****Irregular payment against maintenance & repair****(Amount in Rupees)**

| Token date | Token No | Date | Description | Paid To | Amount |
|-------------------|-----------------|-------------|---|-----------------------|---------------|
| 04.09.13 | 472 | 15.08.13 | Repair & material for of disposal work mandi | Ayaz Mahmood | 79,159 |
| 04.09.13 | 473 | 20.07.2013 | Purchase of water pump & other work of repair and maintenance of disposal work mandi | Zia-ur-Rehman | 77,605 |
| 04.09.13 | 446 | 22.08.13 | Repair & maintenance or disposal work bood mandi city | Ch. Amjid Sahi | 18,100 |
| 04.09.13 | 489 | 09.08.13 | Purchase of starter 30 HP for disposal work 156/TDA | Ayaz ahmed | 40,000 |
| 04.09.13 | 476 | 05.08.13 | Repair and maintenance of disposal work | Bashir ahmed Sial | 16,835 |
| 04.09.13 | 477 | 20.08.13 | Purchase of starter 30 HP repair & maintenance for disposal work housing colony | Bashir ahmed Sial | 40,000 |
| 31.07.13 | 133 | 17.07.13 | Repair & maintenance of disposal work Gharay Band | Bashir ahmed Sial | 262,230 |
| 12.09.13 | 505 | 20.08.13 | Maintenance/cleaning of well of disposal work shamali Eidgah | Ch. Amjid Sahi | 19,000 |
| 19.09.13 | 611 | 30.07.13 | Purchase of Starter Regin company for Repair of disposal work mandi | Ch.Nasir Gujjar | 69,000 |
| 18.09.13 | 610 | 17.08.13 | Purchase of Statar Regin company for disposal work NIL | Ch.Nasir Gujjar | 69,000 |
| 18.09.13 | 603 | 15.08.13 | Purchase material for Repair & maintenance work of disposal work 5Marla scheme | M/S Yar Mohmmmed | 14,345 |
| 18.09.13 | 601 | 16.08.13 | Purchase material for Repair & maintenance of Disposal work 5Marla scheme | M/S Yar Mohmmmed | 16,132 |
| 18.09.13 | 617 | 27.08.13 | Purchase material for Repair & maintenance of Dispoasl work Jinnah Park | Ch.Nasir Gujjar | 58,600 |
| 18.09.13 | 618 | 28.08.13 | Repair & maintenance of disposal work mandi | Ch.Nasir Gujjar | 21,260 |
| 21.09.13 | 656 | 04.09.13 | Purchase of motor pumps 3 phase with accessories for repair & maintenance Jinnah park | Ayaz ahmed contractor | 47,290 |
| Nil | Nil | 21.09.13 | Repair & maintenance of pump disposal work Bood mandi Layyah | Ch.Nasir Gujjar | 79,905 |

| Token date | Token No | Date | Description | Paid To | Amount |
|-------------------|-----------------|-------------|---|-----------------------|------------------|
| Nil | Nil | 21.09.13 | Repair & maintenance of bid pump disposal work | Bsashir Ahmed Sial | 58,250 |
| 16.06.14 | 2255 | 19.05.14 | Repair of main pipe line disposal work Zial council Layyah | Bsashir Ahmed Sial | 24,000 |
| Nil | Nil | Nil | Repair of motor disposal work work bood mandi | Ch.Nasir Gujjar | 45,900 |
| Nil | Nil | | Repair of disposal work Eidgha bait agnra | Ch. Amjid Sahi | 24,900 |
| Nil | Nil | 26.09.13 | Repair of fan etc. disposal work Jinnah Park | -do- | 44,615 |
| 01.10.13 | 740 | Nil | Supply of cartage fillter, plastic pipe and other repair of purification plant Layyah | M. Qasir Insari | 149,925 |
| 01.10.13 | 74 | -do- | Decorated light for fowara chowk | Ayaz Mahmood | 49,500 |
| 20.11.13 | 1073 | -do- | provision of material and Repair & maintiance work of abshar fawara chowk | Rehan united builders | 42,055 |
| 08.05.14 | 2043 | 21.12.13 | Provision of 3" dia pipe and other material for repair work of pipe line Housing colony | Bshir Ahmed Sial | 13,160 |
| 25.03.14 | 1769 | 29.12.13 | Boring material and repair & maintenance of motor pump office TMA | Shahid-ur-Rehman | 24,042 |
| 04.09.13 | 493 | 13.08.13 | Repair of seasaw for maintiance of Family park layyah | M.Qasir Insari | 16,400 |
| 18.12.13 | 1269 | 23.11.13 | Repair and maintenance work of Chowak Azam | Bsashir Ahmed Sial | 16,620 |
| 4.11.13 | 1017 | 26.07.13 | Repair & maintenance of 3 transfer of 25 KV for schemes | Bashir Ahmed Sial | 90,000 |
| Total | | | | | 1,527,828 |

Annex-F

[Para 1.2.1.10]

Non-imposition of penalty for delayed completion of schemes

(Amount in Rupees)

| Sr. No. | Schemes | Contractor | Amount | Completion Date | Utilization of Budget | Penalty @10% |
|----------------|---|-------------------|---------------|------------------------|------------------------------|---------------------|
| 1 | Const: of concrete flooring, drain Chak No. 133/TDA. | M. kloo | 676,000 | 15.03.2014 | 38% | 67,600 |
| 2 | Const: of drain, soling, concrete flooring, Culverts Union Council Pahar Pur. | M. Aslam | 536,000 | 02.02.2014 | 48% | 53,600 |
| 3 | Const: of drain, soling, concrete flooring, Union Council Chowk Azam City. | Shakeel Ahmed | 588,000 | 15.02.2014 | 75% | 58,800 |
| 4 | Const: of drain, soling, concrete flooring, Culverts Union Council Tail Indus. | Aziz Khan | 527,000 | 31.03.2014 | 27% | 52,700 |
| 5 | Const: of drain, soling, concrete flooring, Culverts Union Council Ladhana. | Aziz Khan | 535,000 | 15.02.2014 | 43% | 53,500 |
| 6 | Const: of drain, soling, concrete flooring, Culverts Union Council Layyah Thal Jandi. | Aziz Khan | 519,000 | 15.02.2014 | 19% | 51,900 |
| 7 | Const: of concrete flooring, drain, sewer Mohallah Gujran Wala Union Council No.3 Layyah City. | Javid Iqbal | 361,000 | 31.01.2014 | 71% | 36,100 |
| 8 | Const: of soling, concrete flooring, culverts Union Council Basti Shado Khan. | Aziz Khan | 346,000 | 20.01.2014 | 75% | 34,600 |
| 9 | Const: of soling, concrete flooring, culverts Union Council Bakhri Ahmad Khan. | Aziz Khan | 325,000 | 31.01.2014 | 26% | 32,500 |
| 10 | Const: of soling, concrete flooring, culverts Union Council Bait Wasava Shumali. | M. kloo | 330,000 | 31.01.2014 | 25% | 33,000 |
| 11 | Const: of drain, concrete flooring street Malik Rizwan Rasheed Ward No. 10 Chowk Azam City. | M. Aslam | 365,000 | 08.02.2014 | 68% | 36,500 |
| 12 | Const: of concrete flooring, drain street Haji Saleem street Ch: Shahid Wali Ward No. 7 Chowk Azam City. | M. Aslam | 209,000 | 31.01.2014 | 62% | 20,900 |
| 13 | Const: of Metalled Road Chak No. 428/TDA Abadi Dhay. | Javid Iqbal | 1,034,000 | 15.04.2014 | 39% | 103,400 |
| 14 | Const: of Metalled Road Chak No. 422/TDA , Chak No. 419/TDA (Missing Portion) & Metalled Road to Basti Chah Ramza Wala. | Javid Iqbal | 1,152,000 | 15.04.2014 | 16% | 115,200 |
| 15 | Const: of Metalled Road Kot Sultan Daira Din Panah road to Bakhri Ahmad Khan road (Missing Portion). | Javid Iqbal | 2,949,000 | 15.06.2014 | 63% | 294,900 |
| 16 | Const: of Metalled Road Ladhana road to Basti Juglana. | Javid Iqbal | 882,000 | 15.04.2014 | 68% | 88,200 |
| 17 | Const: of Sewer, Nala, Drain, Concrete flooring street Behind GPO Layyah. | Mukhtiar Ahamed | 690,000 | 15.02.2014 | 56% | 69,000 |

| Sr. No. | Schemes | Contractor | Amount | Completion Date | Utilization of Budget | Penalty @10% |
|----------------|---|-------------------|---------------|------------------------|------------------------------|---------------------|
| 18 | Const: of drain, concrete flooring street Masjid Noor Wali Mohallah Eid Gah Layyah City. | M. Zubair khan. | 505,000 | 31.01.2014 | 32% | 50,500 |
| 19 | Const: of sewer, drain, concrete flooring street Professor Muzaffar Wali Mohallah Manzoor Abad Layyah City. | Umber Khan | 272,000 | 31.01.2014 | 48% | 27,200 |
| 20 | Const: of sewer, drain, concrete flooring Layyah city. | Umber Khan | 1,420,000 | 28.02.2014 | 41% | 142,000 |
| 21 | Const: of Drain, concrete flooring street M.M Tahir Bodla` Mohallah Eid Gah Layyah City. | Zubair Khan | 148,000 | 20.01.2014 | 38% | 14,800 |
| Total | | | | | | 1,436,900 |

Annex-G

[Para 1.3.1.1]

Unauthorized sanction of technical estimates

(Amount in Rupees)

| SR No. | Name of the Scheme | Approved Cost In Million | TS By | Relevant Authority |
|--------|---|--------------------------|--------------------|--|
| 1 | Construction of PCC Slab and soling Re Soling chak No.90/ML ,U/C 90/ML | 0.400 | TO(I&S) TMA Layyah | Chief Engineer Local Government Lahore |
| 2 | Construction of Soling re Soling Chak No.91/ML | 0.350 | TO(I&S) TMA Layyah | -do- |
| 3 | Construction of Soling re Soling Chak No.86/ML | 0.400 | TO(I&S) TMA Layyah | -do- |
| 4 | Construction of Soling re Soling Chak No.77/TDA | 0.350 | TO(I&S) TMA Layyah | -do- |
| 5 | Construction of , Soling re Soling Chak No.84/ML | 0.350 | EDO (W&S) Layyah | -do- |
| 6 | Construction of Soling re Soling Chak No.94/ML | 0.350 | EDO (W&S) Layyah | -do- |
| 7 | Construction of Soling re Soling , Chak No.223-A/TDA U/C Shokat Abad. | 0.350 | TO(I&S) TMA Layyah | -do- |
| 8 | Construction of Soling re Soling ,Chak No.234-A/TDA | 0.350 | EDO (W&S) Layyah | -do- |
| 9 | Construction of Soling re Soling , Chak No.217/TDA | 0.400 | TO(I&S) TMA Layyah | -do- |
| 10 | Construction of Soling re Soling Chak No.236/TDA | 0.400 | TO(I&S) TMA Layyah | -do- |
| 11 | Construction of Soling re Soling , Chak No.234/TDA | 0.350 | EDO (W&S) Layyah | -do- |
| 12 | Construction of Soling re Soling , Chak No.219/TDA | 0.350 | TO(I&S) TMA Layyah | -do- |
| 13 | Construction of Drain Soling , Chak No.195/ML U/C 98/ML | 0.350 | EDO (W&S) Layyah | -do- |
| 14 | Construction of Drain Soling re Soling Chak No.98/ML | 0.200 | TO(I&S) TMA Layyah | -do- |
| 15 | Construction of Nala jat chak No. 114/ML | 0.350 | EDO (W&S) Layyah | -do- |
| 16 | Construction of Drain Chak No. 253/TDA | 0.200 | TO(I&S) TMA Layyah | -do- |
| 17 | Construction of Soling re Soling , Chak No.103/ML | 0.400 | TO(I&S) TMA Layyah | -do- |
| 18 | Construction of Soling re Soling Chak No.111/ML | 0.300 | TO(I&S) TMA Layyah | -do- |
| 19 | Construction of and Soling re Soling ,Chak No.90-a/TDA and 90-B/TDA | 0.300 | EDO (W&S) Layyah | -do- |
| 20 | Construction of and Soling re Soling , Chak No. 226/TDA | 0.300 | TO(I&S) TMA Layyah | -do- |
| 21 | Construction of Drain and PCC slab from Police choki to Rafiqe Jalib ward No.8 Fatehpur | 0.600 | TO(I&S) TMA Layyah | -do- |
| 22 | Construction of PCC Main bazaar to | 0.400 | TO(I&S) TMA | -do- |

| SR No. | Name of the Scheme | Approved Cost In Million | TS By | Relevant Authority |
|--------|--|--------------------------|--------------------|--------------------|
| | House of Safdaer Bank wala wd. No.8 | | Layyah | |
| 23 | Construction of PCC slab madarsa Qari Hyat Fatehpur | 0.250 | TO(I&S) TMA Layyah | -do- |
| 24 | Construction of Drain PCC slab street Maqsood remaining portion wd. No.2 Fatehpur | 0.750 | TO(I&S) TMA Layyah | -do- |
| 25 | Construction of Drain PCC Slab House of Master Razaq to Street Azam wali wd.1 | 0.600 | EDO (W&S) Layyah | -do- |
| 26 | Construction of drain and PCC slab street masjid wali near farooq miner road Fatehpur | 0.400 | TO(I&S) TMA Layyah | -do- |
| 27 | Construction of Sewerage line soling re soling basti Tibi kalan U/C Samtia | 1.000 | TO(I&S) TMA Layyah | -do- |
| 28 | Construction of Soling re Soling ,U/C Samtia | 1.000 | TO(I&S) TMA Layyah | -do- |
| 29 | Construction of Drain Soling re Soling PCC flooring ,Iron Crosses sewerage Part.I U/C Karor. | 2.430 | EDO (W&S) Layyah | -do- |
| 30 | Construction of M/R reparaire of drains PCC flooring Karor City Part-II | 2.500 | TO(I&S) TMA Layyah | -do- |
| 31 | Construction of Drain Soling re Soling Part-I U /C Gare wala | 1.300 | TO(I&S) TMA Layyah | -do- |
| 32 | Construction of Soling re Soling Part-II U /C Gare wala | 1.200 | EDO (W&S) Layyah | -do- |
| 33 | Construction of Soling Chak No.84/TDA to graveyard U/C Karor thal Jandi | 0.400 | TO(I&S) TMA Layyah | -do- |
| 34 | Construction of Soling re Soling Drain and PCC U/C Karor Thal Jandi | 2.000 | EDO (W&S) Layyah | -do- |
| 35 | Construction of Drain Soling re Soling Part-I U/C wara sehran | 1.000 | TO(I&S) TMA Layyah | -do- |
| 36 | Construction of Soling re Soling Part-II U/C wara sehran | 1.000 | TO(I&S) TMA Layyah | -do- |
| 37 | Construction of Drain Soling re Soling U/C Fatehpur Rural Part-I | 1.000 | EDO (W&S) Layyah | -do- |
| 38 | Construction of Drain Soling and PCC flooring reparaire of M/R U/C Fatehpur Part-II | 1.000 | TO(I&S) TMA Layyah | -do- |
| 39 | Construction of Soling U/C Sahu wala Part-I | 1.000 | EDO (W&S) Layyah | -do- |
| 40 | Construction of Soling re Soling U/C Sahu wala Part-II | 1.000 | TO(I&S) TMA Layyah | -do- |
| 41 | Construction of Soling re Soling Drain U/C Shahpur Part-I | 1.800 | EDO (W&S) Layyah | -do- |
| 42 | Construction of Drain and Soling U/C 306/TDA part-i | 1.200 | TO(I&S) TMA Layyah | -do- |
| 43 | Construction of Soling re Soling U/C 306/ part-II | 1.000 | TO(I&S) TMA Layyah | -do- |
| 44 | Construction of Drain Soling U/C Baseera Part-I | 1.000 | TO(I&S) TMA Layyah | -do- |
| 45 | Construction of drain Soling re Soling U/C Baseera Part-II Tehsil Karor | 1.000 | TO(I&S) TMA Layyah | -do- |
| 46 | Construction and repair of M/Road in | 1.500 | TO(I&S) TMA | -do- |

| SR No. | Name of the Scheme | Approved Cost In Million | TS By | Relevant Authority |
|--------|---|--------------------------|--------------------|--------------------|
| | Karor City | | Layyah | |
| 47 | Construction of drain drain PCC soling and reparaire work in different wards in Karor city Part-I | 3.300 | TO(I&S) TMA Layyah | -do- |
| 48 | Construction of drain drain PCC soling and reparaire work in different wards in Karor city Part-II | 2.700 | EDO (W&S) Layyah | -do- |
| 49 | Construction of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-I | 3.800 | TO(I&S) TMA Layyah | -do- |
| 50 | Construction of of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-II | 3.20 | TO(I&S) TMA Layyah | -do- |
| 51 | Construction of drain Nala soling slab and PCC chak No.106/ML | 1.00 | TO(I&S) TMA Layyah | -do- |
| 52 | Construction of re soling and earth filling in main bazaar chak No.107/ML | 1.00 | TO(I&S) TMA Layyah | -do- |
| 53 | Construction of drain and farshbandi basti sargani | 1.00 | EDO (W&S) Layyah | -do- |
| 54 | Construction of drain and soling part-I basti Mochian chak No.247/TDA | 0.400 | TO(I&S) TMA Layyah | -do- |
| 55 | Construction of Soling chak No.219-A/TDA | 0.500 | TO(I&S) TMA Layyah | -do- |
| 56 | Construction of M/road remaining phase-II chak No. 103/ML to chak No.259/TDA along with Maharan minner | 1.00 | TO(I&S) TMA Layyah | -do- |
| 57 | Construction of drain PCC slab and soling Fatehpur city | 2.00 | TO(I&S) TMA Layyah | -do- |
| 58 | Construction of Drain PCC slab and soling ward No. 12 Karor city | 0.220 | TO(I&S) TMA Layyah | -do- |
| | TOTAL | 55.250 | | |

Annex-H**[Para 1.3.1.2]****Unauthorized splitting of scheme**

(Amount in Rupees)

| SR No. | Name of the Scheme | Approved Cost In Million | Contractor Name |
|---------------|---|---------------------------------|------------------------|
| 1 | Construction of Drain Soling re Soling Part-I U /C Gare wala | 1.300 | Ghul Khan |
| 2 | Construction of Soling re Soling Part-II U/C Gare wala | 1.200 | Zareef Khan |
| 3 | Construction of Soling re Soling Part-II U/C wara sehran | 1.000 | Daood Khan |
| 4 | Construction of Drain Soling re Soling U/C Fatehpur Rural Part-I | 1.000 | Muhammad Ibraheem |
| 5 | Construction of Drain Soling and PCC flooring reparaire of M/R U/C Fatehpur Part-II | 1.000 | Azhar Naveed |
| 6 | Construction of Soling U/C Sahu wala Part-I | 1.000 | Madayeb Khan |
| 7 | Construction of Soling re Soling U/C Sahu wala Part-II | 1.000 | Ghul Khan |
| 8 | Construction of Soling re Soling Drain U/C Shahpur Part-I | 1.800 | Zareef Khan |
| 9 | Construction of Drain and Soling U/C 306/TDA part-i | 1.200 | Azam Hussain |
| 10 | Construction of Soling re Soling U/C 306/ part-II | 1.000 | Faisal Iqbal |
| 11 | Construction of Drain Soling U/C Baseera Part-I | 1.000 | Madayeb Khan |
| 12 | Construction of drain Soling re Soling U/C Baseera Part-II Tehsil Karor | 1.000 | Ghull Khan |
| 13 | Construction of drain drain PCC soling and reparaire work in different wards in Karor city Part-I | 3.300 | Altaf Hussain Navera |
| 14 | Construction of drain drain PCC soling and reparaire work in different wards in Karor city Part-II | 2.700 | Zareef Khan |
| 15 | Construction of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-I | 3.800 | Altaf Hussain Navera |
| 16 | Construction of of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-II | 3.20 | Altaf Hussain Navera |
| 17 | Construction of Drain Soling re Soling PCC flooring ,Iron Crosses sewerage Part.I U/C Karor. | 2.430 | Zareef Khan |
| 18 | Construction of M/R reparaire of drains PCC flooring Karor City Part-II | 2.500 | Abdul Ghafoor Chandia |
| TOTAL | | 31.43 | |

Annex-I**[Para 1.3.1.5]****Irregular expenditure without calling tenders**

(Amount in Rupees)

| Sr. No. | Date | Description | Amount |
|----------------|-------------|--|------------------|
| 1 | 06.12.2013 | Shield Cups | 507,500 |
| 2 | 06.12.2013 | Banners for Mela | 156,000 |
| 3 | 06.12.2013 | Prizes for sports Mela | 555,000 |
| 4 | 13.12.2013 | Banners for Mela | 217,437 |
| 5 | 13.12.2013 | Movies for Mela | 50,000 |
| 6 | 13.12.2013 | Langar for Mela | 70,200 |
| 7 | 13.12.2013 | Routes for Mela | 70,000 |
| 8 | 13.12.2013 | Advertisement for Mela | 102,600 |
| 9 | 13.12.2013 | Rent for sound system | 277,500 |
| 10 | 13.12.2013 | Rent of generator | 47,400 |
| 11 | 13.12.2013 | Rent of generator | 62,975 |
| 12 | 13.12.2013 | Rent of generator | 74,880 |
| 13 | 13.12.2013 | Rent of generator Mela 2012 | 23,120 |
| 14 | 16.12.2013 | Advertisement for Mela | 10,000 |
| 15 | 08.01.2014 | Different items for Mela | 63,060 |
| 16 | 08.01.2014 | Banners for Mela 2013 | 79,500 |
| 17 | 08.01.2014 | Purchase of grass for horses | 270,000 |
| 18 | 09.01.2014 | Music expenditure for Mela | 93,000 |
| 19 | 18.02.2014 | Expenditure on preparation of stage | 358,000 |
| 20 | 25.02.2014 | Purchase of wheat for horses | 99,500 |
| 21 | 25.02.2014 | Purchase of different items for Horses | 99,450 |
| 22 | 25.02.2014 | Purchase of Grain(chana) for horses | 99,500 |
| 23 | 05.03.2014 | Rent of tentage for Mela | 948,330 |
| 24 | 06.03.2014 | Electric Material Fateh Pur | 215,825 |
| 25 | 17.03.2014 | Electric material for street light karor | 460,450 |
| 26 | 04.06.2014 | Insecticides | 316,650 |
| 27 | 07.01.2014 | Electric material for moharram routs | 41,220 |
| 28 | 07.01.2014 | Electric expenditure for moharram routs | 94,650 |
| Total | | | 5,463,747 |

Annex-J

[Para 1.3.1.7]

Overpayment by allowing of unjustified rates of earthwork

| | | |
|--|---|---------------------|
| Table-A bi-annual(period August 2013 to January, 2014) | | Sr. No. 1(b) |
| Items No. | Items | Rate |
| Chapter Earthwork 3(iii) | Earthwork in ordinary soil for embankment | 1639.45 |
| 17(a) | Transportation of Earth, including the lead cover in the item of work of Earth, | 1469.50 |
| Total | | 3108.95 |

| SR No. | Name of the Scheme | MB No. & Page No. | Quantity of earth work (cft) | Rate Applied (per 1000cft) | Actual Rate (per 1000cft) | Rate Difference (per 1000cft) | Overpayment | Contractor Name |
|--------|---|-----------------------------|------------------------------|----------------------------|---------------------------|-------------------------------|-------------|-----------------|
| 1 | Construction of Soling re Soling ,U/C Samtia | MB No.6994 Page No.51 | 39552 | 4793.40 | 3108.950 | 1684.45 | 66,623 | Ghulam Rasool |
| 2 | Construction of Drain Soling re Soling Part-I U /C Gare wala | MB No.6992 Page No.31 | 75680 | 4793.40 | 3108.950 | 1684.45 | 127,479 | Ghul Khan |
| 3 | Construction of Soling re Soling Part-II U /C Gare wala | MB No.6991 Page No.57 | 68731 | 4793.40 | 3108.950 | 1684.45 | 115,774 | Zareef Khan |
| 4 | Construction of Soling re Soling Drain and PCC U/C Karor Thal Jandi | MB No.6991 page no.88 | 124382 | 4793.40 | 3108.950 | 1684.45 | 209,515 | Zareef Khan |
| 5 | Construction of Soling U/C Sahu wala Part-I | MB No.7 page no.75-81 | 286968 | 4793.40 | 3108.950 | 1684.45 | 483,383 | Madayeb Khan |
| 6 | Construction of Soling re Soling U/C Sahu wala Part-II | MB No6992 page No.25-29 | 263716 | 4793.40 | 3108.950 | 1684.45 | 444,216 | Ghul Khan |
| 7 | Construction of Soling re Soling Drain U/C Shahpur Part-I | MB No.6991 page no.50-55 | 533567 | 4793.40 | 3108.950 | 1684.45 | 898,767 | Zareef Khan |
| 8 | Construction of Soling re Soling U/C 306/ part-II | MB No.6998 page no.22-24 | 297996 | 4793.40 | 3108.950 | 1684.45 | 501,959 | Faisal Iqbal |
| 9 | Construction of Drain Soling U/C Baseera Part-I | MB No.5002 page No.33-38 | 243050 | 4793.40 | 3108.950 | 1684.45 | 409,406 | Madayeb Khan |
| 10 | Construction of drain Soling re Soling U/C Baseera Part-II Tehsil Karor | MB No6992 page No.21-24 | 261311 | 4793.40 | 3108.950 | 1684.45 | 440,165 | Ghull Khan |

| SR No. | Name of the Scheme | MB No. & Page No. | Quantity of earth work (cft) | Rate Applied (per 1000cft) | Actual Rate (per 1000cft) | Rate Difference (per 1000cft) | Overpayment | Contractor Name |
|--------------|---|--------------------------|------------------------------|----------------------------|---------------------------|-------------------------------|------------------|----------------------|
| 11 | Construction of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-I | MB.No.6997 Page No.61 | 183253 | 4793.40 | 3108.950 | 1684.45 | 308,681 | Altaf Hussain Navera |
| 12 | Construction of drain PCC slab and soling Fatehpur city | MB.No.6997 Page No.25 | 58088 | 4793.40 | 3108.950 | 1684.45 | 97,846 | Shaikh Faizullah |
| TOTAL | | | | | | | 4,103,814 | |

Annex-K

[Para 1.3.1.8]

Non-imposition of penalty for delayed completion of schemes

(Amount in Rupees)

| SR No. | Name of the Scheme | Approved Cost In Million | Work Order Date | Completion period | Current Status | Penalty Amount | Contractor Name |
|--------|---|--------------------------|-----------------|-------------------|----------------|----------------|------------------------|
| 1 | Construction of Soling re Soling Chak No.91/ML | 0.350 | 9-12-2013 | 9 month | W.I.P | 35,000 | Ghulam Rasool |
| 2 | Construction of Nala jat chak No. 114/ML | 0.350 | 9-12-2013 | 6 month | -do- | 35,000 | Islam Khan |
| 3 | Construction of Drain PCC Slab House of Master Razaq to Street Azam wali wd.1 | 0.600 | 9-12-2013 | 6 month | -do- | 60,000 | Ghulam Safdar Sewag |
| 4 | Construction of drain and PCC slab street masjid wali near farooq miner road Fatehpur | 0.400 | 9-12-2013 | 6 month | -do- | 40,000 | Altaf Hussain navera |
| 5 | Construction of Soling re Soling ,U/C Samtia | 1.000 | 9-12-2013 | 10 month | -do- | 100,000 | Ghulam Rasool |
| 6 | Construction of Drain Soling re Soling PCC flooring ,Iron Crosses sewerage Part.I U/C Karor. | 2.430 | 9-12-2013 | 14 month | -do- | 243,000 | Zareef Khan |
| 7 | Construction of M/R reparaire of drains PCC flooring Karor City Part-II | 2.500 | 9-12-2013 | 12 month | -do- | 250,000 | Abdul Ghafoor Chandi a |
| 8 | Construction of Drain Soling and PCC flooring reparaire of M/R U/C Fatehpur Part-II | 1.000 | 9-12-2013 | 6 month | -do- | 100,000 | Azhar Naveed |
| 9 | Construction of Soling U/C Sahu wala Part-I | 1.000 | 9-12-2013 | 6 month | -do- | 100,000 | Madayeb Khan |
| 10 | Construction of drain drain PCC soling and reparaire work in different wards in Karor city Part-I | 3.300 | 9-12-2013 | 15 month | -do- | 330,000 | Altaf Hussain Navera |
| 11 | Construction of drain drain PCC soling and reparaire work in different wards in Karor city Part-II | 2.700 | 9-12-2013 | 15 month | -do- | 270,000 | Zareef Khan |
| 12 | Construction of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-I | 3.800 | 9-12-2013 | 10 month | -do- | 380,000 | Altaf Hussain Navera |

| SR No. | Name of the Scheme | Approved Cost In Million | Work Order Date | Completion period | Current Status | Penalty Amount | Contractor Name |
|---------------|--|---------------------------------|------------------------|--------------------------|-----------------------|-----------------------|------------------------|
| 13 | Construction of drain soling slab and construction and repair of M/road in different U/C s in Tehsil Karor Part-II | 3.20 | 9-12-2013 | 14 month | -do- | 320,000 | Altaf Hussain Navera |
| 14 | Construction of drain and soling part-I basti Mochian chak No.247/TDA | 0.400 | 9-12-2013 | 7 month | -do- | 40,000 | Zafrullah Khan |
| 15 | Construction of M/road remaining phase-II chak No. 103/ML to chak No.259/TDA along with Maharan minner | 1.00 | 9-12-2013 | 12 month | -do- | 100,000 | La Raib Associate |
| | TOTAL | 24.03 | | | | 2,403,000 | |

Annex-L**[Para 1.4.2.1]****Unauthorized sanction of technical estimates****(Amount in Rupees)**

| Sr. No. | Scheme No. | Detail | Sanctioned by | Competent Authority | TS Value |
|----------------|-------------------|--|----------------------|----------------------------|-----------------|
| 1 | 1 | Construction of Mettaled Road from Chak No. 123/ML Head Mast Ali to Chak No. 475/TDA | EDO(W&S) Layyah | CELG | 2,875,000 |
| 2 | 2 | Construction of Mettaled Road from Chak No. 486/TDA to Basti Noshare Kharal Chak No. 119/ML | EDO(W&S) Layyah | -do- | 2,300,000 |
| 3 | 3 | Construction of Mettaled Road from Chak No.311/TDA to Jamal Minor | TO(I&S) Layyah | -do- | 2,000,000 |
| 4 | 4 | Construction of Solling from Jamal Chapri Road to Basti Haji Muhammad Ismail Chak No. 328/TDA | TO(I&S) Layyah | -do- | 1,000,000 |
| 5 | 5 | Construction of Solling from Jamal Chapri Road to Basti Master Abdul Raheem Chak No.318/TDA | TO(I&S) Layyah | -do- | 500,000 |
| 6 | 7 | Construction of Mettaled Road from Tarkoo Choubara Road to Basti Master Rab Nawaz Duloo | EDO(W&S) Layyah | -do- | 2,000,000 |
| 7 | 8 | Construction of Mettaled Road from Khumbi Minor Chak No.407/TDA to Chak No.410/TDA (Remaining Portion) | EDO(W&S) Layyah | -do- | 2,300,000 |
| 8 | 9 | Construction of Solling Basti Allah Nawaz Khan Road to Basti Lurka, Basti Bukhari | TO(I&S) Layyah | -do- | 500,000 |
| 9 | 13 | Construction of Solling New Tarkoo Adda to Basti Rab Nawaz Kallu Chak No.372/TDA | TO(I&S) Layyah | -do- | 500,000 |
| 10 | 15 | Construction of Drain, Solling, Tuff Tile, Flooring and PCC Flooring in Tehsil Council Choubara | EDO(W&S) Layyah | -do- | 4,600,000 |
| 11 | 16 | Construction of Solling Bhurli Adda to Basti Khaira | TO(I&S) Layyah | -do- | 1,200,000 |
| 12 | 18 | Construction of Solling Basti Dangji to Basti Khaira | TO(I&S) Layyah | -do- | 1,000,000 |
| 13 | 19 | Construction of Solling L.G Road Kudrat Abad to Basti Kashmiri | EDO(W&S) Layyah | -do- | 805,000 |

| Sr. No. | Scheme No. | Detail | Sanctioned by | Competent Authority | TS Value |
|--------------|------------|--|-----------------|---------------------|-------------------|
| 14 | 20 | Construction of Mettaled Road Mochi More to Dewan wala | EDO(W&S) Layyah | -do- | 3,450,000 |
| 15 | 24 | Construction of Solling Pir Baroo Road to Basti Aslam Pathan | EDO(W&S) Layyah | -do- | 575,000 |
| 16 | 27 | Construction of Mettaled Road Rawinda Road Sheikh Dawa to Basti Bakhar wala | TO(I&S) Layyah | -do- | 3,500,000 |
| 17 | 28 | Construction of Drain, Tuff Tile Flooring Qasba Nawan Kot | EDO(W&S) Layyah | -do- | 2,000,000 |
| 18 | 1 | Special repair of Mettaled road Nawan kot Atharan Hazari road asar wala to syed wala | EDO(W&S) Layyah | -do- | 810,000 |
| 19 | 2 | Special repair of Mettaled road Nawan kot Jamal Shapri road to Rawinda road ladwan wall | EDO(W&S) Layyah | -do- | 820,000 |
| 20 | 3 | Special repair of Mettaled road Chak No. 318/TDA to Chak No. 347/TDA | EDO(W&S) Layyah | -do- | 920,000 |
| 21 | 6 | Special repair of Mettaled road Nawan kot Atharan Hazari road adda Dogar more to chah yasin wala | EDO(W&S) Layyah | -do- | 1,500,000 |
| 22 | 7 | Special repair of Mettaled road Nawan kot to check post Bargi wala | EDO(W&S) Layyah | -do- | 1,000,000 |
| 23 | 8 | Special repair of Mettaled road from Nawan kot Atharan Hazari to Rawinda road chah khokhari wala | EDO(W&S) Layyah | -do- | 1,120,000 |
| 24 | 9 | Special repair of Mettaled road Rawinda road adda bhurli to Mochiwala | EDO(W&S) Layyah | -do- | 1,440,000 |
| 25 | 10 | Special repair of Mettaled road pir baroo sharif road to darbar inayyat shah | EDO(W&S) Layyah | -do- | 1,510,000 |
| Total | | | | | 40,225,000 |

Annex-M**[Para 1.4.2.7]****Non-imposition of penalty for delayed completion of schemes**

(Amount in Rupees)

| Sr. No. | Scheme | Amount | Contractor | Completion date | Penalty @10% |
|----------------|---|---------------|-----------------------|------------------------|---------------------|
| 1 | Construction of Mettaled Road from Chak No. 123/ML Head Mast Ali to Chak No. 475/TDA | 1,764,675 | M.Bakhsh | 06.06.2014 | 176,468 |
| 2 | Construction of Mettaled Road from Chak No. 486/TDA to Basti Noshare Kharal Chak No. 119/ML | 1,430,000 | M. Fahadullah | 06.06.2014 | 143,000 |
| 3 | Construction of Mettaled Road from Chak No.311/TDA to Jamal Minor | 1,299,600 | Chandia builders | 06.06.2014 | 129,960 |
| 4 | Construction of Mettaled Road from Tarkoo Choubara Road to Basti Master Rab Nawaz Duloo | 1,220,000 | Abdul Ghafoor Chandia | 06.06.2014 | 122,000 |
| 5 | Construction of Mettaled Road Choubara Nawan Kot Road to Basti Manji wala | 650,000 | Chandia builders | 06.06.2014 | 65,000 |
| 6 | Construction of Mettaled Road General Bus stand Nawan Kot to Grain Market | 650,000 | Chandia builders | 06.06.2014 | 65,000 |
| 7 | Construction of Solling Bhurli Adda to Basti Khaira | 827,400 | M.Iqbal | 06.06.2014 | 82,740 |
| 8 | Construction of Mettaled Road Mochi More to Dewan wala | 2,242,500 | Chandia builders | 06.07.2014 | 224,250 |
| 9 | Construction of Mettaled Road Chak No.348/TDA | 2,400,000 | Abdul Ghafoor Chandia | 06.06.2014 | 240,000 |
| 10 | Construction of Mettaled Road L.G Road to Chak No.375/TDA | 1,550,000 | Abdul Ghafoor Chandia | 06.06.2014 | 155,000 |
| 11 | Construction of Mettaled Road Rawinda Road Sheikh Dawa to Basti Bakhar wala | 2,273,950 | Chandia builders | 06.07.2014 | 227,395 |
| | | Total | | | 1,630,813 |