



**AUDIT REPORT
ON
THE ACCOUNTS OF
UNION ADMINISTRATIONS
KHANEWAL
AUDIT YEAR 2015-16**

AUDITOR GENERAL OF PAKISTAN

Table of Contents

ABBREVIATIONS AND ACRONYMS	i
PREFACE	ii
EXECUTIVE SUMMARY	iii
SUMMARY TABLES AND CHARTS	vii
Table 1: Audit Work Statistics	vii
Table 2: Audit observations regarding Financial Management	vii
Table 3: Outcome Statistics.....	viii
Table 4: Irregularities Pointed Out.....	ix
Table 5: Cost Benefit.....	ix
CHAPTER 1	1
1.1 Union Administrations, Khanewal.....	1
1.1.1 Introduction	1
1.1.2 Comments on Budget and Accounts	1
1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2013-14	3
1.1.4 Brief Comments on Status of Compliance with PAC Directives.....	3
AUDIT PARAS.....	4
1.2.1 Non production of record	5
1.2.2 Irregularities and non compliance	7
1.2.3 Internal Control Weaknesses.....	15
Annex.....	17
Annex-A	18
Annex-B	22
Annex-C	24
Annex-D	31
Annex-E	33

ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
D&C	Demand & Collection Register
DGA	Director General Audit
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government and Community Development
MFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PLGO	Punjab Local Government Ordinance
PPRA	Punjab Procurement Regulatory Authority
PLG	Punjab Local Government
POL	Petroleum Oil and Lubricants
RDA	Regional Directorate Audit
TAO	Tehsil Accounts Officer
TMA	Tehsil Municipal Administration
TO (R)	Tehsil Officer Regulation
TS	Technical Sanction
UAs	Union Administrations
UAC	Union Accounts Committee

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 ten Union Administrations, District Khanewal for the Financial Years 2008-15. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during Audit Year 2015-16 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the 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.

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

Islamabad
Dated:

(Imran Iqbal)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of City District Governments and District Governments in Punjab (South) including Tehsil/Town Municipal Administrations and Union Administrations. Regional Directorate of Audit Multan has audit jurisdiction of District Governments, TMAs and UAs of six Districts i.e. Multan, Lodhran, Vehari, Sahiwal, Pakpattan and Khanewal.

The Regional Directorate Audit has a human resource of 27 officers and staff, constituting 6,094 mandays and the budget amounting to Rs 24.922 million was allocated in the Audit Year 2015-16. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly, RDA Multan carried out audit of the accounts of ten UAs of District Khanewal for the Financial Years 2008-15 and the findings are included in this Audit Report.

Union Administrations (UAs), District Khanewal conduct their operations under Punjab Local Government Ordinance, 2001. UAs of District Khanewal comprise Union Nazim/Administrator and not more than three secretaries namely Secretary (Union Committees), Secretary (Municipal Services) and Secretary (Community Development). Administrator designates one secretary as Principal Accounting Officer (PAO). Financial provisions of the Ordinance require every Local Government to establish Public Account. Additional Secretary (Local Government and Community Development Department) in pursuance of Section 179-A of the PLGO, 2001, appointed Tehsil officer (Regulation) as Administrator of Union Councils falling in the respective Tehsil Municipal Administrations vide notification No.SOR(LG)39-6/208 dated Lahore February 24th 2010. According to this notification, “the Administrators shall perform the functions and exercise the powers of the Union Nazim, Naib Union Nazim and Union Councils under the ordinance and or any other law for the time being in force”.

The total Development Budget of ten above mentioned UAs in District Khanewal for the Financial Years 2008-15, was Rs 87.199 million and expenditure incurred was of Rs 46.269 million, showing savings of Rs 40.930 million. The total Non-development Budget for Financial Years 2008-15 was Rs 68.826 million and expenditure was of Rs 46.399 million, showing savings of Rs 22.427 million. The reasons for savings in Development and Non-development Budgets are required to be provided by the PAOs concerned.

The total budget targets of receipts of ten Union Administrations for the Financial Years 2008-15 were Rs 4.034 million against which Rs 3.596 million were collected.

Audit of UAs of District Khanewal 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 were made in accordance with laws and rules and that there was no leakage of revenue.

a. Scope of Audit

Out of total expenditure of UAs of District Khanewal for the Financial Years 2008-15, auditable expenditure under the jurisdiction of Regional Director Audit, Multan was Rs 1,490.822 million covering 100 UAs. Out of this, RDA Multan audited an expenditure of Rs 92.668 million covering ten UAs /PAOs / formations which, in terms of percentage, is 7% of total auditable expenditure and irregularities amounting to Rs 103.916 million were pointed out. Regional Director Audit planned and executed audit of 10 UAs i.e. 100% achievement against the planned audit activities.

Total receipts of the hundred concerned UAs of District Khanewal for the Financial Years 2008-15 were Rs 41.114 million. RDA Multan audited receipts of Rs 3.596 million of the ten UAs selected for audit which is 9% of total receipts and irregularities amounting to Rs 1.570 were pointed out.

b. Recoveries at the Instance of Audit

Recoveries Rs 1.570 million were pointed out by Audit which was not in the notice of the management earlier. No recovery was effected till the time of compilation of this Report.

c. Audit Methodology

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

d. Audit Impact

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

e. Comments on Internal Control and Internal Audit Department

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

f. The Key Audit Findings of the Report

- i. Non-production of record involving Rs 19.782 million was noted in on case¹.
- ii. Irregularities involving Rs 82.215 million were noted in seven cases².
- iii. Weaknesses of internal controls involving Rs 1.919 million were noted in one case³.

¹ Para 1.2.1.1

² Para 1.2.2.1 to 1.2.2.7

³ Para 1.2.3.1

Audit Paras on the accounts for the Financial Years 2008-15 involving procedural violations including internal control weaknesses and irregularities which were not considered worth reporting to Provincial PAC have been included in Memorandum for Departmental Accounts Committee (Annex-A).

g. Recommendations

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

- i. Production of record for audit verification and disciplinary action against the concerned for non-production of record
- ii. Strengthening of internal controls
- iii. Holding of DAC meetings in time
- iv. Compliance of relevant laws, rules, instructions and procedures, etc.
- v. Appropriate actions against officers/officials responsible for violation of rules and losses

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rupees in million)

Sr. No.	Description	No.	Expenditure 2008-15	Receipts 2008-15	Total
1	Total Entities (PAOs) in Audit Jurisdiction	*100	1,490.822	41.114	1,531.936
2	Total formations in Audit Jurisdiction	*100	1,490.822	41.114	1,531.936
3	Total Entities (PAOs)/ DDOs Audited	*10	92.668	3.596	96.264
4	Total Formations Audited	*10	92.668	3.596	96.264
5	Audit & Inspection Reports	*10	92.668	3.596	96.264
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports (Relating to UAs)	-	-	-	-

*All the ten Union Administrations had been audited for Financial Years 2008-15.

Table 2: Audit observations regarding Financial Management

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Unsound asset management	-
2	Weak financial management	45.149
3	Weak Internal controls relating to financial management	1.919
4	Others	56.848
Total		103.916

Table 3: Outcome Statistics

(Rupees in million)

Sr. No.	Description	Expenditure On Physical Assets	Salary	Non Salary	Civil Works	Receipt	Total Current Year	Total Last Year
1	Total Financial Outlay	-	894.493	223.623	372.706	41.114	1531..936	-
2	Outlays Audited	-	34.461	11.938	46.269	3.596	*96.264	50.859
3	Amount placed under audit observation / irregularities pointed out	-	-	21.701	82.215	-	103.916	64.113
4	Recoveries pointed out at the instance of Audit	-	-	1.919	-	-	1.919	-
5	Recoveries accepted / established at Audit instance	-	-	1.919	-	-	1.919	-
6	Recoveries realized at the instance of Audit	-	-	-	-	-	-	-

* The amount mentioned against Sr. No.2 in column of “Total Current Year” is the sum of expenditure and receipts, whereas the total expenditure was Rs 92.668 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.	82.215
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS*, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems	1.919
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	-
6	Non production of record to Audit	19.782
7	Others, including cases of accidents, negligence etc.	-
Total		103.916

Table 5: Cost Benefit

(Rupees in million)

Sr. No.	Description	Amount
1	Outlays Audit (Items 2 of Table 3)	96.264
2	Expenditure on Audit	0.042
3	Recoveries realized at the instance of Audit	-
4	Cost-Benefit Ratio	-

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

CHAPTER 1

1.1 Union Administrations, Khanewal

1.1.1 Introduction

Union Administration (UA) consists of Union Nazim, Union Naib Nazim and not more than three Secretaries namely Secretary (Union Committees), Secretary (Municipal Services) and Secretary (Community Development). Each UA has one Drawing & Disbursing Officer.

There are 100 UAs in District Government Khanewal out of which UAs AIR Para numbers 34, 35, 36, 42, 43, 90, 91, 92, 93 and 99 were audited on sample basis during 2015-16.

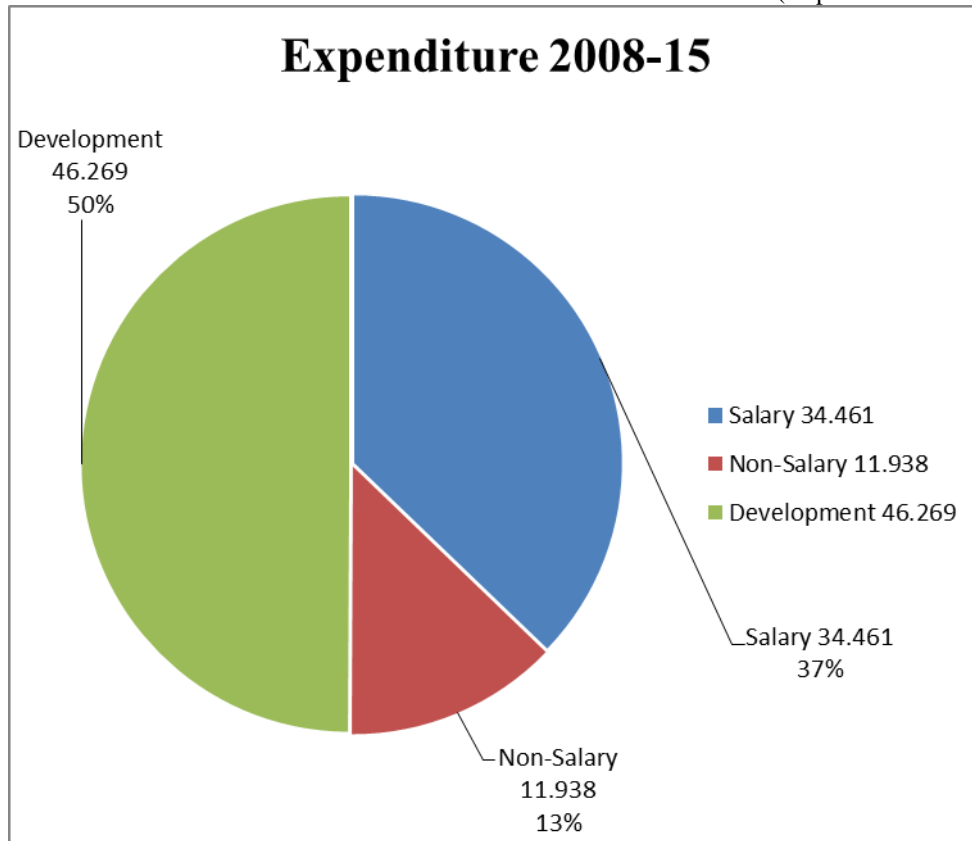
1.1.2 Comments on Budget and Accounts

The detail of budget and expenditure of ten UAs audited during 2015-16 is given below in tabulated form:

(Rupees in million)

2008-15	Budget	Actual	Saving	% (Saving)
Salary	51.694	34.461	17.233	33%
Non-salary	17.132	11.938	5.194	30%
Development	87.199	46.269	40.930	47%
Sub Total	156.025	92.668	63.357	41%
Revenue	4.034	3.596	0.438	11%

(Rupees in million)

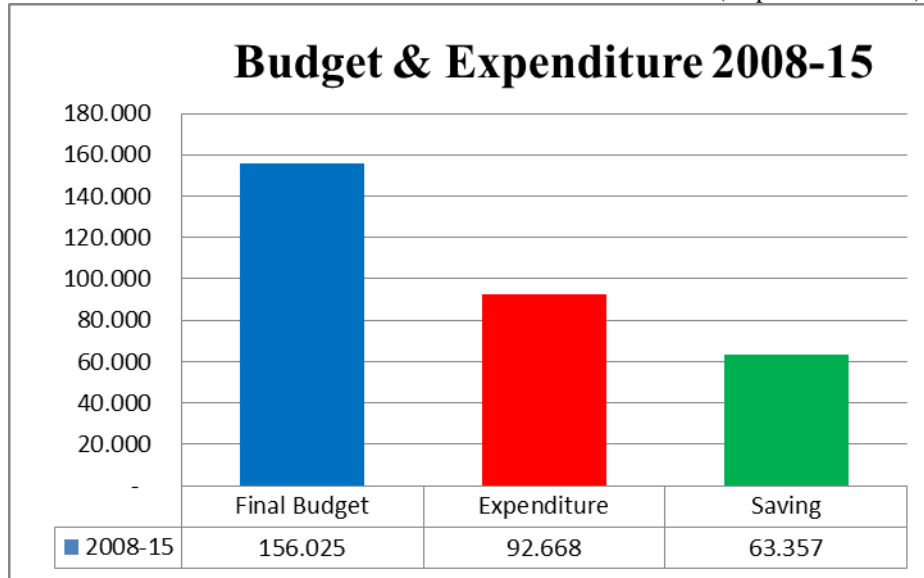


Details of budget allocations, expenditures and savings of each UA of District Khanewal for the Financial Years 2008-15 are at **Annex-B**.

As per Budget Books for the Financial Years 2008-15 of UAs in District Khanewal, the original and final budget of audited ten UAs was Rs 156.025 million. Total expenditure incurred by these UAs during Financial Years 2008-15 was Rs 92.668 million. A saving of Rs 63.357 million came to the notice of audit which shows that the UAs failed to provide essential municipal services as envisaged and planned at the time of preparation and approval of annual budget for the year. No plausible explanation was provided by the PAO, UA Nazims and management of UAs.

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

(Rupees in million)



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

Audit paras, reported in MFDAC (Annex-I) of Audit Report 2013-14, 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 Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

Sr. No.	Audit Report Year	No. of Paras	Status of PAC Meeting
1	2009-12	10	PAC not constituted
2	2012-13	06	PAC not constituted
3	2013-14	05	PAC not constituted

AUDIT PARAS

1.2.1 Non production of record

1.2.1.1 Non production of record – Rs 19.782 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “The Auditor General shall in connection with the performance of his duties under this ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts”. Furthermore, according to Section 115(6) of the Punjab Local Government Ordinance 2001 “All officials shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Secretaries of following Union Administrations did not produce the record of withdrawal involving Rs 19.782 million for Audit scrutiny despite various repeated written and verbal requests. DDO did not produce cash book, bank statement, record of receipts from own sources along with notification of rates, stock register of permanent and consumable items and property register, service record and staff statement, budget and expenditure statement, contingent register, development register, record of project committee and list of DDOs for the period 2008 to 2015. Detail is as under:

(Rupees in million)

Sr. No.	UAs No.	Period	Amount
1	34	2008-15	6.361
2	35	2008-15	5.832
3	36	2008-15	7.589
Total			19.782

Audit is of the view that due to weak internal controls, the record was not produced.

Non-production of record of Rs 19.782 million created doubt about the legitimacy of expenditure / record.

The matter was reported to the Union Secretaries / PAO in April, 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends that responsibility be fixed and strict disciplinary action taken against the officials concerned for non-production of record, under intimation to Audit, and to ensure that the record is produced to Audit for scrutiny.

[UA-34 AIR Para No. 2], [UA-35 AIR Para No. 2], [UA-36 AIR Para No. 2]

1.2.2 Irregularities and non compliance

1.2.2.1 Unauthorized lump sum provision for development in the budget Rs 44.034 million

According to Rule 55 (1) of Punjab Union Administration (Budget) Rules, 2003 the Annual Development Programme shall be formulated as prescribed in Part-VII, VIII and IX of Volume-I and include details of each development project. It shall be an explanatory document to the Demand for Grants (Development).

Secretaries of six Union Administrations approved budget without detail of development schemes and kept lump sum provision of Rs 44.034 million for development during the Financial Years 2008-09 to 2014-15 in violation of above rules. Detail is as under:

(Rupees in million)

Sr. No.	UAs No	Period	Amount
1	42	2008-15	5.592
2	43	2008-15	7.546
3	90	2008-15	10.234
4	91	2007-10	2.955
5	92	2008-15	14.013
6	93	2008-15	3.694
Total			44.034

Audit is of the view that due to weak internal controls, lump sum provision for development projects was kept in the budget.

Lump sum provision of budget Rs 44.034 million for development projects resulted in violation of the Government instruction.

The matter was reported to the Union Secretaries / PAOs in April, 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA- 42 AIR Para No.03], [UA- 43 AIR Para No.02], [UA- 90 AIR Para No.06],
[UA- 91 AIR Para No.01], [UA- 92 AIR Para No.07], [UA- 93 AIR Para No.09]

1.2.2.2 Expenditure without Pre-Audit – Rs 20.146 million

According to Para 3 (iv) of Government of the Punjab Finance Department letter No.FD(FR)II-5/82(P) dated 29.05.2009, each TAO shall also conduct pre-audit of payments of Union Administrations falling in the jurisdiction of respective TMA.

Secretaries of following Union Administrations withdrew Rs 20.146 million and made payments during 2011-2015 without pre-audit by the concerned Tehsil Accounts Officer. Detail is as under:

(Rupees in million)

Sr. No.	UAs No	Period	Amount
1	34	2011-15	1.355
2	35	2011-15	3.055
3	36	2011-15	1.824
4	90	2009-10, 2013-15	4.411
5	93	2013-15	1.627
6	99	2013-15	1.703
7	92	2012-15	6.171
Total			20.146

Audit is of the view that due to weak internal controls, funds were withdrawn without any pre-audit.

Withdrawal of funds Rs 20.146 million without pre-audit resulted in violation of Government rules.

The matter was reported to the Union Secretaries / PAOs in April, 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA-34 AIR Para No. 1], [UA-35 AIR Para No. 1], [UA-36 AIR Para No. 1], [UA-90 AIR Para No. 1], [UA-92 AIR Para No. 8], [UA-93 AIR Para No. 1], [UA-99 AIR Para No. 1]

1.2.2.3 Unauthorized expenditure on development schemes through splitting – Rs 10.088 million

According to Rule 4 (5) of Punjab Union Administrations (Works) Rules, 2002, if the cost of a project included in the Annual Development Plan is more than Rs. 100,000 the Union Administration may get it executed through the Tehsil Municipal Administration or the District Government as deposit work for which the funds shall be placed at their disposal. The Tehsil Municipal Administration or the District Government, as the case may be, shall be responsible to prepare the detailed estimates of the project and get them technically sanctioned in accordance with the procedure as may be specified by Government from time to time.

Secretaries of following Union Administrations incurred unauthorized expenditure of Rs 10.088 million on development schemes through splitting the works to keep the expenditure within competency during the Financial Years 2011-12 and 2014-15. Detail is as under:

(Rupees in million)

Sr. No.	UAs No	Number of Schemes	Amount
1	34	2	1.079
2	35	4	1.018
3	36	6	1.673
4	42	5	0.588
5	43	4	1.159
6	90	5	1.043
7	91	10	1.644
8	92	2	0.537
9	93	6	1.347
Total			10.088

Audit is of the view that due to weak financial controls, unauthorized expenditure was incurred beyond the competency by splitting the expenditure in pieces.

Unauthorized expenditure of Rs 10.088 million resulted in violation of the Government instructions.

The matter was reported to the Union Secretaries/PAOs in April, 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA -34 AIR Para No. 4], [UA -35 AIR Para No. 4], [UA -36 AIR Para No. 4], [UA-42 AIR Para No. 1],
[UA-43 AIR Para No. 1], [UA- 90 AIR Para No. 1], [UA- 91 AIR Para No. 5], [UA- 92 AIR Para No. 3]
[UA- 93 AIR Para No. 4]

1.2.2.4 Unauthorized expenditure of CCB funds – Rs 3.101 million

According to Section 109 (5)(a)(b) of the Punjab Local Government Ordinance, 2001, the development budget shall be prioritized in accordance with the bottom up planning system as laid down in Section 119, provided that not less than twenty five percent of the development budget shall be set apart for utilization and the amount referred to in clause (a) which remains unspent shall be credited under the same head in the following year's budget in addition to the fresh allocation under the said clause for that year. Further, Rule 6(iv) of Punjab Union Administration (Budget) Rules, 2003 stipulates that the DDO shall ensure proper monitoring of his budget.

Secretaries of following Union Administrations allocated CCB Funds of Rs 3.101 million during 2008-15 in different years but made expenditure out of CCB funds directly without releasing the funds to the registered CCBs. The detail is as under:

(Rupees in million)

Sr. No.	UAs No.	Period	Amount
1	42	2008-14	1.314
2	90	2008-11	1.074
3	91	2006-10	0.713
Total			3.101

Audit is of the view that due to weak internal controls, funds of CCB were released for non-CCB development projects.

Unauthorized expenditure of CCB funds of Rs 3.101 million resulted in violation of the Government instructions.

The matter was reported to the Union Secretaries / PAOs in April, 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA-42 AIR Para No.05], [UA-90 AIR Para No.09], [UA-91 AIR Para No.06]

1.2.2.5 Unauthorized expenditure on civil works – Rs 2.184 million

According to Rule 4(4) (c) of the Punjab Union Administrations (Works) Rules, 2002, the Union Nazim shall release the estimated cost of the project through cross cheque in the name of Project Committee in two equal installments. The funds so released shall be kept in an account of scheduled bank to be jointly operated by two members of the Project Committee as per provisions of Rule 39 of the Punjab Local Governments (Accounts) Rules, 2001. Before releasing the second installment a report shall be obtained by the Nazim from the Secretary of the Project Committee certifying that the amount of first installment has been

incurred properly and that the progress of the work is satisfactory according to specification.

Secretaries as per attached list of Union Administrations incurred expenditure worth Rs 2.184 million during 2008-15 on account of development schemes through Project Committee but neither crossed cheques in the name of Project Committee were issued nor payments made in two installments. Amounts were released for development schemes and no reports were obtained from the Secretary of the Project Committee. **Annex-C**

Audit is of the view that due to weak financial controls, expenditure was incurred in violation of Works Rules.

Irregular issuance of cheques resulted in unauthorized expenditures of Rs 2.184 million.

The matter was reported to the Union Secretaries / PAOs in April 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA-91 AIR Para No.2]

1.2.2.6 Non-maintenance of record of development schemes – Rs 1.547 million

According to Rule 4(e) of the Punjab Union Administrations (Works) Rules, 2002, the Secretary of the Project Committee shall ensure the maintenance of the following record of each project, detailed estimates duly approved by the Union Nazim, the quotations and vouchers of all articles / materials etc. purchased by the Project Committee, duly verified by the convener of the Project Committee, Muster Roll for payment of labour charges, Stock Register,

Inspection Register for each scheme and completion report verified by all members of the Project Committee.

Secretaries of Union Administration No. 92 allowed payment of Rs 1.547 million during the Financial Year 2014-15 for the development schemes but the Secretaries of the Project Committees did not maintain the record in the light of above mentioned rule for verification. During the course of audit, work was shown to be executed by the project committee but it was executed by the secretary himself. The expenditure was not verified by the committee. It was also observed that muster rolls, stock register and inspection register were not maintained by the project committee. **Annex-D**

Audit is of the view that due to weak internal controls, record was not maintained.

Non-maintenance of record of development schemes worth Rs 1.547 million resulted in violation of the Government rules.

The matter was reported to the Union Secretaries/PAOs in April, 2016. The Secretaries signed the para but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA-92 AIR Para No.5]

1.2.2.7 Expenditure on development works without financial powers - Rs 1.115 million

According to the Rule 4.2.2.1 of accounting policies and procedures manual every expenditure must be sanctioned by an officer of the Government who has the authority to approve proposals to incur expenditures (including enter into commitments) on behalf of the Government and who shall be deemed to be the Sectioning Officer. The Sanctioning Officer's authorities are set out in the

“Delegation of Financial Power under the Financial Rules” issued by the Ministry of Finance/Finance Department.

Secretary of Union Administration No. 35 incurred expenditure of Rs 1.115 million on different development works during the Financial Years 2011-12 and 2014-15. The financial powers of Administrator were used without any authority by the Personal Assistant (PA) to Administrator TMA Jahanian. Numbers and dates on estimate, work order, MB No. 228 and bills were not mentioned. Completion certificate and post completion evaluation of the project was also not available in the record. Further, payments were made without agreement with the contractors. The locations of the projects were unknown.

Annex-E

Audit is of the view that due to weak internal controls, doubtful expenditure was incurred and funds were withdrawn without having financial powers.

Incurrence of expenditure without financial powers and without maintenance of proper record resulted in non-transparent expenditure of Rs 1.115 million.

The matter was reported to the Union Secretaries / PAOs in April, 2016. The Secretaries signed the para but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

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

[UA-35 AIR Para No.9]

1.2.3 Internal Control Weaknesses

1.2.3.1 Non-deduction / Non-deposit of Income Tax – Rs 1.919 million

According to Section 153(1) (a) of the Income Tax Ordinance, 2001 every prescribed person making a payment in full or part including a payment by way of advance to a resident person or permanent establishment in Pakistan of a non-resident person for the sale of goods shall, at the time of making the payment, deduct tax from the gross amount payable at the prescribed rate.

Contrary to above, Income Tax amounting to Rs 1.083 million was not deducted by the Secretaries of following Union Administrations during the Financial Years 2008-2015. The payments were made to different suppliers / contractors without deduction of income tax at source. Detail is as under:

(Rupees in million)

Sr. No	UAs No	Period	Amount
1	34	2008-15	0.422
2	35	2008-15	0.416
3	36	2008-12	0.139
4	42	2008-15	0.106
5	90	2008-13	0.187
6	91	2007-09	0.203
7	92	2008-15	0.163
8	93	2008-15	0.283
Total			1.919

Audit is of the view that due to weak internal controls, income tax was not deducted / deposited and excess payment was made.

Non-deduction / non-deposit of Income Tax resulted in loss to the Government amounting to Rs 1.919 million.

The matter was reported to the Union Secretaries / PAOs in April, 2016. The Secretaries signed the paras but did not submit detailed reply.

The matter was reported to Administrators for convening of DAC meetings but neither DAC meeting was convened nor any progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 1.919 million for non-deduction / non-deposit of Income Tax besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[UA-34 AIR Para No. 3], [UA-35 AIR Para No. 3], [UA-36 AIR Para No. 3], [UA-42 AIR Para No. 2], [UA- 90 AIR Para No. 5], [UA- 91 AIR Para No.7], [UA- 92 AIR Para No. 6], [UA- 93 AIR Para No. 6]

Annex

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

(Rupees in million)

Sr. No.	Name of Union Council	Para No.	Subject	Amount
1	UA 34	5	Unauthorized withdrawal of computer allowance	0.042
2		6	Unauthorized withdrawal of honorarium	0.009
3		7	Doubtful withdrawal without stock entry and consumption record	0.148
4		8	Unauthorized expenditure on quotations without technical sanction of the estimates	0.396
5		10	Loss due to non levying of licensing fee on various professions	-
6	UA 35	5	Unauthorized withdrawal of computer allowance	0.037
7		6	Unauthorized Withdrawal of honorarium	0.009
8		7	Doubtful withdrawal without stock entry and consumption record	0.354
9		8	Unauthorized expenditure on quotations without technical sanction of the estimates	0.395
10		10	Loss due to non levying of licensing fee on various professions	-
11	UA 36	5	Unauthorized lump sum provision for development in the budget	0.7
12		6	Unauthorized expenditure of CCB funds	0.175
13		7	Doubtful less recording of Government grant	0.109
14		8	Doubtful withdrawal without stock entry and consumption record	0.083
15		9	Unauthorized withdrawal of computer allowance	0.008
16		10	Loss due to non-levying of licensing fee on various professions	-
17	UA 42	4	Less allocation of CCB funds	0.150
18		6	Non conducting of post completion evaluation of development projects	3.633
19		7	Unauthorized withdrawal of computer allowance	0.031
20		8	Loss due to non-levying of licensing fee on	-

Sr. No.	Name of Union Council	Para No.	Subject	Amount
			various professions	
21	UA 43	3	Non conducting of post completion evaluation of development projects	3.165
22		4	Unauthorized withdrawal of computer allowance	0.03
23		5	Loss due to non levying of licensing fee on various professions	-
24	UA 90	2	Unauthorized withdrawal of computer allowance	0.057
25		3	Unjustified/doubtful expenditure on refreshment charges and purchase of sports items	0.248
26		4	Unauthorized transfer of funds without maintenance of record of development schemes executed through project committee	0.650
27		8	Unjustified/doubtful expenditure on repair of culverts	0.136
28		10	Loss due to non-levying of licensing fee on various professions	-
29	UA 92	1	Unauthorized withdrawal of computer allowance	0.063
30		2	Unjustified/wasteful expenditure on refreshment charges and purchase of sports items	0.277
31		4	Loss to the Government due to non-levying of licensing fee on various trades	1.225
32		9	Non deduction of sales tax on the procurement of bricks and sand for development works	0.133
33		10	Unauthorized execution of development projects without maintenance of form BDD-4	3.908
34		11	Unjustified / doubtful expenditure on repair of soling and culverts	0.095
35		12	Unjustified refund of contractor's security without maintenance of security register and non-deduction of professional tax	0.027
36		13	Unauthorized payment from union council funds on account of supply of electricity	0.837
37	UA 93	2	Unauthorized withdrawal of computer allowance	0.038
38		3	Unauthorized award of tenders for works to contractors	2.761
39		5	Doubtful expenditure on sports events	0.189
40		7	Non collection of proof of deposit of sales tax	0.015

Sr. No.	Name of Union Council	Para No.	Subject	Amount
41		8	Irregular purchase without the approval of austerity committee	0.049
42		10	Loss due to non levying of taxes on different business activities	-
43	UA 99	2	Unauthorized withdrawal of computer allowance	0.047
44		3	Unauthorized award of tenders for works to contractors	2.345
45		4	Doubtful expenditure on sports events	0.085
46		6	Non collection of proof of deposit of sales tax	0.019
47		7	Irregular purchase without the approval of austerity committee	0.049
48		9	Loss due to non levying of taxes on different business activities	-
49		UA- 91	3	Unauthorized expenditure on quotations without technical sanction of the estimates
50	4		Unauthorized expenditure on execution of development works without approval of ADP	1.681
51	8		Irregular expenditure on account of purchase of durable goods	0.239
52	9		Non deduction of sales tax	0.057

Part-II**[Para 1.1.3]****Memorandum for Departmental Account Committee Paras not attended in Accordance with Directives of the DAC Pertaining to Audit Year 2013-14**

(Rupees in million)

Sr. No.	Name of (Union Councils)	AP No.	Title of Para	Amount
1	9	12	Doubtful withdrawal of funds on account of sports festival	0.115
2	10	15	Doubtful withdrawal of funds on account of sports festival	0.174
3	17	17	Doubtful withdrawal of funds on account of sports festival	0.215
4	18	17	Doubtful withdrawal of funds on account of sports festival	0.17
5	20	20	Doubtful withdrawal of funds on account of sports festival	0.215
6	78	9	Doubtful withdrawal of funds on account of sports festival	0.13
7	95	8	Doubtful withdrawal of funds on account of sports festival	0.129
1	81	3	Doubtful expenditure on construction of culverts	0.32
2	82	4	Doubtful expenditure on construction of culverts	0.234
3	84	6	Doubtful promotion of Naib Qasid as secretary union council without adopting prescribed procedure resulting withdrawal of salaries	0.103
4	86	3	Doubtful expenditure on construction of culverts	0.393
5	89	8	Doubtful expenditure on account of installation of electricity	0.202

UAs of Khanewal District

Budget and Expenditure Statement for Financial Years 2008-2015

(Rupees in million)

Sr. No.	Name of UAs	Particular	Original Budget	Final Budget	Actual Expenditure	Excess (+) Saving (-)
1	UA - 34	Salary	1.577	1.577	1.434	-0.143
		Non-Salary	0.875	0.875	0.795	-0.080
		Sub Total	2.452	2.452	2.229	-0.223
		Development	9.020	9.020	7.216	-1.804
		Total	11.472	11.472	9.445	-2.027
2	UA -35	Salary	3.159	3.159	2.796	-0.363
		Non-Salary	1.543	1.543	1.365	-0.177
		Sub Total	4.702	4.702	4.161	-0.541
		Development	6.368	6.368	5.094	-1.274
		Total	11.069	11.069	9.255	-1.814
3	UA - 36	Salary	3.014	3.014	2.667	-0.35
		Non-Salary	1.363	1.363	1.206	-0.16
		Sub Total	4.376	4.3765	3.873	-0.50
		Development	6.264	6.264	5.01	-1.25
		Total	10.640	10.640	8.884	-1.756
4	UA - 42	Salary	6.928	6.928	5.565	-1.363
		Non-Salary	1.747	1.747	0.849	-0.898
		Sub Total	8.675	8.675	6.414	-2.261
		Development	9.506	9.506	3.645	-5.861
		Total	18.181	18.181	10.059	-8.122
5	UA - 43	Salary	6.660	6.660	3.011	-3.649
		Non-Salary	2.202	2.202	0.589	-1.613
		Sub Total	8.862	8.862	3.600	-5.262
		Development	15.849	15.849	4.101	-11.748

Sr. No.	Name of UAs	Particular	Original Budget	Final Budget	Actual Expenditure	Excess (+) Saving (-)
		Total	24.711	24.711	7.701	-17.010
6	UA -90	Salary	6.626	6.626	3.738	-2.888
		Non-Salary	1.791	1.791	1.433	-0.358
		Sub Total	8.417	8.417	5.171	-3.246
		Development	12.285	12.285	3.551	-8.734
		Total	20.702	20.702	8.722	-11.980
7	UA - 92	Salary	3.075	3.075	2.721	-0.354
		Non-Salary	1.491	1.491	1.320	-0.172
		Sub Total	4.566	4.566	4.041	-0.525
		Development	6.028	6.028	4.822	-1.206
		Total	10.594	10.594	8.863	-1.731
8	UA - 93	Salary	6.661	6.661	3.518	-3.143
		Non-Salary	2.148	2.148	1.641	-0.506
		Sub Total	8.809	8.809	5.159	-3.649
		Development	5.803	5.803	3.694	-2.108
		Total	14.611	14.611	8.853	-5.758
9	UA - 99	Salary	6.050	6.050	2.885	-3.165
		Non-Salary	1.841	1.841	1.792	-0.049
		Sub Total	7.891	7.891	4.677	-3.214
		Development	5.755	5.755	4.475	-1.280
		Total	13.646	13.646	9.152	-4.494
10	UA - 91	Salary	7.944	7.944	6.126	-1.818
		Non-Salary	2.131	2.131	0.948	-1.183
		Sub Total	10.075	10.075	7.074	-3.001
		Development	10.321	10.321	4.661	-5.660
		Total	20	20	11.735	-8.661

Annex-C

[Para No. 1.2.2.5]

Unauthorized expenditure on civil works – Rs 2.184 million

(Rupees in million)

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount
1	Construction of Boundary Wall office Union Council	795033	7/1/2006	6	1/7/2006	Khan Brothers	Purchase of Bricks	0.030
2		795034	7/1/2006	7	1/7/2006	Khan Brothers	Purchase of Bricks	0.030
3		795035	7/1/2006	8	1/7/2006	Rana Traders Khanewal	Purchase of Cement	0.020
4		795036	7/1/2006	9	1/7/2006	Ghulam Shabir	Labour	0.010
Total								0.090
1	Construction of Boundary Wall of Janaza Gah 74/15L	795094	8/17/2006	17	17/8/2006	Khan Brothers	Purchase of Bricks	0.025
2		795045	8/19/2006	18	19/8/2006	Khan Brothers	Purchase of Bricks	0.025
3		795046	8/27/2006	19	27/8/2006	Sajjad Hussain	Labour	0.010
4		795047	8/28/2006	20	27/8/2006	Haji Bashir Ahmad & brothers	Purchase of Cement	0.015
5		461945	12/21/2006	69	21/12/2006	Khan Brothers	Purchase of Bricks for Repair of Janaz Gah 75,15/L	0.025
Total								0.100
1	Purchase of Various Durable Goods	461906	9/20/2006	30	20/9/2006	Khan Electric Store	Purchase of Motor Pump and Tanki	0.008
2		461929	10/19/2006	53	19/10/2006	Nazeer Teubwell Service	Purchase of Hand Pumps	0.045
3		461983	10/3/2007	107	10/3/2007	Nazeer Teubwell Service	Purchase of Peter Engine and Disposal Pump	0.048
Total								0.101
1	Construction of Culverts & Soling of Halqa Council 75 B/15L	461904	9/20/2006	28	20/9/2006	Khan Brothers	Purchase of Bricks	0.030
2		461905	9/20/2006	29	20/9/2006	Mohammad Ishaq	Labour	0.015
3		461909	9/27/2006	33	27/9/2006	Rehman Sanitary and Pump Store	Purchase of Cement	0.012
4		461910	9/27/2006	34	27/9/2006	Mohammad Raees	Labour of Culvert 75B,15/L	0.010

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount	
5		461919	12/10/2006	43	12/10/2006	Khan Brothers	Purchase of Bricks	0.050	
6		461920	12/10/2006	44	12/10/2006	Ghulam Shabir	Earth Filling	0.010	
7		461921	12/10/2006	45	12/10/2006	Naveed Ahmad	Labour for Soling	0.010	
8		461922	10/16/2006	46	16/10/2006	Mohammad Ramzan	Labour for Soling	0.010	
9		472905	5/25/2007	129	25/5/2007	Khan Brothers	Purchase of Bricks for Soling 75B,15/L	0.060	
10		472907	5/26/2007	131	26/5/2007	Riaz Ahmad	Earth Filling for 75B,15/L	0.008	
11		472908	5/26/2007	132	26/5/2007	Ghulam Yasin	Labour for Soling 75B,15/L	0.010	
Total								0.225	
1		Construction of Soling 75 A/15L	461923	10/16/2006	47	16/10/2006	Khan Brothers	Purchase of Bricks for Soling 75A,15/L	0.060
2			461930	10/30/2006	54	30/10/2006	Mumtaz Hussain	Purchase of Sand for Soling 75 A,15/L	0.010
Total								0.070	
1	Construction of Soling 74 /15L	461932	11/1/2006	56	1/11/2006	Khan Brothers	Purchase of Bricks for Soling 74,15/L	0.060	
2		461933	10/11/2006	57	10/11/2006	Mohammad Ramzan	Labour for Soling	0.010	
3		461934	10/11/2006	58	10/11/2006	Mohammad Arif	Purchase of Sand for Soling 74,15/L	0.015	
4		461935	11/18/2006	59	18/11/2006	Khan Brothers	Purchase of Bricks for Soling 74,15/L	0.060	
5		461936	11/24/2006	60	24/11/2006	Mohammad Arif	Purchase of Sand for Soling 74,15/L	0.010	
6		461937	11/24/2006	61	24/11/2006	Mohammad Ramzan	Labour for Soling 74,15/L	0.010	
Total								0.165	

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount
1	Construction of Culverts 76A,15/L	461946	12/21/2006	70	21/12/2006	Khan Brothers	Purchase of Bricks for Culverts 76A,15/L	0.050
2		461956	4/1/2007	80	4/1/2007	Rana Traders Khanewal	Purchase of Cement for Culvert 76A,15/L	0.025
3		461957	4/1/2007	81	4/1/2007	Khan Brothers	Purchase of Bricks for Culverts 76A,15/L	0.050
4		461958	4/1/2007	82	4/1/2007	Mohammad Ramzan	Labour for Culverts 76A,15/L	0.010
Total								0.135
1	Construction of Soling 78A,15/L	461947	12/22/2006	71	22/12/2006	Khan Brothers	Purchase of Bricks for Soling 78A,15/L	0.030
2		461948	12/23/2006	72	23/12/2006	Mohammad Ramzan	Labour for Soling 78A,15/L	0.010
3		461949	12/23/2006	73	23/12/2006	Haji Latif Rehman Sanitary and Pump Store	Purchase of cement for Culvert 78A, 75,15/L	0.010
Total								0.050
1	Construction of Culverts 74B,15/L	461959	5/1/2007	83	5/1/2007	Khan Brothers	Purchase of Bricks for Culverts 74B,15/L	0.050
2		461966	1.2.2007				Purchase of Cement	0.020
3		461982	5/3/2007	106	5/3/2007	Mohammad Ramzan	Labour for Culverts 74B,15/L	0.010
4		461992	4/14/2007	116	14/4/2007	Mohammad Arif	Purchase of Sand for Culvert 74B,15/L	0.005
Total								0.085

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount
1	Construction of soling & Culverts 75,15/L	461967	2/16/2007	91	16/2/2007	Khan Brothers	Purchase of Bricks for Culvert 75,15/L	0.025
2		461968	2/16/2007	92	16/2/2007	Khan Brothers	Purchase of Bricks for Culvert 75,15/L	0.025
3		461969	2/16/2007	93	16/2/2007	Rana Traders Khanewal	Purchase of Cement for Culvert 75,15/L	0.020
4		461970	2/17/2007	94	17/2/2007	Mohammad Ramzan	Labour for Culverts 75,15/L	0.010
5		472932	6/27/2007	156	27/6/2007	Khan Brothers	Purchase of Bricks for Soling 75,15/L	0.040
6		472934	6/28/2007	158	28/6/2007	Arshad Mehmood	Labour for Soling 75,15/L	0.024
Total								0.144
1	Construction of Passenger Room 74,15/L	461991	4/13/2007	115	13/4/2007	Khan Brothers	Purchase of Bricks for Passenger Room 74,15/L	0.030
2		461993	4/30/2007	117	30/4/2007	Fayaz ul Hassan and Co Khanewal	Purchase of Cement for Passenger Room 74,15/L	0.014
3		462000	9/5/2007	124	9/5/2007	Rana Traders Khanewal	Purchase of Cement for Passenger Room 74,15/L	0.020
Total								0.065
1	Construction of Soling 76B,15/L	472903	5/24/2007	127	24/5/2007	Azhar Hussain	Labour for Soling 76B,15/L	0.015
2		472904	5/25/2007	128	25/5/2007	Khan Brothers	Purchase of Bricks for Soling 76B,15/L	0.060
3		472909	5/28/2007	133	28/5/2007	Ghulam Yasin	Labour for Soling 76B,15/L	0.010
4		472906	5/26/2007	130	26/5/2007	Riaz Ahmad	Earth Filling for 76B,15/L	0.008
Total								0.093

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount
1	Construction of Soling & Culverts 75B,15/L	472910	5/28/2007	134	28/5/2007	Khan Brothers	Purchase of Bricks for Soling 75B,15/L	0.060
2		472919	4/6/2007	143	4/6/2007	Ghulam Yasin	Labour for Soling 75B,15/L	0.010
3		472921	4/6/2007	145	4/6/2007	Riaz Ahmad	Earth Filling for Soling 75B,15/L	0.008
4		472928	6/25/2007	152	25/6/2007	Mohammad Arif	Labour for Culvert	0.020
5		472929	6/25/2007	153	25/6/2007	Waqar Ali Traders Khanewal	Purchase of Cement for Culvert 75B,15/L	0.018
6		472930	6/26/2007	154	26/6/2007	Khan Brothers	Purchase of Bricks for Culvert 75B,15/L	0.034
Total								0.149
1	Construction of Soling & Culverts 76A,15/L	472911	5/28/2007	135	28/5/2007	Khan Brothers	Purchase of Bricks for Soling 76A,15/L	0.060
2		472920	4/6/2007	144	4/6/2007	Ghulam Yasin	Labour for Soling 76A,15/L	0.010
3		472922	4/6/2007	146	4/6/2007	Riaz Ahmad	Earth Filling for Soling 76A,15/L	0.008
4		472923	5/6/2007	147	5/6/2007	Rana Traders Khanewal	Purchase of Cement for Culvert	0.018
5		472924	5/6/2007	148	5/6/2007	Khan Brothers	purchase or Bricks for Soling	0.034
6		472925	5/6/2007	149	5/6/2007	Mohammad Ramzan	Labour for Culvert	0.20
Total								0.150
1	Constructing of Soling 78B,15/L	472931	6/27/2007	155	27/6/2007	Khan Brothers	Purchase of Bricks for Soling 78B,15/L	0.040
2		472933	6/28/2007	157	28/6/2007	Mohammad Arif	Earth Filling for Soling 78B,15/L	0.02
Total								0.060
Grand Total (2006-07)								0.1681

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount
1	Construction of Culverts Halqa Council	472941	20-Jul-07	7	7/20/2007	Khan Brothers	Purchase of Bricks for Culvert	0.045
2		472942	21-Jul-07	8	7/21/2007	Rana Traders Khanewal	Purchase of cement for Culvert	0.024
3		472943	21-Jul-07	9	7/21/2007	Mohammad Mushtaq	Labour for Culverts	0.026,
4		472953	13-Aug-77	19	8/13/2007	Mohammad Iqbal	Purchase of Sand for Culvert	0.005
5		472961	8-Sep-07	27	9/8/2007	Khan Brothers	Purchase of Bricks for Culvert	0.045
6		472962	8-Sep-07	28	9/8/2007	Malik Ahsan Traders Khanewal	Purchase of cement for Culvert	0.024
7		472969	20-Oct-07	35	10/20/2007	Mohammad Akbar	Labour for Culverts	0.026
8		472970	27-Oct-07	36	10/27/2007	Mosa Khan Traders	Purchase of Bricks for Culvert	0.022
9		472971	27-Oct-07	37	10/27/2007	Rana Traders Khanewal	Purchase of cement for Culvert	0.012
10		472972	27-Oct-07	38	10/27/2007	Shaoaib Aslam	Labour for Culverts	0.014
Total								0.244
1	Purchase of Nalka Jat for Halqa Union Council	472952	13-Aug-07	18	8/13/2007	Nazeer Teubwell Service Khanewal	Purchase of Hand Pumps	0.040
2		472994	16-Jan-08	65	1/16/2008	Nazeer Teubwell Service Khanewal	Purchase of Hand Pumps	0.054
Total								0.094
1	Construction of Drain 74/15L	489007	11-Feb-08	73	2/11/2008	Khan Brothers	Purchase of Bricks for Drains	0.040
2		489008	11-Feb-08	74	2/11/2008	Mohammad Irfan	Labour for Drains	0.010
3		489016	19-Mar-08	82	3/19/2008	Mohammad Irfan	Labour for Drains	0.020
Total								0.070

Sr. No.	Name of Scheme	Cheque No.	Dated	Token No.	Token date	Name of Firm	Particular of Expenditure	Total Amount
1	Construction of Drains & Culverts 76B, 15/L	489024	15-Apr-08	90	4/15/2008	Yamin Traders Chowk Jamal	Purchase of Bricks and Brick Blast for Drains 76B, 15/L	0.030
2		489025	15-Apr-08	91	4/15/2008	Rehman Sanitary Pump Store Khanewal	Purchase of Cement for Drains 76B, 15/L	0.020
3		489026	17-Apr-08	92	4/17/2008	Mohammad Iqbal	Labour for Drains 76B, 15/L	0.020
4		489040	28-Jun-08	106	6/28/2008	Araen Traders Chowk jamal, Pak Bricks,	Purchase of Cement, Sarya, Bajri, Bricks, Rora and Sand for Culvert, 76B, 15/L	0.025
Total								0.095
Grand Total (2007-08)								0.503
Grand Total (2006-07 to 2007-08)								2.184

Annex-D

[Para No. 1.2.2.6]

Non-maintenance of record of development schemes – Rs 1.547 million

(Rupees in million)

Sr. No.	Union Administration	Financial Year	Project Cost	Expenditure
1	Construction of re-soling street near graveyard	2014-15	Earth filling	0.045
			Bricks 8000	0.041
			Sand	0.010
			Labor	0.036
2	Construction of re-soling street Anwar wali	2014-15	Earth filling	0.045
			Bricks 8000	0.040
			Sand	0.005
			Labor	0.020
3	Construction of re-soling street Madarsa Wali, Dera Mauj Din	2014-15	Earth filling	0.055
			Bricks 6000	0.036
			Sand	0.010
			Labor	0.023
4	Construction of re-soling street Zahoor Wali	2014-15	Earth filling	0.055
			Bricks 6000	0.036
			Sand	0.009
			Labor	0.019
5	Construction of re-soling street Dera Rasheed	2014-15	Earth filling	0.045
			Bricks 6000	0.036
			Sand	0.009
			Labor	0.019
6	Construction of re-soling street dera Nasir Qureshi	2014-15	Earth filling	0.017
			Bricks 15000	0.075
			Sand	0.008
			Labor	0.020
7	Construction of soling street Zulfiqar Wali	2014-15	Earth filling	0.034
			Bricks 8000	0.048
			Sand	-
			Labor	0.001
8	Construction of re-soling street Dera Saeed Ahmad	2014-15	Earth filling	0.020
			Bricks 15000	0.075
			Sand	0.005
			Labor	0.020
9	Construction of re-soling street Darkhan Wali	2014-15	Earth filling	0.020
			Bricks 15000	0.075
			Sand	0.005
			Labor	0.020

Sr. No.	Union Administration	Financial Year	Project Cost	Expenditure
10	Construction of re-soling street near graveyard	2014-15	Earth filling	0.050
			Bricks 8000	0.042
			Sand	0.005
			Labor	0.036
11	Construction of re-soling Basti Pahorran	2014-15	Earth filling	0.045
			Bricks 8000	0.041
			Sand	0.007
			Labor	0.035
12	Construction of soling street Girls Middle School 72/15-L, Phase-I	2014-15	Earth filling	0.020
			Bricks 1500	0.075
			Sand	0.007
			Labor	0.017
13	Construction of soling street Girls Middle School 72/15-L, Phase -II	2014-15	Earth filling	0.022
			Bricks 1500	0.075
			Sand	0.008
			Labor	0.017
Total				1.547

Annex-E**[Para No. 1.2.2.7]****Expenditure on development works without financial powers -
Rs 1.115 million**

(Rupees in million)

Cheque No.	Date	Name of Payee	Item	Amount	Remarks
72238751	14.02.12	Khaki brothers	Const. of soling street Fauji M. Yousaf 107/10-R	0.100	Rate of Bilal Construction Co. was tempered and rewritten as 5% above.
72238752	14.02.12	Khaki brothers	Const. of soling Ch. Tufail 107/10-R	0.100	The contractors given bid to work at par on the estimate but payment were made 3.3. % above on TS estimate and excess payment was made for Rs 3,300. Comparative statement and work order was also given on 3.3% above on estimate.
72238753	14.02.12	Khaki brothers	Const. of soling street Ch. Afzal 107/10-R	0.100	Location was unknown.
72238754	14.02.12	Khaki brothers	Const. of culverts 107/10-R	0.100	Location was unknown.
72238755	14.02.12	Khaki brothers	Const. of soling street Ch. Maqsood 107/10-R	0.100	Location was unknown.
72238756	14.02.12	Khaki brothers	Const. of drain street Fauji M. Yousaf 107/10-R	0.069	Location was unknown.
72238757	14.02.12	Khaki brothers	Const. of drain street Fiaz Joyia	0.050	Location was unknown.

Cheque No.	Date	Name of Payee	Item	Amount	Remarks
			107/10-R		
72238758	14.02.12	Khaki brothers	Const. of culverts Street Fauji Mahmood 107/10-R	0.100	Location was unknown.
80920397	18.11.14	Khaki brothers	Const. of drain street Ch. Younus 107/10-R	0.098	The estimate was not TS by the authority. The MB was not signed by the competent authority before payment. Quotation notice date 15.10.14 for submission of quotation on same day. Quotations were received on same day. On work order dated 17.10.014 reference of quotation was mentioned as 17.10.14 despite quotation dates were 15.10.14
80920398	18.11.14	Khaki brothers	Const. of soling street Ch. Essa 107/10-R	0.100	Quotation notice date 15.10.14 for submission of quotation on 18.10.14. Quotations were received on 17.10.14 and comparative statement and work order was issued on the same day before dates given.
80920399	18.11.14	Khaki brothers	Const. of soling Ch. Ashraf 107/10-R	0.098	Quotation notice date 15.10.14 for submission of quotation on same day. Quotations were received on same day. On work order dated 17.10.014 reference of quotation was mentioned as 17.10.14 despite quotation dates were 15.10.14
80920400	18.11.14	Khaki brothers	Const. of soling street Ch. Younus 107/10-R	0.100	Quotation notice date 15.10.14 for submission of quotations on same day. Quotations of dated 17.10.14 were received and work order was issued on the same day.
Total				1.115	