



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
PUBLIC SECTOR COMPANIES AND  
LOCAL GOVERNMENTS  
OF THE PUNJAB (NORTH)  
LAHORE**

**AUDIT YEAR 2023-24**

**AUDITOR-GENERAL OF PAKISTAN ISLAMABAD**

SERVING THE NATION BY PROMOTING ACCOUNTABILITY,  
TRANSPARENCY AND GOOD GOVERNANCE IN THE MANAGEMENT

FOR THE CITIZENS OF PAKISTAN

## **PREFACE**

Articles 169 and 170 of Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8 and 12 of Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 81 of the Punjab Local Government Act, 2022 empower the Auditor-General of Pakistan to audit the accounts of the Federation or a Province or a Local Government and the accounts of any authority or body established by or under the control of the Federation or a Province.

The report is based on audit of the accounts of five (05) Public Sector Companies of Punjab, five (05) Metropolitan / Municipal Corporations and nine (09) District Councils of Punjab for the financial year 2022-23. However, in some cases audit for financial year 2021-22 was also conducted. The Directorate General of Audit Local Governments, the Punjab (North), Lahore conducted audit during 2023-24 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes systemic issues and significant audit findings. Relatively less significant issues are listed in Annexure-A of the Audit Report. The audit observations listed in Annexure-A shall be pursued with the Principal Accounting Officers (PAOs) at the SDAC level and in all the cases where the respective PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

The audit 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 audit observations included in this report have been finalized in the light of written replies and decisions of SDAC meetings.

There are certain audit paras which were also reported in Audit Reports for the financial years 2019-20, 2020-21 and 2021-22. Recurrence of such irregularities is matter of concern and needs to be addressed.

The Audit Report is submitted to Governor of the Punjab in pursuance of Article 171 of Constitution of the Islamic Republic of Pakistan 1973, read with Section 81 of Punjab Local Government Act, 2022 to cause it to be laid before the Provincial Assembly.

**Islamabad**  
**Dated:**

(Muhammad Ajmal Gondal)  
**Auditor-General of Pakistan**

## TABLE OF CONTENTS

ABBREVIATIONS & ACRONYMS .....	i
EXECUTIVE SUMMARY .....	iii
CHAPTER 1 .....	1
PUBLIC FINANCIAL MANAGEMENT .....	1
CHAPTER 2 .....	5
Gujranwala Waste Management Company .....	5
2.1 Introduction .....	5
2.2 Classified summary of audit observations .....	5
2.3 Brief comments on status of compliance with PAC directives .....	6
2.4 AUDIT PARAS .....	7
CHAPTER 3 .....	13
Lahore Waste Management Company .....	13
3.1 Introduction .....	13
3.2 Classified Summary of audit observations .....	13
3.3 Brief comments on status of compliance with PAC directives .....	14
3.4 AUDIT PARAS .....	15
CHAPTER 4 .....	31
Rawalpindi Waste Management Company .....	31
4.1 Introduction .....	31
4.2 Classified summary of audit observations .....	31
4.3 Brief comments on status of compliance with PAC directives .....	32
4.4 AUDIT PARAS .....	33
CHAPTER 5 .....	48
Sialkot Waste Management Company .....	48
5.1 Introduction .....	48
5.2 Classified summary of audit observations .....	48
5.3 Brief comments on status of compliance with PAC directives .....	49
5.4 AUDIT PARAS .....	50

CHAPTER 6 .....	55
Punjab Cattle Market Management & Development Company .....	55
6.1 Introduction .....	55
6.2 Classified summary of audit observations .....	55
6.3 Brief comments on status of compliance with PAC directives .....	56
6.4 AUDIT PARAS .....	57
CHAPTER 7 .....	71
PUBLIC FINANCIAL MANAGEMENT .....	71
CHAPTER 8 .....	74
Municipal Corporation, Gujranwala .....	74
8.1 Introduction .....	74
8.2 Classified Summary of Audit Observations .....	74
8.3 Brief comments on the status of compliance with PAC directives .....	75
8.4 AUDIT PARAS .....	76
CHAPTER 9 .....	83
Municipal Corporation Jhelum .....	83
9.1 Introduction .....	83
9.2 Classified Summary of Audit Observations .....	83
9.3 Brief comments on the status of compliance with PAC directives .....	84
9.4 AUDIT PARAS .....	85
CHAPTER 10 .....	90
Metropolitan Corporation, Lahore .....	90
10.1 Introduction .....	90
10.2 Classified Summary of Audit Observations .....	91
10.3 Brief comments on the status of compliance with PAC directives .....	92
10.4 AUDIT PARAS .....	93
CHAPTER 11 .....	125
Municipal Corporation Sargodha .....	125

11.1	Introduction.....	125
11.2	Classified Summary of Audit Observations .....	126
11.3	Brief comments on the status of compliance with PAC directives .....	126
11.4	AUDIT PARAS.....	127
CHAPTER 12 .....		133
Municipal Corporation Sialkot .....		133
12.1	Introduction.....	133
12.2	Classified Summary of Audit Observations .....	133
12.3	Brief comments on the status of compliance with PAC directives .....	134
12.4	AUDIT PARAS.....	135
CHAPTER 13 .....		140
PUBLIC FINANCIAL MANAGEMENT .....		140
CHAPTER 14.....		144
District Council Attock .....		144
14.1	Introduction.....	144
14.2	Classified Summary of Audit Observations .....	144
14.3	Brief comments on the status of compliance with PAC directives .....	145
14.4	AUDIT PARAS.....	146
CHAPTER 15 .....		152
District Council, Bhakkar .....		152
15.1	Introduction.....	152
15.2	Classified Summary of Audit Observations .....	152
15.3	Brief comments on the status of compliance with PAC directives .....	153
15.4	AUDIT PARAS.....	154
CHAPTER 16.....		156
District Council Gujrat .....		156

16.1	Introduction.....	156
16.2	Classified Summary of Audit Observations .....	156
16.3	Brief Comments on the Status of Compliance with PAC Directives .....	157
16.4	AUDIT PARAS.....	158
CHAPTER 17 .....		166
District Council Kasur.....		166
17.1	Introduction.....	166
17.2	Classified Summary of Audit Observations .....	166
17.3	Brief Comments on the Status of Compliance with PAC Directives .....	167
17.4	AUDIT PARAS.....	168
CHAPTER 18 .....		172
District Council Mandi Bahauddin .....		172
18.1	Introduction.....	172
18.2	Classified Summary of Audit Observations .....	172
18.3	Brief Comments on the Status of Compliance with PAC Directives .....	173
18.4	AUDIT PARAS.....	174
CHAPTER 19 .....		182
District Council Rawalpindi .....		182
19.1	Introduction.....	182
19.2	Classified Summary of Audit Observations .....	182
19.3	Brief Comments on the Status of Compliance with PAC Directives .....	183
19.4	AUDIT PARAS.....	184
CHAPTER 20 .....		190
District Council Sargodha .....		190
20.1	Introduction.....	190
20.2	Classified Summary of Audit Observations .....	190

20.3	Brief comments on the status of compliance with PAC directives .....	191
20.4	AUDITPARAS.....	192
CHAPTER 21 .....		196
District Council Sheikhpura .....		196
21.1	Introduction.....	196
21.2	Classified Summary of Audit Observations .....	196
21.3	Brief Comments on the Status of Compliance with PAC Directives .....	197
21.4	AUDIT PARAS.....	198
CHAPTER 22 .....		208
District Council Sialkot.....		208
22.1	Introduction.....	208
22.2	Classified Summary of Audit Observations .....	209
22.3	Brief comments on the status of compliance with PAC directives .....	209
22.4	AUDIT PARAS.....	210
ANNEXURES .....		217

## **ABBREVIATIONS & ACRONYMS**

AASHO	American Association of State Highway Official
APPM	Accounting Policies and Procedures Manual
ATL	Active Taxpayer List
AY	Audit Year
BoDs	Board of Directors
BoQ	Bill of Quantity
B&R	Buildings and Roads
CDG	City District Government
CDGR	City District Government Rawalpindi
CDGG	City District Government Gujranwala
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Cft	Cubic Feet
CNIC	Computerized National Identity Card
CO	Chief Officer
C&W	Communication and works
C&D	Construction & Demolition
COO	Chief Operating Officer
DAC	Departmental Accounts Committee
DC	District Council
DFR	Departmental Financial Rules
DDO	Drawing and Disbursing Officer
DDHO	Deputy District Officer Health
DO (I&S)	District Officer (Infrastructure and services)
DO (P)	District Officer (Planning)
DPAC	District Price Assessment Committee
DPDC	District Planning and Design Committee
DRAC	District Rent Assessment Committee
EOBI	Employees Old-Age Benefits Institution
FBR	Federal Board of Revenue
FD	Finance Department
FY	Financial Year
GEPCO	Gujranwala Electric Power Company
GST	General Sales Tax
GLI	Group Life Insurance
GWMC	Gujranwala Waste Management Company
HR	Human Resource
IRIS	Image Recognition Integrated System
KIBOR	Karachi Interbank Offer Rate
LED	Light Emitting Diode
LESCO	Lahore Electric Supply Company
LDA	Lahore Development Authority

LG&CD	Local Government & Community Development
LWMC	Lahore Waste Management Company
MC	Municipal Corporation
MCL	Metropolitan Corporation Lahore
MD	Managing Director
MO	Municipal Officer
MB	Measurement Book
MO(I)	Municipal Officer (Infrastructure)
MRS	Market Rate System
NOC	No Objection Certificate
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Cement Concrete
PDP	Proposed Draft Para
PFC	Provincial Finance Commission
PFR	Punjab Financial Rules
PLG	Punjab Local Government
POL	Petroleum Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PRA	Punjab Revenue Authority
PSC	Public Sector Companies
PST	Provincial Sales Tax
PWD	Public Works Department
P&C	Procurement and Contract
P&FTT	Passenger and Freight Transit Terminal
QDPS	Qaid-e-Azam Divisional Public School
RUDA	Ravi Urban Development Authority
RWMC	Rawalpindi Waste Management Company
Rs.	Rupees
SAAMA	Services and Asset Management Agreement
SDAC	Special Departmental Accounts Committee
SDO	Sub Divisional Officer
SWM	Solid Waste Management
SWMC	Sialkot Waste Management Company
S&GAD	Services and General Administration Department
SSB	Social Security Benefit
TCP	Temporary Collection Point
TMA	Tehsil Municipal Administration
TS	Technical Sanction
TTIP	Tax on Transfer of Immovable Property
UC	Union Councils

## **EXECUTIVE SUMMARY**

The Directorate General of Audit Local Governments, the Punjab (North), Lahore conducted an audit of five (05) Public Sector Companies (PSCs) and fourteen (14) Local Governments for the Financial Years 2021-22 & 2022-23. The five (05) Public Sector Companies consist of four Waste Management Companies (Lahore Waste Management Company, Gujranwala Waste Management Company, Rawalpindi Waste Management Company, Sialkot Waste Management Company) and one Punjab Cattle Market Management & Development Company. The fourteen Local Governments include one (01) Metropolitan Corporation, four (04) Municipal Corporations and nine (09) District Councils.

The report comprises twenty-two chapters detailing the results of the compliance with authority audit conducted during Audit Year 2023-24. The audit findings highlighted in the report reveal several issues requiring immediate attention. These issues include non-compliance with regulatory frameworks, improper fund utilization, inadequate record-keeping practices, lack of transparency in procurement processes, and mismanagement of revenues and receipts.

The report emphasizes the necessity of strengthening internal controls within audited entities. It highlights the urgency of implementing measures that ensure effective accountability and uphold organizational integrity. Addressing these concerns is crucial for promoting good governance, financial prudence, and transparent operational practices within the audited organizations.

To optimize the use of limited audit resources, a desk audit exercise was conducted using computer techniques to identify high-risk and high-value transactions with significant financial implications. Subsequently, field audit activities were carried out on the issues identified through the desk audit. Additionally, reliance was placed on the professional judgment of the auditors.

### **a) Scope of Audit**

Five (05) Public Sector Companies and 130 Local Governments consisting of Metropolitan Corporation, Municipal Corporations, District Councils and Municipal Committees working under 131 PAOs lie under the audit jurisdiction of this office. The total expenditure and receipts of these 135 formations was Rs 87,825.03 million and Rs 35,784.26 million respectively for the FY 2022-23.

Out of the above mentioned 135 formations, in Phase II of the Audit Year 2023-24, this office was tasked with auditing 19 formations (five Public Sector Companies, five Metropolitan/ Municipal Corporations and nine District Councils) operating under 15 Principal Accounting Officers. For the FY 2022-23, total expenditure and receipts of these 19 formations amounted to Rs 64,577.34 million and Rs 21,258.02 million, respectively.

Against a total expenditure of Rs 87,825.03 million in respect of 135 formations, total expenditure in respect of 19 selected formations is Rs 64,577.34 million. Thus, audit coverage in terms of percentage comes to 74% for the FY 2022-23. Regarding total receipts, out of Rs 35,784.26 million, the audit coverage is Rs 21,258.02 million, equating to 59% for the FY 2022-23.

This Audit Report also includes audit observations resulting from the audit of expenditure of Rs 9,259.142 million for the FY 2021-22 & 2022-23.

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

As a result of audit, recovery of Rs 10,340.98 million was pointed out in this report. Recovery effected from July to December 2023 was Rs 70.146 million which was verified by audit.

**c) Audit Methodology**

Desk audit techniques mentioned in Financial Audit Manual were applied during the Audit Year 2023-24. Computer Techniques were used for analysis of Human Resource (HR) and financial data. This facilitated by access to data and up-dation of permanent files. Desk audit review helped auditors in understanding the systems, procedures and environment of the entities before the start of field audit activity besides identification of high-risk areas such as payment of inadmissible allowances, release of salaries after superannuation and high-value vouchers for detailed scrutiny.

**d) Audit Impact**

Audit activity has proven to be effective in creating awareness amongst the audited entities and relevant fora regarding compliance with the rules and procedures in the public interest. A number of measures on the pointation of audit have been introduced by the Public Sector Companies (PSCs) and Local Governments to improve their internal controls and financial management. Pursuing the audit findings, the Secretary (LG & CD) has taken up a number of issues with Finance

Department to streamline financial management practices of PSCs and Local Governments.

**e) Comments on Internal Controls**

The current Audit Report highlights a series of recurring discrepancies consistently observed over time. These ongoing issues suggest potential structural problems, likely arising from an inadequate supervisory framework and a flawed internal control system.

Many instances of serious non-compliance of rules and regulations were noticed and reported in this Audit Report. These instances, *inter alia*, include misappropriation of public funds, irregularities pertaining to payment of inadmissible allowances, non-adherence of Punjab Procurement Rules and poor maintenance of record etc. Lack of trained staff and accountability mechanism in Public Sector Companies and Local Governments are major reasons for weak internal controls.

This Audit Report includes a dedicated note at the end of each audit para intended to assist the department in identification of issues and their ultimate solution.

**f) Key Audit Findings of the Report**

- i. Embezzlement and fraud amounting to Rs 80.519 million reported in 01 cases.<sup>1</sup>
- ii. Employee related irregularities involving amount of Rs 68.003 million observed in ten cases<sup>2</sup>.
- iii. Procurement related irregularities of different items valuing Rs 3,022.002 million noticed in fifty-six cases<sup>3</sup>.
- iv. Irregularities in management of accounts with commercial banks amounting to Rs 118.462 million reported in 02 case.<sup>4</sup>
- v. Value for money and service delivery related issues of Rs 3,770.345 million observed in thirty-seven cases.<sup>5</sup>
- vi. Weak internal controls with financial impact and miscellaneous issues of Rs 12,929.071 million pointed out in fifty-four cases.<sup>6</sup>

---

<sup>1</sup> Para: 10.4.1

<sup>2</sup> Para: 2.4.1, 2.4.2, 3.4.1, 4.4.1, 6.4.1, 6.4.2, 6.4.3, 10.4.2, 10.4.3, 10.4.4

<sup>3</sup> Para: 2.4.3, 3.4.2 – 3.4.9, 4.4.2 – 4.4.8, 5.4.1, 5.4.2, 8.4.1, 9.4.1, 10.4.5 – 10.4.16, 11.4.1 - 11.4.3, 12.4.1 – 12.4.5, 14.4.1, 14.4.2, 16.4.1 - 16.4.4, 17.4.1 – 17.4.2, 18.4.1, 18.4.2, 19.4.1, 19.4.1, 20.4.1, 21.4.1, 21.4.2, 22.4.1, 22.4.2

<sup>4</sup> Para: 10.4.17, 17.4.3

<sup>5</sup> Para: 3.4.10 – 3.4.13, 5.4.3, 6.4.4 – 6.4.9, 8.4.2 – 8.4.5, 9.4.2 – 9.4.4, 10.4.18 – 10.4.23, 11.4.4 – 11.4.6, 15.4.1, 15.4.2, 18.4.3, 18.4.4, 19.4.2, 19.4.3, 20.4.2, 20.4.3, 21.4.3, 21.4.4,

**g) Recommendations**

- i. Disciplinary actions need to be initiated for fixing the responsibility in cases of misappropriation, loss and fraudulent / irregular payments.
- ii. Financial controls need to be strengthened to stop payment of inadmissible allowances to the officers / officials.
- iii. Chief Officers (COs) / Chief Executive Officers (CEOs) need to improve the monitoring and financial control mechanisms in order to avoid mis-procurements and financial irregularities.
- iv. Action needs to be taken against officers for not implementing clauses of contracts in true letter and spirit.
- v. Service delivery needs to be improved to provide maximum benefits to general public.
- vi. Management needs to focus on reinforcing internal controls in order to avoid recurrence of similar irregularities every year.

---

<sup>6</sup> Para: 2.4.4 – 2.4.6, 3.4.14 – 3.4.16, 4.4.9 – 4.4.13, 5.4.4, 5.4.5, 6.4.10 – 6.4.14, 8.4.6, 8.4.7, 9.4.5, 10.4.24 – 10.4.27, 12.4.6, 14.4.3 – 14.4.7, 16.4.5 – 16.4.8, 17.4.4, 18.4.5 – 18.4.7, 19.4.4, 19.4.5, 20.4.4, 21.4.5 – 21.4.10, 22.4.3 – 22.4.7

# **CHAPTER 1**

## **PUBLIC FINANCIAL MANAGEMENT**

### **1.1 Introduction**

#### **Waste Management Companies**

Government of the Punjab established eight waste management companies in 2013-14 under Section 42 of erstwhile Companies Ordinance 1984 (now Companies Act 2017) in order to develop an integrated system of solid waste management. These companies are governed by Board of Directors (BoDs) appointed by the Government of the Punjab. Out of these eight (08) companies, four (04) lie within the audit jurisdiction of the Directorate General of Audit, Local Governments the Punjab (North), Lahore.

Major functions of these companies are given below:

- a.** Management of assets and solid waste operations.
- b.** Creating mass awareness regarding waste management.
- c.** Devising strategies for resource generation.
- d.** Recruitment and managing Human Resource.

#### **Punjab Cattle Market Management and Development Company**

Government of the Punjab established nine (09) divisional Cattle Market Management Companies (CMMCs) in Punjab. Subsequently, these companies were merged into one company i.e. Punjab Cattle Market Management and Development Company (PCMMDC) on 15<sup>th</sup> April 2021. PCMMDC was incorporated under Section 42 of the Companies Act 2017 with a vision to make cattle markets of Punjab the leading agri-business centers of Pakistan. The PCMMDC is providing services of veterinary camps and modern steel sheds along with requisite services and paraphernalia. The company also provides allied services such as water, electricity, toilets, security & parking services etc.

#### **Resource mobilization**

After more than ten years of establishment of waste management companies, they have not fully achieved self-sustainability and still depend on funding from the Provincial Government to meet their expenses. The table below indicates an increasing reliance on Provincial Government funds. Percentage of funds from the Provincial Government rose from 86% in FY 2021-22 to 93% in FY 2022-23. Conversely, the companies own-source receipts have decreased to the tune Rs 351.280 million in the FY 2022-23 as compared to FY 2021-22. In the current financial year, own-source receipts

comprise 7% of the total receipts, compared to 14% in FY 2021-22. Hence, management of waste management companies needs to focus on making them self-sustainable by generating revenue from own sources.

Punjab Cattle Market Management and Development Company has become self-sustainable. It not only covers its expenditures from its own revenue but also generates additional revenue.

Name of Company	Description	Rs. in million	
		2021-22	2022-23
GWMC	Funds from Provincial Government / PFC share	1,390.83	1,404.00
	Own Source Receipts	10.485	31.126
	<b>Total Receipts</b>	<b>1,401.31</b>	<b>1,435.13</b>
LWMC	Loan from Provincial Government / PFC share	5,857.85	11,079.34
	Own Source Receipts	764.407	611.265
	<b>Total Receipts</b>	<b>6,622.25</b>	<b>11,690.60</b>
RWMC*	Loan from Provincial Government / PFC share	2,197.74	2,399.80
	Own Source Receipts	647.926	503.763
	<b>Total Receipts</b>	<b>2,845.66</b>	<b>2,903.56</b>
SWMC	Loan from Provincial Government / PFC share	621.72	833.05
	Own Source Receipts	154.37	79.74
	<b>Total Receipts</b>	<b>776.09</b>	<b>912.79</b>
<b>Total of Waste Management Companies</b>	<b>Loan from Provincial Government / PFC share</b>	<b>10,068.13</b>	<b>15,716.19</b>
	<b>Own Source Receipts</b>	<b>1,577.18</b>	<b>1,225.90</b>
	<b>Total Receipts</b>	<b>11,645.31</b>	<b>16,942.09</b>
<b>Percentage</b>	<b>Loan from Provincial Government / PFC share</b>	<b>86</b>	<b>93</b>
	<b>Own Source Receipts</b>	<b>14</b>	<b>07</b>
PCMMDC	Loan from Provincial Government / PFC share	-	-
	Own Source Receipts	1,493.12	<b>1,850.223</b>
	<b>Total Receipts</b>	<b>1,493.12</b>	<b>1,850.223</b>

Comparison of expenditure incurred by the companies during FY 2021-22 and FY2022-23 is given in the following table. Total non-recurring (capital & non-capital) and recurring expenditure increased in FY2022-23.

Rs. in million			
Name of Company	Description	Financial Years	
		2021-22	2022-23
GWMC	Non-recurring Exp.	165.331	0.272
	Recurring Exp.	1,354.910	1,588.930
	<b>Total Expenditure</b>	<b>1,520.24</b>	<b>1589.204</b>
LWMC	Non-recurring Exp.	2,280.170	3,467.620
	Recurring Exp.	10,686.190	18,768.440
	<b>Total Expenditure</b>	<b>12,966.360</b>	<b>22,236.060</b>
RWMC*	Non-recurring Exp.	41.395	44.061
	Recurring Exp.	2,842.120	3,576.850
	<b>Total Expenditure</b>	<b>2,883.520</b>	<b>3,620.920</b>
SWMC	Non-recurring Exp.	8.230	14.970
	Recurring Exp.	682.780	983.720
	<b>Total Expenditure</b>	<b>691.010</b>	<b>998.690</b>
PCMMDC	Non-recurring Exp.	8.270	428.528
	Recurring Exp.	308.672	3.010
	<b>Total Expenditure</b>	<b>316.942</b>	<b>431.538</b>
<b>Grand Total</b>	<b>Non-recurring Exp.</b>	2,503.396	3,955.451
	<b>Recurring Exp.</b>	15,874.672	24,920.950
	<b>Total Expenditure</b>	<b>18,378.072</b>	<b>28,876.412</b>

### Balance sheet analysis

Balance sheets' analysis of the companies shows that the current ratio of RWMC, SWMC, and PCMMDC is more than sufficient to cover their short-term debts. In contrast, the short-term payables of GWMC and LWMC exceed their liquid assets. Additionally, current ratio pertaining to these waste management companies are on decreasing trend. It shows that liquid assets are decreasing against the increasing current liabilities.

Rs. in million			
Name of Company	Description	Financial Years	
		2021-22	2022-23
GWMC	Current Assets	328.875	188.94
	Current Liabilities	1,993.38	2,672.93
	<b>Current Ratio</b>	<b>0.16:1</b>	<b>0.07:1</b>
LWMC	Current Assets	3,474.34	4,399.55
	Current Liabilities	8,025.19	9,165.03
	<b>Current Ratio</b>	<b>0.43:1</b>	<b>0.47:1</b>
RWMC	Current Assets	3,221.90	2,101.82
	Current Liabilities	458.403	523.014
	<b>Current Ratio</b>	<b>7.02:1</b>	<b>4.02:1</b>
SWMC	Current Assets	523.34	534.77
	Current Liabilities	117.2	104.92
	<b>Current Ratio</b>	<b>4.47:1</b>	<b>5.09:1</b>

<b>Total of Waste Management Companies</b>	<b>Current Assets</b>	7,548.46	7,225.08
	<b>Current Liabilities</b>	10,594.17	12,465.89
	<b>Current Ratio</b>	<b>0.713:1</b>	<b>0.580:1</b>
PCMMDC	Current Assets	1,905.78	3,810.01
	Current Liabilities	171.607	655.999
	<b>Current Ratio</b>	<b>11.14:1</b>	<b>5.81:1</b>

The following table gives comparison of total assets and total liabilities of the companies. It shows that GWMC has weak financial position and not able to meet total liabilities as total assets of the companies are less than total liabilities. RWMC improve its financial position from 2021-22 and there is a decrease in liabilities in 2022-23 as compare to previous year.

<b>Rs. in million</b>			
<b>Name of Company</b>	<b>Description</b>	<b>Financial Years</b>	
		<b>2021-22</b>	<b>2022-23</b>
GWMC	Total Assets	1,027.40	811.082
	Total Liabilities	4,066.62	5,049.01
LWMC	Total Assets	4,966.01	6,414.68
	Total Liabilities	4,966.01	6,414.68
RWMC	Total Assets	3,469.68	2,334.07
	Total Liabilities	13,662.33	2,922.81
SWMC	Total Assets	864.94	766.19
	Total Liabilities	864.94	766.19
PCMMDC	Total Assets	2,223.93	3,858.04
	Total Liabilities	2,223.93	3,858.04
<b>Total</b>	<b>Total Assets</b>	<b>12,551.96</b>	<b>14,184.06</b>
	<b>Total Liabilities</b>	<b>25,783.82</b>	<b>19,010.73</b>

\*Note: The financial statements of companies for the FY 2021-22 & 2022-23 were not prepared therefore, figures provided by management are reflected in the above tables.

## CHAPTER 2

### Gujranwala Waste Management Company

#### 2.1 Introduction

a) Gujranwala Waste Management Company was established on 7<sup>th</sup> July 2013 under Section 42 of the Companies Ordinance 1984. The company is limited by guarantee having no share capital and is formed not-for-profit within the meaning of Section 42 of the Companies Ordinance 1984. Accordingly, Company is governed by a BoDs, headed by a chairman.

#### Audit Profile of GWMC

Rs in million					
Sr. No.	Description	Total No.of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	GWMC	1	1	1,589.205	0

#### b) Comments on budget and accounts (variance analysis)

As per the management accounts for the FY 2022-23 of GWMC, total budget (development and non-development) was Rs1,788.924 million. Against the budget, expenditure of Rs1,589.205 million was incurred resulting in savings of Rs199.719 million against the budget. The break-up of total budget and expenditure is given in the following table:

Rs in million						
Description	Original Budget	Supp. Grant	Final Budget	Exp.	Excess / (Saving)	%age
Salary	973.311	-	973.311	835.766	(137.545)	(14.13)
Non-Salary	815.340	-	815.340	753.167	(62.173)	(7.63)
Development	0.273	-	0.273	0.272	(0.001)	(0.37)
<b>Total</b>	<b>1,788.924</b>	<b>-</b>	<b>1,788.924</b>	<b>1,589.205</b>	<b>(199.719)</b>	<b>(11.16)</b>

#### c) Sectoral analysis

The target for collection and dumping of solid waste for the FY 2022-23 was 360,000 tons. However, management of GWMC was able to collect and dump 291,393 tons of waste indicating an achievement of 81% of the target.

#### 2.2 Classified summary of audit observations

Audit observations amounting to Rs 95.319 million were raised in this report during current audit of GWMC. This amount also includes recoveries of Rs 34.320 million as pointed out by the audit. Classification of audit observations is as under:

## Overview of Audit Observations

Rs in million

Sr. No.	Classification	Amount placed under audit observation
1	Non-production of record	-
2	Fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	
A	HR/Employees related irregularities	24.064
B	Procurement related irregularities	10.624
C	Management of accounts with commercial banks	
4	Value for money and service delivery issues	
5	Others	60.631
	<b>Total</b>	<b>95.319</b>

### 2.3 Brief comments on status of compliance with PAC directives

Audit Reports pertaining to following years have been submitted to Governor of the Punjab. However, PAC meeting to discuss Audit Reports is yet to be convened.

Sr. No.	Audit Years	No. of Paras	Status of PAC Meetings
1	2017-18	25	Not convened
2	2018-19	49	
3	2019-20	11	
4	2020-21	19	
5	2021-22	09	
6	2022-23	07	

## 2.4 AUDIT PARAS

### A) Human Resource / Employees related irregularities

#### 2.4.1 Unauthorized payment of salaries and wages for absence-period – Rs 22.359 million

According to Clause 7.1.6 of Human Resource Manual of GWMC, every employee shall be required to record his/her attendance on daily basis irrespective of the designation and department. The employees are required to record their Time-In and Time-Out. HR Department will monitor discrepancies, if any.

During audit of Gujranwala Waste Management Company (GWMC) for the FY 2022-23, it was observed that attendance of regular and daily-wages staff was maintained on IRIS (Image Recognition Integrated System). As per the IRIS report, absent was marked for both regular and daily wages employees but salaries and wages were paid to them without deduction of absent period. This resulted in unauthorized payment of Rs 22.359 million as detailed below:

Sr. No.	Category	No. of Employees involved	No. of Absents	Average Rate per Day	Amount (Rs in million)
1	Regular staff Sanitary workers	816	27,645	773	21.370
2	Regular staff supervisors	44	704	1244	0.876
3	Daily wages staff supervisors	39	177	965	0.113
<b>Total</b>					<b>22.359</b>

Audit held that unauthorized payment of salaries and daily wages was made to the staff due to weak internal & financial controls.

The matter was reported to the PAO in April 2024. The management replied that the attendance of staff was maintained in biometric and IRIS and leaves were not entered in system. Actual absence of staff would be calculated after verification of record. The management admitted the lapse but did not produce actual absentee report.

SDAC in its meeting held on 22<sup>nd</sup> May 2024 directed to refer the matter to BoDs for enquiry. No further progress was reported till finalization of this report.

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

[PDP No. 09]

## **2.4.2 Unauthorized payment of conveyance allowance to sanitary inspectors and supervisors – Rs 1.705 million**

According to Finance Department Letter No. FD.SRT.9-4/86(P) (PR) dated 21<sup>st</sup> April 2014, the officers availing the facility of government vehicles including bikes (sanction / pool) are not entitled to draw conveyance allowance.

During audit of Gujranwala Waste Management Company (GWMC) for the FY 2022-23, it was observed that seventy-seven (77) regular employees (sanitary inspectors and supervisors) were using official motorcycles and used POL for Rs 7.226 million. However, it was found that all officials were drawing conveyance allowance simultaneously.

Audit held that unauthorized payment of conveyance allowance was made to the sanitary inspectors and supervisors due to weak internal controls. This resulted in unauthorized payment of conveyance allowance to sanitary inspectors and supervisors worth Rs 1.705 million (**Annexure-GWMC-B**).

The matter was reported to the PAO in April 2024. The management replied that matter was discussed in 97<sup>th</sup> BoDs meeting and unanimously recommended to settle the para. The reply of the department was not acceptable as BoDs is not the forum to settle the audit para.

SDAC in its meeting held on 22<sup>nd</sup> May 2024 directed to recover the amount of conveyance allowance. No further progress was reported till finalization of this report.

Audit recommends recovery at the earliest.

**Note:** The issue was also reported earlier in the Audit Reports for Audit Years 2022-23 and 2021-22 vide para numbers 2.4.7 and 2.4.1.1.2 having financial impact of Rs 3.841 million and Rs 1.698 million respectively. Recurrence of same irregularity is a matter of serious concern.

[PDP No.12]

## **B) Procurement related irregularities**

### **2.4.3 Irregular expenditure without sanction of competent authority – Rs 10.624 million**

BoDs in its 90<sup>th</sup> meeting dated 03.03.2022, decided that the approval of Revenue Expenditure (Recurring) beyond Rs 10 million shall lie with the BoDs.

During audit of Gujranwala Waste Management Company (GWMC) for the FY 2022-23, it was observed that management made payment of Rs 10.624 million to M/s Khokhar Engineering & Co. on account of procurement of services of chain dozer for dumping site with the approval of CEO instead of BoDs. This resulted in irregular expenditure without sanction of competent authority amounting to Rs 10.624 million.

Audit held that irregular expenditure incurred due to non-compliance of rules.

The matter was reported to the PAO in April 2024. The management replied that procurement of services of chain dozer was made as per procurement rules. The reply was not acceptable being evasive and expenditure was not sanctioned by the competent forum.

SDAC in its meeting held on 22<sup>nd</sup> May 2024 directed to refer the matter to the competent forum i.e. BoDs. No further progress was reported till finalization of this report.

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

[PDP No. 02]

### **2.4.4 Excess payment on account of hiring of rental machinery on trip basis instead of MRS rate – Rs 2.185 million**

According to Market Rate System (MRS) of 1<sup>st</sup> biannual 2022 of Finance Department Lahore, hourly rate of dumper and excavator @ Rs 2,235 and Rs 2,855 respectively were approved.

During audit of Gujranwala Waste Management Company (GWMC) for the FY 2022-23, it was observed that contract of provision of machinery on rental basis for Eid-ul-Azha 2022-23 was awarded to M/s Rana Rashid Ali for Rs 3.173 million. Further record revealed that the management paid Rs 16,025 per trip for both dumper & excavator (Single Item) whereas the rates provided in Market Rate System on hourly basis for dumper and excavator amounting to Rs 2,235 per hour and Rs 2,855 per hour respectively. Due to change of basis

from hourly rate to per trip rate management paid an excess amount of Rs 2.185 million to the contractor as calculated below:

Description	Hours worked (3x12)	No. times machinery used	Total hours Worked	MRS rate per hour	Amount (Rs in million)
Dumper	36	11	396	2,235	0.885
Excavator	36	1	36	2,855	0.103
Total payment to be made (Hourly basis)					0.988
Total payment made by the management					3.173
<b>Excess payment</b>					<b>2.185</b>

Audit held that excess payment was made to the contractor due to financial mismanagement. This resulted in excess payment on account of hiring of rental machinery on trip basis instead of MRS rate to the tune of Rs 2.185 million.

The matter was reported to the PAO in April 2024. The management replied that machinery was hired as per Punjab Procurement Rules and keeping in view of effective utilization of vehicle on the event of Eid-ul-Azha. The reply was not acceptable as MRS rates of Finance Department were not followed.

SDAC in its meeting held on 22<sup>nd</sup> May 2024 did not accept the departmental reply and directed recovery of overpayment. No further progress was reported till finalization of this report.

Audit recommends recovery at the earliest.

[PDP No. 13]

## C) Others

### 2.4.5 Unjustified drawl of POL on trip basis instead of mileage of sanitation vehicles –Rs 30.430 million and excess drawl – Rs 2.932 million

According to Punjab Financial Rules Vol (II) clause 49 (ii) full particulars of journey and distances between two places should be correctly exhibited. (iv) average consumption of petrol, oil and lubricants should be worked out and recorded in the Log Books at the close of each month. (v) The Log Books should be maintained in the prescribed form.

During audit of Gujranwala Waste Management Company (GWMC) for the FY 2022-23, it was observed that distance from collection point to dumping site was treated as single trip and became the basis of maintenance of log books and issuance of POL. The trackers were installed in each vehicle to check the distance traveled in kilometers on daily basis. Upon comparison of log books with the trackers, it was found that excess POL was issued on trip basis instead of actual mileage. This resulted in unjustified drawl of POL of Rs 30.430 million.

II. Further observed that excess POL was drawn than the actual mileage and trips as per MIS report. The tracker report revealed that total mileage was 219,041 kms and instead of 66,828 liters POL 79,726 liters was drawn causing loss of government of Rs 2.932 million.

Audit held that unjustified drawl of POL was due to weak internal controls. Detail is at **Annexure-GWMC-C**.

The matter was reported to the PAO in April 2024. The management replied that POL was issued by using criteria of trip basis. The petrol/diesel was issued on trip basis for the purpose of dumping the solid waste at site as soon as possible. Further management replied that trackers were installed in each sanitation vehicle for monitoring & issuance of POL. If the drivers have over drawn the POL the same would be recovered after calculations as GWMC has already recovered an amount of Rs 2.363 million pointed out by Audit last year. The management admitted the lapse.

SDAC in its meeting held on 22<sup>nd</sup> May 2024 directed to probe the matter and to recover the excess drawl besides fixing of responsibility against the person (s) at fault. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No.01 & 06]

#### **2.4.6 Non-auction of unserviceable machinery – Rs 24.884 million**

According to Clause 6 (ii) of SAAMA agreement between MC Gujranwala and GWMC made on 29th January 2014, for the purpose of disposal of unserviceable or condemned machinery, equipment, tool, plants, vehicles and other moveable assets the GWMC shall act as agent of the CDGG and the proceeds of disposal of such moveable assets shall be adjusted by the CDGG in the moneys required to be transferred to the GWMC in terms of agreement.

During audit of Gujranwala Waste Management Company (GWMC) for the FY 2022-23, it was observed that management declared various machinery and store items obsolete / unserviceable in September 2021 of Rs 24.884 million. However, no further action was taken in this regard. This resulted in non-auction of unserviceable machinery of Rs 24.884 million (**Annexure-GWMC-D**).

Audit held that obsolete machinery was not auctioned due to weak internal controls.

The matter was reported to the PAO in April 2024. The management replied that the moveable property was handed over from MC Gujranwala to GWMC as per SAAMA. The management requested MC Gujranwala for the auction of the vehicles. The reply was not acceptable as per SAAMA, it was the responsibility of GWMC to auction the old machinery.

SDAC in its meeting held on 22<sup>nd</sup> May 2024 directed to initiate the auction process of old machinery as per SAAMA. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.11]

## CHAPTER 3

### Lahore Waste Management Company

#### 3.1 Introduction

a) Lahore Waste Management Company was established on 19<sup>th</sup> March 2010 under Section 42 of the Companies Ordinance 1984. The company is limited by guarantee having no share capital and is formed not-for-profit within the meaning of Section 42 of the Companies Ordinance. Accordingly, Company is governed by a BoDs, headed by a chairman.

#### b) Audit Profile of LWMC

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	LWMC	1	1	22,236.06	1,532.437

#### c) Comments on Budget and Accounts (Variance Analysis)

As per the management accounts of LWMC for the FY 2022-23, total budget (development and non-development) was Rs 20,315.89 million. Against the budget, expenditure of Rs 22,236.06 million was incurred resulting in excess expenditure of Rs 1,920.17 million on account of pay & allowances. Breakdown of the total budget and the actual expenditure is provided in the table below.:

Rs in million						
Description	Original Budget	Supp. Grant	Final Budget	Exp.	Excess / (Savings)	%age
Salary	6,932.95	-	6,932.95	8,853.12	1,920.17	14.35
Non-salary	13,382.94	-	13,382.94	13,382.94	--	-
Development	-	-	-	-	-	-
<b>Total</b>	<b>20,315.89</b>	<b>0</b>	<b>20,315.89</b>	<b>22,236.06</b>	<b>1,920.17</b>	<b>9.45</b>

#### c) Sectoral Analysis

Management of LWMC planned its budget for lifting of 2,168,100 tons of solid waste during FY 2022-23 and lifted 2,138,293 tons during the year achieving 98.85% of estimated tonnage.

#### 3.2 Classified Summary of audit observations

Audit observations amounting to Rs 5,690.686 million were raised because of this audit. This amount also includes recovery of Rs 1,999.900 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

		<b>Rs in million</b>
<b>Sr. No.</b>	<b>Classification</b>	<b>Amount placed under audit observation</b>
1	Non-production of record	0
2	Reported cases of fraud, embezzlement, and misappropriation	0
3	<b>Irregularities:</b>	
	HR/Employees related irregularities	5.893
	Procurement related irregularities	517.019
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	1,621.382
5	Others	3546.392
<b>Total</b>		<b>5,690.686</b>

### 3.3 Brief comments on status of compliance with PAC directives

Audit Reports pertaining to following years have been submitted to Governor of the Punjab. However, PAC meeting to discuss Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2012-13	05	Not convened
2	2016-17	95	
3	2017-18	57	
4	2019-20	23	
5	2020-21	39	
6	2021-22	43	
7	2022-23	24	

### **3.4 AUDIT PARAS**

#### **A) Human Resource / Employee related irregularities**

##### **3.4.1 Unauthorized payment of medical allowance – Rs 5.893 million**

According to Para 12 (III) of Appendix 07 of the Human Resource Manual of Lahore Waste Management Company (LWMC), employees are entitled to medical coverage through the LWMC medical insurance scheme. Moreover, as per Rule 2.2 of the HR manual, the overall responsibility for maintaining and updating the HR manual rests with the Board of Directors.

During the audit of LWMC for the FY 2022-23, scrutiny of the records revealed that the management disbursed Rs 5.893 million as medical allowance to 115 corporate employees @ of Rs 17,083 per month from April to June 2023 in violation of the HR Manual and without approval of the BoDs. Corporate employees were entitled to medical insurance only, therefore, this resulted in unauthorized payment of medical allowance of Rs 5.893 million.

Audit held that unauthorized payment of medical allowance was made due to weak financial controls.

The matter was reported to the PAO in April 2024. The management replied that after the expiry of the contract for medical insurance with the insurance company, LWMC changed its criterion for provision of medical facility to the employees. Instead of renewing the contract and incurring additional management costs, the management decided to provide a medical allowance to employees. Reply was not tenable because Managing Director was not authorized to amend HR manual.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed to recover the medical allowance amounting to Rs 5.893 million. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 44]

## **B) Procurement related irregularities**

### **3.4.2 Irregular hiring of pickups with fake registration numbers- Rs 71.225 million**

As per Para 3.3 of Procurement & Contract Manual of Lahore Waste Management Company, a person involved in the procurement process shall be personally liable, to make good the loss / damage incurred by LWMC, if he misrepresents, misconstrues and / or misunderstands his authority, and / or does not exercise sufficient and due care and discretion in the exercise of authority given to him.

During the audit of LWMC for FY 2022-23, it was observed that an expenditure of Rs 75.771 million was incurred on hiring of 3,516 pickups from two vendors during Eid-ul-Azha 2022. Scrutiny of record revealed that registration numbers of 84% of the vehicle were not verifiable from the Punjab Motor Transport Management Information System. Further probe revealed that the given registration numbers pertained to entirely different vehicle types, indicating the misrepresentation and fraudulent hiring of pickups with fake registration numbers. Additionally, discrepancies were noted regarding the absence of driver details, working hour records, evidence of bid security deduction, fitness certificates and justification for additional pickups despite LWMC's existing fleet. This resulted in irregular hiring of pickups on fake registration numbers for Rs 71.225 million.

Audit held that the irregular hiring of pickups was due to weak internal controls.

The matter was reported to the PAO in April 2024, and the management responded that the authenticity of contractor-owned vehicles was the contractors' responsibility. Reply was not tenable as misrepresentation of facts is strictly prohibited in the procurement process.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed for enquiry by the Administrative Department. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 5, 10]

### 3.4.3 Non-imposition of penalty for non-supply of fleet – Rs 11.851 million

According to special condition clause 27.1 of contract, the applicable rate for liquidated damages for delay shall be 0.5% of the contract price per week or part thereof. Clause 27.2 stated that the maximum number of liquidated damages shall be 10% of the contract price.

During audit of LWMC for the FY 2022-23 it was revealed that the management of LWMC issued work orders to M/s Collaborative for the fabrication of 80 superstructures of 7 cubic meter dumpers and 68 mechanical sweepers with delivery time of nine (09) months. Scrutiny of record revealed that the superstructures of 24 dumpers and 38 mechanical sweepers costing Rs 63.202 million and Rs 55.318 million respectively were not delivered till close of FY 2022-23 and management did not impose penalty of Rs 11.851 million as detailed below:

<b>Rs in million</b>									
Sr. No	Description	Contract price	Date of P.O	Time period for supply	Due date of supply	Qty ordered	Qty received in due dates	Qty not received till date of audit	Penalty 10% of of items not supplied
1	Mechanical sweeper	98.991	31-Jan-22	9 months	30 <sup>th</sup> Oct, 2022	68	30	38	5.531
2	Dumpers of 7 Cubicmeter	210.675	07-Apr-22	9 months	6 <sup>th</sup> Jan, 2023	80	56	24	6.320
<b>Total</b>		<b>309.666</b>							<b>11.851</b>

This resulted in non-imposition of penalty for non-supply of fleet amounting to Rs 11.851 million.

Audit held that penalty was not imposed on the defaulter contractors due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that payment of pending fleet / super structure has not yet been released. The penalty would be charged at the time of final payments. Reply was not tenable because advance payment was made to the contractor during FY 2020-21.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed to forfeit the performance guarantee and blacklist the contractors along with the probe by the Administrative Department. No further compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

#### **3.4.4 Doubtful procurement of Construction & Demolition waste – Rs 9.600 million**

As per the Board of Directors' (BoDs) directions in the 95<sup>th</sup>BOD meeting held on 19.06.2020, the cost of transportation of Construction & Demolition (C&D) waste was to be recovered from the builders, and LWMC was not responsible for bearing this cost.

During the audit of LWMC for FY 2022-23, it was observed that the management regularly collected C&D waste and stored it at Skindarya TCP. Despite the availability of C&D waste, the management procured 20,000 ton of C&D waste of Rs 9.600 million from M/S Max Force during Eid-ul-Azha 2022 for the Lakhodare landfill site. This resulted in a doubtful procurement of C&D waste amounting to Rs 9.60 million.

Audit held that the doubtful procurement of C&D waste was made due to weak internal controls.

The matter was reported to the PAO in April 2024. The management replied that complete record was available for audit verification. The reply was not tenable because the procurement of C&D waste was made by LWMC, despite availability of C&D waste.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed for probe into the matter by the Administrative Department. No further compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 3.4.24 having financial impact of Rs 12.767 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 12]

#### **3.4.5 Doubtful expenditure on account of repair of vehicles – Rs 2.462 million**

As per Para 3.3 of Procurement & Contract Manual of Lahore Waste Management Company, a person involved in the procurement process shall be personally liable, to make good the loss / damage incurred by LWMC, if he misrepresents, misconstrues and / or misunderstands his authority, and / or does not exercise sufficient and due care and discretion in the exercise of authority given to him.

During audit of LWMC for the FY 2022-23, it was observed that the management incurred an expenditure of Rs 2.462 million on account of repair

of operational vehicles. Scrutiny of record revealed that fitness certificates were issued before the necessary repairs were carried out. Spare parts for vehicles were purchased before the issuance of defects reports. This resulted in doubtful repair of vehicles of Rs 2.462 million.

Audit held that irregular repair of vehicles was made due to weak internal controls.

The matter was reported to the PAO in April 2024. The management replied that workshop repair was being done as per SOPs and all documents were complete in all aspects and approved by the competent authority. The reply was not tenable as management failed to substantiate its response with documentary evidence.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed a probe by DG (I&M). No further compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 42]

### **3.4.5 Non-imposition of penalty due to non-erection of fence– Rs 4.745 million**

According to Sr. No. 2 of Roles & Responsibilities described in the bidding document of secondary waste collection, it is the responsibility of the contractor that the temporary collection points (TCPs) shall be fenced properly. In case of failure, a penalty of Rs 1,000 per day per site will be charged.

During the audit of LWMC for the FY 2022-23, it was observed that fences were not erected outside the TCPs in violation of agreement. Audit noticed that the cost of installing the fences (temporary or permanent) was higher than the penalty imposed. It appears that the penalty was set at a significantly low rate to favor the contractors. Consequently, contractors found it more advantageous to pay the penalty rather than installing the fences. LWMC neither directed the contractors to erect the fences nor imposed the penalties. This resulted in non-imposition of penalty of Rs 4.745 million.

Audit held that penalty was not imposed on non-erection of fencing due to weak internal controls.

The matter was reported to the PAO in April 2024. The management replied that penalties had been imposed daily as per monitoring reports. TCPs are in open areas and far away from residential areas and there is no security system due to this reason theft of fencing Kanats incidents happen often. The

reply was not tenable as the TCPs found without a fence during physical visits and the penalty was imposed for a few days only.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed the revision of penalty rates to reflect the actual costs of non-compliance and instructed management to recover penalty as mentioned in audit para. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 3.4.16 having financial impact of Rs 3.268 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 25]

### **3.4.7 Excess payment due to non-establishment of transfer station in respective towns - Rs 366.667 million**

According to Para 1 of the Standard Operating Procedure for transfer stations in the bidding document for secondary waste collection, the contractor must establish a transfer station at a reasonable distance from residential areas, subject to client approval, with waste disposal limited to the approved area.

During the audit of LWMC for FY 2022-23, it was observed that Secondary waste contractors for Gulberg and Aziz Bhatti Towns failed to establish transfer stations within their respective towns, as required. As a result, LWMC had to transport waste to a distant site at Handoo in Wagha Town, located approximately 20 km from Gulberg and 11 km from Aziz Bhatti Town. This caused significant additional transportation costs of Rs 300.00 million, with 372,947 tons of waste shifted and an estimated 1.5 million extra liters of fuel consumed.

Furthermore, while the transfer station at Handoo - located in Wagha Town, was 5 km from the landfill, contractors for Gulberg and Aziz Bhatti Town were paid higher rates compared to Wagha Town, resulting in an excess payment of Rs 66.667 million as detailed below:

<b>Town</b>	<b>Contractor</b>	<b>No. of Vehicles</b>	<b>Estimated Waste (tons)</b>	<b>Rate per ton (Rs)</b>	<b>Rate Difference (from Wagha Town)</b>	<b>Excess Exp. (Rs in million)</b>
Aziz Bhatti	Waste Buster JV Ibrahim Impex	91	171,351	466	82	14.050
Gulberg	Nasir Jan & Co. JV National Clearing	135	201,596	645	261	52.616

	Service JV M. Maqsud					
Wagha	Webog Global	99	198,286	384	None	None
<b>Excess payment to the contractors of Aziz Bhatti Town and Gulberg Town in comparison with Wahga town</b>						<b>66.667</b>
<b>Additional transportation fuel cost of 372,947 tons waste (1.50 x Rs 200 per litre)</b>						<b>300.00</b>
<b>Total extra payment</b>						<b>366.667</b>

Audit held that Excess payment was made due to weak internal controls. The matter was reported to the PAO in April 2024. Management attributed the lack of establishment of transfer stations in the respective towns due to non-availability of space in dense residential and commercial areas. Reply was not tenable as the contractors had been operating transfer station in the towns for the last two years and it was the responsibility of the contractor to locate the TCP, otherwise compensate the extra cost to the LWMC.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed the management to recover the amount from the respective contractors. No compliance was reported till the finalization of this report.

Audit recommends recovery of excess payment to the contractors and excess fuel payment born by LWMC due to non-establishment of transfer stations within the towns.

[PDP No. 2]

### **3.4.8 Irregular extension of short consultancy – Rs 15.227 million**

According to Rule 2 (ab) of the Punjab Procurement Rules 2014, a "short consultancy" is a contract for an individual consultant that costs no more than Rs 2 million and lasts no longer than six months. Rules 44 ibid states that the procuring agency shall include the following steps in the process of selecting a consultant: preparation and approval of the terms of reference for the assignment; preparation of the cost estimate or budget for the assignment; public advertisement inviting consultants' expressions of interest and their short-listing; preparation and issuance of the request for proposal to the shortlisted consultants; preparation and submission of proposals by the consultants; evaluation of technical proposals; and opening and evaluation of financial proposals. According to clarification issued by PPRA in FAQs, the contract of an individual consultant, hired under Rule 46 of PPRA-14, cannot be extended.

During the audit of LWMC for FY 2022-23, it was found that consultancy contracts worth Rs 15.227 million were awarded. The consultants were initially hired for six months, but repeated extensions were granted in violation of PPRA Rules. Moreover, the consultancy requirements were not

advertised on PPRA or leading newspapers. This resulted in the irregular extension of contracts of short consultancies of Rs 15.227 million.

Audit is of the view that the short consultancies were irregularly extended due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that all short-term consultancy cases were approved by the CEO, LWMC, with roles and scope defined in the approved TORs. The reply was untenable as repeated hiring of the same consultants under short-term consultancy contradicted the Punjab Procurement Rules 2014.

SDAC in its meeting held on 23rd May 2024 concluded that the hiring process was irregular and involved misusing the short consultancy clause, raising transparency concerns, thus directing a probe into the matter. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 18]

### **3.4.9 Irregular advance payments - Rs 35.242 million**

According to Rule 12 (2) of PPR 2014 any procurement exceeding three million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu According to Rule 7.3.4.6 of the LWMC Accounting & Financial Reporting Manual states that for events that require cash payments such as freight charges, meal charges on trips, etc., departments shall submit requests for advances in writing on the Cash. When the need for the advance is complete, the department shall return the unused cash, to the Accounts and Finance Department. All receipts shall be verified on advances being cleared. Any questionable receipts shall be referred to the Manager Accounts.

During the audit of LWMC for FY 2022-23, it was revealed that a lumpsum amount of Rs 14.865 million was handed over to the zonal officer for the purchase of lunch boxes for the filed staff during Eid-ul-Azha 2023 without advertisement in violation of Rule 12 (2) of PPR 2014. Scrutiny further revealed that advances amounting to Rs 10.299 million to various officers and staff members were also disbursed for miscellaneous activities besides petty cash advance payment of Rs 10.078 million by violating Accounting & Financial Reporting Manual of LWMC. The management failed to provide adjustment accounts, details of purchases made, stock entries of the items purchased, approval of the competent authority, payment evidence of

government taxes & to the vender/suppliers, and unspent balance if any was not on record. This resulted in irregular advance payment of Rs 35.242 million.

Audit held that the irregular advance payment was made due to weak financial administration.

The matter was reported to the PAO in April 2024. Management replied that the operations department requested the payment to zonal officers to provide lunch to sanitary workers during Eid-ul-Azha to facilitate peak working hours and avoid time wastage. The reply was not tenable as the advance payment was made without the approval of the board and to split expenditure in violation of PPRA rules.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed a thorough probe by the Administrative Department to investigate the lack of approvals and ensure proper adjustment of advance payments in compliance with PPRA. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 31, 33 & 34]

## **C) Value for money and Service Delivery Issues**

### **3.4.10 Non-recovery against services rendered -Rs 1,532.437 million**

As per Para 3.3 of Procurement & Contract Manual of Lahore Waste Management Company, a person involved in the procurement process shall be personally liable, to make good the loss / damage incurred by LWMC, if he misrepresents, misconstrues and / or misunderstands his authority, and / or does not exercise sufficient and due care and discretion in the exercise of authority given to him.

During audit of LWMC for the FY 2022-23 it was observed that the management made contracts for cleaning services to various departments. However, the contract of service charges of Rs 1,532.437 million reflecting the value of the services rendered were not duly recovered. Rather than elevating the issue to the BoDs for a comprehensive resolution at a higher level, the management opted for issuing letters. This resulted in non-recovery against services rendered of Rs 1,532.437 million.

Audit held that non-recovery against the services rendered was due to weak financial and administrative control.

The matter was reported to the PAO in April 2024. Management stated that LWMC's Enforcement Wing had already sent reminders to contractors regarding their outstanding dues. Additionally, some recoveries from contractors were acknowledged. Reply was untenable as concerted efforts were not made to realize the amount.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed the management to personally visit organizations with outstanding dues and escalate the issue to higher authorities for prompt recovery under intimation to audit on monthly basis. No compliance was made till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 4]

### **3.4.11 Non-recovery of funds from land acquisition collector - Rs 58.959 million**

According to Rule 5(7)(h) of Public Sector Companies (Corporate Governance) 2013 amended till 2017 stated that the Board shall formulate significant policies of the Public Sector Company, for acquisition or disposal of fixed assets and investments.

During the audit of LWMC for the FY 2022-23, it was observed that the management paid Rs 58.959 million (Rs 4.716 million via cheque No. 166281 dated 24.05.2014 and Rs 54.243 million via cheque No. 81072715 dated 06.09.2013) to Land Acquisition Collector (LAC) to acquire land for the construction of three transfer stations in Mouza Niaz Baig, Lahore. Subsequently, LAC vide notification No. SR/3599, dated 26.08.2014, allocated 248 Kanals and 16 Marlas of land to LWMC. However, the Lahore High Court suspended the notifications on 09.12.2014. Despite this, the management did not file a review petition or recover the funds from the LAC, leading to a non-recovery of Rs 58.959 million.

Audit held that funds were not recovered due to weak internal controls and poor financial discipline.

The matter was reported to the PAO in April 2024. Management responded that they were aware of the issue, and the case was under a court stay. Reply was not tenable as the court had decided the case against LWMC.

The SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed LWMC to actively pursue the recovery of funds and report back to Audit. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 27]

### **3.4.12 Excess deduction of Income Tax on profit – Rs 6.417 million**

According to Section 151 (1) (b) of the Income Tax Ordinance (ITO) 2001, where a banking company or financial institution pays any profit on a debt, being an account or deposit maintained with the company or institution, the payer of the profit shall deduct tax at the rate specified in Division IA of Part III of the First Schedule from the gross amount of the yield or profit paid as reduced by the amount of Zakat, if any, paid by the recipient under the Zakat and Ushr Ordinance, 1980 (XVII of 1980), at the time the profit is paid to the

recipient. And as per Division IA of Part III of the First Schedule the rate of tax to be deducted under section 151 shall be 15% of the yield or profit.

During the audit of LWMC for FY 2022-23, it was observed that the management earned a profit of Rs 42.77 million. However, NBP classified LWMC as a non-filer and withheld income tax @ 30%, resulting in a tax deduction of Rs 12.832 million. As LWMC was a filer, the correct deduction needs to be 15%. This resulted in an excess deduction of tax of Rs 6.417 million as detailed below:

<b>Rs in million</b>				
<b>Financial Year</b>	<b>Profit amount</b>	<b>Tax deducted @ 30%</b>	<b>Tax to be deducted @ 15%</b>	<b>Excess deduction of tax</b>
2022-23	16.635	4.991	2.495	2.496
2022-23	26.135	7.841	3.920	3.921
<b>Total</b>	<b>42.77</b>	<b>12.832</b>	<b>6.415</b>	<b>6.417</b>

Audit held that excess tax was withheld due to due to weak financial controls.

The matter was reported to the PAO in April 2024. In response, the management stated that LWMC is a filer, and the correct withholding tax rate on profit should have been 15%. They claimed that the excess tax deduction was unintentional and occurred due to a system bug in FBR's online taxpayer status. However, this reply was not accepted as the management failed to provide evidence proving that the excess deduction was caused by a system error.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed the management to get the matter settled by resorting to FBR authorities as early as possible. No compliance was reported till the finalization of this report.

Audit recommends refund of withholding tax besides fixing of responsibility against the Chief Financial Officer of the company.

[PDP No. 43]

### **3.4.13 Imposition of penalty by Multan Bus Service -Rs 23.569 million**

As per Clause 4.12 of the contract agreement between LWMC and Multan Bus Service (MBS), on the breach of any defined services the client shall impose penalty based on key performance indicators to be agreed upon at the time of agreement.

During the audit of LWMC for the FY 2022-23, it was observed that LWMC had entered into a contract with MBS for janitorial and housekeeping services on February 4, 2013. Examination of the company's ledger revealed

that the client MBS had imposed a substantial penalty of Rs 23.569 million on LWMC due to non-supply of janitorial items. LWMC did not provide details of the personnel involved in the non-supply of janitorial items and actions taken against those responsible for causing the loss. This significant penalty highlights the importance of adhering to contractual obligations to avoid financial impact and highlights the need for supply chain management and compliance monitoring within the organization.

Audit held that penalty was imposed by MBS Multan due to weak internal controls of the staff deputed at MBS.

The matter was reported to the PAO in April 2024. Management responded that LWMC was monitoring the situation regularly and was working hard to improve the procurement process and ensure timely delivery of supplies. The reply was not tenable as the penalty was imposed due to mismanagement by LWMC.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed for internal enquiry to fix responsibility for the failure to timely procure the required supplies, leading to financial losses. No compliance was made till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 32]

## D) Others

### 3.4.14 Un-reconciled payment - Rs 3,467.616 million

According to the minutes of meeting held on August 23, 2022 at the Prime Minister's Office, Board of Investment, Islamabad, conveyed vide No. 8(506)/Legal/801 dated 23.08.2022, it was decided that the payment to international contractors shall be made after reconciliation.

During audit of the LWMC for the FY 2022-23, it was revealed that a lump sum payment of Rs 3,467.616 million was made to international contractors (M/S Ozpak and M/S Al-Barak) but the record of reconciliation was not produced to audit for verification. Additionally, advance payments of Rs 462.443 million to M/S Ozpak and Rs 102.173 million to M/S Al-Barak were made without obtaining prior approval of BoDs. Furthermore, government taxes (Income Tax and PST) amounting to Rs 901.580 million were withheld and not deposited into the government treasury. This resulted in irregular payments of Rs 3,467.616 million as detailed below:

Sr. No.	Contractor	Date	Rs in million	
			Govt. Taxes 10% IT and 16% PST	Amount
1.	M/S Ozpak/Turkish Co.	24.08.2022	52.000	200.00
2.	-do-	30.08.2022	68.235	262.443
3.	M/S Albarak	30.08.2022	26.565	102.173
4.	M/S Ozpak/Turkish Co.	04.01.2023	754.780	2,903.00
<b>Total</b>			<b>901.58</b>	<b>3,467.616</b>

Audit held that un-reconciled payment was made to the international contractors due to weak financial controls.

The matter was reported to the PAO in April 2024. The management replied that partial payments to international contractors from February 2019 to December 2020 were made. After contract completion, the work was verified, and payments were processed based on certified work and fund availability. Reconciliations with international contractors were conducted. The Board of Investment, Prime Minister's Office, reviewed the claims and counter claims between M/s Oz Pak and LWMC, finalizing an amount of Rs 2,903 million. The Board of LWMC negotiated and finalized the claim at Rs 2,903 million for payment. Regarding government taxes, an inquiry is ongoing, and taxes from one payment have been withheld pending its conclusion. Reply was not tenable as no reconciliation report was provided.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 expressed serious concern over the partial payment of taxes before completing the inquiry and the disbursement of funds to international contractors without proper

reconciliation. SDAC directed the management to provide a reconciliation report. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 1]

### **3.4.15 Loss in the operation of compost plant-Rs 78.776 million**

According to Rule 4 (3) of the Public Sector Companies (Corporate Governance) Rules 2013 amended up to 2017 stated that the responsibilities of chief executive include making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations.

During the audit of LWMC for FY 2022-23, it was observed that in 2006, CDGL, in partnership with Lahore Compost (Private) Limited, attempted to run a compost plant installed by Saif Group Company. Control of this plant was transferred to LWMC in 2011 when CDGL made an agreement with them. Despite focusing on profitability and waste cost reduction, the management of LWMC failed to achieve these goals. During the 41st Board of Directors meeting on May 14, 2016, it was decided to terminate the agreement between M/s LCL and CDGL. Following this, a Technical Committee meeting on June 24, 2016, recommended a technical audit of the plant's machinery. In the 113th Board meeting on March 12, 2021, LWMC was directed to outsource the facility to generate revenue. LWMC's dependence on government loans, combined with the compost's failure to meet standards and generate sales, exacerbated financial challenges. An analysis of the last two financial years shows a loss of Rs 78.776 million.

Audit held that the loss at compost plant was due to weak financial controls.

The matter was reported to the PAO in April 2024. Management replied that LWMC management has already presented the case for outsourcing of compost plant in the Technical Committee of BoDs. The matter will be proceeded further when it is decided by the Technical Committee BoDs. Reply was not tenable as management admitted the lapse.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 directed the management to explore alternative revenue-generating options for the land currently occupied by the compost plant. No compliance was reported till the finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 3.4.22 having financial impact of Rs 60.842 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 24]

### **3.4.16 Non-registration of vehicles**

According to Section 23(1) of Provincial Motor Vehicles Ordinance 1965, a person shall not drive a motor vehicle and the owner shall not cause a vehicle to be driven unless the vehicle is registered and the license number plates are displayed on the motor vehicle in the prescribed manner.

During audit of LWMC for the FY 2022-23, it was observed that 1522 new vehicles were purchased but 933 vehicles were not registered with the Excise & Taxation Department Government of the Punjab. This non-registration led to the unauthorized operation of vehicles, in addition to causing a loss of revenue to the government due to the absence of registration for these vehicles. Furthermore, the identification of these unregistered vehicles, their fuel usage, and expenditure on repair work could not be verified, raising concerns about accountability and transparency in the management of resources.

Audit held that non-registration of vehicle with E&T Department was due to weak internal control no penalty was imposed.

The matter was reported to the PAO in April 2024. Management replied that progress had been made in registering some vehicles. Reply was not tenable as no registration was made.

SDAC in its meeting held on 23<sup>rd</sup> May 2024 emphasizes the urgency of completing the registration process for all vehicles to ensure compliance with legal requirements and accountability in resource management. Therefore, SDAC directed LWMC to expedite the registration process within two months while otherwise penalties shall be imposed on the concerned vendor/officer. Hence para kept pending

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No. 18]

## CHAPTER 4

### Rawalpindi Waste Management Company

#### 4.1 Introduction

a) Rawalpindi Waste Management Company was established on 7<sup>th</sup> July 2013 under Section 42 of the Companies Ordinance 1984. The company is limited by guarantee having no share capital and is formed not-for-profit within the meaning of Section 42 of the Companies Ordinance. Accordingly, Company is governed by a BoDs, headed by a chairman.

#### Audit profile of RWMC

Rs. in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	RWMC	1	1	3,620.915	201.505

#### b) Comments on budget and accounts (variance analysis)

As per appropriation accounts for the FY 2022-23 of RWMC, total budget (development and non-development) was Rs 3,622.616 million. Against the budget, expenditure of Rs 3,620.915 million was incurred resulting in savings of Rs 1.701 million against the budget. The break-up of total budget and expenditure is given in the following table:

Rs. in million						
Description	Original Budget	Supp. Grant	Final Budget	Exp.	Excess / (Savings)	%age
Salary	1,077.727	-	1,077.727	1,077.687	(0.04)	0
Non-salary	2,500.778	-	2,500.778	2,499.167	(1.611)	(0.06)
Development	44.111	-	44.111	44.061	(0.05)	(0.11)
<b>Total</b>	<b>3,622.616</b>		<b>3,622.616</b>	<b>3,620.915</b>	<b>(1.701)</b>	<b>(0.05)</b>

#### c) Sectoral analysis

The targeted collection and dumping of solid waste for the FY2022-23 was 273,750 tons. However, management of RWMC was able to collect and dump 258,622 tons of waste indicating achievement of 94% of target.

#### 4.2 Classified summary of audit observations

Audit observations amounting to Rs 266.257 million were raised in this report during current audit of RWMC. This amount also includes recoveries of Rs 90.654 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of Audit Observations

Sr. No.	Classification	Rs in million Amount placed under audit observation
1	Non-production of record	-
2	Fraud, embezzlement, and misappropriation	-
<b>3</b>	<b>Irregularities:</b>	
A	HR/Employees related irregularities	3.279
B	Procurement related irregularities	169.227
4	Value for money and service delivery issues	0
5	Others	93.751
<b>Total</b>		<b>266.257</b>

#### 4.3 Brief comments on status of compliance with PAC directives

Audit Reports pertaining to following years have been submitted to Governor of the Punjab. However, PAC meeting to discuss Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	57	Not convened
2	2018-19	21	
3	2019-20	46	
4	2020-21	21	
5	2021-22	13	
6	2022-23	12	

## **4.4 AUDIT PARAS**

### **A) Human Resource/ Employees related irregularities**

#### **4.4.1 Overpayment due to unauthorized increase in house rent & utilities– Rs 3.279 million**

According to Clause 4 of Annual & Performance Increment Policy for Management Staff of RWMC approved by BoDs in its 51<sup>st</sup> meeting held on 29.11.2022, the maximum cap for the increase in annual salary will be 10%. Annual increment will be calculated based on basic salary as of 30<sup>th</sup> June of last financial year. Further, according to Clause 5, “the performance increment will be approved by the MD/CEO of RWMC. The rate of performance increment will be calculated based on basic salary as of 30<sup>th</sup> June of last financial year and will be allowed only once a year. The performance increment will be 6%, 5% & 4% for overall rating excellent, very good & good respectively.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that management increased basic pay, house rent & utilities @ 15% & 16% instead of only basic pay w.e.f. 01.07.2022, in violation of revised HR policy for annual & performance increment. This resulted in overpayment of Rs 3.279 million during 01.07.2022 to 29.02.2024 as detailed at **Annexure-RWP-B**.

Audit held that increase on pay was granted more than the approved policy due to financial mismanagement.

The matter was reported to the PAO in April, 2024. The management replied that basic salary was increased by 15% & 16% as per approved increment and as per clause 5.1.1 of HR manual salary shall comprise of basic salary 65%, house rent 25%, utilities 10%, therefore, the house rent & utilities were recalculated on the basis of revised basic pay as only basic pay revision will disturb the percentage defined in HR manual. Reply was not acceptable as annual increase was admissible on basic pay as per amendment made in clause 5.1.3 of HR manual approved by BoDs.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed CEO to present the matter to BoDs within two months otherwise recovery will be made. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC’s decision at the earliest.

[PDP No.348]

## **B) Procurement Related Irregularities**

### **4.4.2 Irregular hiring of staff from third party–Rs 75.873 million**

According to Clause 4.1 of HR Manual of RWMC, the recruitment and selection of staff is conducted in a manner that is systematic, efficient and effective, and promotes equality of opportunity. The hallmark of this policy will be to strictly follow the merit in order to attract and recruit high caliber staff. Further, according to Clause 4.1.1 (a), Every department head within RWMC shall prepare their annual recruitment plan identifying staffing needs of their respective departments and submit the same to the GM (HR&A). These will be prepared, as HR plan, annually by the GM (HR&A) in line with the annual business plan of RWMC.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that annual recruitment plan was not prepared in violation of HR Manual. Management advertised the tender for hiring of skilled & unskilled labor services but office & executive staff was also hired through third party instead of appointment procedure detailed in approved human resource manual. Following observations were noticed:

- i.** No academic / professional qualification, experience and age criteria were prescribed to the third party to fill up these posts.
- ii.** Only one category of Sr. Executive General was requisitioned as per bidding documents but three more categories i.e. Category B, C & D were later added at higher rates without approval of BoDs and any justification.
- iii.** Number of posts was increased without approval of BoDs.
- iv.** Equality of opportunity was discouraged.

This resulted in irregular hiring of staff from third party and payment of Rs 75.873 million as detailed at **Annexure-RWP-C**.

Audit held that appointments made from third party instead of appointment as per approved procedure as per HR manual and in excess of approved numbers without approval of BoDs were due to weak managerial control.

The matter was reported to the PAO in April, 2024. The management replied that HR manual does not apply on employees hired under third party contract, number of positions & categories were added as per approval of procurement committee through variation of 15% margin available in Punjab Procurement Rules and selection was made by head of department after submitting of CVs of atleast three candidates by contractor. Reply was not acceptable as executive & office staff was hired from third party in violation of HR manual, candidates were appointed in various categories which were not

advertised and candidates were selected without any specific criteria as no CVs were provided during verification.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed to recruit the staff against these posts through open hiring by incorporating / updating HR Manual within 3 months. No further progress was reported till finalization of this report.

Audit recommends recruitment of staff through open hiring besides regularization.

[PDP No.368]

#### 4.4.3 Irregular expenditure on account of purchase of compactors – Rs 38.602 million

According to Clause 3.1 of Procurement Manual of RWMC, the approval limits for procurement of works, good and services [Capital Expenditure (Non - Recurring)] are GM/CFO up to Rs 1 million, MD Rs. 1 million to Rs. 20 million, Procurement Committee Rs. 20 million to Rs. 50 million and BoDs above Rs 50 million. BoDs in its 36<sup>th</sup> meeting held on 10.08.2020 approved procurement committee comprising representative of LG & CD (Chairman), MD RWMC (Member) and Mr. Zahid Farooq (Member).

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that Rs 38.602 million were approved by MD for purchase & fabrication of compactor from M/s Hino Twin City instead of procurement committee in violation of procurement manual of RWMC. This resulted in irregular expenditure as detailed below:

Sr. No	Cheque No & Date	Particular	Qty	Rate	Amount (Rs in million)	Remarks
01	8804693600 dated 27.02.2023	Hino FG8JKLB (4X2) truck chassis with seven tyres and standard tool kit	01	14.095	27.595	
02		Hino Dutro XZU720 (4X2) truck chassis with seven tyres and standard tool kit	02	6.750		
03	8804693610 dated 28.02.2023	Fabrication of 14 cubic meter garbage compactor on Hino truck	01	8.466	11.007	50% payment made

Sr. No	Cheque No & Date	Particular	Qty	Rate	Amount (Rs in million)	Remarks
		chassis				
04		Fabrication of 7-8 cubic meter garbage compactor on Hino Dutro truck chassis	02	6.774		
<b>Total</b>					<b>38.602</b>	

Audit held that approval was granted by MD instead of procurement committee due to weak managerial controls.

The matter was reported to the PAO in April, 2024. The management replied that said machinery was purchased under the rule 59 sub rule c(iii) “where a change of supplier may result in acquisition of material having different technical specifications or characteristics that may cause incompatibility or disproportionate technical difficulties in operation and maintenance”. Reply was not acceptable as the same was not related to observation raised by audit and MD/CEO was not competent to accord approval for capital expenditure beyond Rs 20 million.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for regularization in the manner prescribed from Procurement Committee approved by BoDs within two months. No further progress was reported till finalization of this report.

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

[PDP No.354]

#### **4.4.4 Loss to government due to less deduction of income tax – Rs 28.642 million**

According to Section 153 (1) of 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 (a) for the sale of goods (b) for the rendering of or providing of services (c) on the execution of a contract, including contract signed by a sports person but not including a contract for the sale of goods or the rendering of or providing services, shall, at the time of making the payment, deduct tax from the gross amount payable (including sales tax, if any) at the rate of 8% of the gross amount payable in case of a company as specified in Serial No.2 (ii) of Division III of Part III of the First Schedule.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that an amount of Rs 495.304 million was paid to M/s Al-Noor Builders for fleet maintenance services and Rs 264.860 million were paid to six different vendors for hiring of rental machinery by deducting 3% income tax instead of 8% & 10% in violation of Income Tax Ordinance. This resulted in loss to government due to less deduction of income tax of Rs 28.642 million as detailed below:

<b>Rs in million</b>						
<b>Sr. No.</b>	<b>Services Provided</b>	<b>No. of Invoices</b>	<b>Gross Amount</b>	<b>Tax Recoverable</b>	<b>Tax Deducted</b>	<b>Tax Less Deducted</b>
1	Fleet Maintenance Service	11	228.443	18.275	6.853	11.422
2	Hiring of Rental Machinery	82	264.860	25.166	7.946	17.220
<b>Total</b>		<b>93</b>	<b>493.303</b>	<b>43.441</b>	<b>14.799</b>	<b>28.642</b>

Audit held that income tax was less deducted due to financial mismanagement.

The matter was reported to the PAO in April, 2024. The management replied that contractor provided engineering & transportation/freight services which are taxable @ 3%. Reply was not acceptable as contractor provided fleet maintenance services & hiring of rental machinery but not the engineering services or transportation of goods.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed RWMC to submit the revised reply with evidence after consultation with tax advisor within 14 days. No further progress was reported till finalization of this report.

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

[PDP No.346 & 356]

#### **4.4.5 Irregular increase in wage rates without approval of procurement committee – Rs 15.029 million**

According to Clause 3.1 of Procurement Manual of RWMC, the approval limits for procurement of works, goods and services [Revenue Expenditure (Recurring)] are GM/CFO upto Rs 0.5 million, MD Rs. 0.5 million to Rs. 5 million, Procurement Committee Rs. 5 million to Rs. 20 million and BoDs above Rs. 20 million. Further, as per serial No.17 of special terms & conditions of the contract service, the firm shall pay to the workers' wages at wage rates notified by Government of the Punjab or as defined by the client.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that contract for hiring of labor services was signed with M/s Skill Hub on 01.12.2021 for a period of two years. Scrutiny of record revealed that MD RWMC increased wage rates of eight categories w.e.f. 01.07.2022 beyond the approved wage rates notified by Government of the Punjab without the approval of procurement committee in violation of procurement manual. It was further noticed that six categories for which no minimum wage rates were notified by the Government was also increased by MD RWMC w.e.f. 01.07.2022 without the approval of procurement committee.

This resulted in irregular increase in wage rates without approval of procurement committee of Rs 15.029 million as detailed at **Annexure-RWP-D**

Audit held that the wage rates were increased without approval of procurement committee due to weak financial controls.

The matter was reported to the PAO in April, 2024. The management replied that increase in salary of employees does not fall under new procurement of goods and services because as per contract where rates were not notified by Government the rates were to be defined by client. MD increased 15% salary considering the increment notification issued by Government of Punjab. Reply was not acceptable as MD/CEO was not competent to increase wage rates of third-party daily wagers, who could not be regarded as company employees.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for regularization in the manner prescribed from Procurement Committee of BoDs within two months. No further progress was reported till finalization of this report.

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

[PDP No.350]

#### **4.4.6 Loss due to non-award of contract for selling of waste – Rs 7.560 million**

According to Rule 4(3) of Public Sector Companies (Corporate Governance) Rules, 2013, “The chief executive is responsible for the management of the Public Sector Company and for its procedures in financial and other matters, subject to the oversight and directions of the Board, in accordance with the Act and these rules. His responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly

safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations.”

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that contract for selling of waste was advertised on PPRA and financial bids were opened on 07.11.2022. Three contractors participated in bidding and highest bid of Rs 10,500 per ton (minimum 120 tons per month) was submitted by M/s Muhammad Tayyab, which was also higher than previous contract of Rs 8,888 per ton. Instead of accepting the competitive rates, purchase committee cancelled the tender for selling of waste without assigning any reason at all and recommended for re-auction for selling of waste. However, no such re-auction was conducted till 30.06.2023. Moreover, the previous contract was expired on 31-12-2022 and no waste was sold for six months. This resulted in loss of Rs 7.560 million (Minimum 120 Ton x Rs 10,500 x 06 months) due to non-award of contract to highest bidder.

Audit held that loss was sustained by non-awarding contract to highest bidder due to weak managerial controls.

The matter was reported to the PAO in April, 2024. The management replied that previous vendor took stay order from court to stop the tendering process; therefore, the said tender was not awarded. Reply was not acceptable as financial bids were opened on 07.11.2022 and previous vendor sought stay order on 30.12.2022 by submitting application on 28.12.2022 after a lapse of almost two months.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed to probe the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC’s decision at the earliest.

[PDP No.355]

#### **4.4.7 Less imposition of penalty– Rs 2.372 million**

According to Clause 12.1 penalties of bidding documents for fleet maintenance & repair services of RWMC vehicles, below mentioned penalties shall be imposed on contractor upon finding any discrepancies and having them recorded with a minute. The amount of penalty to be imposed during one month shall not, in any case, exceeds 20% of the monthly progress payment: (i) deficiency in keeping the number of vehicles according to the quantity specified in technical specification or as mentioned in work order, a penalty in the amount of 5% of contract service rate of the same vehicle category per day of delay shall be applied (iv) a vehicle is not repaired for 4 days for minor

repair and 10 days for major repair, a penalty of Rs 2,000 and Rs 3,000 per vehicle per day will be applied after lapse of the above mentioned days.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that contract for fleet maintenance & repair services of RWMC vehicles was awarded to joint venture of M/s Al Noor Builders Pvt. Limited, M/s Khan & Brothers, and M/s Khan & Co. The contractor failed to maintain the minimum number of functional vehicles but penalty of Rs 1.074 million was less imposed in violation of contract agreement. Moreover, various vehicles were detained in workshop for more than 10 and 4 days for major and minor repairs, respectively but penalty of Rs 1.298 million was less charged. This resulted in less imposition of penalty of Rs 2.372 million as detailed at **Annexure-RWP-E**.

Audit held that penalty was less imposed due to weak managerial controls.

The matter was reported to the PAO in April, 2024. The management replied that water bowser was operational, replacement vehicle was provided by contractor and warning letters containing grace time were issued to contractor before imposing penalty. In cases, where contractors failed to work within extended time, penalty was imposed. Reply was not acceptable as water bowser was in workshop as per penalty calculation sheet and no tracking data of replacement vehicle was available for the period February to April 2023. During verification of record, it was noticed that date & dispatch numbers of warning letters were tampered with and details of vehicles were not mentioned in dispatch register. Similarly, no penalty was found charged for vehicles that remained detained at the workshop beyond permissible time.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for reverification of record within seven (07) days. No further progress was reported till finalization of this report.

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

[PDP No.363]

#### **4.4.8 Irregular expenditure on account of repair of bulldozer– Rs 1.149 million**

According to Rule 9(1) of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 12 (1) of *ibid*, a procuring agency shall advertise procurement of more than two

hundred thousand rupees and up to the limit of three million rupees on the website of the Authority.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that Rs 1.149 million was incurred on repair of Komatsu Bulldozer No.01 from M/s Media Link Enterprises by splitting the indent without calling tender. This resulted in irregular expenditure as detailed below:

<b>Rs in million</b>			
<b>Requisition No</b>	<b>Requisition Date</b>	<b>Description</b>	<b>Amount</b>
121/12194	26.01.2023	Diesel lines complete with pipe, tea filter assembly & head seal set	0.197
121/12195	26.01.2023	Crawling pump motor complete r/c kabil	0.200
122/12214	27.01.2023	Hydraulic Jack pipe with tee complete & Other radiator work	0.190
122/12215	27.01.2023	Steering lever assembly	0.199
122/12240	31.01.2023	Engine Fan Belt and misc.	0.165
122/12241	31.01.2023	Iron Blade cutting new plate for main blade misc.	0.198
<b>Total</b>			<b>1.149</b>

Audit held that expenditure was incurred in violation of rules due to weak managerial controls.

The matter was reported to the PAO in April, 2024. The management replied that no splitting of the indent was done, as above mentioned each component was different part of the machine. Maintenance of this machinery was conducted with utmost priority, without any delays, contingent upon the specific nature of its operational tasks. Reply was not acceptable as splitting was evident from the requisition dates, moreover, the repair work was done from the contractor having principal activity of construction of buildings (civil work) who was not authorized to repair a machinery.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for regularization from Finance Department. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.366]

## **D) Others**

### **4.4.9 Non realization of receipts – Rs 41.530 million**

According to Clause 7.2.2.2 of Accounting and Financial Reporting Manual of RWMC, a diligent effort shall be made to collect all outstanding accounts in general, invoices shall be collected as expeditiously as possible, but the cost of collection shall not be allowed to exceed the expected revenue.

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that Rs 86.915 million were outstanding as receivables till 28.02.2024 from various private housing societies/ authorities / contractor of selling of waste against services provided up to 30.06.2023. This resulted in non-realization of Rs 86.915 million despite lapse of considerable time as detailed at **Annexure-RWP-F**.

Audit held that receipts were not realized due to financial mismanagement.

The matter was reported to the PAO in April, 2024. The management replied that Rs 45.385 million were recovered from societies /contractors. Reply was not acceptable as Rs 41.530 million are still recoverable.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for recovery of remaining dues. No further progress was reported till finalization of this report.

Audit recommends recovery of Rs 41.530 million besides implementation of SDAC's decision at the earliest.

[PDP No.371]

### **4.4.10 Unauthorized expenditure on POL – Rs 32.814 million**

According to Rule 4(3) of Public Sector Companies (Corporate Governance) Rules, 2013, “The chief executive is responsible for the management of the Public Sector Company and for its procedures in financial and other matters, subject to the oversight and directions of the Board, in accordance with the Act and these rules. His responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations.”

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that fuel against 66 vehicles (Car / bikes) worth Rs 29.169 million was drawn through PSO fleet cards. The vehicles were assigned to various officers/officials, without any approved yardstick regarding engine capacity, ceiling of POL, etc. Logbooks of these vehicles

were also not maintained except eight vehicles which were also unsigned, written in same day in same ink. Furthermore, no average consumption certificate was obtained. It was also observed that management had allowed 25 fleet cards for drawl of POL worth Rs 3.645 million against private vehicles. This resulted in un-authorized expenditure on POL of Rs 32.814 million as detailed below:

<b>Rs in million</b>			
<b>Sr. No</b>	<b>Vehicle/Bike Provided To</b>	<b>No. of Vehicle/Bike</b>	<b>Amount</b>
1	Officers/officials (For utilization in RWMC provided vehicles)	66	29.169
2	Officers/officials (For utilization in private vehicles)	25	3.645
	<b>Total</b>	<b>91</b>	<b>32.814</b>

Audit held that vehicles and POL was utilized in absence of any approved yardstick due to weak managerial control.

The matter was reported to the PAO in April, 2024. The management replied that due to shortage of official vehicles, the staff uses their private vehicles for the company operations and fuel cards were provided as a reimbursement of the fuel expenditure. Moreover, up-gradation of HR manual of the company is in process in which the use of official vehicles by the company officers and management will be clearly defined. The lapse was admitted by the department.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for probe in the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.360 & 361]

#### **4.4.11 Wasteful expenditure on rental machinery– Rs 8.479 million**

According to Rule 4 (3) of Public Sector Companies (Corporate Governance) Rules, 2013, "The chief executive is responsible for the management of the Public Sector Company and for its procedures in financial and other matters, subject to the oversight and directions of the Board, in accordance with the Act and these rules. His responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations."

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that contract for repair & maintenance of hydraulic press machine for RWMC transfer station was awarded to M/s Sheikh Enterprises for Rs 11.3544 million on 08.02.2023 with a completion period of 60 days (contract execution is within 15 days after signing of contract). The contractor was bound to complete the repair till 23.04.2023 but the hydraulic press became functional on 07.06.2023 i.e. after a lapse of 44 days. Scrutiny of rental machinery record revealed that due to late repair of machinery RWMC sustained extra cost of Rs 8.479 million during 01.05.2023 to 08.06.2023 as rental machinery was used instead of own haulers. This resulted in wasteful expenditure as detailed at **Annexure-RWP-G**.

Audit held that owing to late repair of machinery RWMC incurred extra cost for disposal of waste through rental machinery due to weak managerial controls.

The matter was reported to the PAO in April, 2024. The management replied that repair of hydraulic press was delayed due to electricity issue in Laiqat bagh as the transformer was not working and replacement of transformer was delayed by the IESCO. Furthermore, the supply of lubricant was late and the machine could not be operated by the contractor upon which the contractor had requested the time extension and the extension was granted accordingly. Reply was not acceptable as contractor intimated RWMC several times for provision of lubricants and rectification of electricity fault within time period given but management failed to provide the oil timely and no correspondence was on record with IESCO for timely replacement of transformer due to which the work for repair of hydraulic delayed, resulting in wasteful expenditure.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for probe in the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No. 367]

#### **4.4.12 Non-recovery of cost of vehicles from unauthorized user – Rs 7.248 million**

According to Rule 4(3) of Public Sector Companies (Corporate Governance) Rules, 2013, “The chief executive is responsible for the management of the Public Sector Company and for its procedures in financial and other matters, subject to the oversight and directions of the Board, in accordance with the Act and these rules. His responsibilities include

implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations.”

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that 03 monitoring vehicles of RWMC were un-officially taken up by the office of Deputy Commissioner Rawalpindi since 2014. No justification whatsoever was available on the record as to why these vehicles were handed over to the DC office. Further, no formal handing over/taking over of these vehicles was available on record. Hence, these vehicles have been under the use of the office of the Deputy Commissioner unauthorized and in contravention of the above criteria. Moreover, during FY 2022-23 POL of Rs 533,138 against one of these vehicles i.e. RIJ-14-50 was withdrawn through fleet card without any authority. The depreciation cost of Rs 6.715 million of these vehicles for the period 2015-2023 under which these vehicles remained under use of the Office of the Deputy Commissioner Rawalpindi must be charged to that office in addition to recovery of cost of POL of Rs 0.533 million as per the following details:

<b>Rs in million</b>				
<b>Description</b>	<b>Toyota Vigo Hilux (LE-15-1588)</b>	<b>Honda Civic (LEH-14-4362)</b>	<b>Toyota Corolla (RIJ-14-50)</b>	<b>Total</b>
Original Book Value	3.692	2.447	1.732	7.871
Depreciation @ 10%	0.369	0.244	0.173	0.787
No. of Years Depreciation Charged	8	9	9	
<b>Accumulated Depreciation</b>	<b>2.953</b>	<b>2.202</b>	<b>1.558</b>	<b>6.715</b>
POL Charges	0	0	0.533	0.533
<b>Total Recoverable Amount</b>	<b>2.953</b>	<b>2.202</b>	<b>2.091</b>	<b>7.248</b>

Audit held that vehicles were handed over unauthorizedly to office of Deputy Commissioner Rawalpindi and POL was also issued against these vehicles unauthorizedly due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that letters have been written to DC office for return of vehicles. Reply was not acceptable as no letter was issued to DC office for return of vehicle and recovery of cost of vehicles after issuance of current year observations.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for compliance. No further progress was reported till finalization of this report.

Audit recommends withdrawal of vehicles from DC office as well as recovery of relevant costs besides fixing of responsibility against person(s) at fault.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para number 4.4.9 having financial impact of Rs 7.872 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 358]

#### **4.4.13 Wasteful expenditure on rental machinery – Rs 3.680 million**

According to Rule 4 (3) of Public Sector Companies (Corporate Governance) Rules, 2013, “The chief executive is responsible for the management of the Public Sector Company and for its procedures in financial and other matters, subject to the oversight and directions of the Board, in accordance with the Act and these rules. His responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations.”

During audit of Rawalpindi Waste Management Company (RWMC) for the FY 2022-23, it was observed that an amount of Rs 3.680 million was paid to M/s Nisar Jan & Co on account of rental machinery for performing waste collection during 07/2022 to 09/2022 without any need as RWMC own machinery was functional during the period. This resulted in wasteful expenditure as detailed below:

			Rs in million
Cheque No. & Date	Month	Machinery	Amount
8804693616 dt.28.02.2023	July	02 Compactors	0.347
		02 Arm Roll	0.543
	August	02 Compactors	0.679
		02 Arm Roll	0.705
8804720450 dt.22.06.2023	September	02 Compactors	0.701
		02 Arm Roll	0.705
<b>Total</b>			<b>3.680</b>

Audit held that expenditure was incurred without any justification due to weak managerial controls.

The matter was reported to the PAO in April, 2024. The management replied that machinery used for operations was purchased in 2014 and the same has fully depreciated. To fulfill the requirement of operations, the said machinery was hired. Reply of the management regarding use of rental machinery for 03 months was not acceptable as the same/depreciated

machinery was used to perform function in latest 09 months of FY 2022-23 and was still in use.

SDAC in its meeting held on 29<sup>th</sup> May 2024 directed for reverification of record within seven (07) days. No further progress was reported till finalization of this report.

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

[PDP No. 372]

## CHAPTER 5

### Sialkot Waste Management Company

#### 5.1 Introduction

a) Sialkot Waste Management Company was established on 12<sup>th</sup> July 2013 under Section 42 of the Companies Ordinance 1984. The company is limited by guarantee having no share capital and is formed not-for-profit within the meaning of Section 42 of the Companies Ordinance. Accordingly, company is governed by a BoDs, headed by a chairman.

#### Audit profile of SWMC

Rs. in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	SWMC	01	01	998.69	0

#### b) Comments on budget and accounts (variance analysis)

As per appropriation accounts for the FY2022-23 of SWMC, total budget (development and non-development) was Rs 1,470.89 million. Against the budget, expenditure of Rs 998.69 million was incurred resulting in saving of Rs 472.20 million against the budget. The break-up of total budget and expenditure is given in the following table:

Rs. in million						
Description	Original Budget	Supp. Grant	Final Budget	Exp.	Excess (+) / Saving (-)	%age
Salary	161.29	-	161.29	117.70	-43.59	27.03%
Non-Salary	1309.60		1309.60	880.99	-428.61	32.73%
Development	-	-	-	-	-	
<b>Total</b>	<b>1,470.89</b>		<b>1,470.89</b>	<b>998.69</b>	<b>-472.20</b>	<b>32.10%</b>

#### c) Sectoral analysis

The targeted collection and dumping of solid waste for the FY2022-23 was 175,200 tons, however, management of SWMC was able to collect and dump 167,900 tons of waste indicating achievement of 96%.

#### 5.2 Classified summary of audit observations

Audit observations amounting to Rs 48.969 million were raised in this report during current audit of SWMC. This amount also includes recoveries of Rs 24.465 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

### Overview of audit observations

Rs. in million

Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	-
2	Fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	
A	HR/Employees related irregularities	-
B	Procurement related irregularities	8.627
C	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	5.088
5	Others	35.254
<b>Total</b>		<b>48.969</b>

### 5.3 Brief comments on status of compliance with PAC directives

Audit Reports pertaining to following years have been submitted to Governor of the Punjab. However, PAC meeting to discuss Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2017-18	75	Not convened
2	2018-19	34	
3	2019-20	06	
4	2020-21	42	
5	2021-22	11	
6	2022-23	05	

## **5.4 AUDIT PARAS**

### **A) Procurement related irregularities**

#### **5.4.1 Irregular award of contract for procurement of lubricants – Rs 7.571 million**

According to clause 35 of bidding documents for purchase of lubricants, the technical evaluation of the bidder shall be assessed on the basis of following documents and minimum qualification marks are 65 out of 100 as mentioned below;

- i.** Copy of Registration with income tax and sales tax department (Marks 15),
- ii.** Credit facility from the bank of Rs 6,000,000 or bank statement from Oct-2021 till Nov-2022 showing running or closing balance of Rs 6,000,000 (Marks 25),
- iii.** Showing bidder's status as operative and active tax payer in income tax and sales tax department (Marks 15),
- iv.** Dealership for lubricants / Company Agent (Marks 30),
- v.** Same kind of work order completed previously (Marks 15).

During audit of Sialkot Waste Management Company (SWMC) for the FY 2022-23, it was observed that the management of SWMC awarded work order to M/s Abdullah Tractor House on account of supply of lubricant for diesel vehicles amounting to Rs 7.571 million on 10.01.2023. The firm had neither dealership of any lubricant company nor had any past experience for supply of lubricant. The firm scored 55 marks but the purchase committee declared technically responsive to the firm by giving 15 marks for experience without any documentary evidence. This showed that technical evaluation of the bid was not carried out properly, avoiding healthy competition and compromising quality of procured goods. This resulted in irregular award of contract for procurement of lubricant amounting to Rs 7.571 million.

Audit held that contract for procurement of lubricants was awarded to non-responsive bidder in violation of technical evaluation criteria due to weak internal controls.

The matter was reported to the PAO in April, 2024. Management replied that M/S Abdullah Tractor House did possess relevant experience but process was carried out as per Punjab Procurement Rules. Reply was not acceptable as the contractor had neither dealership of any lubricant company nor relevant experience in the filed.

SDAC in its meeting held on 28<sup>th</sup> May 2024 directed to probe the matter at administrative level. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.07]

#### **5.4.2 Loss due to purchase of loader rikshaws at higher rates – Rs 1.056 million**

According to agenda item No. 04 of 74<sup>th</sup> meeting of BoDs dated 09.04.2022, the house unanimously decided to approve to procure 13 numbers of Auto Rikshaws / Quingqui Loader from prequalified manufacturer through direct contract to fulfill legal codal formalities under Punjab Procurement Rules 2014.

During audit of Sialkot Waste Management Company (SWMC) for the FY 2022-23, it was observed that BoDs approved procurement of thirteen loader rikshaws in its 74<sup>th</sup> meeting dated 09.04.2022. However, the department purchased only five loader rikshaws instead of thirteen from M/s United Auto Industries on 10.07.2022 for Rs 1.490 million @ Rs 298,000 per rickshaw. After 10 months the management purchased the remaining 08 rickshaws on 10.05.2023 from the same vendor for Rs 3.440 million @ Rs 430,000 per rickshaw, which accounts for an increase of 44%. This resulted in loss of Rs.1.056 million (Rs 430,000 – Rs 298,000 = Rs 132,000 x 08).

Audit held that delay in proposed procurement resulted in procurement at higher rates due to financial mismanagement.

The matter was reported to the PAO in April, 2024. Management replied that SWMC only purchased 5 Loader Rickshaws from M/s United Auto Industries through direct contracting on 10<sup>th</sup> July 2022, at Rs 298,000 per unit, based on the requirement at that time. Subsequently, 8 additional Loader Rickshaws were procured from the same vendor through direct contracting at a market rate of Rs. 430,000 per unit on 10<sup>th</sup> May 2023. Reply was not acceptable as actual requirement was of 13 loader rickshaws as approved by the BoDs. The delay in procurement caused loss to exchequer.

SDAC in its meeting held on 28<sup>th</sup> May 2024 directed to probe the matter at administrative level. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.06]

## **B) Value for money and service delivery issues**

### **5.4.3 Loss due to hiring of rental machinery without need assessment – Rs 5.088 million**

According to Rule 4(3) of Public Sector Companies (Corporate Governance) Rules, 2013, “the chief executive is responsible for the management of the Public Sector Company and for its procedures in financial and other matters, subject to the oversight and directions of the Board, in accordance with the Act and these rules. His responsibilities include implementation of strategies and policies approved by the Board, making appropriate arrangements to ensure that funds and resources are properly safeguarded and are used economically, efficiently and effectively and in accordance with all statutory obligations.”

During audit of Sialkot Waste Management Company (SWMC) for the FY 2022-23, it was observed that six (06) tractor buckets were hired on rental basis @ Rs 7,450 per day during 2022-23. Trackers were installed in these operational vehicles to verify the actual distance travelled by the vehicles. SWMC has nine tractor buckets which were used under capacity as evident from tracking report. Further, rental vehicles were either not used at all or used for shorter periods of time. This resulted in loss to exchequer due to hiring of rental machinery without need assessment as detailed below:

<b>Description</b>	<b>Number of Days</b>	<b>Rent per Day</b>	<b>Amount (Rs in million)</b>
No. of Days with no working	545	7,450	4.060
No. of Days with working Less than 1 Hour	56	7,450	0.417
No. of Days with working Less than 2 Hour	22	7,450	0.164
No. of Days with working Less than 3 Hour	23	7,450	0.171
No. of Days with working Less than 4 Hour	37	7,450	0.276
<b>Total</b>	<b>683</b>		<b>5.088</b>

Audit held that hiring of rental machinery without need assessment resulted in loss to exchequer due to poor managerial controls.

The matter was reported to the PAO in April, 2024. Management replied that machinery was used at utmost capacity and no payment was made for Sundays. Reply was not acceptable being ambiguous.

SDAC in its meeting held on 28<sup>th</sup> May 2024 directed to probe the matter at administrative level. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC’s decision at the earliest.

[PDP No.10]

## C) Others

### 5.4.4 Less collection of revenue from residents of UC Muhammad Pura – Rs 18.321 million

According to agenda item 09 of 79<sup>th</sup> meeting of BoDs of SWMC held on 21<sup>st</sup> December 2022, “The house approved to establish a recovery unit in SWMC to collect the levy charges from the community of Muhammad Pura Union Council, Sialkot.”

During audit of Sialkot Waste Management Company (SWMC) for the FY 2022-23, it was observed that after approval from BoDs the management started receipt collection from UC Muhammad Pura for provision of door-to-door waste collection services. Total amount of due receipt was Rs 19.589 million (Rs 2,176,500 x 09 months) for the period March 2023 to November 2023. However, amount of Rs 1.268 million was recovered and remaining Rs 18.321 million is still recoverable. Detail of monthly charges is as under:

Sr. No.	Category	No. of Units	Charges / Month (Rs)	Amount / Month (Rs)
1	Residential	upto 5Marla	300	371,700
2		5-10 Marla	350	210,700
3		10 Marla & above	400	117,600
4	Commercial	Up to 2 Marla	1,000	698,000
5		2-5 Marla	1,500	580,500
6		5 Marla & above	75	150,000
7	Industrial	24	2,000	48,000
<b>Grant total</b>				<b>2,176,500</b>

Audit held that less collection of revenue was made due to financial mismanagement.

The matter was reported to the PAO in April, 2024. Management replied that revenue collection model was started after the approval of BoDs of SWMC in its 75<sup>th</sup> meeting. The project was initially successful, with citizens cooperating by paying sanitation fees. However, citizens required billing system connected through banks. SWMC began the process of opening a separate bank account for fee deposits, but due to the absence of a board, the approval for this account was delayed, resulting in lower revenue collection than the target set. Reply was not acceptable being irrelevant.

SDAC in its meeting held on 28<sup>th</sup> May 2024 directed for recovery. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC’s decision at the earliest.

[PDP No.02]

#### **5.4.5 Loss due to excess usage of POL – Rs 16.933 million**

According to Clause 48(1)(i) and 49 of Appendix-14, Miscellaneous Rulings relating to Contingent Charges of PFR Vol-II, the accounts of petrol, oil, lubricant and spare parts should be maintained separately for each vehicle. Full particulars of the journeys and distances between two places should be correctly exhibited. The purpose of journey indicating the brief particulars of the journey performed should be recorded.

During audit of Sialkot Waste Management Company (SWMC) for the FY 2022-23, it was observed that diesel was issued to different operational vehicles on trip basis. Trackers were installed in all operational vehicles to verify the actual distance travelled by these vehicles. There was huge difference in MIS tracking report and actual trips as per dump site record. Further, by comparing usage of diesel with average mileage certificate, it was revealed that diesel for Rs 16.933 million was issued more than the distance traveled.

Audit held that loss sustained by usage of excess POL was due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that SWMC issued fuel as per requirements of operations and workshop department which is being monitored through tracking reports. Reply was not acceptable as there is huge difference between number of trips as per dump site and tracking data.

SDAC in its meeting held on 28<sup>th</sup> May 2024 directed to probe the matter at administrative level. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para number 5.4.8 having financial impact of Rs 7.543 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No.11]

## CHAPTER 6

### Punjab Cattle Market Management & Development Company

#### 6.1 Introduction

a) Punjab Cattle Market Management & Development Company (PCMMDC) was established after merging nine division-level Cattle Market Management & Development Companies on 15<sup>th</sup> April 2021. PCMMDC is a Punjab-level company incorporated under Section 42 of the Companies Act, 2017 with a vision to make cattle markets of Punjab the leading agri-business centers of Pakistan. PCMMDC is governed by BoDs, headed by a chairman.

#### Audit profile of PCMMDC

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	PCMMDC	1	1	431.538	1,850.223

#### b) Comments on budget and accounts (variance analysis)

As per management accounts for the FY 2022-23 final budget (development and non-development) of PCMMDC was Rs 559.88 million. Against the budget, expenditure of Rs 431.54 million was incurred resulting in a savings of Rs 128.34 million. The break-up of total budget and expenditure is given in the following table:

Rs. in million						
Description	Original Budget	Supp. Grant	Final Budget	Exp.	Excess / (Savings)	%age
Salary	221.511	-	221.511	186.587	(34.924)	(15.7)
Non-Salary	333.656	-	333.656	241.941	(91.715)	(27.4)
Development	4.713	-	4.713	3.010	(1.703)	(36.1)
<b>Total</b>	<b>559.881</b>		<b>559.881</b>	<b>431.538</b>	<b>(128.342)</b>	<b>(22.9)</b>

#### c) Sectoral analysis

PCMMDC budgeted receipt of Rs 1961.512 million for the FY2022-23, however management collected Rs 1850.223 million indicating achievement of 94%.

#### 6.2 Classified summary of audit observations

Audit observations amounting to Rs 1,630.928 million were raised in this report during this audit. This amount also includes recovery of Rs 1,618.815 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

Rs in million

Sr. No.	Classification	Amount placed under audit observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	0
	HR/Employees related irregularities	9.711
	Procurement related irregularities	0
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	1,298.055
5	Others	323.162
<b>Total</b>		<b>1,630.928</b>

### 6.3 Brief comments on status of compliance with PAC directives

Audit Reports pertaining to following years have been submitted to Governor of the Punjab. However, PAC meeting to discuss Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2022-23	13	Not Convened

## **6.4 AUDIT PARAS**

### **A) Human Resource / Employee related irregularities**

#### **6.4.1 Unauthorized payment on account of gratuity – Rs 7.068 million**

According to Section 8.2 (A) of the HR Manual of PCMMDC, gratuity is a “lump sum” amount of money payable to a permanent employee upon leaving service.

During the audit of PCMMDC for the FY 2022-23, scrutiny of record revealed that Rs 7.068 million was paid as gratuity to the staff of the D.G. Khan division whereas the same officers/officials were inducted from the divisional cattle market DG Khan to Punjab cattle markets management and development company after its amalgamations. This resulted in an unauthorized payment of Rs 7.068 million as detailed at **Annexure-PCMMDC-B**.

Audit held that gratuity was paid due to weak internal controls and defective financial management.

The matter was reported to the PAO in April 2024. Management replied that an amount of Rs 3.411 million has been recovered till April, 2024. The department admitted the lapse and stated that the remaining amount would be recovered.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed the management for early recovery.

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

[PDP No.16]

#### **6.4.2 Overpayment on account of In-admissible allowances – Rs 1.608 million**

According to Finance Department Govt. of the Punjab, notification No.FD.PR.12-7/2018 dated 27.04.2021. Executive Allowance @ 1.5 times of the monthly basic pay is admissible to all officers posted by S&GAD against duly notified cadre strength in the light of notification issued from time to time the detail of the posts is as under. According to Finance Department, Government of Punjab, letter No. FD.SR-II/9-131/2020 dated 05.10.2022, regular government servants appointed to non-cadre posts in various projects and administrative units are entitled to an incentive allowance in addition to their salary, as recommended by the selection board. Further, according to agenda item No.02 of 4<sup>th</sup> BoDs meeting held on 13.08.21, the board consider

and approved meeting fee of Rs 30,000 (Net) after the deduction of all applicable taxes for each meeting of BoDs for non-executive directors. According to S&GAD (Estate office) Lahore allotment policy Clause 36 (b) all government servants occupying residences will be bound to get house rent deducted from their salaries, as payable according to the rules.

During the audit of PCMMDC Lahore for the FY 2022-23, it was observed that Rs 1.270 million was paid to officers as

- executive allowance,
- special allowance, and
- house rent allowance while residing in government residences, which were not admissible to them.

Furthermore, it was noted that a total of Rs 0.338 million was paid as remuneration to individuals not authorized as board members for attending meetings. The Chief Executive Officer, holding an executive position, was not eligible for this remuneration. Further, the nominees of divisional commissioners were also paid board meeting fee. Details at **Annexure-PCMMDC-C**.

This resulted in overpayment of inadmissible allowances and meeting fees of Rs 1.608 million.

Audit held that overpayment was made due to weak internal controls.

The matter was reported to the PAO in April 2024. Management responded that the CEO was eligible for executive and incentive allowances as per Notifications dated September 21, 2023, and October 5, 2022. Additionally, the board approved a meeting fee of Rs 30,000 during the 4<sup>th</sup> BoDs meeting on August 13, 2021. Clause 32 of the Articles of Association allows members to appoint proxies under Section 137 of the Companies Act, 2017. The reply was not tenable because the approving authority for the allowances was the "Selection Board," not the BoDs of PCMMDC. Furthermore, Section 137 of the Companies Act, 2017 applies to Annual General Meetings, not board meetings, so commissioners' nominees were not entitled to attend board meetings.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed that the matter of the executive and special allowances be referred to the Finance Department for clarification. Additionally, the SDAC ordered the recovery of Rs 63,936 due to an overpayment of House Rent Allowance while residing in government accommodation. Regarding the appointment of proxies, under section 137 of the Companies Act, 2017, which pertains to general meetings, the management

was directed to refer the matter to SECP for clarification on quorum. No compliance was reported till the finalization of this report.

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

[PDP No.01]

### **6.4.3 Overpayment on account of TA/DA and POL – Rs 1.035 million**

According to Clause 5.2.5 of the HR Manual of PCMMDC, daily allowances are applicable for overnight stays during official visits outside the station. Clause 5.2.2 outlines allowable travel allowances, covering actual travel expenses such as travel costs or mileage if using a personal vehicle, room rent, and other relevant taxes. Further, Section 5.3 stipulates a monthly usage limit of 350 liters of fuel for Chief Operating Officers (COOs).

During the audit of PCMMDC, Lahore for the FY 2022-23, it was observed that COO Gujranwala Division visited Lahore 29 times but claimed daily allowance and overnight stay in excess of their admissibility. Moreover, the approved tour programs by the competent authority in respect of the COO Gujranwala Division were not available. Further, the COO of Gujranwala Division consumed 362 liters of POL during the FY over and above permissible limit of Rs 98,776. This resulted in an overpayment of TA/DA and POL of Rs 1.035 million, as detailed in **Annexure-PCMMDC-D**.

Audit held that overpayments were made due to weak internal controls and defective financial management.

The matter was reported to the PAO in April 2024. Management replied that all visits authorization forms were available for verification and HR manual was ambiguous regarding POL limit of COO because of designation of COO was not mentioned in HR manual. The reply was not tenable because the tour programs of the COO were not approved by the competent authority i.e CEO.

SDAC in its meeting held on 17<sup>th</sup> May, 2024 directed to recover the overpayments of TA/DA and POL. No compliance was reported till the finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.13]

## **B) Value for Money and Service Delivery Issues**

### **6.4.4 Non-levy of fee on extra days of Eid-ul-Azha-Rs 839.274 million**

According to Clause 6 of the bidding documents for levy of parking fee and animal entry fee, the operational days against each cattle market were specified i.e. 52 weeks during the year for which bids were required.

During the audit of PCMMDC, Lahore for the FY 2022-23, it was observed that as per the bidding documents, the cattle markets were allowed to operate only on designated days. However, the management permitted additional operational days without collecting revenue from the contractors. Eid-ul-Azha was celebrated twice in one FY 2022-23. This resulted in the loss of Rs 839.274 million due to the non-imposition of parking fees and animal entry fees on the extra days of Eid-ul-Azha, as detailed in **Annexure-PCMMDC-E**.

Audit held that non-recovery for extra Eid days was not made due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that they are not charging extra amounts during Eid. Reply was not tenable as PCMMDC allowed a rebate of Rs 184.682 million to contractors. Moreover, extra operational days were permitted for two Eid-ul-Adha celebrations within one FY.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed the management to justify loss calculations with animal footfall data and ordered an investigation into undue rebates and non-collection of revenue for dual occurrence of Eid-ul-Azha in one financial year. No compliance was reported till the finalization of this report.

Audit recommends a thorough investigation into the matter to fix responsibility against the person(s) at fault.

[PDP No.03]

### **6.4.5 Non-recovery of arrears - Rs 234.621 million**

According to Rule 7(l) of Public Sector Companies Corporate Governance Rules 2013, the BoDs shall establish appropriate arrangements to ensure proper arrangement for recovery of material amounts of loans, advances, and deposits made by the Public Sector Company.

During the audit of PCMMDC for the FY 2022-23, it was observed that the management failed to recover Rs 235.755 million from various contractors, despite significant lapse of time. The administration did not initiate any measures to retrieve the outstanding amount from the contractors. Moreover, no disciplinary

action was taken against the officials responsible for this negligence. This resulted in non-recovery of arrears from the contractors amounting to Rs 235.755 million as detailed at **Annexure-PCMMDC-F**.

<b>Sr. No.</b>	<b>Description</b>	<b>Amount (Rs in million)</b>
01	Animal Levey & Parking Fee	212.933
02	Fine Income	1.255
03	Fooder with & without Tokka	14.658
04	Hotels	1.504
05	Misc. Stalls	0.501
06	Ornaments Shops	0.406
07	Rice Stalls	0.349
08	Tori/Parali	4.149
<b>Total</b>		<b>235.755</b>

Audit held that arrears from the defaulters were not recovered due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that an amount of Rs 1.134 million has been recovered and an amount of Rs 7.412 million was approved as rebate by the BoDs. The department admitted the lapse. Reply was not accepted as no recovery was made.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed to expedite the recovery. No compliance was reported till the finalization of this report.

Audit recommends recovery of remaining amount of Rs 234.621 million besides fixing of responsibility against the person(s) at fault.

[PDP No.10]

#### **6.4.6 Irregular grant of rebate on cattle markets – Rs 203.517 million**

As per Clause 27 of the Contract Agreements, contractors were not entitled to any kind of rebate due to business loss, economic conditions, natural calamities, pandemic, force majeure etc. According to Para 46 of the Articles of Association of PCMMDC, no business shall be transacted at any BoDs meeting unless a quorum of members of BoDs representing not less than thirty-three percent (33%) of the total members of director or five (05) directors whichever is higher, with at least presence of two independent directors, shall constitute a quorum for a meeting of a board of directors.

During the audit of PCMMDC for FY 2022-23, it was observed that the management in the 10<sup>th</sup> and 11<sup>th</sup> BoDs meetings, granted rebate of Rs 203.517 million to the contractors due to Lumpy Skin Disease and flood in DG Khan Division caused animal footfall in the cattle markets. Audit observed that the decision of the BoDs was irregular as the quorum was not complete.

Further, Audit requisitioned the documentary evidence for reduction of cattle footfall but the same was not provided. This resulted in irregular grant of rebate on cattle markets of Rs 203.517 million as detailed at **Annexure-PCMMDC-G**.

The matter was reported to the PAO in April 2024. In response, management referred to Clause 32 of the PCMMDC's Articles of Association, stating that members could appoint proxies for board meetings under Section 137 of the Companies Act, 2017. Reply was not tenable because the quorum for the board meeting that approved the rebate was incomplete. Additionally, Section 137 of the Companies Act, 2017, pertains to general meetings of shareholders, not board meetings. Even if the response was accepted, the conditions outlined in Section 137(2) of the Act for appointing proxies were not met.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed the management to provide the basis for calculating the loss, supported by animal footfall data. SDAC also ordered a probe by the administrative department for undue favor in the form of a rebate. No compliance was reported till the finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.05, 09]

#### **6.4.7 Irregular usage of company assets without payment of charges- Rs 8.945 million**

As per Clause 10 of the contract agreement, if the contractor utilizes the company's property such as buildings, fixtures, furniture, etc., they are obligated to pay a separate amount determined by the company.

During the audit of PCMMDC for the FY 2022-23, it was observed that contractors utilized company assets such as cots and khurlies without any payment in cattle markets of following divisions. This resulted in irregular usage of company assets without payment of charges of Rs 8.945 million as detailed below:

<b>Division</b>	<b>Cots</b>	<b>Khurlies</b>	<b>Total Assets</b>	<b>No. of weeks</b>	<b>Occupancy rate</b>	<b>approximate rate per item (Rs)</b>	<b>Loss (Rs in million)</b>
Lahore	1225	2,550	3,775	52	70%	40	5.496
Gujranwala	950	300	1,250	52	70%	40	1.820
Rawalpindi	234	82	316	52	70%	40	0.460
Sargodha	553	250	803	52	70%	40	1.169
<b>Total</b>	<b>2962</b>	<b>3,182</b>	<b>6,144</b>				<b>8.945</b>

Audit held that the charges for using fixtures owned by the company were not recovered due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that BoDs granted permission to hand over allied services to contractors vide in its 3<sup>rd</sup> BoDs meeting held on 28-06-2021. Further, the useful life of these cots and Khurlies has been completed and fully depreciated. The reply was not tenable because BoDs allowed handing over of allied services, not assets.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed management to recover usage charges from contractors and directed to devise a mechanism to charge fees for asset utilization. No compliance was reported till the finalization of this report.

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

[PDP No.23]

#### **6.4.8 Non-imposition of fine– Rs 7.394 million**

According to Clause No. 06 of the Contract Agreement for Collection of Animal Entry Fee and Levy fee, a fine @ 0.2% per day is imposed on contractors who fail to pay installments on time, up to 07 days. Clause No. 12 states that failure to meet payment obligations or any violation of the contract terms may be considered as poor performance, leading to forfeiture of security or blacklisting. Moreover, under Sr. No. 04, 60% of the successful bidder's earnest money will be adjusted in the first installment, while the remaining 40% serves as bid security. This security is returned upon satisfactory performance and completion of the contract, as certified by the finance and operations departments.

During the audit of PCMMDC Lahore for FY2023-24, it was observed that contractors failed to pay installments on time, resulting in delayed payments. However, management did not impose the stipulated fine @ 0.2% per day on these late payments. Moreover, 40% of the earnest money, amounting to Rs 48.279 million was retained for such purposes. However, it was adjusted in the final installments without deducting the amount of fine. This resulted in non-imposition of fine of Rs 7.394 million as detailed at **Annexure-PCMMDC-H**.

Audit held that fine at prescribed rate was neither imposed nor realized due to weak financial discipline.

The matter was reported to the PAO in April 2024. Management replied that an amount of Rs 2.695 million had been recovered from the contractors. The management admitted the lapse and recovery.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed the management to recover the remaining amount of 4.699 million. No compliance was reported till the finalization of this report.

Audit recommends recovery of remaining amount of Rs 4.699 million that the matter may be investigated, and responsibility be fixed against the person(s) at.

[PDP No.08]

#### **6.4.9 Unjustified expenditure on account of invalid leased land agreement – Rs 4.302 million**

According to Rule 7(l) of Public Sector Companies Corporate Governance Rules 2013, the BoDs shall establish appropriate arrangements to ensure proper arrangement for recovery of material amounts of loans, advances, and deposits made by the Public Sector Company, including trade debts and inter-corporate finances;

During the audit of PCMMDC for the FY 2022-23, it was noticed that the Chief Operating Officer (COO) of Gujranwala Division paid a sum of Rs 4.302 million to Mr. Muhammad Imran for obtaining 40 acres land on lease situated at Dittowal, Saholakha Dinga Road, Gujrat, for the establishment of a cattle market in Gujrat district. However, upon physical inspection by the audit team, it was observed that no cattle market was operational at the specified location. Instead, a cattle market was operational at Camping Ground Chak Ghazi, near Nawaz Sharif Park, Gujrat. The COO of Gujranwala entered into this agreement with Mr. Muhammad Imran based on a power of attorney granted by Mrs. Khalid Hussain, Mr. Liaqat Hussain, and Mr. Lal Hussain, sons of Bahawal Bux. Subsequent examination of land records (fard) revealed that some other individuals were also registered owners of the land as mentioned below, and they had not conferred power of attorney to Mr. Muhammad Imran, consequently, the agreement was not valid.

<b>S. No</b>	<b>Khiot No.</b>	<b>Name of Owner as per fard</b>
1	279	Mukhthar Ahmad S/o Bahawal bux
2	279	Noor Bagum D/o Bahawal bux
3	279	Muhammad Iqbal S/o Lal Hussain
4	279	Muhammad Azeem S/o Lal Hussain
5	279	Rizwana D/o Lal Hussain
6	279	Saima Nadeem D/o Lal Hussain
7	279	Muhammad Tayab S/o Lal Hussain

8	279	Iqbal bagum W/o Lal Hussain
9	279	Munaza bibi W/o Lal Hussain
10	279	Noor Fatima D/o Lal Hussain
11	279	Maryam Moazzam D/o Lal Hussain
12	279	Khadija Iftikhar D/O Lal Hussain
13	279	Amna Lal D/o Lal Hussain
14	279	Shabana Abdullah D/o Lal Hussain

COO Gujranwala disbursed a sum of Rs 4.302 million to Mr. Muhammad Imran against invalid lease agreement. This resulted in misappropriation on account of invalid lease land agreement of Rs 4.302 million.

Audit held that the amount was misappropriated due to weak internal controls and defective financial management.

The matter was reported to the PAO in April 2024. Management replied that PCMMDC-Gujranwala Division had obtained power of attorney from the guardians of the legal heirs before lease agreement. The reply was not tenable because the management did not produce the power of attorney from the land owners mentioned in the audit para.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed management to provide the power of attorney and acknowledgment of payment from all owners. Moreover, the DG (I&M) was directed to hold an enquiry into the matter of shifting the cattle market in violation of clauses 33 and 49 of the bid document. No compliance was reported till the finalization of this report.

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

[PDP No.02]

## **C) Others**

### **6.4.10 Non-recovery of PST– Rs 279.056 million**

According to Sr. No. 56 of Second Schedule Punjab Sales Tax on Services Act 2012, debt collection, rent collection, and similar other recovery or collection services including the right to collect the toll or fee or regulatory fee or duty or any other similar collection shall be withheld @ 16% and be deposited in the government treasury.

During the audit of PCMMDC, Lahore for the FY 2022-23, it was observed that PCMMDC Lahore auctioned various cattle markets for Rs 2,250.669 million. However, Punjab Sales Tax (PST) on these services, of Rs 279.056 million was not collected from the contractors. This resulted in a non-recovery of PST on services amounting to Rs 279.056 million as detailed at **Annexure-PCMMDC-I**.

Audit held that PST was not recovered from the contractors due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that fee collection did not attract PST on services. The reply was not tenable because according to Sr. No. 56 of Second Schedule Punjab Sales Tax on Services Act 2012, Tax on debt collection, rent collection, and similar other recovery or collection services including the right to collect the toll or fee or regulatory fee or duty or any other similar collection shall be withheld @16%.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed the incumbent CEO and CFO to write to the PRA or FD within a week for clarification. Bid securities of the contractors shall not be released until such clarification is received from the PRA/FD. In case of non-compliance, the incumbent management will be held personally responsible for any loss to the government. No compliance was reported till the finalization of this report.

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

[PDP No.07]

### **6.4.11 Overcharging without provision of allied facilities**

As per Para 24 (2) of Auction and Enlistment Policy 2022, the contractor involved in overcharging shall be canceled and all deposits made by him shall be forfeited forthwith. Clause 27 of bidding document states that COOs shall impose heavy fines on overcharging.

During the audit of PCMMDC for FY 2022-23, it was observed that, on one hand, the contractors overcharged fees for allied services and, on the other

hand, they were not providing the requisite services as per agreement. without providing the corresponding services. Field inspections by Audit at Sheikhpura Model Cattle Market, Shahpur Kanjara, and Bhalwal revealed a number of instances of overcharging. Fees for allied services were being charged forcibly at the exit point even from those who had not availed the facility, in addition to the mandatory animal entry and parking fees. Specifically, allied services fees such as a Tandee/Leash Fee of Rs 300 for large animals and Rs 100 for small animals, as well as fees for the sale of paralee ranging from Rs 2,500 to Rs 10,000 per vehicle, were imposed regardless of the fact whether the customer utilized these services or not. Additionally, the management did not cancel a single contract based on overcharging across Punjab in violation rules ibid. Moreover, COOs did not impose fines in this regard. Furthermore, the management began charging the Tandee fee without the board's approval and without assessing its impact on the reserve price. This resulted in overcharging without provision of allied facilities.

Audit held that fee for allied services was overcharged due to weak internal controls.

The matter was reported to the PAO in April 2024. Management responded that these allied services were provided by contractors at company-notified rates and claimed it was impractical for buyers to purchase multiple animals without using the Tandee service. However, this response was untenable as overcharging in all cattle markets was confirmed through the complaints management system/register. Additionally, the Tandee fee was introduced without any justification or board approval.

SDAC in its meeting held on 17<sup>th</sup> May 2024 decided to conduct an administrative inquiry to investigate the compulsory charging of allied services, and the imposition of the Tandee fee without approval of the board. No compliance was reported till the finalization of this report.

Audit recommends implementation of SDAC's decision at the earliest.

[PDP No.04]

#### **6.4.12 Un-authorized deduction of advance tax on profit—Rs 44.106 million**

According to Section 100(c) (2) of Income Tax Ordinance (ITO) 2001, a not-for-profit company registered with the Securities and Exchange Commission of Pakistan under Section 42 of the Companies Act, 2017 shall be allowed a tax credit equal to one hundred percent of the tax payable under any of the provisions of the ITO.

During the audit of PCMMDC Lahore, it was observed that the Bank of Punjab (BoP) deducted Rs 44.106 million as advance tax on profit. This resulted in un-authorized deduction of advance tax on profit by BoP of Rs 44.106 million as detailed below:

Sr. No	Name of Division	Rs in million
		Advance tax
1	Head Office	6.749
2	Lahore	15.373
3	Gujranwala	9.725
4	Rawalpindi	9.800
5	Sargodha	2.459
<b>Total</b>		<b>44.106</b>

Audit held that advance tax was deducted un-authorized by BoP due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that advance tax had already been claimed while filing annual tax return. The reply was not tenable because documentary evidence, such as tax returns of the erstwhile divisional companies and PCMMDC, was not provided to the audit for verification.

SDAC in its meeting held on 17<sup>th</sup> May, 2024 directed to provide the said record for verification. No compliance was reported till the finalization of this report.

Audit recommends that tax credit be claimed at the earliest.

[PDP No.20]

#### **6.4.13 Irregular conduct of board business**

According to Para 46 of the Articles of Association of PCMMDC, a quorum for a BoDs meeting comprises not less than thirty-three percent (33%) of the total members of the board or five (05) directors, whichever is higher, with the presence of at least two independent directors. No quorum is required for an adjourned meeting.

During the audit of PCMMDC, Lahore for the FY 2022-23, it was observed that the management of the company failed to fulfill the quorum requirement for conducting meetings. Consequently, decisions taken during the 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> BoDs meetings, as documented in the minutes, were irregular as they were approved or obtained from the board irregularly. This resulted in irregular conduct of board business.

Audit held that the irregular conduct of the board business was due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that Clause 32 of the PCMMDC's Articles of Association, stating that members could appoint proxies for board meetings under Section 137 of the Companies Act, 2017. The reply was not tenable because the quorum for the board meetings was incomplete. Additionally, Section 137 of the Companies Act, 2017, pertains to general meetings of shareholders, not board meetings. Even if the response was accepted, the conditions outlined in Section 137(2) of the Act for appointing proxies were not met.

SDAC in its meeting held on 17<sup>th</sup> May 2024 directed the management to obtain clarification from SECP regarding quorum. No compliance was reported till the finalization of this report.

The audit recommends revalidating the decisions made during the 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> BoDs meetings in accordance with the law.

[PDP No.11]

#### **6.4.14 Non-compliance with Corporate Governance Rules 2013**

As per Guideline 2 of the Public Sector Companies (Corporate Governance Compliance) Guidelines, 2018, every public sector company must publish a statement of compliance with the Public Sector Companies (Corporate Governance) Rules, 2013. Under Section 227 of the Companies Act 2017 and Rule 17 of the Public Sector Companies (Corporate Governance) Rules, 2013 (amended by S.R.O. No. 715(I)/2019 dated July 01, 2019), the Board must report to shareholders their compliance with corporate governance principles, any non-compliance, and reasons for it. They must confirm that financial statements fairly present the company's affairs, operations, cash flows, and equity changes, maintain proper books of account, apply appropriate accounting policies, and maintain a sound system of internal control. Additionally, the Board must ensure that the appointment of the chairman and members, as well as their remuneration policy, align with the company's best interests and best practices.

During the audit of PCMMDC for FY 2022-23 it was observed that the company did not comply with the corporate governance obligations as detailed below:

<b>Sr. No.</b>	<b>Obligation</b>	<b>Relevant law</b>
1	Publish Compliance statement and annual report	Rule 24 of the Public Sector Companies (Corporate Governance) Rules, 2013, as amended by S.R.O. No. 715(I)/2019 dated July 01, 2019
2	Conduct Performance Appraisal of the BoDs and Senior Management	Rule 8 ibid mandates that the performance evaluation of members of the Board and senior management by Government.

3	Establish Risk management committee	Rule 12(1) (b) mandates establishment of a Risk Management Committee.
4	Maintain of register of interests	Rule 5 (b) (iv) ibid obligates the maintenance register of interests by members of BODS
5	Declaration by Director, CEO and COOs	Rule 5 (b) (v) ibid obligates that a declaration be made by the directors and executives that they shall not offer or accept any which might influence their decisions.
6	Occupational Safety and Health of employees	Section 3(a), (d), and (k), the Punjab Occupational Safety and Health Act, 2019, obligates safety and health of employees at workplace.
7	Proactive Disclosure	Section 4 of the Punjab Transparency and Right to Information Act 2013, obligates to proactive disclosure.

This resulted in non-compliance with Corporate Governance Rules 2013.

Audit held that corporate governance rules were not complied due to weak internal controls.

The matter was reported to the PAO in April 2024. Management replied that the Statement of Compliance report, along with the Directors Report containing the annual audited accounts for FY 2022-23 by external auditors, is available to meet all obligations under relevant laws/rules, including the Anti-Corruption and Whistleblowing Policy. The reply was not tenable because management has not provided internal audit report, BoDs performance appraisal, etc.

SDAC in its meeting held on 17<sup>th</sup> May, 2024 directed the management to comply with statutory obligations and provide documentary evidence for all items mentioned in audit para. No compliance was reported till the finalization of this report.

Audit recommends the compliance with relevant laws at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 3.4.24. Recurrence of same irregularity is a matter of serious concern.

[PDP No.25]

## **CHAPTER 7**

### **PUBLIC FINANCIAL MANAGEMENT**

PLG Act 2013 was introduced and implemented from January 2017 under which Lahore was demarcated and declared as Metropolitan Corporations headed by Lord Mayors and urban areas of other districts other than Lahore and area of Municipal Committee of Gujrat, Gujranwala, Rawalpindi and Sialkot were demarcated and declared as Municipal Corporation headed by Mayor.

#### **Functions of Metropolitan / Municipal Corporation:**

The Metropolitan / Municipal Corporation shall:

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

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

### Resource mobilization:

A slight increase of Rs 1,213.636 million was observed in total receipts during FY 2022-23. The following table shows that PFC share was increased by Rs 322.277 million, whereas, tax revenue and other receipts were also increased by Rs 891.329 million during FY 2022-23 indicating that these corporations are depending more on their own receipts rather than share from Provincial Government.

Description	2021-22		2022-23	
	Amount	Percentage	Amount	Percentage
Tax Revenue	9,640.966	64	8,205.182	50.62
Non-Tax Revenue			381.257	2.35
Share of PFC/ Grants from Provincial Govt.	3,109.749	21	3,432.026	21.17
Other receipts	2,245.326	15	4,191.182	25.86
<b>Total</b>	<b>14,996.011</b>	<b>100</b>	<b>16,209.647</b>	<b>100.00</b>

The following table shows position of budget and expenditure incurred during FY 2022-23. Against final budget of Rs 27,266.602 million, expenditure of Rs 18,994.649 million was incurred resulting in saving of Rs 8,271.950 million which was 31% of total budget. The highest increase in saving of 59% and 69% was observed in MC Gujranwala and MC Jhelum respectively:

Sr. No.	Local Government	Final Budget	Exp.	Rs. in million
				Saving (-) / Excess (+)
1	Municipal Corporation Gujranwala	3,386.48	1,385.93	(2,000.550)
2	Municipal Corporation Jhelum	1151.58	351.696	(799.884)
3	Metropolitan Corporation Lahore	18,115.880	13,396.980	(4,718.90)
4	Municipal Corporation Sargodha	1,707.070	1,445.230	(261.845)
5	Municipal Corporation Sialkot	2905.592	2,414.813	(490.779)
<b>Total</b>		<b>27,266.602</b>	<b>18,994.649</b>	<b>(8,271.95)</b>

Management of corporations did not prepare annual accounts as per New Accounting Model in contravention to PLG (Accounts) Rules 2017. Budget and expenditure were also not classified according to the object codes given in Chart of Accounts. General purpose financial statements were not prepared as required under para 7.2.4.3 of chapter 7 of Accounting Policies and Procedures Manual (APPM). Prescribed forms for recording of transactions of receipt and expenditure were not prepared. Record of public accounts including

government taxes deducted from salary of employees and payment of contractors was not maintained as required under para 14.3.2 of APPM.

### Medium Term Development Framework

The improvement in the quality of expenditure involves three aspects, viz. adequacy (provision for providing public services); efficiency (use) and effectiveness (assessment of outlay-outcome relationships) of the expenditure. Out of 680 development schemes, management was able to complete 234 schemes indicating achievement of 34.5% as shown in the following table:

Name of MC	Total schemes	Completed	%age dev.
Gujranwala	54	38	70
Lahore	413	100	24
Jhelum	15	4	26
Sargodha	6	6	100
Sialkot	192	86	45
<b>Total</b>	<b>680</b>	<b>234</b>	

The detail of development expenditure incurred by each MC is given in the following table which shows that MC Gujranwala and Jhelum did not utilize development budget by 91% and 98%, whereas, MC Sargodha and Sialkot utilized 100% of development budget.

Name of MC	Final	Exp.	Rs. in million	
			Saving (-) / Excess (+)	%age
Gujranwala	1,349.72	109.689	1,240.03	91%
Lahore	3259.8	2580.29	679.51	21%
Jhelum	261.703	3.281	258.42	98%
Sargodha	193.189	196.689	-3.50	-2%
Sialkot	1267.458	1267.458	0.0	0%
<b>Total</b>	<b>6,331.87</b>	<b>4157.407</b>	<b>2,174.46</b>	

## CHAPTER 8

### Municipal Corporation, Gujranwala

#### 8.1 Introduction

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

#### a) Audit Profile Municipal Corporation Gujranwala

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	Municipal Corporation Gujranwala	01	01	1,385.93	1,453.06

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the FY 2022-23 of the Municipal Corporation Gujranwala, total budget (development and non-development) was Rs 3,368.48 million. Against the budget, total expenditure of Rs 1,385.93 million was incurred by Municipal Corporation Gujranwala during FY 2022-23 which was Rs 2,000.547 million less than allocated budget indicating poor financial planning. The break-up of total budget and expenditure is given in the following table:

Rs in million						
Description	Budget Allocation	Supp. Grant	Final budget	Exp.	Saving (-)	% age saving
Salary	458.906	-	458.906	301.258	-157.648	34.35
Non-Salary	1,577.85	-	1,577.85	974.985	-602.865	38.21
Development	1,349.72	-	1,349.72	109.689	-1,240.034	91.87
<b>Total</b>	<b>3,386.48</b>	<b>-</b>	<b>3,386.48</b>	<b>1,385.93</b>	<b>-2,000.547</b>	<b>59.07</b>

#### c) Sectoral Analysis

Out of total 54 development schemes, Management of Municipal Corporation Gujranwala was able to complete 38 scheme indicating achievement of 70% of target.

#### 8.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 124.854 million were raised in this report during current audit of "MC Gujranwala." This amount also includes recoveries of Rs 114.199 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

Rs in million

Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	
3	Irregularities:	
	HR/Employees related irregularities	
	Procurement related irregularities	3.825
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	111.963
5	Other	9.066
	<b>Total</b>	<b>124.854</b>

### 8.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

#### Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1.	2018-19	21	Not Convened
2.	2019-20 (Special Audit)	31	Not Convened
3.	2020-21	28	Not Convened
4.	2021-22	13	Not Convened
5.	2022-23	14	Not Convened

## **8.4 AUDIT PARAS**

### **A) Procurement related irregularities**

#### **8.4.1 Irregular expenditure on Jashan-e-Baharan – Rs 3.825 million**

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

During audit of Municipal Corporation Gujranwala for the FY 2022-23, it was found that expenditure of Rs 3.825 million was incurred on Jashan-e-Baharan program. Audit noticed that whole expenditure was incurred from single vendor on quotation basis without tendering process. Moreover, there was no record regarding receiving and issuance of procured items was found available to verify the genuineness of the expenditure. This resulted in irregular expenditure on Janshan-e-Baharan Rs 3.825 million detailed at **Annexure-MCG-B**.

Audit held that due to violation of rules irregular expenditure was incurred.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC was convened till finalization of this report despite repeated communications by RDA Gujranwala.

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

[PDP No. 03]

## **B. Value for money and service delivery issues**

### **8.4.2 Loss to Govt. due to non-collection of land conversion fee – Rs 52.834 million**

According to Rule 4 & 50(a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2020, a local government shall ensure that the land use provisions under permitted, permissible and prohibited uses are strictly followed in a residential area and the conversion fee for the conversion of residential, industrial or site development zone (agricultural area) abutting List “A” roads to commercial use shall be 10% of the commercial value of the land.

During audit of Municipal Corporation Gujranwala for the FY 2022-23, it was observed that 04 cases were approved by DPDC for conversion but no building fee against these approvals was collected. This resulted in loss to Govt. due to non-collection of land conversion fee amounting to Rs 52.834 million as detail at **Annexure-MCG-C**.

Audit held that due to negligence and weak internal controls, conversion fee was not collected from the property owners.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC convened till finalization of this report despite repeated communications by RDA Gujranwala.

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

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para number 2.4.7 having financial impact of Rs 79.585 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 14]

### **8.4.3 Non-recovery of rent of shops – Rs 30.271 million**

According to Rule 47(1) of the Punjab Local Government (Budget) Rules 2017, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

During audit of Municipal Corporation Gujranwala for the FY 2022-23 it was observed that shops were rented out on monthly basis. However, management did not recover rent of shops amounting to Rs 30.271 million up to June 2023. No serious efforts were made to recover the

rent of shops this resulted in non-recovery of rent of shops. Detailed at **Annexure-MCG-D**.

Audit held that due to negligence of the management, rent of shops was not recovered from the lessees.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC convened till finalization of this report despite repeated communications by RDA Gujranwala.

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

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 3.4.3.2 having financial impact of Rs 51.641 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 21]

#### **8.4.4 Illegal construction of warehouses in residential area and non-recovery of conversion fee – Rs 22.288 million**

According to Rule 4 & 50(a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2020 “A local government shall ensure that the land use provisions under permitted, permissible and prohibited uses are strictly followed in a residential area” and” the conversion fee for the conversion of residential, industrial or site development zone (agricultural area) abutting List “A” roads to commercial use shall be 10% of the commercial value of the land.

During audit of Municipal Corporation Gujranwala for the FY 2022-23 it was observed that Mr. Abid Hussain Butt applied for conversion of 33 Marlas residential land into Indoor Sports Center located at Vania Wala Sialkot Bypass, Gujranwala. MC Gujranwala did not recover conversion and building fee from the land owner. Upon physical inspection audit noticed that instead of 33 Marlas, four big halls were constructed on almost 66 Marlas land which were being used as warehouse of Blue Birds Paint.

Similarly, Mr. Muhammad Nabeel applied on 22.11.2022 for land conversion of residential land measuring 82 Marlas for construction of secondary School. Building Inspector submitted the report on 15.05.2023 that warehouse was under construction instead Secondary School. Audit also visited the site physically on 01.04.2024 and noticed that Warehouse has been constructed and functioning instead of Secondary School without approval and depositing the required fee and violation of rules. This resulted in illegal

construction of warehouses in residential area and non-recovery of conversion fee as detail below:

<b>Rs in million</b>							
<b>Name of Owner</b>	<b>Land Use Status</b>	<b>Type of Use</b>	<b>Actual Status</b>	<b>Area Applied</b>	<b>Actual Area</b>	<b>Total Value of land</b>	<b>Conversion fee @10%</b>
Abid Hussain Butt	Residential Status (Vaniawala Near Jinah Road)	Indoor Sports Center	Constructed Warehouse Blue Bird Paints	33 Marlas	66 Marlas	*2,060,000 X 66 marlas = 135.960 million	13.596 million+ Penalty
Muhammad Nabeel	Residential Status (Khiali Shahpur)	Secondary School	Warehouse	82 Marlas	82 Marlas	82*1,060,000= 86,920,000	8.692 million + penalty
<b>Total</b>							<b>22.288 million</b>
*Due to non-availability of evaluation table of concerned site estimated commercial value of Jinah Road to Ratta Jhal has taken Page 43/114 of Valuation Table 2022-23							

Audit held that due to weak managerial controls, conversion fee was not collected for illegal use of residential land.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC convened till finalization of this report despite repeated communications by RDA Gujranwala.

Audit recommends probe of the matters and fixing of responsibility besides the recovery of the amount.

[PDP No. 12 & 13]

#### **8.4.5 Non-imposition of penalty, recovery thereof - Rs 6.570 million**

According to Clause 39 read with Clause 37 of contract agreement, if a contractor fails to complete the work within stipulated period, he is liable to pay compensation @ 1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not exceeding maximum of 10% of the construction of contract.

During audit of Municipal Corporation Gujranwala for the FY 2022-23, it was observed that work of 06 different development schemes costing Rs 65.772 million were awarded to various contractors during 09/2022 to 01/2023 with completion time up to 3 months. Despite lapse of considerable time these schemes were still under process till the date of audit in April, 2024. The contractors neither requested for extension nor the department imposed any penalty on the contractors for delay of schemes. This resulted in non-imposition of penalty amounting to Rs 6.570 million, as detailed at **Annexure-MCG-E**.

Audit held that weak financial controls, penalty was not imposed for late completion of schemes.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC convened till finalization of this report despite repeated communications by RDA Gujranwala.

Audit recommends imposition of penalty and recovery of the amount.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 3.4.3.3 having financial impact of Rs 37.104 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 06]

## **C. Others**

### **8.4.6 Unauthorized expenditure on account of hiring of machinery on eve of Eid Ul Azha and lifting of solid waste – Rs 6.830 million**

According to clause 3 (m) of the SAAMA, the CDGG may request in writing to GWMC for providing special cleanliness services on certain locations or buildings etc. purely on administrative grounds or on emergent need basis which will not be more than ten times during a month. The GWMC shall provide these services without any demand for additional cost. The scope of such services during one day should not be more than four-hundred-man hours and commensurate machinery.

During audit of MC Gujranwala for the FY 2022-23, it was observed that expenditure of Rs 6.830 million was incurred for collection and disposal of solid waste on eve of Eid Ul Azha. However, this function was already transferred to the GWMC as per SAAMA agreement. Further as per agreement MC management may also engage the manpower and machinery of GWMC on request. In this regard neither any requisition was made to the GWMC nor disposal of solid waste shown on Weigh Bridge and RFID. This resulted in unauthorized expenditure on account of hiring of machinery on eve of Eid Ul Azha and lifting of solid waste as detailed at **Annexure-MCG-F**.

Audit held that due to weak internal controls, unauthorized expenditure was incurred on account of hiring of machinery on the eve of Eid Ul Azha and lifting of solid waste.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC was convened till finalization of this report despite repeated communications by RDA Gujranwala.

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

[PDP No. 17]

### **8.4.7 Overpayment on account of RCC (1:2:4) - Rs 2.236 million**

As per remarks against item No. 06 of Chapter No.06 “concrete” of Market Rate Schedule of finance department district Gujranwala, composite rate is to be reduced by Rs 20/ Cft & Rs 25/ Cft at the time payment in case of Chenab sand and local sand is used respectively.

During audit of Municipal Corporation Gujranwala for the FY 2022-23 it was observed that contracts of different development schemes were awarded to various contractors during the period. It was observed that neither evidence for use of harrow sand was found available nor the rate was deducted

@ Rs 25/ Cft. This resulted in overpayment on account of RCC (1:2:4) as detailed at **Annexure-MCG-G**.

Audit held that due to weak internal controls, overpayment was made to contractors due to usage of local sand.

The matter was reported to the CO/PAO in April, 2024. Neither any reply was submitted by department nor DAC was convened till finalization of this report despite repeated communications by RDA Gujranwala.

Audit recommends recovery of overpayment along with fixing the responsibility against the person (s) at fault.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 3.4.3.5 having financial impact of Rs 6.678 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 08]

## CHAPTER 9

### Municipal Corporation Jhelum

#### 9.1 Introduction

Under the clauses of Punjab Local Government Act (PLGA) 2013, a Municipal Corporation shall be a body corporate having perpetual succession and a common seal, with power to acquire and hold property and enter into any contract and may sue and be sued in its name. Chairman of municipal committee is the executive head of municipal committee. Chief Officer coordinates and facilitates the performance of functions assigned to the Municipal Corporation under the supervision of chairman. Schedule of establishment for a municipal committee includes planning, finance, municipal regulation and municipal infrastructure offices.

#### a) Audit Profile of Municipal Corporation Jhelum

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipt Audited
1	Municipal Committee Jhelum	01	01	351.695	339.514

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the FY 2022-23 of the Committee Jhelum, original and final budget (development and non-development) was Rs 1,151.575 million. Against the budget, expenditure of Rs 351.695 million was incurred during FY 2022-23. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Description	Budget	Expenditure	Excess / (Savings)	% age Savings
Salary	408.732	162.198	(246.534)	(60.317)
Non-salary	481.14	186.216	(294.924)	(61.297)
Development	261.703	3.281	(258.422)	(98.746)
<b>Total</b>	<b>1151.575</b>	<b>351.695</b>	<b>(799.88)</b>	<b>(69.460)</b>

#### c) Sectoral Analysis

Out of total 15 development schemes, management of Municipal Corporation Jhelum was able to complete 11 schemes indicating achievement of 73% of target.

#### 9.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 247.961 million were raised as a result of this audit. This amount also includes recoverable of Rs 241.104 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of Audit Observations

Rs in million

Sr. No.	Classification	Amount placed under audit observations
1	Non-production of record to Audit	-
2	Reported cases of fraud, embezzlement and misappropriations.	-
3	<b>Irregularities</b>	-
	a. HR /Employees related irregularities	-
	b. Procurement related irregularities	6.857
	c. Management of Accounts with Commercial Banks	0
4	Value of money and service delivery issues	239.304
5	Others	1.800
	<b>Total</b>	<b>247.961</b>

### 9.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

Sr. No.	Audit Year	Municipal Committee	No. of Paras	Status of PAC Meeting
1	2018-19	MC Jhelum	12	Not convened
2	2020-21	MC Jhelum	5	Not convened
3	2021-22	MC Jhelum	8	Not convened

## 9.4 AUDIT PARAS

### A) Procurement related irregularities

#### 9.4.1 Irregular expenditure on account of establishment of temporary cattle market –Rs 6.857 million

As per Clause 10 of bid documents uploaded on PPRA for the establishment of sale points for Eid-ul-Azha 2021 &2022, bidders should be GST registered.

During audit of Municipal Corporation Jhelum for the FY 2021-22 & 2022-23 it was noticed that management incurred an expenditure of Rs 6.857 million on establishment of temporary cattle market on Eid-ul-Azha. It was noticed that MC Jhelum accepted the bids of non-registered bidder with FBR for General Sales Tax. This resulted in irregular expenditure on account of establishment of temporary cattle market of Rs 6.857 million as detailed below:

<b>Rs in million</b>			
<b>Period</b>	<b>Description</b>	<b>Vendor</b>	<b>Amount</b>
2022-23	Sale Point on Eid ul Azha 2022	M/s Ahsan Gondal	4.049
2021-22	Sale Point on Eid ul Azha 2021	M/s Usman Ghani	2.809
		<b>Total</b>	<b>6.857</b>

Audit held that irregular expenditure incurred due to weak internal controls.

The observation was discussed with the management, it was replied that advertisement was made on PPRA. Reply was not acceptable being evasive and the objection raised by audit was not addressed. All procurement activities were conducted in strict adherence to the legal, codal, and procedural formalities outlined in the PPR 2014. The reply was not tenable because technical criteria was not formulated and defective bidding documents were prepared.

The matter was reported to the PAO/CO in April 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report despite repeated requests.

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

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 6.4.1.1 having financial impact of Rs 2.900 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 423]

## B) Value for money and service delivery issues

### 9.4.2 Non-recovery of water charges and shop rent – Rs 233.033 million

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

Municipal Corporation Jhelum realized Rs 152.035 million against the total recoverable amount of Rs 375.068 million on account of water rate charges & shop rent. This resulted in non-recovery of water charges and shop rent Rs 233.033 million during Financial Year 2022-23 as detailed below:

<b>Rs in million</b>			
<b>Description</b>	<b>Demand as per D&amp;C Register</b>	<b>Collected</b>	<b>Recoverable</b>
Water Rate Charges	21.132	4.655	16.477
Sewerage Charges	10.212	4.743	5.470
Shop Rent Current	304.381	142.638	161.743
Shop Rent Arrears	39.343	0	39.343
<b>Total</b>	<b>375.068</b>	<b>152.035</b>	<b>223.033</b>

Audit held that less collection was made due to negligence of the management.

The observation was discussed with the management, it was replied that recovery of Rs 18.996 million was effected and efforts would be made for remaining recovery. Reply was not acceptable as documentary evidence of recovery was not provided to audit.

The matter was reported to the PAO/CO in May 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report despite repeated requests.

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

**Note:** The issue was also reported earlier in the Audit Reports for Audit Years 2021-22 & 2020-21 vide para numbers 6.4.2.5,7.4.2.2,3 & 7.4.2.2,4 respectively having financial impact of Rs 32.331 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 424,425,431,429]

### 9.4.3 Less collection of conversion fees – Rs 4.816 million

According to Rule 50 (1)(e) of PLG Land Use Plan (Classification, re-classification and re-development) Rules, 2020, the conversion fee for the conversion of any land use to educational or healthcare institutional use shall be ten percent of the existing value of the land or plot or property as per valuation table and in case the valuation table is not available ten percent of the average sale price of proceeding twelve months of land in the vicinity as determined by the district price assessment committee.

During audit of Municipal Corporation, Jhelum for the FY 2021-23, it was revealed that a case for approval of building plan of a school was submitted in MO (Planning) office by Mr. Omar Ejaz S/o Muhammad Ejaz in 2021-22. Scrutiny of record revealed that management charged residential building plan rate instead of educational institute rate. This resulted in less collection of conversion fee worth Rs 4.816 million.

<b>Rs in million</b>							
Total Area of land	Location	Rate charged by DPDC per sqft	Rate of Evaluation Table per sqft 2021-22	Total value of land in million	Conversion fee @10% to be charged in million	Conversion fee @10% charged in million	Conversion fee less recovered in million
5834 sqft	GT Road Moza thathi Gujran Khasra # 129	2,958.272	11,220	65.457	6.547	1.730	4.816

Audit held that less collection of conversion fee was made due to weak internal controls.

The observation was discussed with the management, it was replied that notices had been issued for recovery. The management admitted the lapse and recovery.

The matter was reported to the PAO/CO in May 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report despite repeated requests.

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

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2020-21 vide para number 7.4.2.2,2 having financial impact of Rs 23.818 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 433]

#### **9.4.4 Non-imposition of penalty for late completion of development schemes and recovery thereof - Rs 1.455 million**

According to Clause 39 read with Clause 37 of contract agreement if a contractor fails to complete the work within stipulated period, he is liable to pay penalty @1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not exceeding maximum of 10% of the construction of contract.

During audit of Municipal Corporation Jhelum for the FY 2021-23 that an amount of Rs 14.550 million was spent on certain development schemes during the FY 2021-23. It was noticed that neither the works were completed within stipulated time nor contractors applied for extension in time limit. Moreover, the management did not impose penalty on the contractors due to delay. This resulted in non-imposition of penalty amounting to Rs 1.455 million as detailed at **Annexure-MC JLM-B**.

Audit held that penalty was not imposed due to weak internal controls.

The observation was discussed with the management, it was replied that action would be taken. The management admitted the lapse.

The matter was reported to the PAO/CO in May 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report despite repeated requests.

Audit recommends early completion of development work besides imposition of penalty for delay.

[PDP No. 426]

## **C) Others**

### **9.4.5 Non-imposition of fine – Rs 1.800 million**

According to Section 172(2) b of PLGA Act 2022, of Building and Zoning Bye Laws of MCJ, 2020 read with Section 12 of part II of eighth schedule, immovable encroachment in or on under any property or any open space or land shall be punishable with fine which may extend to one hundred thousand rupees.

During audit of Municipal Corporation Jhelum for the FY2021-23, it was noticed that City Housing Scheme Jhelum executed the satellite town project without any approval from MC Jhelum. Physical visit of the site showed that 18 illegal commercial buildings had been constructed in Satellite Town without approval of building plan. Management neither awarded any approval of building plan nor fine of Rs 1.800 million was imposed. This resulted in non-imposition of fine amounting to Rs 1.800 million as detailed at **Annexure-JLM-C**.

Audit held that due to fine was not imposed due to negligence of the management.

The matter was reported to PAO in May, 2024. The management replied that recovery of Rs 1.800 million is affected. Reply was not acceptable as reply was not supported with documentary evidences.

Neither any compliance was reported nor DAC meeting was convened till finalization of this report.

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

[PDP No. 420]

**CHAPTER 10**  
**Metropolitan Corporation, Lahore**

**10.1 Introduction**

The City District Government of Lahore was established in 2001 as part of local government system reforms introduced under the Punjab Local Government Ordinance, 2001. It was later succeeded by the Metropolitan Corporation, in accordance with Section 11 of the Punjab Local Government Act, 2013 (XVIII of 2013). While governing laws have undergone several amendments in subsequent years, the nomenclature of the Metropolitan Corporation remained intact. Currently, it operates under the Punjab Local Government Act, 2022 (Act XXXIII of 2022). According to Section 7(A)(i) of this Act, all areas comprising the district of Lahore are declared as part of the Metropolitan Corporation Lahore. As per the provisions of the Act, the Metropolitan Corporation is designated as a body corporate, endowed with perpetual succession and a common seal, authorized to acquire and hold property, enter contracts, and initiate or defend legal actions in its name.

**a) Audit Profile Metropolitan Corporation Lahore**

<b>Rs in million</b>					
<b>Sr. No.</b>	<b>Description</b>	<b>Total No. of Formations</b>	<b>Formations Audited</b>	<b>Expenditure Audited</b>	<b>Receipts Audited</b>
1	MC Lahore	01	01	13,396.976	4318.842

**b) Comments on Budget and Accounts (Variance analysis)**

As per Appropriation Accounts for the FY 2022-23 of the MCL, revised budget (development and non-development) was Rs 18,115.879 million. Against revised budget, total expenditure of Rs 13,396.976 million was incurred by MCL during the FY 2022-23. The break-up of total budget and expenditure is given in the following table:

<b>Rs in million</b>			
<b>Description of expenditure</b>	<b>Revised grant /appropriation</b>	<b>Actual Expenditure</b>	<b>Savings</b>
Salary	2,636.039	2,579.648	56.391
Non-Salary	12,931.071	9,990.347	2,940.724
Development	2,548.769	826.981	1,721.788
<b>Grant Total</b>	<b>18,115.879</b>	<b>13,396.976</b>	<b>4,718.903</b>

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

<b>Rs in million</b>				
<b>Financial Year</b>	<b>Final Grant</b>	<b>Expenditure</b>	<b>Savings</b>	<b>% age of Saving</b>
2021-22	38,735.740	12,304.002	26,431.768	68.24
2022-23	18,115.879	13,396.976	4,718.903	26.05

There was 53% decrease in budget allocation and 17% increase in expenditure incurred during the FY 2022-23 as compared to the FY 2021-22, while there no excess and saving as compared to 2021-22.

### c) Sectoral Analysis

#### i. Analysis of Targets and Achievements

Sectoral analysis of MCL was made based on municipal facilities and indicators set by Local Government for the FY 2022-23. The objectives of indicators were to improve municipal facilities, better environment, and free of cost deliveries through proper monitoring during national festivals like Muharram, 14<sup>th</sup> August, Eid Milad-un-Nabi etc.

<b>Rs in million</b>				
<b>Schemes executed</b>	<b>Completed</b>	<b>%age of completion</b>	<b>Budget</b>	<b>Expenditure</b>
413	100	24%	3259.80	2580.29

#### ii. Service delivery issues

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

### 10.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 4,231.065 million were raised in this report during current audit of “MC Lahore.” This amount also includes recoveries of Rs 2327.765 million as pointed out by the audit. Summary of audit observations classified by nature is as under:

#### Overview of audit observations

<b>Rs in million</b>		
<b>Sr. No.</b>	<b>Classification</b>	<b>Amount Placed under Audit Observation</b>
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	80.519
3	<b>Irregularities:</b>	
	HR/Employees related irregularities	25.056
	Procurement related irregularities	1997.310
	Management of accounts with commercial banks	8.527
4	Value for money and service delivery issues	44.791
5	Other	2074.862
	<b>Total</b>	<b>4231.065</b>

### 10.3 Brief comments on the status of compliance with PAC directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab:

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2018-19	47	Not convened
2	2019-20	33	
3	2020-21	19	
4	2021-22	35	
5	2022-23	49	

## **10.4 AUDIT PARAS**

### **A) Fraud, embezzlement, and misappropriation**

#### **10.4.1 Fraudulent payment on account of Qannat and scaffolding – Rs 80.519 million**

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

During audit of MCL for the FY 2022-23, it was revealed that duplicate payments were made to M/s Rashid Ali Awan Enterprises by MO (Regulations) and MO (Infrastructure) for the same services. MO (Regulations) paid Rs 43.740 million and Rs 7.070 million, while MO (Infrastructure) paid Rs 52.372 million and an additional amount of Rs 28.147 million for rent of Qannat and scaffolding on Muharram-ul-Haram, Chehlum, Urs Hazrat Usman Ali Hajveri, majalis and processions. The vendor claimed bills from both MOs for the same job without disclosing previous payments. The lack of reconciliation led to these duplicate payments. This resulted in fraudulent payment totaling Rs 80.519 million (Rs 52.372 million + Rs 28.147 million) as detailed at **Annexure-MCL-B**.

Audit held that fraudulent payment was made due to weak internal controls.

The matter was reported to the PAO in June 2024. The management responded that the MO (Regulations) was responsible for providing Qannat and Scaffolding on a rental basis, supported by work orders, demand submissions, and payment records. However, no information regarding the provision or payment for Qannat and Scaffolding was received from the MO (Infrastructure). This reply was evasive, as it was the responsibility of the budget-allocating authorities, sanctioning authorities, and pre-auditing officials to prevent duplicate payments. It was found that the vendor claimed double payments for the same work. SDAC meeting in its meeting held on 22nd & 23rd July, 2024 directed to conduct an administrative level probe in the matter.

Audit recommends fixing of responsibility against the person(s) at fault besides blacklisting of the contractor and recovery of duplicate payment.

[PDP No. 55, 56]

## **B) HR/Employees related irregularities**

### **10.4.2 Unlawful recruitment of employees – Rs 1.216 million**

According to Government of the Punjab, Local Government and Community Development Department, Notification No. SOR (LG)5-26/2021 dated 08-08-2017, the Departmental Selection Committee for the posts in BS-01 to BS-11 was constituted under the chairmanship of Chief Corporation Officer MCL. Additionally, as per the Service & General Administration Department Letter No. SOR-III(S&GAD)2-8/2018 dated 29-10-2019, appointing authorities must verify the eligibility of candidates.

The advertisement for Class IV appointments, published on 03-11-2022, sets the age limit at 18-25 years but in pursuance of letter No. SO. Admn. III (LG)Misc /2019(P) dated 04-11-2022 age was extended by 7 years for general, 10 years for women, and 15 years for disabled candidates (valid till 31-12-2022). As per letter No. SO. Admn. III (LG)Misc /2019/P dated 31-10-2022, only permanent residents of District Lahore were eligible to apply for the positions. Specific quotas include 3% for disabled persons, 5% for minorities, 15% for women, and 20% for children of in-service/retired employees (BPS-01-11).

During the audit of MCL for the FY 2022-23, it was observed that management recruited Class-IV staff. Scrutiny of recruitment record revealed following irregularities:

- (a) appointment orders were issued to three (03) candidates who had neither applied for the posts nor their names were on the merit list. They did not appear for interviews. This resulted in un-authorized payment of pay and allowances amounting to Rs 202,704.
- (b) two (02) overage candidates were appointed and paid Rs 135,136 irregularly.
- (c) two (02) non-resident candidates were recruited and paid Rs 135,136 unlawfully; and
- (d) eleven (11) candidates were appointment and paid Rs 743,248 over and above open merit quota and deprived the in-service quota candidates of their due right as per law (**Annexure-MCL-C**).

Audit held that appointment of ineligible candidates was made due to weak internal controls. This resulted in irregular payment of pay and allowances of Rs 1.216 million.

The matter was reported to PAO in June 2024. Management replied that the matter is currently under litigation; therefore, the related audit paras may be deferred. Reply was not tenable because there was no stay order by the court, Secondly, MCL employees and others have petitioned the court, challenging the unlawful appointment of other candidates under the in-service quota and in violation of merit. SDAC in its meeting was held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024 directed to conduct an administrative-level investigation and terminate the services of all such employees appointed in violation of merit and eligibility.

Audit recommends that candidates appointed against the merit and in violation eligibility criteria shall be removed from service along with fixation of responsibility against the persons at fault.

[PDP 1,2,3,6]

#### **10.4.3 Non-deduction of SSB and Conveyance allowance – Rs 6.996 million**

According to letter No. SOR-III (S&GAD) 2-8/2018 dated 19.01.2021, S&GAD (Regulations Wing), Govt of the Punjab, all the administrative departments are requested to regularize the services of in-service who were recruited under Rule 17-A of the Punjab Civil Servants (Appointments and Conditions of Service) Rules 1974 from the date of their initial recruitment subject to recovery of 30% SSB.

During the audit of the MCL for FY 2022-23, it was observed that, 220 work-charged employees were appointed in BPS 01 on court orders, however, SSB allowance of Rs.6.42 million was not recovered from these regularized employees. Moreover, the officials of MO services and litigation branch were using official vehicles, however, conveyance allowance of Rs.0.576 million was not deducted. This resulted in a non-recovery of Rs.6.996 million (**Annexure-MCL-D**).

Audit is of the view that irregular payment of the pay and allowances was made due to weak internal controls.

The matter was reported to PAO in June 2024. Management replied that partial recovery has been made. Reply was not tenable as record related to recovery was not provided. SDAC meeting was held on 22<sup>nd</sup> & 23<sup>rd</sup> July 2024, however minutes were not signed till the finalization of this report.

Audit recommends the maintenance of personal files and recovery of overpayment.

[PDP No.73, 118]

#### **10.4.4 Irregular time scale promotions -Rs 16.841 million**

According to Notification No.FD.PC.40-43/2017(E) dated 14<sup>th</sup> December 2018, posts of Computer personnel were restructured along with revision of Prescribed qualifications. According to Sr. No. 1 (iv & v) where the incumbents of above posts were allowed time scale promotion after each eight years, the incumbents of such posts would be placed in the cadre according to possessed qualification. However, time scale allowed would continue as personal to such incumbents. Revised qualifications for revised designation are

- Junior Computer Operator (BS 12): Intermediate + MS Office/ ICS (2nd Division) with 40 wpm speed on computer
- Computer Operator (BS 15): B.A + 4 months training in computer language/ BCS (2nd Division)
- Senior Computer Operator (BS 16): B. A + 4 months' training in computer language/ BCS (2nd Division) plus three years' experience as Computer Operator.

During audit of MCL (Information Technology Office) for the FY 2022-23, it was observed that management irregularly absorbed IT In-charge Mr. Noman in MCL and then awarded time scale promotion in BPS (18) without requisite experience. This resulted in irregular time scale promotion involving expenditure of Rs 1.493 million during FY 2022-23.

Similarly, the management awarded time scale promotion & upgradation to twenty (22) officer(s) and official(s) simultaneously, without counting the length of service, verification of requisite experience and required qualification and paid Rs 16.841 million on account of pay and allowances as detailed in **Annexure-MCL-E**.

Audit held irregular upgradations were made due to weak internal controls. This resulted in irregular expenditure on pay and allowances amounting to Rs16.844 million

The matter was reported to PAO in June 2024. Management responded that the upgradations and time scale promotions were conducted in accordance with established guidelines. Reply was untenable because the Time Scale Promotions/Upgradations were made without verification of requisite qualifications and experience. SDAC in its meeting held on 22nd & 23rd July 2024, directed to revert such employees those promoted in violation of rules and recover overpayment.

Audit recommends verification of qualifications and requisite experience along with recovery of overpayment.

[PDP No. 117]

## C) Procurement related irregularities

### 10.4.5 Irregular / invalid expenditure on cricket match - Rs 20.650 million

According to Rule 59(d)(III) of the PPRA Rules 2014, a procuring agency may engage in negotiated tendering for reasons of extreme urgency brought about by events unforeseeable, the time limits laid down for open and limited bidding methods cannot be met, however, the circumstances invoked to justify extreme urgency must not be attributable to the procuring agency.

During the audit of MCL for FY 2022-23, it was found that management paid Rs 20.650 million for arranging 35,000 lunch boxes, 500ml mineral water bottles boxes were ordered far exceeding the capacity of Qaddafi Stadium for a local school-level cricket match held on 7<sup>th</sup> December 2022, without negotiated tendering. Moreover, the management did not receive any written directions from the Government of Punjab or the Secretary of LG&CD Department. The management spent a significant amount of public funds on advertisements and food for a school level cricket match, as detailed below:

<b>Rs in million</b>				
<b>Dated</b>	<b>Vendor</b>	<b>Cheque no.</b>	<b>Description</b>	<b>Amount</b>
21.01.23	M/s Global Solution	9117347143	Provision & Supply of Biryani Boxes and Water Bottles regarding match at Gaddafi Stadium	20.650

Audit held that occurrence of irregular expenditure was due to weak internal control and poor financial discipline. This resulted in irregular expenditure of Rs 20.650 million

The matter was brought to the attention of the PAO in June 2024. In response, management stated that the arrangements were made based on directives from the Chief Secretary of Punjab, with flex items paid for at approved rates under the MCL framework contract. However, they explained that lunch boxes and mineral water bottles were procured urgently due to the lack of available rates and time constraints. This explanation was deemed unacceptable, no written directive was produced regarding direction of the government and a total of 35,000 lunch boxes were ordered, far exceeding the capacity of Qaddafi Stadium, and the management failed to provide a valid justification for the excessive expenditure on a school match. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to conduct an administrative level probe.

Audit recommends probe at administrative level to fix the responsibility.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 4.4.34 having financial impact of Rs 8.633 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 59]

#### **10.4.6 Irregular expenditure on traffic load management camps – Rs 59.955 million**

According to Rule 59(d)(III) of the PPRA Rules 2014, a procuring agency may engage in negotiated tendering for reasons of extreme urgency brought about by events unforeseeable by the procuring agency, the time limits laid down for open and limited bidding methods cannot be met, however, the circumstances invoked to justify extreme urgency must not be attributable to the procuring agency. According to Rule (n)(iii) of Punjab Local Government Accounts Rules 2017 extravagance or wastage of the local fund is a financial irregularity.

During the audit of the MO(Regulations) for FY 2022-23, it was observed that the management incurred an expenditure of Rs.59.955 million on the establishment and operation of camps, which ran for an extended period of 70 days, from May 16 to July 25, 2022, including public holidays like Eid (**Annexure-MCL-F**). Despite the involvement of eight departments, including the Lahore Development Authority (LDA), Punjab Transport Company, Deputy Commissioner Lahore, and Punjab Police, no daily progress reports, activity logs, or documented evidence were provided to justify the necessity and continuity of the camps. This lack of documentation raises serious concerns about the transparency and accountability of the expenditure borne by different departments, as it prevents proper verification of the actual activities conducted and the necessity of the incurred costs. The audit has identified instances of duplicate payments in previous audit years and in current audit as well, therefore, without reconciliation and documentation from all involved departments, the legitimacy of this spending remains unverified.

This expenditure included costs of Rs.17.17 million for lunch boxes and drinking water, which were procured under the urgency clause without following the prescribed procedure for negotiated tendering, and without maintaining proper consumption records a clear violation of the Punjab Procurement Regulatory Authority (PPRA) Rules as detailed below:

<b>Rs in million</b>					
<b>S. No</b>	<b>Dated</b>	<b>Vendor</b>	<b>Cheque no.</b>	<b>Description</b>	<b>Amount</b>
1	10.08.2022	M/s Hadi Enterpriser	9117332277	Provision of Printed Jackets & Caps for Traffic Load Management Camps	0.151
2	06.08.2022	M/s Rehan Traders	9117332210	Supply of Biryani and Drinking Water to 28 Camps.	17.019
			<b>Total</b>		<b>17.17</b>

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

The matter was reported to PAO in June 2024. Management replied that the 'Traffic Load Management' campaign in Lahore was approved, coordinated across departments, and supported by minutes and photos. Payments for lighting, tents, and flex items paid as per framework rate contract, while local quotations and urgent procurement were used for jackets, biryani, and water due to time constraints and unavailable rates. Reply was not tenable as the management did not provide pictorial evidence and activity reports duly reconciled with other departments engaged in this campaign. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to conduct probe at administrative level and regularize the expenditure from FD.

Audit recommends probe at department level along with provision of activity report and acknowledgment certificate by those receiving the lunch boxes and other materials.

[PDP No. 61]

#### 10.4.7 Overpayment for refreshments- Rs 1.404 million

According to Rule (52) of PFR Volume II on official entertainment, refreshments served during official meetings are regulated as follows: Meetings fall into four categories: those attended by federal or provincial government officers, representatives of foreign governments or organizations, provincial government officers, and non-official attendees. Expenditure limits on refreshments are Rs 500 or a Lunch Box for Rs 2,200 per person.

During audit of MCL for the FY 2022-23 it was observed that PSO to Mayor incurred excess expenditure of Rs 1.404 million on refreshments. The expenditure was not economical since it exceeded the rates notified as detailed below:

<b>Rs in million</b>						
<b>S. No</b>	<b>Event</b>	<b>Rate Charged Rs</b>	<b>Notified Rate Rs</b>	<b>Difference Rs</b>	<b>Qty</b>	<b>Overpayment</b>
1	Milad & Juloo, Shan Rehmat ul alameen (PBUH) dt: 6-10-22	3500	2200	1300	350	0.455
2	Seerat Conference, Shan Rehmat ul alameen (PBUH) dt 1-10-22	3500	2200	1300	350	0.455
3	Naat Conference, Shan Rehmat ul alameen (PBUH) dated 6-10-22	3500	2200	1300	350	0.455
4	6th Sep Hi Tea	890	500	390	100	0.039
<b>Total</b>						<b>1.404</b>

Audit held that overpayment was made due to weak internal controls. This resulted in overpayment of Rs1.404 million.

The matter was reported to PAO in June 2024. Management replied that all items were provided at competitive rates after fulfilling all codal formalities. Audit observed that management did not adhere to the notified rates. SDAC in its meeting held on 22nd & 23rd July, 2024, directed for recovery of overpayment.

Audit recommends that recovery be made besides acting against persons at fault.

[PDP No 96]

#### **10.4.8 Doubtful expenditure on World Bicycle Day-Rs 21.792 million**

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

During audit of MCL for the FY 2022-23, several issues were identified to the tune of Rs.21.792 million expenditure for World Bicycle Day celebrations at Qaddafi Stadium. The funds were spent on June 4, 2022, before obtaining required approval from the Administrator, which was only granted on June 13, 2022. This procedural lapse indicates a disregard for financial protocols, as expenditures should not be made without prior authorization. Additionally, the celebration was held on June 5, rather than the official undesignated date of June 3, which reduced the event's relevance and alignment with international observance. Management has not provided the booking details of Qaddafi stadium as well.

The theme for World Bicycle Day 2022 focused on integrating bicycling into public transportation to promote sustainable development. However, MCL did not conduct any activities to support this theme, instead using funds for hiring of tents, carpets, generators, and banners in Qaddafi stadium, with no initiatives related to sustainable transportation or public awareness. This misallocation suggests the event was more about temporary logistics than promoting bicycling or sustainable development. The audit raises concerns over potential mismanagement of funds, non-compliance with approval procedures, and lack of alignment with the event's objectives, calling into question the effectiveness and accountability of this expenditure. This resulted in doubtful expenditure of Rs 21.792 million

The matter was reported to PAO in June 2024. Management replied that work order was issued to the concerned vendor based on the verbal

directions of the Competent Authority, while administrative approval was obtained at a later stage. Audit observed that Day was observed on 5th June instead of 3rd June and the Administrator approval was also obtained at later stage. SDAC in its meeting held on 22nd & 23rd July, 2024, to provide the booking details of Qazzafi Stadium along with pictorial evidence.

Audit recommends regularizing the expenditure besides acting against persons at fault.

[PDP No 97]

#### **10.4.9 Irregular expenditure through invocation of urgency- Rs 432.809 million**

Rule 4 of the PPR 2014 mandates that a procuring agency must ensure that procurement objectives deliver value for money and that the procurement process is efficient and economical. Rules 8 and 9 of the PPR 2014 require procuring agencies to develop and announce an annual procurement plan without splitting or regrouping procurements, and to advertise their annual procurement needs in advance on both the Authority's website and their own website. As per Rule 59(d)(III) of PPR 2014, a procuring agency may engage in negotiated tendering with one or more contractors with or without prior publication of a procurement notification, but this procedure shall only be used when for reasons of extreme urgency brought about by events unforeseeable by the procuring agency. According to Section 36 (1) (g) Chief Officer is responsible for all procurements.

During the audit of MCL for FY 2022-23, it was noted that the management incurred an expenditure of Rs. 432.809 million by invoking the urgency clause. As per PRR 2014, this procedure is allowed only in cases of extreme urgency caused by unforeseen events. However, the management was already aware of these recurring events, making the use of the urgency clause unjustifiable. Furthermore, instead of opting for negotiated tendering, the management procured materials and services through quotations, resulting in irregular expenditure of Rs. 432.809 million as detailed below:

<b>Rs in million</b>			
<b>Sr. No.</b>	<b>Description</b>	<b>DDO Name</b>	<b>Amount</b>
1	Independence Day celebrations and Eid Milad-ul-Nabi	PSO to Administrator	253.961
2	Misc. civil work schemes	MO(I)	167.066
3	Purchase of Bajri and sand	MO(I)	11.782
<b>Total</b>			<b>432.809</b>

Audit held that management misused urgency due to weak financial controls. This resulted in irregular expenditure of Rs. 432.809 million.

The matter was reported to PAO in June 2024. The management responded that most of the expenditures related to the events mentioned in the audit were based on a framework rate contract approved by the Competent Authority. For items without approved rates, quotations were obtained by invoking the urgency clause under Rule 2 (ad) in conjunction with Rule 59 (d)(iii) of the Punjab Procurement Rules, 2014. However, this reply was deemed untenable by the audit, as the events in question are celebrated annually. Moreover, in case of Misc. civil work schemes purchase of Bajri and sand is unjustified. Despite this, the management failed to develop a comprehensive procurement plan. Additionally, negotiated tendering, which should have been conducted, was not carried out. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to conduct an administrative level probe and regularization of expenditure.

Audit recommends that expenditure be regularized besides acting against persons at fault.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 4.4.11 having financial impact of Rs 1,016.194 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No 8, 26, 59, 102]

#### **10.4.10 Doubtful Expenditure on 7<sup>th</sup> Faiz Festival - Rs 21.989 million**

According to Rule 4(3)(v) & 42(1) of PDG & TMA (Budget) Rules 2003, the head of office is responsible for ensuring that the funds are utilized on the activities for which money are provided.

During the Audit of MCL for FY 2022-23, it was observed that MOF incurred an expenditure of Rs 21.989 million on the 7<sup>th</sup> Faiz Festival. The 7<sup>th</sup> Faiz Festival in 2023, was jointly organized by the Faiz Foundation and Pakistan Arts Council at Alhamra Complex from February 17 to February 19, 2023, and was sponsored by Allied Bank, HBL, Bank of Punjab, British Council, and media organizations yet no records were found for sponsor contributions or acknowledgments from organizers. Acknowledgment receipts for equipment and quantities of item received was not on record. The audit found Administrator Approval lacked detailed scope of work, making it difficult to authenticate the expenditures without reconciliation with the sponsors as detailed below:

			Rs in million
S. No	Description	Vendor Name	Amount
i	Arrangement of Trussing	M/s Amjad Ali	3.939
ii	Arrangement of generator 200 KVA, Carpet, wooden table, Qanat & wire	M/s Rashid Ali Awan Enterprises	0.629
iii.	Fuel Charges	M/s Rashid Ali	1.682

		Awan Enterprises	
iv.	Arrangement of Tables Glass	M/s Ibrahim Impex	0.0365
v.	Arrangement of SMD Screen 16x24, video camera, tower stand & beam light etc.	M/s ANW Enterprise	1.920
vi.	Arrangement of foamy Chair with cover and ribbon, Sogo sodium light 250 watt & wire	M/s Farooq & Company	0.452
vii.	Arrangement of complete professional Live Sound System	M/s HLD Event Master	0.160
viii.	Arrangement of OB-2 video shoot camera, Dera size 90x90, portable washrooms	M/s Event Organizers	0.600
ix.	Arrangements/Preparation & installation of Flex hoardings with iron frames & streamers etc.	M/s Balance Publicity	9.854
	<b>Total Amount</b>		<b>20.714</b>

Moreover, following items of Rs 1,275,149 were procured in violation of PPRA on quotation basis as detailed below:

				Rs in million
S. No	Description	Vendor	Quantity	Amount
1.	Cloth bag with printing	Ms. Print	265	0.198
2.	T shirts	Ms. Print	166	0.199
3.	Diary with 2 colors	Ms. Print	180	0.198
4.	Bunting	Ms. Roshni Communication	1000	0.199
5.	Name Tags	Ms. Roshni Communication	1500	0.199
6.	Iron Tables	Ms. Balance Publicity	19	0.195
7.	Coupon with 4 colors	Ms. Balance Publicity	2000	0.030
8.	Pen with color branding	Ms. Balance Publicity	500	0.055
<b>Total</b>				<b>1.275</b>

This resulted in doubtful expenditure of Rs 21.989 million

Audit held that due to financial indiscipline and weak internal controls, doubtful expenditure was incurred on Faiz Festival.

The matter was reported to PAO in June 2024. Management replied that the expenditure incurred with the approval of the administrator. Reply was tenable because the management failed to provide any correspondence or acknowledgment from the organizers, as the event was co-sponsored by various national and international organizations, including HBL, ABL, media companies, and the British Council. As a result, the audit could not authenticate the expenditure. SDAC in its meeting held on 22nd & 23rd July, 2024, directed the management to provide the requisite record from the organizers / sponsors.

Audit recommends that matter shall be probed at administrative level besides fixing responsibility against persons at fault.

[PDP No 106]

#### 10.4.11 Irregular purchase through quotations -Rs 848.995 million

As per Rule 2 (sa) framework contract means a contract whereby the procurement is made for a certain volume or quantity of a particular good, a set of goods, services or works over a specific period against an agreed sum or rate per item or lump sum. As per rule 15 (1) a procuring agency may procure goods, services or works through a framework contract to ensure uniformity in the procurement. As per Rule 4, a procuring agency shall ensure that the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical.

During the audit of MCL for the FY 2022-23, it was observed that management expended Rs 882.665 million on the purchase of goods, services or works on a quotation basis instead of a framework rate contract or through prequalification to bring value for money. Heavy procurements were made below Rs 200,000 on quotation basis to avoid advertisement on PPRA website. The expenditure was irregular and uneconomical as detailed below:

<b>Rs in million</b>			
<b>Sr. No.</b>	<b>Description</b>	<b>DDO Concerned</b>	<b>Amount</b>
1.	Purchase/repair of street light materials	MO(I)	610.654
2.	Purchase /Repair of manhole	MO(I)	60.898
3.	Repair of PCC	MO(I)	83.437
4.	Painting of curbstones /Lane marking	MO(I)	40.824
5.	Desilting work	MO(I)	11.514
6.	Purchase of cleaning materials	All DDOs	9.903
7.	Purchase of uniform Jackets	All	3.978
8.	Construction of speed brakere	MO(I)	2.769
9.	Repair of vehicles & Others	MO (S)	25.015
10	Purchase of bajri & harrow sand	MO (I)	11.782
11	Purchase of Common Items	MO (R)	21.809
<b>Total</b>			<b>882.665</b>

Audit held that irregular expenditure was made due to weak internal controls. This resulted in irregular expenditure of Rs 882.665 million.

The matter was reported to PAO concerned June 2024. Management responded that the procurements were made under Rule 59 (d)(iii) of the PPRA Rules, 2014 as per law. Reply was not tenable because the expenditure was incurred on a quotation basis without annual planning, with an average of 10 quotations per day processed solely for the purchase of street light materials alone. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to regularize the expenditure.

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

[PDP No. 10, 74]

#### **10.4.12 Overpayment on account of Chehlum – Rs 102.222 million**

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

During audit of MCL for the FY 2022-23, it was observed that expenditure of Rs 154.554 million was incurred for Majlis-e- Aza & Processions regarding Chehlum Hazrat Imam Hussain. The expenditure was incurred for three to four days instead of one day which resulted in overpayment of Rs 102.222 million. **Annexure-MCL-G**

Audit held that excess expenditure was incurred due to weak internal controls.

The matter was reported to PAO in June 2024. Management responded that the majority of Chehlum Azadari processions took place from the 17th to the 21st of Safar. Consequently, work was carried out according to site requirements. Reply was not tenable as management failed to provide a valid justification for incurring expenses over 3-4 days against all sites, despite the Government of Pakistan declaring only one day for the celebration of Chehlum. Every year, Chehlum or Arbaeen is celebrated on the 20th of Safar. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to conduct a probe at administrative level.

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

[PDP No. 31, 32]

#### **10.4.13 Irregular expenditure on PSL -VII – Rs 39.859 million**

As per direction of Administrator vide 121 (4)/CMO (I&S) /MCL dated 5.2.22, MCL to make necessary arrangements of temporary lights on rental basis for illumination of sites / routes comprising of Mall Road to Jail Road, Jail Road to Ch. Zahoor Elahi Road to Canal Road regarding PSL-VII cricket matches at Gaddafi Stadium.

During the audit of MCL for FY 2022-23, it was noted that management incurred expenditure of Rs. 39.859 million on arrangements for PSL-7 (2022). This expenditure was not valid, as it was PCB's responsibility, and thus, the amount should have been recovered from PCB. Furthermore, no reconciliation with PCB or the District Coordination Office was made, and no NOCs were found. The route for the PSL team was from PC Hotel Mall Road to Gaddafi Stadium, but the expenditure covered the route from Campus

Bridge to Barkat Market, Kalma Chowk, and UCH without approval from Administrator and security agencies. Similarly, it was observed that PSL-VII matches were scheduled from 10.02.2022 to 27.02.2022 (18 days) whereas expense was made for 20 twenty days. Hence excess payment of Rs 4.257 million was made for two days was made as detailed below:

Rs in million

Vendor	Item	Payment Made	Payment To Be Made	Excess Paid
ANW Enterprisers	Generator 250 KVA, temporary lights and wires	24.906	22.415	2.491
Amjad Ali	SMD light	3.8	3.15	0.65
Amjad Ali	Sogo light	2.409	2.168	0.241
Rashid Ali Awan	LED Lari	3.036	2.732	0.304
ANW Enterprisers	Generator diesel	5.708	5.137	0.571
<b>Total</b>				<b>4.257</b>

Audit held that occurrence of irregular expenditure was due to weak internal controls and poor financial discipline.

The matter was reported to PAO in June 2024. Management replied that approval for the event was granted by the competent authority. The celebration encompassed the entire city of Lahore in relation to the PSL. Moreover, rehearsals and security checks were conducted two days prior to the event as per directives. Reply was not tenable as routes were clearly mentioned in notification vide 121 (4)/CMO (I&S) /MCL dated 5.2.22. Moreover, the Government of Punjab also incurred significant expenditures of Rs 2.17 billion on PSL and home series, as reported in the media. These expenditures cannot be authenticated unless reconciled with the expenses incurred by the District Administration and the Finance Department of the Government of Punjab. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to refer the matter to the Finance Department for verification/reconciliation of expenditure incurred by the Government of Punjab and other departments.

Audit recommends that the expenditure be reconciled, and amount shall be recovered from PCB.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 4.4.14 having financial impact of Rs 7.399 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 33,34]

#### **10.4.14 Extravagant expenditure on hiring of tentage – Rs 315.302 million**

According to Rule 38 (a) of Punjab Local Govt Act 2022, personal responsibility for acts done and expenditure incurred without lawful authority.

Every person exercising any authority for the purposes of the Act, shall be personally responsible for: (a) any act done by him personally or done under his direction; or any loss, financial or otherwise, suffered by a local government due to a decision made by him personally or under his direction;

During audit of MO Regulations for the FY 2022-23, it was observed that the scope of work was to provide shade for animals in temporary cattle markets, but management incurred lavish expenditure of Rs 315.302 million on tents (Kuppa and Dera, Dera Patti) for Eid-ul-Azha event. Per unit cost ranged from Rs 2.12/sft to Rs 3.52/sft, compared to Punjab Cattle Market Management and Development Company (PCMMDC) cost of Rs 1.5/sft to Rs 0.58/sft. This resulted in extravagant and excess expenditure of Rs 315.302 million as detailed at **Annexure-MCL-H** in comparison to PCMMDC. Moreover, it was observed that expenditure of Rs 97.455 million was incurred on account of hiring of tentage for 15 days Eid-ul-Azha 2022 (25.6.22 to 9.7.22) on two temporary cattle markets in Gulberg zone. In Gulberg zone, two vendors i.e. M/s Ibrahim Impex and M/s ANW were issued work orders with almost double quantities as compared to other zones.

Audit held that occurrence of extravagant expenditure was due to weak internal control and poor financial discipline.

The matter was reported to PAO in June 2024. Management replied that tentage items were hired based on-site requirements and requests from sale point in-charges. Reply was not acceptable as evasive. The management did not address to query of exorbitant rates and lavish spending on temporary sale points. SDAC in its meeting held on 22nd & 23rd July, 2024, expressed serious concerns regarding the economy of the expenditure compared to the PCMMDC and directed to conduct a probe at administrative level.

Audit recommends that the administrative probe against the persons at fault besides recovery of overpayment.

[PDP No. 63]

#### **10.4.15      Doubtful expenditure on illumination of Services Hospital - Rs 13.737 million**

As per Rule 2 (a & b) of the Punjab Local Government (Accounts) Rules 2017, any loss caused to the local government due to fraud or negligence is the personal responsibility of the individual acting on behalf of the local government, and they are liable to compensate for the loss. Additionally, the drawing and disbursing officer, as well as the payee of salaries, allowances, contingent expenses, or any other expenditure, are personally accountable for any overcharge, fraud, or misappropriation, and must make good the resulting loss.

During the audit of MCL for the fiscal year 2022-23, it was noted that the MO (Infrastructure) disbursed Rs 13.737 million for lighting arrangements during the celebrations of the 75<sup>th</sup> Independence Day (from 12<sup>th</sup> to 14<sup>th</sup> August 2022) under the budget head A03918-Fair & Exhibition, in September 2022. However, Services Hospital, being under the provincial government's administrative control and having its own budget allocation, should not have been covered by local government funds for lighting expenses. The expenditure on lighting for autonomous institutions from local government resources was thus not a valid charge. Moreover, the generators were hired over and above the required total load.

Audit held that doubtful expenditure was incurred due to weak internal controls.

The matter was reported to PAO concerned June 2024. Management replied that generators were employed for smooth and continuous operation at the site. Reply was not tenable and evasive because management didn't respond about validity of expense. SDAC in its meeting held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024, decided that an administrative-level investigation shall be conducted to identify those responsible, the expenses claimed against independent entities such as the Services Hospital, Civil Secretariat, Lahore Museum, and the Orange Line, etc., shall be reconciled and the matter shall be referred to the Anti-Corruption establishment.

Audit recommends that MCL shall provide the acknowledgment from DDO, and head of Services Hospital or recovery shall be affected. Moreover, the matter shall be referred to anticorruption for investigation.

[PDP No. 23]

#### **10.4.16 Overpayment on Defense Day and Independence Day - Rs 118.596 million**

As per the administrative approval granted by the Administrator of MCL (vide no Nil, dated 29-08-2022), arrangements for Independence Day celebrations were authorized for two days—one for rehearsal and one for the function day. Additionally, as per the decisions taken in the meeting chaired by the Commissioner (vide 25-PSO-Admin, dated 30-07-2022), the MO (Infrastructure & Services) was instructed to illuminate prominent buildings and chowks on 13th and 14th August.

During the audit of MCL for FY 2022-23, it was observed that the MO (Infrastructure) incurred an expenditure of Rs 56.296 million on temporary lighting at various locations, including: Lahore Museum, DC Office, DC House, Commissioner Office, Commissioner House, Tolinton Market, Orange Train Station, Punjab Civil Secretariat and Lahore High Court. In addition to

this, an extra expenditure of Rs 62.300 million was incurred for illuminating public buildings beyond two days authorized in the administrator’s approval. The locations where these extra costs were incurred are as follows:

<b>Rs in millions</b>				
<b>Sr. No.</b>	<b>Description</b>	<b>Total Expenditure</b>	<b>Extra Days</b>	<b>Excess Expenditure</b>
1.	Lahore Museum, DC Office, DC House, Commissioner Office Commissioner House, Town Hall, Tolinton Market, Orange Train Station, Lahore High Court, Punjab Civil Secretariat	32.055	2	16.027
2.	Governor House To Canal Road	33.153	1	11.051
3.	Istanbul Chowk to Governor House	32.442	1	10.814
4.	Aziz Bhatti Zone and Link Road	4.812	1	1.604
5.	Canal Road To Jail Road	31.152	1	10.384
6.	Data Gunj Bakhsh Zone	37.271	1	12.420
<b>Total</b>				<b>62.300</b>

Several key issues make this expenditure questionable:

- The administrator did not authorize temporary lighting arrangements for Defense Day.
- The approval was for two days only, yet payments were made for more than two days.
- The locations mentioned in the bill have their own allocated budgets, making the charges for temporary lighting invalid and doubtful.
- Despite these buildings having dedicated electric connections, 26 generators were rented and operated for 10 hours daily over four days, leading to an expenditure of Rs 3.813 million.
- No logbooks were available to account for the fuel consumption of the generators.

The unauthorized expenditure and lack of proper documentation raise serious concerns about the validity of these payments.

The Principal Accounting Officer (PAO) was informed of the matter in June 2024. Management responded by asserting that the competent authority had approved the illumination of roads, buildings, and boundary walls. Reply was not tenable because public buildings not under MCL's administrative control and possessing their own budgets were charged for unauthorized illumination. Secondly, the additional expenses incurred beyond the approved days were not justified. SDAC in its meeting held meeting held on 22nd &

23rd July, 2024 directed to conduct an administrative level probe and recovery of overpayment.

Audit recommends that MCL shall provide the acknowledgment from DDOs, and head of institutions or recovery shall be affected from MCL management. Moreover, the matter shall be referred to anticorruption for investigation.

[PDP No. 24, 25]

**D) Management of accounts with commercial banks**  
**10.4.17 Loss due to placing of funds in current account – Rs 8.527 million**

According to letter No. FD(W&M)1-1/70 (Vol-XV)/2018 dated 11.01.2019, Finance Department, Government of the Punjab, markup rates offered by Bank of Punjab may be compared with all public/private and Islamic banks having minimum long term "AA" rating at the time of placement of funds. In case Bank of Punjab offers the highest profit rate, funds may be placed with it. In case any of the above referred banks offers the highest profit rate, Bank of Punjab may be given an opportunity to match that profit rate within maximum of 10 days.

During the audit of the Administrator (P&FTT) for the fiscal year 2022-23, it was noted that funds were kept in the collection account instead of being transferred to an investment account to earn profit. The audit estimated that even with the minimum monthly balance, applying the KIBOR (Annual) interest rate, a profit of Rs. 8.527 million could have been earned during FY 2022-23, as detailed below:

<b>Rs in million</b>				
<b>Month</b>	<b>Min Balance during moth</b>	<b>Percent Kibor Rate</b>	<b>1/12 factor for monthly profit</b>	<b>Profit</b>
Jul-22	3.098	16.11	0.0134	0.042
Aug-22	5.525	16.31	0.0136	0.075
Sep-22	85.945	16.41	0.0137	1.175
Oct-22	79.751	16.06	0.0134	1.067
Nov-22	83.922	16.14	0.0135	1.129
Feb-23	64.394	18.84	0.0157	1.011
Mar-23	66.364	20.43	0.0170	1.130
Apr-23	64.106	22.28	0.0186	1.190
May-23	91.754	22.34	0.0186	1.708
<b>Total</b>				<b>8.527</b>

Audit held that MCL faced loss due to weak internal controls. This resulted in loss of Rs8.527 million to the government.

The matter was reported to PAO in June 2024. The management responded that, as per past practice, funds and contractual collections are kept in the current account. They indicated they would comply with any instructions to move these funds to an investment or savings account. Management admitted lapse. SDAC in its meeting held on 22nd & 23rd July, 2024, directed the management to place funds in corporate account.

Audit recommends that funds be placed in PLS or investment account besides acting against person(s) at fault.

[PDP No.114]

**E) Value for money and service delivery issues**  
**10.4.18 Overpayment of labor charges – Rs 9.381 million**

The notified rate of unskilled worker is Rs 965 per day as per Schedule of Wage Rates-2022 issued vide Notification No. RO (Tech) FD 2-2/2022 dated 15<sup>th</sup> July 2022 effective from 1st July 2022.

During the audit of MCL for FY 2022-23, it was observed that contracts for labor were made at rates contradicting the notified ones, leading to an overpayment of Rs 9.381 million to vendors for unskilled labor. Despite having surplus staff in the Solid Waste Management Department, MO(R), and MO(I), the management failed to properly monitor the attendance of zone staff. Additionally, under the framework rate contract and agreement for work orders related to Traffic Load Management Camps, the installation and maintenance of camps were the vendor's responsibility. Moreover, payment evidence of EOBI @5% and PESSI @ 6% against the CNICs of the labour paid to the relevant institutions was also neither available on record nor shown to audit. However, management's lack of due diligence resulted in an overpayment of Rs 9.381 million as detailed below:

<b>Rs in million</b>							
<b>Description</b>	<b>Vendor</b>	<b>Rate Paid</b>	<b>Rate to be Paid</b>	<b>Difference</b>	<b>No. of Labors</b>	<b>Days</b>	<b>Overpaid</b>
Removal of bushes from graveyards	Ibrahim impex	1650	965	685	160	73	8.000
Traffic load management		1650	965	685	28	72	1.380
<b>Total</b>							<b>9.381</b>

Audit held excess payment was made due to weak internal controls.

The matter was reported to PAO in June 2024. Management replied that the MCL followed proper procedures in hiring labor from M/S Ibrahim Impex at agreed rates, and no overpayment was made. Reply was not tenable as management made agreements in violation of Schedule of Wage Rates-2022 issued vide Notification No. RO (Tech) FD 2-2/2022 dated 15th July 2022 effective from 1st July 2022. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to conduct probe at administrative level.

Audit recommends that the recovery of overpayment besides provision of EOBI and PESSI payment details of the deployed staff.

[PDP No.67]

**10.4.19 Less deduction of income tax – Rs 2.416 million**

According to Section 153(1) of Income Tax Ordinance 2001, income tax @ 4.5% & 9% for supply of goods, 10% and 20% for rendering services of

the gross amount is required to be deducted from the payment made to firms' filers / non-filers respectively.

During audit of MCL for the FY 2022-23, it was observed that following contractors were inactive taxpayers at the time of payment, but tax rate of filer applied which caused less deduction of income tax Rs 2.416 million. This resulted in less deduction of income tax of Rs 2.416 million.

<b>Rs in millions</b>		
<b>Sr. No.</b>	<b>Contractor Name</b>	<b>Amount</b>
1	M/s Punjab & Co.	1.311
2	M/s Najah Contractors	0.751
3	M/s S.A. Enterprises	0.137
4	M/s Shahzad Construction Co.	0.079
5	M/s Irfan & Brothers	0.138
<b>Total</b>		<b>2.416</b>

Audit held that due to weak internal controls, income tax was not recovered.

The matter was reported to PAO in June 2024. MO (F) replied that the DDOs were directed to recover Income tax from inactive taxpayers through various letter however, the same was not complied. Management admitted lapse. SDAC in its meeting held on 22nd & 23rd July, 2024, directed the directed the CO MCL to fix responsibility against those at fault and deposit the amount in government treasury.

Audit recommends early recovery and fixing responsibility for non-deduction of prescribed income tax from the claim of contractors.

[PDP No. 107]

#### **10.4.20 Non-imposition of Penalty – Rs 16.609 million**

As per Clause 2 of the contract agreement, the contractor shall pay, as compensation, an amount equal to 1% of the amount of the contract subject to the maximum of 10% or such smaller amount as the Engineer in charge may decide, for the delay in completion of work.

During audit of Metropolitan Officer Infrastructure MCL for the FY 2022-23, it was observed that management awarded work on various schemes. The contractors did not complete the work within the stipulated time. Department did not impose the penalty on the contractors due to late / non-completion of the schemes @ 10%. This resulted in non-imposition of penalty amounting to Rs 16.609 million.

**Rs in millions**

<b>Sr. No</b>	<b>Name of Scheme</b>	<b>Estimated Cost</b>	<b>Deadline for completion</b>	<b>Not completed till</b>	<b>Penalty @ 10%</b>
1	Construction of carpet road village Dhalloo Kulla Lahore	19.530	26.10.2022	18.01.23	1.953
2	providing fixing manhole covers, rings and RCC slab etc. in Wagha Zone MCL	55.982	21.06.2022	25.11.22	5.598
3	Restoration of building façade and repair work town hall building Mall Road MCL	8.284	17.06.2022	30.11.22	0.828
4	Restoration of road cut at Mayo hospital road and Aibak Road New Anarkali	19.264	17.12.2022	12.01.24	1.926
5	Reh of market at Wandala road market Ravi Zone	18.752	21.05.2022	25.09.22	1.875
6	Reh of market at GOL ground triple road Shalimar Zone	19.700	21.05.2022	03.10.22	1.970
7	SR of main routes babul Hawajj-Sada-e-Zahra Aziz Bhatti Zone	24.582	25.08.2022	WIP	2.458
	<b>Total</b>				<b>16.608</b>

Audit is of the view that due to weak internal controls and defective financial discipline; the penalty was not imposed.

The matter was reported to PAO concerned June 2024. Management responded that a penalty would either be imposed, or a time extension will be granted at the time of final payment. Management admitted lapse. SDAC in its meeting held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024, directed to affect the recovery.

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

[PDP No.07]

#### **10.4.21 Irregular approval of hotel building plan- Rs 8.400 million**

As per the Notification issued by the Metropolitan Officer (Planning) (MO(P)) of the Municipal Corporation of Lahore (MCL), the MO(P) has the authority to approve commercial building plans up to 15 Marla. According to Rule 23(b) of the Land Use Rules of the Lahore Development Authority (LDA) 2020, properties on List A roads designated for commercial use require the payment of a conversion fee of 20% of the commercial value upon reclassification for commercial use. The conversion fee can be paid in installments, with specific conditions and requirements. After submitting an initial 20% lump sum fee, the remaining conversion fee can be paid in seven equal installments spread over two or three years. The building plan can be sanctioned up to the plinth level after the payment of the first installment. Plans up to a height of thirty-eight feet may be released after paying three more installments, while plans for structures above thirty-eight feet in height require complete payment of all installments.

During the audit of Metropolitan Officer (Planning) MCL Lahore for the FY 2022-23, it was noted that a building plan for a hotel measuring 1 Kanal 5 Marla 70 sq ft was approved, breaching building laws. The LDA issued an installment plan for the conversion fee of Rs. 12,766,108 in favor of Mr. Humayun Riaz Khan. The building plan was initially approved up to the plinth level after the payment of 20% of the lump sum fee and the first installment, as per the law. At second stage they were authorized to release building plan up to thirty-eight feet after payment of three more installments, but the MCL issued a complete building plan without verifying the remaining six installments of Rs. 8,400,000. Furthermore, the composition building plan was irregularly approved by the MO (P) beyond his competence, as it should have been approved by the Chief Officer (CO) of the MCL. This resulted in irregular approval of building plan and loss of Rs 8.400 million.

Audit held that building plan was irregularly approved was due to weak internal controls.

The matter was reported to PAO concerned June 2024. Management reported the owner paid installments to LDA as required, however second-stage plan was supposed to be released up to 38 feet, a sanction was issued for the entire structure under No. 191-ZO(P)-SZ dated November 25, 2023, with approval from the MOP, MCL. The letter (No. 191-ZO(P)-SZ) was withdrawn on May 7, 2024, following approval from the authority. Management admitted lapse that building plan was approved beyond competence. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to the initiation of E&D proceedings against the ex-MO (Planning) for misuse of authority.

Audit recommends regularization of building plan besides initiation of disciplinary proceedings against the ex-MO (P).

[PDP No. 37]

#### **10.4.22 Irregular construction of buildings in violation of approved building plan**

According to Rule 6.2.1 & 6.2.9, One car space for every 1000 sq ft. (92.95 sq.m) of covered area or a minimum of one car space for every housing unit; and in addition to car parking space, an area equal to 16% of the total car parking area shall be reserved for motorcycle. According to Rule 11.3.2 of the Building and Zoning Bye-Laws-2017, title documents such as allotment orders, registered sale deeds, and site plans are required for new structures. Rule 10.6 empowers the competent authority to seal or demolish a building for various reasons, including structural danger, illegal construction, and lack of safety measures. The Building Inspector must ensure adherence to approved plans and take immediate action on any violations. According to Notification No.

Supdt / Admn-3 dated 06-01-2022, the authority to sanction residential plots is as follows:

- Up to 5 Marla: Concerned ZO (P)
- Above 5 Marla and up to 1.5 Kanal: MO Planning
- Above 1.5 Kanal and up to 3 Kanal: CO MCL
- Above 3 Kanal: Administrator

They are responsible for plan sanction, revocation, refusal, composition, and issuing completion certificates.

During the audit of the Metropolitan Officer (Planning) MCL for the FY 2022-23, physical verification of constructed buildings revealed violations of approved building plans as detailed below:

S. No	Building plan Reference	PDP	Discrepancies and irregularities
1	No.47- D-ZO(P)/ WZ/MCL dated 27-10-23 & No.45-D-ZO(P)/ WZ/MCL dated 27-10-23	35	On ground a single building was being constructed while four building plans were approved. Apartment Building plans were split up to avoid approval of next Higher Authority.
2	No. 302 ZO (P)SZ/MCL/23 dated 23/5/2023 & No. 219 ZO (P)SZ/MCL/033 dated 12/1/2023	38	The builder failed to construct the basement, car parking space, disabled access ramp, and stairs for a commercial building as required by the approved building plan. The builder did not leave the required open spaces at the back and in the basement, failed to provide two car parking spaces, did not construct a ramp for disabled persons, and did not meet the specified requirements for stairs as per the approved building plan for a commercial building.
3	No. 4469-ZO (P)/WZ/MCL dated 14.03.2023	40	The management understated the car parking spaces to favor the builder, and the usable area was significantly higher than what was calculated.
4	No. 4558-ZO(P)/WZ/MCL dated May 25, 2023	52	A rebuild plan for a Commercial-cum-Residential building was approved. Actual building was constructed a Bakery for commercial use
5	No 4466-ZO(P)/ WZ/MCL dated 14-03-23.	53	The rebuilt industrial godown plan was approved, but physical verification revealed the building was being used for commercial purposes, with a store operating on the ground floor and a family physician running a clinic on the second floor. Owner has constructed one extra floor in violation of approved plan.

Additionally, it was noted that the management failed to issue completion certificates for completed buildings to ensure that they were constructed according to the approved building plan.

Audit held that building plans building plan violations occurred due to weak internal controls.

The matter was reported to PAO concerned June 2024. Management accepted violation of the approved building plan at cases mentioned at Sr. No 1, 2, 3, & 6. In case of Sr. No 4, management replied that areas such as public

toilets, ramps, and stairs are excluded when calculating usable floor area for parking. In case of Sr. No 5, management replied that approval for the rebuild plan was granted and construction work has not yet commenced. Reply was not tenable in case of sr. No 4 as the parking space was rounded down to favor owner and in case of sr. No 5 building was in commercial use. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to issue composition plan (Sr. No.1), fix responsibility for lapse and issuance of completion certificate (Sr. No. 2), conduct probe at administrative level probe (Sr. No. 3), issuance of completion certificate (Sr. No. 4) and take action against the owner/ builder as per law (Sr. No. 5).

Audit recommends regularization of buildings and issuance of completion certificates of all completed buildings besides fixing of responsibility against person (s) at fault.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 4.4.48. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 35, 38, 40, 52, 53]

**10.4.23 Non recovery of building plan fees & penalty – Rs 7.985 million**

According to the Punjab Gazette (Extra Ordinary) notification November 12,2020 the Erection of re-erection of building without sanction of building plan Rs.5000 plus Rs.500/day if the construction is continued after the service of notice. Rule 10.6 of the Building and Zoning Bye-Laws-2017 empowers the competent authority to seal or demolish a building for various reasons, including structural danger, illegal construction, and lack of safety measures. The Building Inspector must ensure adherence to approved plans and take immediate action on any violations.

During the audit of the Metropolitan Officer (Planning) MCL for the FY 2022-23, it was observed that the management failed to regularize illegal and irregular constructions as detailed below:

			Rs in millions
Sr.No.	PDP No.	Description	Amount
1	41	Management served the notices for illegal constructions, but no compliance followed	1.35
2	42	Management served letters for illegal constructions, but no compliance made	4.294
3	43	Top management conducted survey and found construction 146 illegal buildings without approval of building plan	1.686
4	44	Illegal construction of building without building plan fee and penalty	0.388
5	45	Irregular issuance of building plans for agriculture machinery and godowns to evade industrial and commercial plan fee	0.267
<b>Total</b>			<b>7.985</b>

This resulted in non-recovery of building plan fee, conversion fee and penalty of Rs 7.985 million. Audit held that illegal building was constructed and building plan violations occurred due to weak internal controls.

The matter was reported to PAO concerned June 2024. Management reported that penalties have been imposed against violators, and FIRs have been registered against builders who are not complying with regulations. A detailed report is available for verification. Reply was not tenable because the management didn't provide the documentary evidence in support of reply. SDAC in its meeting held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024, directed to verify each case through a committee constituted by administrative department to check compliance with building laws and submit a report on the findings within three months.

Audit recommends regularization of buildings, recovery of 'fees and fines and issuance of completion certificates of all completed buildings besides fixing of responsibility against person (s) at fault.

[PDP No. 41,42,43,44,45]

**F) Others**  
**10.4.24 Non-collection of government receipts- Rs 2067.399 million**

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

During the audit of MCL for FY 2022-23, it was observed that the management failed to collect taxes, fees, rates, and charges due to the local government. Additionally, the management did not make efforts to auction properties at revised assessment rates, and in many instances, properties were auctioned or sold, but the amounts were not recovered from the parties. This resulted in non-collection of government receipts amounting to Rs 2,067.399 million (**Annexure-MCL-I**)

Sr. No.	Description	PDP No.	Rs in million
1.	Less recovery of auctioned amount	82	2.223
2.	Loss due to non-recovery of fine on late deposit of installments		1.630
3.	Non- recovery of lease money of auctioned amount from NBP, Town Hall		2.752
4.	Less recovery of water charges-CO Unit Raiwind		103.575
5.	Less recovery against rent of shops		239.400
6.	Non recovery of penal rent and 5% maintenance charges		4.311
7	Non-recovery of water conservancy charges from swimming pool proprietors	108	2.220
8	Receiving of rent of shops less than the assessed rental value	83,85,87	93.36
9	Non-recovery of surcharge of land – Rs 2.852 million and non-recovery of penalty Rs0.530 million	70	3.382
10	Non-crediting the auctioned amount of MCL petrol pump into MCL Account	84	294.00
11	Loss due to non-recovery of Land Rentals from NLC	86	51.480
12	Non auction of TehBazari Shops	88	447.005
13	Non utilization of Agricultural land at Khud pur	89	41.025
14	Non-auction of newly constructed Kanha Nau	90	193.120
15	Non-levy of water and sewerage charges	109	59.977
16	Non-realization of sale proceeds from PCMMDC	110	514.091
17	Non-realization of sale proceeds from PAMCO	111	43.700
<b>Total</b>			<b>2067.399</b>

Audit held that less recovery of government receipts was due to weak internal controls

The matter was reported to the PAO in June 2024. The management responded that efforts are being made to recover the receipts, but progress has been slow due to poor responses from government agencies and court stay orders. However, this reply is not acceptable, as the management is not making sufficient efforts to recover the government receipts. SDAC in its meeting held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024, directed to expedite the recovery.

Audit recommends that remaining amount of government money be recovered from the concerned as early as possible besides acting against defaulters.

[PDP No. 70, 82, 83, 84, 85, 86, 87, 89, 90, 109, 110, 111]

#### **10.4.25 Excess payment on account of plant premixed bitumen carpet-Rs 2.875 million**

According to para 6-1.1 of book of standard specification for Road & Bridge construction, Communication & Works Department, Government of the Punjab describes, the work shall consist of furnishing all plant, labor, equipment, material and performing all operations in applying a liquid asphalt prime coat on a previously prepared and untreated earth sub-grade, water bound base course, crushed aggregate base course, tops of roadway shoulders, and as otherwise shown on the plans in strict accordance with the specification & para 6-2.1 states that tack coat is to provide bond between the previously prepared bituminous base or road surfaces with the super imposed courses.

During audit of Metropolitan Officer Infrastructure MCL for the FY 2022-23, it was observed that payment of providing & laying plant premixed carpet was made more than actual quantity executed in the development scheme namely rehabilitation of Zarar Shaheed Road from VRI Hospital to Chungi Gujjar pura and link Bahar Shah road, Aziz Bhatti Zone. This resulted in overpayment of Rs 2.875 million as calculated below:

<b>Cheque No. &amp; date</b>	<b>Description</b>	<b>Unit</b>	<b>Qty</b>	<b>Rate</b>	<b>Amount</b>
9117278335/05.12.2022	P/L bitumen prime coat	Per % Sft	47,170.85	1,180.89	509,800
	P/L bitumen tack coat	Per % Sft	575,434.00	639.10	3,677,599
<b>Total quantity of prime and tack coat</b>			<b>622,604.85</b>		
9117278335/05.12.2022	P/L plant premixed bitumen carpet	Per % Sft	33,595.50	9,160.55	3,077,537
	P/L plant premixed bitumen carpet	Per % Sft	604,344.93	9,716.32	58,720,087
	P/L plant premixed bitumen carpet	Per % Sft	1,4260	7,287.20	1,039,156
<b>Total quantity of carpet laid</b>			<b>652,200.43</b>		
Excess payment on account of P/L plant premixed bitumen carpet (652,200.43 - 622,604.85) = 29,595.58 * Rs 9,716.32/100 = Rs 2,875,601.					

Audit held that violation of financial discipline was due to weak internal controls.

The matter was reported to PAO concerned June 2024. Management responded that the overpayment would be recovered from the contractor if it is confirmed as per the audit objection. Reply was evasive. SDAC in its meeting held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024, directed to recover the excess payment.

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

[PDP No. 12]

**10.4.26 Overpayment on shrinkage charges & lane marking Rs 3.005 million**

According to Sr. No. 34 of chapter 13 “Painting & Var” of MRS 1<sup>st</sup> bi-annual 2021, the composite rate for providing & laying painting traffic lane 5” (125mm) wide with reflective Chlorinated Rubber (CR) paint including glass beads complete in all respects is Rs 10.75 Per Rft.

During audit of MO (I) for the FY 2021-22, it was observed that the management overpaid Rs 2.135 million for providing and laying a 5” (125mm) wide traffic lane using reflective Chlorinated Rubber (CR) paint with glass beads, as part of the development scheme for the rehabilitation of Zarar Shaheed Road from VRI Hospital to Chungi Gujjar Pura and the link to Bahar Shah Road in Aziz Bhatti Zone. The admissible rate was Rs 10.75 per Rft, whereas the management paid Rs 32.74 per Rft, resulting in the overpayment as detailed below:

Rs in million						
Cheque No. & date	Unit	Qty	Rate paid	Rate admissible	Excess rate paid	Excess payment
9117278335/05.12.2022	Per Rft	97,125	32.74	10.75	21.99	2.135

It was further observed that payments for earth filling under various development schemes were made without deducting the required shrinkage allowance of 3% to 6% (for work done by heavy machinery) and 10% (for work done manually), as stipulated by Clause 2(a), Chapter 3 of the Earth Work (Excavation and Embankment) guidelines in the Market Rate System. The failure to deduct the appropriate shrinkage from contractors' claims for earthwork and earth filling resulted in a non-deduction of Rs 869,612 as detailed below:

<b>Cheque No. &amp; Date</b>	<b>Name of Scheme</b>	<b>Qty</b>	<b>Rate</b>	<b>Amount</b>	<b>Shrinkage @ 6%</b>
911727825 4/11.08.22	Establishment of temporary bakar mandi at NFC society	127,243	15,063	1,916,623	114,997
911734667 5/20.12.22	Construction of carpet road village Dhalloo Kulla Lahore	94,162	19,675	1,852,604	111,156
911727827 9/17.08.22	Establishment of bakar mandi at raiwind near havaili markaz opposite Nisar Spinning mill	148,340	15,063	2,234,400	134,064
911727828 8- 89/23.08.22	Establishment of bakar mandi for at Wagha Zone	182,840	15,063	2,754,064	165,244
911727831 6/23.11.22	Establishment of bakar mandi for near fruit & vegetable market Kachha Lahore	93,074	15,063	1,401,945	84,117
911727831 9/24.11.22	Establishment of bakar mandi at Pine Avenue Road	105,464	15,063	1,588,572	95,314
911727830 5/15.11.22	Construction of road from Havalian Jaman	107,349	15,371	1,650,043	99,002
911727830 5/15.11.22	Const of main road from burj road to Gowind MCL	71,257	15,371	1,095,290	65,717
	<b>Total</b>			<b>14,493,543</b>	<b>869,612</b>

This resulted in overpayment to vendors of Rs 3.005 million. Audit held that overpayment was made due to weak internal controls.

The matter was reported to PAO concerned June 2024. In case of lane marking, management responded that Thermoplastic (TP) paint was used by all departments in Lahore and the rate was paid according to the MRS. In case of earth filling, management accepted recovery. Reply was not tenable as the incorrect rates were applied. SDAC in its meeting held on 22nd & 23rd July, 2024, directed to recover overpayment on account of shrinkage charges and provide the vetted estimates of TP paint for verification.

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

[PDP No. 14, 20]

#### **10.4.27 Excess payment on illumination – Rs 1.583 million**

According to Rule 38(b) of the Punjab Local Government Act 2022, Every person exercising any authority for the purposes of this Act shall be responsible for any expenditure incurred by him personally or incurred under his direction, if such action, direction, or decision is taken or expenditure is incurred, without lawful authority or in violation of any provision of this Act or any other law for the time being in force.

During scrutiny of record of MCL for the FY 2022-23, it was observed that management paid excess rate in following events as compared to approved rate as per rate evaluation sheet / acceptance letter. This resulted in excess expenditure of Rs 1.583 million as detailed below:

**Rs in million**

Zone	Event	Vendor	Item	Rate paid	Rate to be paid	Excess Rate paid	Qty	Amount
MO (I) Shalimar	Pakistan Day	ANW Enterprisers	Parking light	400	330	70	11558	0.809
Shalimar	Pakistan Day	Rafique Enterprises	Sogo lights 250watt	330	325	5	11348	0.056
MO (I) Gulberg	Pakistan Day	Rafique Enterprises	Sogo lights 250watt	330	325	5	9370	0.047
Gulberg	Pakistan Day	ANW Enterprisers	Parking light	400	330	70	9300	0.651
MO (I) MCL	PSL -VII	ANW Enterprisers	Parking light	400	330	70	255	0.018
MO (I) MCL	PSL -VII	Rafique Enterprises	Sogo lights 250watt	330	325	5	365	0.002
<b>Total</b>								<b>1.583</b>

Audit held that overpayment was made due to weak financial discipline.

The matter was reported to PAO in June 2024. Management replied that the payments were made to the contractor in accordance with the approved rates. Reply was not tenable as the management paid excess rate as compared to approved rate as per rate contract. SDAC in its meeting held on 22<sup>nd</sup> & 23<sup>rd</sup> July, 2024, directed to conduct an administrative level probe.

Audit recommends recovery of overpayment besides fixing responsibility against persons at fault.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 4.4.26 having financial impact of Rs 36.255 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No.30]

#### **10.4.28 Issuance of non-verifiable notices by enforcement inspectors**

According to 11 (C)(ii) the Chief officer is responsible for managing internal controls. AS per clause 36 (1) (h) Punjab Local Government Act 2022, the chief officer is responsible to maintain record of local governments. According to Section 133 of PLGO 2013, in relation to the offences specified in Fourth Schedule - (a) issue notices in writing on behalf of the local government; (b) initiate legal proceedings in the Court.

During the audit of MCL for FY 2022-23, significant control deficiencies were identified in the issuance of notices, despite regulatory

requirements placing responsibility for internal controls and record maintenance on the Chief Officer. The audit revealed that building and enforcement inspectors issued numerous notices using photocopied forms lacking unique identifiers or sequential numbering. This practice contravenes the spirit of Section 133 of PLGO 2013, which authorizes the issuance of written notices for specified offenses. The absence of a standardized, traceable system for notices has rendered it impossible to verify the total number of notices issued, fines due, or amounts recovered.

This lack of internal checks exposes MCL to potential misuse of authority by inspectors and compromises the integrity of enforcement records.

The matter was reported to PAO in June 2024. Management replied that the concerned inspectors issued notices to the owners or occupants of illegal constructions, which are prepared in accordance with specific provisions related to offenses under the PLGA-2022. However, a request for the printing of serial numbers and book numbers has been forwarded to the relevant authority. Management has admitted the lapse. SDAC in its meeting held on 22nd & 23rd July, 2024, directed the CO MCL to implement a system of pre-printed notice books with unique, sequential numbers and establish a stock register to track their issuance.

Audit recommends that MCL shall implement a system of pre-printed notice books with unique, sequential numbers and establish a stock register to track their issuance to inspectors.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2022-23 vide para numbers 4.4.28 having financial impact of Rs 30.909 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No. 50]

## CHAPTER 11

### Municipal Corporation Sargodha

#### 11.1 Introduction

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

#### a) Audit Profile of Municipal Corporation Sargodha

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	Municipal Corporation Sargodha	01	01	1445.525	198.799

#### b) Comments on Budget and Accounts (Variance analysis)

As per the Appropriation Accounts for the FY 2022-23 of the Municipal Corporation Sargodha, total original budget (Development and Non-Development) was Rs 1,699.632 million, no supplementary grant was allocated and the final budget Rs 1,707.070 million. Against the final budget, total expenditure of Rs 1,445.225 million was incurred by Municipal Corporation Sargodha, during FY 2022-23 which was less than original grant of Rs 1,699.632 million indicating poor financial planning and resulting in saving of Rs 261.845 million against the final grant. The break-up of total budget and expenditure is given in the following table:

Rs in million						
Description	Original Grant	Supp. Grant	Final Grant	Exp.	Excess / (Savings)	% age saving
Salary	1,043.983	-	963.806	905.864	(57.942)	6.01
Non-Salary	462.460	-	546.575	476.785	(69.79)	12.77
Development	193.189	-	196.689	64.776	(131.913)	67.07
<b>Total</b>	<b>1,699.632</b>	<b>-</b>	<b>1,707.070</b>	<b>1,445.225</b>	<b>(261.845)</b>	<b>15.34</b>

#### c) Sectoral Analysis

Out of total 06 development schemes, Management of Municipal Corporation Sargodha was able to complete 06 schemes indicating achievement of 100%.

<b>Rs in million</b>					
<b>Sr. No.</b>	<b>Description</b>	<b>Total No. of schemes</b>	<b>Achievement</b>	<b>Budget</b>	<b>Expenditure</b>
1	Municipal Corporation Sargodha	06	100%	65.347	64.373

## 11.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 40.694 million were raised in this report during current audit of “Municipal Corporation, Sargodha.” This amount also includes recoveries of Rs 38.795 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

<b>Rs in million</b>		
<b>Sr. No.</b>	<b>Classification</b>	<b>Amount Placed under Audit Observation</b>
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	
	Procurement related irregularities	11.174
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	29.520
5	Others	0
<b>Total</b>		<b>40.694</b>

## 11.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meeting</b>
1	2018-19	39	Not Convened
2	2019-20	19	Not Convened
3	2020-21	05	Not Convened
4	2021-22	13	Not Convened

## 11.4 AUDIT PARAS

### A) Procurement related irregularities

#### 11.4.1 Overestimation of contractor profit / overhead charges – Rs 6.769 million

According to Letter No.RO (Tech)FD-18-29/2004 Government of Punjab Finance Department dated 03.03.2005, plant & machinery and other store items like generators, lifts, AC, electric motors and streetlights, manhole covers etc. were required to be purchased according to PPRA, instead of through the contractors because of avoiding 20% profit and overhead charges of the contractors. Further according to Description of item No 67-b of MRS chapter 24 – Electric Installation 1<sup>st</sup> by annual 2023, 12.5% contractor profit / overhead charges is permissible on purchase of any store item / material.

During the compliance audit of the MC Sargodha for the FY 2022-23, it was observed that 20% contractor profit and overhead charges instead of permissible rate of 12.5% were added in the cost of rate analysis of work “P/F of LED streetlights pole, transformer and conductor etc. for city Sargodha”. This resulted in overestimation of Rs 6.769 million. Details are as follows.

Statement of Overpayment on account of 20% contractor overhead profit							
Sr. No.	Description	Qty	Rate applied (Rs)	Rs. in million			
				Amount	20% contractor profit and overhead charges added	12.5% contractor profit and overhead charges admissible	Amount over estimated
1	P/F LED Street Lights 120 watts	160	75,250	12.040	2.408	1.505	0.903
2	P/F LED Street Lights 100 watts	700	69,300	48.510	9.702	6.064	3.638
3	P/F LED Street Lights 27 watts	900	33,000	29.700	5.940	3.713	2.228
<b>Total</b>							<b>6.769</b>

Audit holds that overestimation for purchase of streetlight was made due to weak internal controls and financial controls.

The matter was reported to the PAO in May, 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report.

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

[PDP No.44]

### 11.4.2 Overestimation of GST of manhole covers - Rs 2.506 million

According to Clause 28 of contract agreement, “The unit rates and prices entered in the bid schedule will be the rates at which the contractor will be paid and shall be deemed to include all costs of performing the work, including income tax, super tax and /or other charge, duties and taxes of the Government Autonomous, semi-autonomous and local bodies profits and costs of accepting the general risks and liabilities and obligations set forth in or implied from the contract.”

During the compliance audit of the MC Sargodha for the FY 2022-23, it was observed that in the rate analysis of work “supply of RPC manhole covers with frames” additional cost of 17% GST was included despite the fact that all types of taxes had already included in Market Rate Schedule rates. This resulted in overestimation of the cost of manhole cover by Rs 2.506 million. Details are as follows:

Rs in million					
Description	Qty	Rate applied (Rs)	Estimation amount (Rs. in million)	Sales Tax additionally included in rate analysis (Rs)	Over estimation (Rs. in million)
Supply of RPC (reinforced plastic composite) manhole cover with frame having 790mm o/d 650 i/d and 580mm clear opening with load bearing capacity of 50 tones	1,457	11,430	16.654	1,720	2.506

Audit holds that overestimation for purchase of manhole cover was made due to weak internal controls and financial controls.

The matter was reported to the PAO in May, 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report.

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

[PDP No.45]

### **11.4.3 Irregular procurement of winching machine –Rs 1.899 million**

According to Rule 12(1) of Punjab procurement Rules 2014, procurements over two hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

During the compliance audit of the MC Sargodha for the FY 2022-23 it was observed that management purchased a winching machine from M/S Zia Ullah Khan for Rs 1.899 million, drawn vide voucher No. 3046 dated 10.08.23. Audit noticed that the purchase was made through quotations by declaring it emergent purchase without any justification rather avoiding tendering process. On the same day i.e. 19.04.2023 quotations were called and opened; and work was awarded on 20.04.2023 without obtaining any CDR in violation of the PPRA Rules, 2014. This resulted in irregular procurement through quotations Rs 1.899 million.

Audit holds that purchases were made through quotations due to weak internal controls and financial controls.

The matter was reported to the PAO in May, 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report.

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

[PDP No.42]

## B) Value for money and service delivery issues

### 11.4.4 Non-recovery of conversion fee – Rs 10.814 million

According to Rule 50 (1) (a) of the Punjab Local Governments Land Use (Classification, Re-classification, and Re-development) Rules 2020, "a local government shall levy the conversion fee for the conversion of land use to residential, industrial, or site development zone (agricultural area) abutting List A roads to commercial use at 10% of the commercial value of the land."

During the compliance audit of the MC Sargodha for the FY 2022-23, it was observed that the District Planning and Design Committee (DPDC) cleared detailed below land use conversion cases and issued demand notices to the owners for the recovery of conversion fees. Audit noticed that management neither made efforts for the recovery of conversion fees nor took any action i.e. imposition of penalty or sealing property. This resulted in non-recovery of conversion fee Rs.10.814 million. Details are as follows:

<b>Rs in million</b>			
<b>Sr. No.</b>	<b>File No 2021</b>	<b>Action Taken</b>	<b>Conversion fee</b>
1	CUD-05	DPDC Clear 24-06-2023 Demand notice issued but not paid till now	0.067
2	CUD-56		0.073
3	CUD-27		1.400
4	CUD-155	DPDC Clear 24-06-2023 Demand notice issued but not paid till now	1.375
5	CUD-73	DPDC Clear 28-02-2023 Demand notice issued but not paid till now	1.163
6	CUD-38	DPDC Clear 24-06-2023 Demand notice issued but not paid till now	3.339
7	CUD-09		0.085
8	CUD-153	DPDC cleared 24-06-2023 Demand notice issued but not paid till now	0.720
9	CUD-152		2.592
<b>Total</b>			<b>10.814</b>

Audit holds that conversion fee was not recovered due to weak administrative and financial controls.

The matter was reported to the PAO in May, 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report.

Audit stresses to expedite the recovery of conversion fee.

[PDP No.39]

### 11.4.5 Non-recovery of building and conversion fee –Rs 8.431 million

According to 50 (1) (a) of Punjab Local Governments Land Use (Classification, Re-classification and Re-development) Rules 2020, "A City District Government or a Tehsil Municipal Administration shall levy the

conversion fee for the conversion of land use to @ ten percent of the value of the commercial land as per valuation table or ten percent of the average sale price of preceding twelve months of commercial land in the vicinity, if valuation table is not available.

During the audit of the MC Sargodha for the FY 2022-23, it was observed that detailed below cases were pending with MC but Municipal Officer (Planning) did not make efforts to recover the due amount of building and conversion fees. This resulted in the non-recovery of building and conversion fee Rs 8.431 million. Detail is as under:

<b>Rs in million</b>		
<b>Sr. No.</b>	<b>Tracking ID</b>	<b>Amount</b>
1	FCSGD-CUD-010822-000099	0.130
2	FCSGD-CUD-031122-000147	0.533
3	FCSGD-CUD-301122-000154	0.075
4	FCSGD-CUD-231122-000152	2.592
5	FCSGD-CUD-151222-000165	0.040
6	FCSGD-CUD-200223-000016	0.042
7	FCSGD-CUD-230223-000017	0.376
8	FCSGD-CUD-090323-000023	2.647
9	FCSGD-CUD-300323-000027	1.400
10	FCSGD-CUD-230523-000041	0.048
11	FCSGD-CUD-230523-000042	0.053
12	FCSGD-CUD-060623-000050	0.042
13	FCSGD-CUD-120623-000056	0.073
14	FCSGD-CUD-140623-000060	0.380
<b>Total</b>		<b>8.431</b>

Audit holds that conversion fee was not recovered due to weak administrative and financial controls.

The matter was reported to the PAO in May, 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report.

Audit stresses to expedite the recovery of building fee and conversion fee.

[PDP No.38]

#### **11.4.6 Less realization of fees/fine -Rs 10.275 million**

As per Rules 14 of Punjab Local Government Accounts Rules, 2017 read with rule 7 of the Punjab Local Government Budget Rules, 2017, the collecting officer shall collect the receipt in a transparent manner beyond any doubt of misappropriation frauds, embezzlement or compromise. And ensure

timely recoveries against each demand and ensure that the revenue collected against a demand is credited in the local fund immediately.

During the Compliance Audit of the MC Sargodha for the FY 2022-23, it was observed that Rs 28.255 million was to be realized on below heads of receipts but management realized on Rs 17.980 million and failed to realize Rs 10.275 million. This resulted in less realization of fee/fine Rs 10.275 million. Detail is as under:

<b>Rs in million</b>				
<b>Sr. No.</b>	<b>Description of Fee</b>	<b>Amount was to be realized</b>	<b>Amount Realized</b>	<b>Amount Less Realized</b>
1	Drainage Fee	20.879	17.816	3.063
2	26 Service stations arear	2.444	0	2.444
3	Ticketing Fine for 1038 tickets issued	4.932	0.164	4.768
<b>Total</b>		<b>28.255</b>	<b>17.980</b>	<b>10.275</b>

Audit holds that ticketing fines were not realized due to weak administrative and financial controls.

The matter was reported to the PAO in May, 2024. Neither reply was furnished nor DAC meeting convened till finalization of this report.

Audit stresses for recovery of balance amount of ticketing fines.

[PDP No.34,35,37]

## CHAPTER 12

### Municipal Corporation Sialkot

#### 12.1 Introduction

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

#### a) Audit Profile Municipal Corporation Sialkot

Rs in million

Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	MC Sialkot	1	1	2414.813	376.000

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation accounts for the FY 2022-23 of the Municipal Corporation Sialkot, total budget (Development and Non-Development) was Rs 2905.592 million. Against the budget, total expenditure of Rs 2414.813 million was incurred by Municipal Corporation Sialkot during FY 2022-23 which was 490.779 million less than allocated budget of Rs 2905.592 million indicating poor financial planning and resulting in saving of Rs 490.779 million against the budget. The break-up of total budget and expenditure is given in the following table:

Rs in million

Description	Original Budget	Supp. Grant	Final Budget	Exp.	Excess (+) Saving (-)	%age
Salary	531.090	-	531.090	498.776	32.314	06
Non-Salary	1107.044	-	1107.044	1,054.774	52.27	05
Development	1267.458	-	1267.458	861.2641	406.195	32
<b>Total</b>	<b>2905.592</b>	<b>-</b>	<b>2905.592</b>	<b>2414.813</b>	<b>490.779</b>	<b>-17</b>

#### c) Sectoral Analysis

Out of total 192 development schemes, management of Municipal Corporation Sialkot was able to complete 86 scheme indicating achievement of 44.79%.

#### 12.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 108.956 million were raised in this report during current audit of MC Sialkot. This amount also includes recoveries of Rs 44.658 million as pointed out by the audit. Classification of audit observations is as under:

## Overview of audit observations

Rs in millions

Sr. No.	Classification	Amount Placed under Audit Observations
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	HR/Employees related irregularities	-
	Procurement related irregularities	89.306
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	0
5	Other	19.650
	<b>Total</b>	<b>108.956</b>

### 12.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	22	Not convened
2	2019-20	10	Not convened
3	2020-21	33	Not convened
4	2021-22	13	Not convened
5	2022-23	06	Not convened

## **12.4 AUDIT PARAS**

### **A) Procurement related irregularities**

#### **12.4.1 Irregular payment of tuff tile without invoices and quality test reports - Rs 37.199 million**

According to clause 28 of contract agreement all materials used in work, contractor would supply samples of materials before incorporation in the works for testing as may be selected and required by the engineer-in-charge. The cost of making such tests would be borne by the contractor. The tests should be conducted by UET Lahore (University of Engineering & Technology). The tuff tiles were required to be purchased from the approved manufacturers.

During audit of Municipal Corporation Sialkot for the FY 2022-23, it was observed that payment of tuff tiles amounting to Rs 37.199 million was made for various development schemes, but the test reports of tuff tiles proving its strength were not provided by the contractors. Furthermore, the purchase invoices from the approved manufacturers were also not provided by the contractors. In the absence of test reports for PSI and purchase invoices audit apprehends that low quality tuff tiles from local manufacturers are used. This resulted in Irregular payment of Rs 37.199 million of tuff tile without quality test reports and invoices of the approved manufacturers

Audit held that irregular payment of tuff tiles without quality test reports and invoices from the approved manufacturers was due to weak internal controls.

The matter was reported to the PAO in April, 2024. Department replied that the requisite samples have been sent but reports are awaited.

DAC in its meeting held on 16<sup>th</sup> April 2024 keep the para pending for compliance. No further progress was reported till finalization of this report

Audit recommends that action may be taken against the person(s) at fault.

[PDP No.19]

#### **12.4.2 Non-imposition of penalty for late completion of development schemes-recovery thereof - Rs 27.099 million**

If a contractor fails to complete the work within stipulated period, he is liable to pay compensation @ 1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not exceeding maximum of 10% of the construction of contract. The

contractor shall have to apply within one month for extension in time limit before the expiry of scheduled time of completion according to Clause 39 read with Clause 37 of contract agreement.

During audit of Municipal Corporation, Sialkot for the FY 2022-23, it was observed that work of 40 different development schemes costing Rs 270.990 million were awarded to various contractors on 22.11.22 with completion time up to 6 months. Despite lapse of more than one year these works were still under process till the date of audit in March, 2024. The contractors neither requested for extension nor the department imposed any penalty on the contractors for delay of schemes. This resulted in non-recovery of penalty for late completion of development schemes and recovery thereof Rs 27.099 million as detailed at **Annexure-MC-Sialkot-B**

Audit held that non-imposition of penalty for late completion worth Rs 27.099 million was due to weak internal controls.

The matter was reported to the PAO in April, 2024. Department replied that the payments were made to the firms after completion of codal formalities including extension of time limit by the competent authority. The reply of the department was not supported by the documentary evidences.

DAC in its meeting held on 16<sup>th</sup> April 2024 decided to keep the para pending as no extension was provided with solid justifications. No further progress was reported till finalization of this report

Audit recommends probe of the matter at appropriate level for fixing the responsibility against the persons at fault.

[PDP No. 13]

#### **12.4.3 Non-recovery of Income tax from the contractors - Rs 16.967 million**

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

During audit of Municipal Corporation Sialkot for the FY 2022-23 it was observed that amount of Rs 16.967 million was deducted directly from the general fund of the MC by the income tax department due to short / non-deduction of income tax from the contractors. Municipal Corporation neither made any effort to deduct income tax from the contractors nor any effort was made to recover the amount from FBR. This resulted in non-recovery of

income tax from the contractors and direct recovery by FBR from the department Rs 16.967 million

Audit held that non-recovery of income tax from the defaulters / FBR despite the lapse of considerable time period was due to weak financial controls.

The matter was reported to the PAO in April, 2024. Department replied that Rs 16.967 million was shown in cash book and deducted directly from general fund by FBR. The recovery of income tax from the defaulters will be made in accordance with law.

DAC in its meeting held on 16<sup>th</sup> May 2024 kept the para pending till recovery. No further progress was reported till finalization of this report

Audit recommends implementation of DAC decision at the earliest.

[PDP No.01]

#### **12.4.4 Tempering in tender documents worth Rs 40.425 million and loss to public exchequer Rs 6.173 million**

According to Clause II of tender notice, tender rates and amounts should be filled in figures and in words, accordingly. Tenders should be, signed as per general directions given in this publication. No negotiation on tender rates will be acceptable after the opening of tenders. According to Clause II of Contract agreement, fake/doubtful/conditional & over written Tenders will not be acceptable.

During audit of Municipal Corporation Sialkot for the FY 2022-23, it was observed that in various ADP schemes, the contractors offered rates below the TS estimates and the contracts were awarded to these contractors being the lowest bidder. However, during scrutiny it was revealed that offered rates were tempered like bid of M/s Kashif Ashfaq was tempered from 17% to 4.7% in case of development scheme named "Const. of main and link streets Aslam Gujjar wali village Jodehwali". Due to such tempering the government suffered loss of Rs 6.173 million as overpayment to the contractors.

Audit held that due to weak internal controls excess payment to the contractors through tempering in bidding documents was made.

The matter was reported to the PAO in April, 2024. Department replied that majority of contractors/firms are less educated and commits mistake while coating rates of different items. The overwriting so occurred in the bidding documents have been signed/verified by the concerned firms/contractors and stands revalidated for considering the rates by the Department. The reply was not acceptable as tempering in bidding documents was very much clear

DAC in its meeting held on 16<sup>th</sup> May 2024 did not accept the departmental reply as tempering in bidding documents was very much clear and directed for inquiry of the matter at administrative department level. No further progress was reported till finalization of this report

Audit recommends implementation of DAC decision at the earliest.

[PDP No.17]

#### **12.4.5 Loss to government due to non-procurement of crushed stone from nearest quarry - Rs 1.868 million**

As per Condition No.5 of FD's letter No. RO(Tech) F.D 2-3/2004 dated 2<sup>nd</sup> August 2004, "material from nearest approved quarry shall be used." Further, as per RO(Tech) F.D 2-3/2015 dated (2<sup>nd</sup> Biannual) dated 5<sup>th</sup> August 2015, Melot Quarry Jhelum district placed at Sr No.7 in the list of approved quarries by the Punjab Highway Department.

During audit of Municipal Corporation Sialkot for the FY 2022-23, it was observed that department made payment for crushed stone for PCC. Crushed stone was purchased from Kirana quarry district Sargodha instead of Melot quarry Dina by allowing extra mileage charges. Violation of the Finance Department instructions resulted in loss to the government for Rs 1.868 million.

Audit held that due to weak internal controls loss of Rs 1.868 million was incurred due to non-procurement of stone from nearest quarry.

The matter was reported to the PAO in April, 2024. Department replied that purchase of crushed stones for PCC 1:2:4 was made from Sargodha because of strength and quality. Whereas purchase of stones from Dina was not made because of poor strength and quality. The reply was not acceptable as it was clear violation of finance department

DAC in its meeting held on 16<sup>th</sup> May 2024 did not accept the reply due to clear violation of finance department guidelines and directed to refer the matter to administrative department. No further progress was reported till finalization of this report

Audit recommends implementation of DAC decision at the earliest.

[PDP No.05]

## **B) Others**

### **12.4.6 Non-recovery of water charges from defaulters-Rs 19.650 million**

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

During audit of Municipal Corporation Sialkot for the FY 2022-23 it was observed that amount of Rs 20.871 million was due against 1493 consumers since long. No serious efforts were made for recovery of outstanding dues from defaulters. This resulted in non-recovery of water charges from the defaulters- Rs 19.650 million as detailed at **Annexure-MC-Sialkot-C**.

Audit held that due to weak internal controls recovery of water charges from water users was not made.

The matter was reported to the PAO in April, 2024. Department replied that Istghasas against 39 consumers have already been filed in the Court of Special Magistrate and Rs 1.221 million has been recovered.

DAC in its meeting held on 16<sup>th</sup> May 2024 reduced the para upto the extent of Rs 19.650 million and kept the para pending till finalization of recovery.

Audit recommends that recovery be affected from the concerned quarters

**Note:** The issue was also reported earlier in the Audit Reports for Audit Years 2022-23 and 2021-22 vide para numbers 6.4.3 and 1.4.4.4.4 having financial impact of Rs 11.735 and Rs 9.230 million respectively. Recurrence of same irregularity is a matter of serious concern.

[PDP No.09]

## **CHAPTER 13**

### **PUBLIC FINANCIAL MANAGEMENT**

Punjab Local Government Act (PLGA) 2013 was introduced and implemented in 2017. As per Section 14 of PLGA 2013, there shall be a District Council in a District, other than Lahore District. A District Council shall consist of the Chairman of all rural Union Councils in the area of the District Council.

#### **Functions of District Council:**

The District Councils shall:

- i. approve bye-laws and taxes;
- ii. approve annual budget of the District Council including supplementary budgetary proposals and long term and short-term development plans;
- iii. review the performance of all offices working for the District Council;
- iv. review the performance report presented by the Chairman;
- v. promote social counseling to inculcate civic and community spirit and motivate and galvanize the general public for compliance with municipal laws, rules and bye-laws.
- vi. prevention and removal of encroachment on public ways, streets and properties;
- vii. prevention of nuisance in public ways, streets and properties;
- viii. regulation of dangerous and offensive articles and trades mentioned in Second Schedule;
- ix. regulation or prohibition of the excavation of earth, sand, stones or other material;
- x. regulation or prohibition of the establishment of brick kilns, potteries and other kilns;
- xi. to organize cattle fairs and cattle markets and regulation of sale of cattle and other animals;
- xii. celebration of public festivals;
- xiii. assistance in provision of relief in the event of any fire, flood, hailstorm, earthquake, epidemic or other natural calamity and assisting relevant authorities in relief activities;
- xiv. provision of relief for the widows, orphans, poor, persons in distress and children and persons with disabilities;
- xv. promotion of sports including sports for persons with disabilities.

- xvi. provision, improvement and maintenance of public ways and streets, public open spaces, graveyards, public gardens, playgrounds and farm to market roads;
- xvii. assisting Union Councils in provision and maintenance of rural water supply schemes and public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water;
- xviii. construction of culverts, bridges and public buildings;
- xix. control over land-use, spatial planning, land-subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations;
- xx. enforce all municipal laws, rules and bye-laws regulating its functioning;
- xxi. promote animal husbandry and dairy development;
- xxii. hold fairs and shows, promotion of public games and sports, celebration of national occasions; and
- xxiii. undertake other development activities.

### Resource mobilization:

Following table indicates a 13% decrease in total receipts of District Councils during FY 2022-23 in comparison with FY 2021-22. Provincial Government reduced the amount of PFC Share by 48%. However, District Councils increased their tax revenue by 75% from the previous year. This indicates that District Councils are reducing their dependence on PFC Share and relying more on their own generated receipts.

Description	Rs in million					
	2021-22		2022-23		Variation	
	Amount	%age	Amount	%age	Amount	%age
Tax Revenue	2,793.25	19	4,899.05	39	2,105.80	75
<b>Non-Tax Revenue</b>						
PFC share	7,156.95	49	3,699.51	29	(3457.44)	(48)
Other receipts	4,569.62	31	4,021.84	32	(547.78)	(12)
<b>Total</b>	<b>14,519.82</b>	<b>100</b>	<b>12,620.41</b>	<b>100</b>	<b>(1899.41)</b>	<b>(13)</b>

The following table shows position of budget and expenditure incurred during FY 2022-23. Against final budget of Rs 27,444.85 million, expenditure of Rs 15,728.86 million was incurred resulting in savings of Rs 11,437.79 million which was 42% of total budget. The highest increase of 82% was observed in District Council Attock.

<b>Rs. in million</b>					
<b>Sr. No.</b>	<b>Local Government</b>	<b>Final Budget</b>	<b>Expenditure</b>	<b>(Savings) / Excess</b>	<b>%age</b>
1	District Council Attock	2,832.93	488.47	(2,344.46)	(82)
2	District Council Bhakkar	1,476.40	641.07	(835.33)	(57)
3	District Council Gujrat	2,223.67	1,804.55	(419.12)	(15)
4	District Council Kasur	2,204.74	1,919.96	(284.55)	(13)
5	District Council Mandi Bahauddin	1,334.36	541.44	(792.92)	(59)
6	District Council Rawalpindi	4,057.79	1,925.21	(2,132.58)	(53)
7	District Council Sargodha	3,124.26	2,947.58	(176.68)	(6)
8	District Council Sheikhpura	3,245.78	2,099.90	(1,145.88)	(31)
9	District Council Sialkot	6,944.92	3,360.68	(3,584.24)	(52)
<b>Total</b>		<b>27,444.85</b>	<b>15,728.86</b>	<b>(11,715.99)</b>	<b>(43)</b>

Management of District Councils did not prepare annual accounts as per New Accounting Model in contravention to PLG (Accounts) Rules 2017. Budget and expenditure were also not classified according to the object codes given in Chart of Accounts. General Purpose Financial Statements were not prepared as required under para 7.2.4.3 of Chapter-7 of Accounting Policies and Procedures Manual (APPM). Prescribed forms for recording of transactions of receipt and expenditure were not prepared. Record of public accounts including government taxes deducted from salary of employees and payment of contractors was not maintained as required under para 14.3.2 of APPM.

### **Medium Term Development Framework**

The improvement in the quality of expenditure involves three aspects, viz. adequacy (provision for providing public services); efficiency (use) and effectiveness (assessment of outlay-outcome relationships) of the expenditure. Out of 2,380 development schemes, management was able to complete 861 schemes indicating achievement of 36% as shown in the following table:

<b>Name of District Council</b>	<b>Total schemes</b>	<b>Completed</b>	<b>%age dev.</b>
District Council Attock	1,264	112	9
District Council Bhakkar	278	85	31
District Council Gujrat	106	72	68
District Council Kasur	81	75	93
District Council Mandi Bahauddin	42	28	67
District Council Rawalpindi	35	21	60
District Council Sargodha	256	203	79
District Council Sheikhpura	77	24	31
District Council Sialkot	241	241	100
<b>Total</b>	<b>2,380</b>	<b>861</b>	<b>36</b>

The detail of development expenditure incurred by each District Council is given in the following table which shows that DC Attock, Rawalpindi, MB Din, Bhakkar and Sialkot did not utilize development budget by 98%, 86%, 60%, 56% and 52%, whereas, District Council Sheikhpura and Sargodha utilized almost 100% of development budget.

**Rs. in million**

<b>Name of District Council</b>	<b>Final</b>	<b>Exp.</b>	<b>(Savings) / Excess</b>	<b>%age</b>
Attock	1,830.00	27.605	(1,802.395)	(98)
Bhakkar	814.981	359.981	(454.999)	(56)
Gujrat	886.39	737.25	(149.14)	(17)
Kasur	1,051.720	893.962	(157.758)	(15)
Mandi Bahauddin	1,037.956	411.842	(626.114)	(60)
Rawalpindi	1,585.000	224.153	(1,360.850)	(86)
Sargodha	1,488.000	1,457.489	(30.511)	(2)
Sheikhpura	970.00	970.00	-	-
Sialkot	5,070.932	2,443.141	(2,627.791)	(52)
<b>Total</b>	<b>14,734.979</b>	<b>7,525.423</b>	<b>(5,343.534)</b>	<b>(36)</b>

## CHAPTER 14 District Council Attock

### 14.1 Introduction

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

#### a) Audit Profile of District Council Attock

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	District Council Attock	1	1	488.470	1,062.154

#### b) Comments on Budget and Accounts (Variance Analysis)

As per Appropriation Accounts for the FY 2022-23 of the District Council Attock, total budget (development and non-development) was Rs 2,832.925 million. Against the budget, expenditure of Rs 488.470 million was incurred indicating poor financial planning and resulting in savings of Rs 2,344.455 million. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Description	Budget Allocation	Actual Expenditure	Excess /(Savings)	%
Salary	109.298	90.460	(18.838)	17.24
Non-salary	893.627	370.405	(523.222)	58.55
Development	1,830.00	27.605	(1,802.395)	98.49
<b>Total</b>	<b>2,832.925</b>	<b>488.470</b>	<b>(2,344.455)</b>	<b>82.76</b>

#### c) Sectoral Analysis

Out of total 1,264 development schemes, Management of District Council Attock completed only 112 schemes indicating achievement of 9% during the FY 2022-23.

### 14.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 1,377.307 million were raised in this report during current audit of "District Council Attock". This amount also includes recoveries of Rs 1,354.083 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

Sr. No.	Classification	Rs in million Amount Placed under Audit Observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	
	a. HR/Employees related irregularities	-
	b. Procurement related irregularities	22.083
	c. Management of accounts with commercial banks	0
4	Value for money and service delivery issues	0
5	Others	1,355.224
	<b>Total</b>	<b>1,377.307</b>

#### 14.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	32	Not convened
2	2019-20	05	Not convened
3	2020-21	04	Not convened

## **14.4 AUDIT PARAS**

### **A) Procurement related irregularities**

#### **14.4.1 Mis-procurement on account of event of Jashan-e-Bharan – Rs 16.029 million**

According to Rule 10 of Punjab Procurement Rules (PPR) 2014, a procuring agency shall determine specifications in a manner to allow the widest possible competition which shall not favor any single contractor nor put others at a disadvantage. Further, Rule 25 (1) (2) states that a procuring agency shall formulate precise and unambiguous bidding documents, the bidding documents shall include instructions to bidders, form of contract, general or special conditions of contract, specifications and drawings or performance criteria, delivery time or completion schedule, qualification criteria.

During audit of District Council Attock for the FYs 2021-2023, it was observed that management floated tender for the event of Jashan-e-Baharan for Rs 16.029 million. The management did not formulate proper bidding documents, criteria for contractors, items specifications etc. In absence of these requirements the rates offered by the contractors could not be assessed and procurement process could not be termed as legitimate. Moreover, District Council Attock did not provide technical criteria to assess the contractors' eligibility. This resulted in mis-procurement on account of event of Jashan-e-Baharan amounting to Rs 16.029 million.

Audit held that mis-procurement was made due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that all procurement activities were conducted in strict adherence to the legal, codal, and procedural formalities outlined in the PPR 2014. The reply was not tenable because technical criteria was not formulated and defective bidding documents were prepared.

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed to probe the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No.415]

#### **14.4.2 Irregular and doubtful expenditure on account of rent of machinery – Rs 6.054 million**

According to Rule 9(1) of PPR 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. According to Rule 9(b) of PLG Accounts Rules 201&, a drawing & disbursing officer and payee of the pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

During audit of District Council Attock for the FYs 2021-23, it was observed that expenditure of Rs 6.254 million was incurred on hiring of machinery for removal of garbage on basis of quotations without advertisement on PPRA website. Moreover, the garbage was removed on a written applications of citizens but applications were without CNIC number, contract numbers and address. Chief Officer granted approval for removal of garbage based on physical inspection by DO (I&S) but inspection dates mentioned in the approval did not match the dates mentioned in log book of the vehicle allocated to the officer. This resulted in irregular and doubtful expenditure on account of rent of machinery amounting to Rs 6.054 million (**Annexure-Attock-B**).

Audit held that irregular and doubtful expenditure was incurred due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that no application was entertained without the applicant's name, address, and relevant details. The garbage was removed in the best interest of public. The reply was not tenable as documentary evidence regarding applicants' detail was not provided. Moreover, management did not defend the irregularity of procurement without advertisement at PRRA website and doubtful inspections carried out by the DO (I&S).

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed to probe the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No.412]

## **B) Others**

### **14.4.3 Non-recovery of outstanding water conservancy charges – Rs 964.304 million**

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

During audit of District Council Attock for the FYs 2021-2023, it was observed that Rs 964.304 million was not recovered on account of water conservancy charges from M/s Fauji Cement Company Ltd. Jhang Bahtar Road Fateh Jang since May 2018. This resulted in non-recovery of water conservancy charges amounting to Rs 964.304 million (**Annexure-Attock-C**)

Audit held that management did not recover outstanding amount of water conservancy charges due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that M/s Fauji Cement Company Ltd. obtained a stay order from the High Court. The reply was not tenable as management did not pursue the case vigorously for recovery of outstanding dues.

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed for recovery. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 2.4.1.1 having financial impact of Rs 58.297 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No.411]

### **14.4.4 Non-imposition of penalty on illegal housing societies - Rs 382.43 million**

According to Sr. No. 17 of Punjab Gazette Notification No. 46/admn/TC/Atk dated 13.08.2020, local government department will impose fine/penalty of Rs 10,000 per kanal on land sub-division / housing societies operating without approval.

During audit of District Council Attock for the FYs 2021-2023, it was observed that thirty-seven housing societies were operating illegally under the jurisdiction of the District Council. Developers utilized the land of 38243 kanals to develop these housing societies without permission. The management did not impose fines or penalties to the tune of Rs 382.430 million on illegal

housing societies. This resulted in non-imposition of penalty on illegal housing schemes to the tune of Rs 382.43 million (**Annexure-Attock-D**).

Audit held that penalties were not imposed due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that action was taken and development work was halted. The reply was not tenable as management did not provide any evidence for stoppage of development work or imposition of penalty.

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed to probe the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No.409]

#### **14.4.5 Loss to the government due to non-auction of advertisement fee - Rs 5.825 million**

According to Rule 11 of PLG (Auction of Collection Rights) Rules 2016, at least three attempts shall be made to award the contract through open bid, equal to the reserve price or more, by the administration of the local government before the commencement of financial year.

During audit of District Council Attock, it was noticed that management did not make any attempt for auction of collection of advertisement fee during the FY 2021-22. An amount of Rs 475,184 was collected through self-collection during FY 2021-22. During the FYs 2020-21 and 2022-23, the management auctioned collection of advertisement fees to third parties and resultantly raised revenue of Rs 6.3 million and Rs 8.001 million respectively. Non-auction of the collection rights of advertisement fee during the FY 2021-22 resulted in loss to the government of Rs 5.825 million as detailed below:

<b>Rs in million</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Actual Collection FY 2020-21	6.300
2	Advertisement fee collected during FY 2021-22 (Self Collection)	0.475
3	<b>Less collection during FY 2021-22</b>	<b>5.825</b>
4	Reserve price kept in FY 2022-23	6.500
5	Advertisement fee collected and auctioned FY 2022-23	8.001
6	Market survey conducted for FY 2023-24	10.324

Audit held that less collection was made due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that efforts were made for collection of advertisement fee by the employees of District Council Attock through departmental collection. However, the amount collected was significantly less than the previous year. The less recovery was admitted by the management.

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed to probe the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No.410]

#### **14.4.6 Non-collection of TTIP receipts - Rs 1.524 million**

According to Rule 2(g) of PLG (Tax on Transfer of Immovable Property) Rules 2016. "Transfer of immovable property" means the conveyance of proprietary rights of any immovable property from one person to another. Further, according to Rule 33 of Punjab Private Housing Schemes and Land Sub-Division Rules 2022, the sponsor, on receipt of full payment of a plot or property, shall immediately execute the sale deed in favor of the purchaser or allottee.

During audit of District Council Attock for the FY 2021-23, it was observed that housing societies provided the details of sold out residential and commercial plots to the planning section of District Council Attock where sale deeds were not executed in favor of the purchaser or allottee. In absence of sale deed, tax on transfer of immovable property (TTIP) could not be realized and the government sustained a loss of Rs 1.524 million. This resulted in non-collection of TTIP receipts worth Rs 1.524 million.

Audit held that TTIP was not realized due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that notices had been issued to the relevant owners. The recovery was admitted by the department.

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed for recovery. No further progress was reported till finalization of this report.

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

[PDP No.408]

#### **14.4.7 Unauthentic payment of cash prizes obtained through a loan from contractor – Rs 1.141 million**

According to Rule 2 (1)(g) of PLG (Accounts) Rules 2017, “Government” means Government of Punjab. According to Rule 5 of PLG (Accounts) Rules 2017, a local government shall not obtain any debt without prior approval of the government. According to Rule 4(1)(b) of PLG (Accounts) Rule 2017, the payments exceeding rupees ten thousand shall be made through crossed non-negotiable cheque.

During audit of District Council Attock, it was observed that an amount of Rs 1.141 million was paid to M/s Jaba Construction on account of loan returned vide voucher 48 dated 15-04-2022. The vendor provided a loan for cash prizes awarded to the winner on the event of Jashan-e-Baharan festival. The debt from M/s Jaba Construction was obtained without approval of the government. The cash prizes were not distributed through cross cheques to the actual payee. Moreover, CNIC numbers, addresses, contact numbers even thumb impressions were not obtained from the payees. This resulted in unauthentic payment of cash prizes obtained through a loan from contractor amounting to Rs 1.141 million.

Audit held that payment of cash prizes without crossed cheques, and obtaining of loan without approval of the government was made due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that reimbursement to the vendor was carried out on a no-profit-no-loss basis. The lapse was admitted by the department.

SDAC in its meeting held on 3<sup>rd</sup> July 2024 directed to regularize the matter form Finance Department. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC’s decision at the earliest.

[PDP No.405]

## CHAPTER 15

### District Council, Bhakkar

#### 15.1 Introduction

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

#### a) Audit Profile of District Council Bhakkar

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	District Council Bhakkar	1	1	641.069	106.936

#### b) Sectoral Analysis

Out of total 278 development schemes, Management of District council, Bhakkar was able to complete 85 schemes indicating achievement of 31% during financial year 2022-23.

#### c) Comments on Budget and Accounts (Variance Analysis)

As per Appropriation Accounts for the FY 2022-23 of the District Council Bhakkar, total budget (development and non-development) was Rs 1,476.400 million. Against the budget, expenditure of Rs 641.069 million was incurred indicating poor financial planning and resulting in savings of Rs 835.330 million. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Description	Budget Allocation	Exp	Excess (+) / Saving (-)	% age saving
Salary	210.680	106.446	(104.234)	(49.48)
Non-Salary	450.739	174.643	(276.097)	(61.25)
Development	814.981	359.981	(454.999)	(55.83)
<b>Total</b>	<b>1,476.400</b>	<b>641.069</b>	<b>(835.330)</b>	<b>(56.58)</b>

#### 15.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 4.778 million were raised in this report during current audit of "District Council Bhakkar". This amount also includes recoveries of Rs 3.751 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of Audit Observations

Rs in million

Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	-
	a. HR/Employees related irregularities	-
	b. Procurement related irregularities	-
	c. Management of accounts with commercial banks	-
4	Value for money and service delivery issues	4.778
5	Others	0
	<b>Total</b>	<b>4.778</b>

### 15.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	29	Not convened
2	2019-20	08	Not convened
3	2020-21	02	Not convened

## **15.4 AUDIT PARAS**

### **A) Value for Money and Service Delivery**

#### **15.4.1 Non-realization of conversion fee - Rs 3.751 million**

According to Rule 50 (1) (a) (c) & (e) of the Punjab Local Government Land Use Plan (Classification, re-classification & Re-Development) Rules, 2020 read with Section 164 (2) of Punjab Local Government Act 2019, conversion fee for the conversion of land use to residential, industrial or site development zone (agriculture area) abetting list A roads to commercial use shall be 10% of the commercial value of the land. Conversion fee for the conversion of site development zone (agriculture area) to residential use shall be 2% of the agriculture value of the land. Conversion fee of any land use to educational or healthcare institutional use shall be 10% of existing value of the land or plot or property as per valuation table. The applicant will deposit the conversion fee within 7, 15, 30 days as the case may be after issuance of demand notice otherwise surcharge fee will be charged.

During audit of District Council Bhakkar for the FYs 2021-23, it was observed that DPDC (District Planning & Design Committee) cleared certain cases of housing schemes and commercial buildings but the management did not recover the due conversion fee Rs 3.751 million despite lapse of considerable time.

This resulted in non-realization of conversion fee Rs 3.751 million.

Audit holds that due to weak financial and administrative controls conversion fee was not realized.

The matter was reported to the PAO/CO in April 2024. Management replied that efforts would be made for recovery. SDAC in its meeting held on 12.06.2024, directed the management to expedite recovery.

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

[PDP No.19, 20 & 21]

## **B) Others**

### **15.4.2 Unjustified payment for earth work without compaction tests – Rs 1.027 million**

According to para 4.5.5 of B&R code, every officer making or ordering payment on behalf of Government should satisfy himself that work has been actually done in accordance with the bill submitted. For payment He should inspect personally all the most important works before authorizing final payment and should check the measurements made by his subordinates as per scale laid. As per Sr. 05 of Chapter-3 of MRS, earthwork in ordinary soil for embankments and compaction by mechanical means at optimum moisture content has higher rate for 95% to 100% maximum modified AASHO dry density than 85% maximum modified AASHO dry density. As per Sr. 25 of Chapter-3 of MRS, compaction of earthwork with power road roller, including ploughing, mixing, moistening earth to optimum moisture content in layers, etc. complete.

During audit of District Council Bhakkar for the FYs 2021-23, it was observed that DO (I&S) paid compaction as 95% to 100% at optimum level without any compaction tests in following schemes. In absence of compaction test, payment for 95-100% optimum compaction for bottom layer could not be termed as justified. This resulted in excess payment for earthwork without compaction test to the tune of Rs 1.027 million.

Audit holds that due to weak internal and financial controls payment for 95-100% optimum compaction for bottom layer was unjustified.

The matter was reported to the PAO in April 2024. Department replied that payment of earthwork was made as per TS estimate and actual work done on site which is verified and checked by the then Engineer Incharge. Furthermore, compaction is checked by Engineer Incharge through field density test performed by himself and testing report from testing laboratory are also attached. Audit contented that neither documentary proof of compaction tests was produced at the time of audit nor during verification prior to SDAC. SDAC in its meeting held on 12.06.2024 directed the formation to provide the compaction test report of the schemes to the Audit for verification and to avoid optimum compaction payment in future. No further progress was reported till finalization of this report.

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

[PDP No.23]

## CHAPTER 16

### District Council Gujrat

#### 16.1 Introduction

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

#### a) Audit Profile of District Council Gujrat

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	District Council, Gujrat	01	01	1,804.55	376.00

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the Financial Year 2022-23 of the District Council Gujrat, total budget (Development and Non-Development) was Rs 2,223.67 million. Against the budget, total expenditure of Rs 1,804.55 million was incurred by District Council Gujrat during Financial Year 2021-22 which resulted in savings of Rs 419.12 million against the budget indicating poor financial planning. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Description	Budget Allocation	Expenditure	(Savings)	% age savings
Salary	593.23	444.94	(148.29)	25
Non-Salary	744.05	622.36	(121.69)	16
Development	886.39	737.25	(149.14)	17
<b>Total</b>	<b>2,223.67</b>	<b>1,804.55</b>	<b>(419.12)</b>	<b>19</b>

#### c) Sectoral Analysis

Out of total 106 development schemes, Management of District Council Gujrat was able to complete 94 scheme indicating achievement of 89% during the Financial Year 2022-23.

#### 16.2 Classified Summary of Audit Observations

Audit observations amounting to Rs132.312 million were raised in this report during current audit of “District Council Gujrat.” This amount also includes recoveries of Rs 92.273 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

Rs in million

Sr. No.	Classification	Amount Placed under Audit Observation
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	HR/Employees related irregularities	-
	Procurement related irregularities	122.135
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	0
5	Other	10.177
<b>Total</b>		<b>132.312</b>

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

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19	22	Not convened
2	2019-20	10	Not convened
3	2020-21	33	Not convened

## **16.4 AUDIT PARAS**

### **A) Procurement related irregularities**

#### **16.4.1 Excess payment due to non-purchase of crushed stone from nearest quarry- Rs 76.167 million**

As per Condition No.5 of FD's letter No. RO(Tech) F.D 2-3/2004 dated 2<sup>nd</sup> August 2004, material from nearest approved quarry shall be used. Further, as per RO(Tech) F.D 2-3/2015 dated (2<sup>nd</sup> Biannual) dated 5<sup>th</sup> August 2015, Melot Quarry Jhelum district placed at Sr. No.7 in the list of approved quarries by the Punjab Highway Department.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that the management made payment for crushed stone for PCC purchased from Kirana Quarry District Sargodha instead of nearest Melot Quarry District Jhelum resulting in extra mileage charges. This resulted in excess payment due to non-purchase of crushed stone from nearest quarry amounting to Rs 76.167 million.

Audit held that excess payment was made due to defective financial discipline.

The matter was reported to the CO/PAO in April 2024. Department replied that crushed stone was used in item PCC (1:2:4) from the approved quarry of Kirana Sargodha. The reply was not satisfactory because excess payment was made in violation of instructions *ibid*.

DAC in its meeting held on 14<sup>th</sup> May 2024 directed to refer the matter to Administrative Department for clarification. No progress was reported till finalization of this report.

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

[PDP No.01, 07]

#### **16.4.2 Execution of earth work without compaction test report – Rs 26.443 million**

Para 127 (6) and 129 (i) of PWD code provide that payment for all work done should be made on the basis of measurement recorded in M.B in accordance with the work actually done at site, measured in person by the S.D.O and he will be responsible for the general correctness of the bill as a whole. Further, as per MRS Chapter 3 Earthwork item 25, Compaction of earthwork with power road roller, including ploughing, mixing, moistening earth to optimum moisture content in layers, etc. complete.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that the management paid Rs 26.444 million on account of earth filling for different development schemes. Audit observed that the contractors executed earth filling by dumping earth at site with 4 feet stackings, instead of earth filling by making layers of six (06) inches each as per standard specification of earth work. Furthermore, rate analysis of non-standardized items and compaction test reports were not found attached/produced to Audit. The detail is as under: -

**Rs in million**

Bill No.	Name of work with contractor & MB No.	Item	Qty	Rate given in 4th & 5th & final bill	Amount
199-201/11-022	Const. of Road Saman Pindi Road to Nagrianwala Road 22308/62-64 6th & 7th 22308/74-79 Running bill Zulifqar A. Warriach	Earth work 5th R bill	608837	11124	6.773
92-94/10-022	Rehabilitation and Improvement of Road from Barela Sharif to Sangu 7th bill 24449/33-41 ZA Warriach	Earth work in 3rd & 4th R bill	209224	11124.06	2.327
694-696,206-208/11,12-022	Const of Road Link Sadhri Road to naiAbadiAmdad Shah 3rd R Bill	Earth work upto 3rd R bill	263511	14674	3.867
293-295/6-023	Rehabilitation & improvement of Road Village Machiwal to Chokar Khurd 5th F Bill Warriach Const. 24441/71-82	Earth work upto 3rd R bill	265494	11242.6	2.985
24949/36-41	Const. of Road, Government Degree College Mandi to Barrian Gorsia Road 4th R	Earth work 1st R bill	354131	14674	5.197
627-629/12-22,265-267/01-23	Construction of Road Banian to Chak Pindi Dewna Mandi Road 3rd R Bill 24943/1-3,18-22,31-40,55-57 Ch. K & Co., 5th R bill	Earth work 1st R bill	360800	14675.15	5.295
<b>Total</b>					<b>26.444</b>

Audit held that execution of earth work without compaction test reports was made due to defective financial discipline.

This resulted in execution of earth work without compaction test reports amounting to Rs 26.443 million.

The matter was reported to the CO/PAO in April 2024. Department replied that the item P/L earth filling was executed by the contractors at site as per requirement. The item could not be entered as 6' thick layer in MB. The management admitted the lapse that entry in MB was not made as per MRS item.

SDAC in its meeting held on 14<sup>th</sup> May 2024 directed to recover the amount from concerned contractors. No further progress was intimated till finalization of this report.

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

[PDP No.05]

#### **16.4.3 Irregular expenditure on account of Clean & Green Punjab – Rs 13.596 million**

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, procurements over two hundred thousand rupees and up to the limit of three million rupees shall be advertised on the PPRA's website. As per Rule 15.4 (a) & 15.7 of PFR Vol-1, all material must be examined, counted, weighed, or measured as the case may be.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that management purchased green and clean items for Rs 13.596 million by splitting job orders to avoid tendering process. Moreover, delivery challans, receipt of stock items and consumption of material were also not produced to audit. This resulted in irregular expenditure worth Rs 13.596 million.

Audit held that irregular expenditure was made due to weak internal controls.

The matter was reported to the PAO in April 2024, it was replied that payments were made after the approval of competent authority under various head of accounts from time to time. The reply of the management was not accepted due to violation PPRA rules and non-availability of accountal and consumption record.

SDAC in its meeting held on 14<sup>th</sup> May 2024 directed the management to submit the case to Administrative Department for probe. No further progress was report till finalization of this report.

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

[PDP No.08]

#### **16.4.4 Excess payment over & above TS rates – Rs 5.929 million**

According to Rule 9(b) of PLG (Accounts) Rules 2017, a drawing & disbursing officer and payee of the pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and

misappropriations. As per Para 127 (6) and 129 (i) of PWD code, SDO will be responsible for the general correctness of the bill as a whole.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that the management made payment at the rates over & above TS approved rates for the items used in various development schemes. This resulted in overpayment due to charging excess rate than TS Estimates rates amounting to Rs 5.929 million (**Annexure-Gujrat-B**).

Audit held that overpayment was made due to weak internal controls and defective financial discipline.

The matter was reported to the CO/PAO in April 2024. The management replied that rate of earth filling, base course and RCC (1:2:4) was paid as per the TS Estimate. The reply of the department was not acceptable because relevant record was not provided for verification.

DAC in its meeting held on 14<sup>th</sup> May 2024 directed for provision of record. No further progress was report till finalization of this report.

Audit recommends recovery from contractors besides fixing the responsibility on the persons at fault.

[PDP No.09]

## B) Others

### 16.4.5 Non-recovery of arrears of water rate from water users - Rs 4.235 million

As per Rule 4.1 of PFR Vol-I, the departmental controlling officer should see that all sums due to Govt. are regularly received and checked against demands and that they are paid into the treasury.

During audit of District Council Gujrat for the period 2021-23, it was observed that the management failed to recover arrears of water rate of Rs 4.235 million. Moreover, neither department made efforts for collection of arrears nor connection of defaulters were disconnected. This resulted in non-recovery of arrears of water rates worth Rs 4.235 million as detailed below: -

<b>Rs in million</b>								
<b>Particulars</b>	<b>Total Nos. of connections</b>	<b>Active Connections</b>	<b>Defaulter Connections</b>	<b>fee due against active connection</b>	<b>Water Rate Fee collected</b>	<b>Balance / Arrears</b>	<b>Previous years' arrears</b>	<b>Total arrears upto 30.06.2023</b>
Domestic connections	1,737	1,090	647	2.616	2.62	(0.004)	4.068	4.064
Commercial Connections	21	11	10	0.53	0.003	0.05	0.121	0.171
<b>Total</b>					<b>2.623</b>	<b>0.046</b>	<b>4.189</b>	<b>4.235</b>

Audit held that arrears were not recovered due to negligence of the management.

The matter was reported to the CO/PAO in April 2024. Management replied that serious efforts were made to recover the outstanding dues and recovered Rs 398,659 from the defaulters. The management admitted the lapse.

SDAC in its meeting held on 14<sup>th</sup> May 2024 directed for recovery of the arrears amount. No further progress was report till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest.

[PDP No.11]

#### **16.4.6 Loss due to non-collection of fine on late deposit of rent of shops - Rs 3.170 million**

According to clause 5 of terms & conditions for auction of shops tenants were bound to deposit rent of shops by 5th of every month in advance failing which 10% fine will also require to be deposited.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that an amount of Rs 3.170 million on account of fine on late deposit was neither levied nor collected from the tenants of shops. This resulted in non-collection of fine for late deposit of rent worth Rs 3.170 million.

Audit holds that fine was not collected due to weak financial controls.

The matter was reported to the CO/PAO in April 2024. Department replied that fine was waived by the House of District Council Gujrat and the fine clause had been repealed from the agreement. The reply of the department was not satisfactory because no documentary evidence was produced during verification of record.

DAC in its meeting held on 14<sup>th</sup> May 2024 directed to recover the fine from the concerned quarters. No further progress was report till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest.

[PDP No.13]

#### **16.4.7 Non-collection of building fee –Rs 1.422 million**

According to Rule 4 & 50(a) of Punjab Land Use (Classification, Reclassification and Re-development) Rules 2020, a local government shall ensure that the land use provisions under permitted, permissible and prohibited uses are strictly followed in a residential area and the conversion fee for the conversion of residential, industrial or site development zone (agricultural area) abutting List “A” roads to commercial use shall be 10% of the commercial value of the land.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that 15 cases were approved by DPDC for conversion but building fee of Rs 1.422 million against these approvals was not collected since last three years. This resulted in non-collection of building fee worth Rs 1.422 million.

Audit held that building fee was not collected due to weak internal and financial controls.

The matter was reported to the CO/PAO in April 2024. Department replied that notices for recovery of building plan fee were issued to the concerned and building fee of Serial No.9 & 10 has been deposited. The management admitted the lapse and recovery.

SDAC in its meeting held on 14<sup>th</sup> May 2024 directed for recovery of Rs 1.422 million. No further progress was report till finalization of this report.

Audit recommends implantation of SDAC decision at the earliest.

[PDP No.13]

#### **16.4.8 Non-recovery of conversion and building plan fee – Rs 1.350 million**

According to Rule 50 (1) (a) of the Punjab Local Government Land Use Plan (Classification, Reclassification and Redevelopment) Rules 2020, the conversion fee on account of conversion of residential, industrial or side development zone (agriculture area) abutting List "A" roads to commercial use shall 10% of commercial value of land or plot or property as per valuation table.

During audit of District Council Gujrat for the FYs 2021-23, it was observed that DPDC in its meeting held on 22.04.2022 approved the conversion case of Muhammad Siddique S/o Bhawal Bakhsh owner for construction of petrol pump. Scrutiny of record revealed that conversion fee and building plan fee were not collected. Physical inspection of the site showed that petrol pump was functional there. District Council Gujrat neither sealed the petrol pump nor recovered the conversion and building fees. This resulted in non-recovery of conversion and building plan fee worth Rs 1.350 million as detailed below: -

**Rs in million**

Name of owner	Location of property	Area	Purpose	Rate per marla	Total value of land	Rate of conversion fee	Amount of Conversion fee
M Siddique S/o Bhawal Bakhsh	Mouza Qasimabad, Saroke-Head Khanki Road, Tehsil & Distt. Gujrat	60 marla	Petrol Pump	0.225	13.500	10%	1.350

Audit held that conversion fee and building plan fee were not recovered due to weak internal controls.

The matter was reported to the CO/PAO in April 2024, it was replied that the land owner did not deposit the conversion fee. The case would be presented in District Rate Assessment Committee (DRAC). The management accepted the lapse and negligence.

DAC in its meeting held on 14<sup>th</sup> May 2024 directed to expedite the process of approval and recover the conversion & building plan fee. No further progress was report till finalization of this report.

Audit recommends for recovery besides fixation of responsibility on person(s) at fault.

[PDP No.15]

## CHAPTER 17

### District Council Kasur

#### 17.1 Introduction

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

##### a) Audit Profile of District Council Kasur

<b>Rs in million</b>					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	DC Kasur	1	1	1919.959	340.212

##### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the FY 2022-23 of the District Council Kasur total final budget (development and non-development) was Rs 2,204.736 million. Against the budget, total expenditure of Rs 1,919.959 million was incurred by District Council Kasur during FY 2022-23 resulted in savings of Rs 284.545 million indicating poor financial planning. The break-up of total budget and expenditure is given in the following table: -

<b>Rs in million</b>				
Description	Budget Allocation	Exp.	(Savings)	% age savings
Salary	120.030	96.620	(23.410)	(28)
Non-salary	1,032.986	929.377	(103.377)	(10)
Development	1,051.720	893.962	(157.758)	(15)
<b>Total</b>	<b>2,204.736</b>	<b>1,919.959</b>	<b>(284.545)</b>	<b>(13)</b>

##### c) Sectoral Analysis

Out of total 283 development schemes, Management of District Council Kasur was able to complete 205 scheme indicating achievement of 72% during the FY 2022-23.

#### 17.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 151.532 million were raised in this report during current audit of “District Council Kasur”. This amount also includes recoveries of Rs 21.672 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

**Rs in million**

Sr. No.	Classification	Amount Placed under audit observations
1	Non-production of record	-
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	
	a. HR/ Employees related irregularities	-
	b. Procurement related irregularities	22.005
	c. Management of Accounts with Commercial Banks	109.935
4	Value for money and service delivery issues	0
5	Others	19.592
	<b>Total</b>	<b>151.532</b>

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

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

Sr. No.	Audit Year	No. of Paras	Status of PAC Meeting
1	2018-19		Not convened
2	2019-20		Not convened
3	2020-21	11	Not convened

## **17.4 AUDIT PARAS**

### **A) Procurement related irregularities**

#### **17.4.1 Unauthorized payment of carpeting without approval of job mix formula - Rs 19.925 million**

According to MRS Rates given by Finance Department, Government of Punjab, rate for item of carpeting shall be fixed by Chief Engineer on the basis of different percentages of bitumen i.e. 3% to 6%. However, payment will be made to the contractor as per Job Mix Formula for bitumen used in the work. Further, Section 641-Sr. No. 3.1 of Book of Specification of C&W requires that the exact percentage of bitumen to be used shall be fixed on the basis of laboratory tests on the Job Mix Formula.

During audit of District Council Kasur for the period 2021-23, item of plant premix bituminous carpeting was shown laid using 4% and 4.5% bitumen under various schemes for Rs 19.925 million without obtaining approval of percentage from the Chief Engineer for the carpeting on the basis of laboratory tests on Job Mix Formula in violation of rule *ibid*.

This resulted in unauthorized payment of carpeting without approval of job mix formula Rs 19.925 million (**Annexure-Kasur-B**).

Audit held that payment without approval of job mix formula was made due to weak internal controls.

The matter was reported to the PAO in April 2024. The department replied that letters for test reports of schemes have been issued to contractors for provision of lab test reports. Reply was not accepted because approval of rate was not obtained from the Chief Engineer before payment.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed for probe by Director General (I&M) to fix responsibility against the person(s) at fault. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision besides fixing of responsibility against the person(s) at fault.

[PDP No.02]

#### **17.4.2 Overpayment to contractor without execution of work - Rs 2.080 million**

As per Article 90 (2C) of the Punjab Local Government Act 2013, the Chief Officer shall ensure that the business of the Local Government is carried out in accordance with the law.

During audit of District Council Kasur for the period 2021-23 it was observed that a development scheme “Rehabilitation construction of PCC, of soling drainage and tuff tile etc. at Kot Ashraf and Dina Nath” was awarded to Imran & Company at the cost of Rs 10.00 million. During physical verification of scheme, it was observed that only P/L brick ballast 1.1/2” to 2” gauge was executed in the streets and no work of PCC was executed by the contractor. The department made payment of Rs 2.080 million to contractor without execution of work. This resulted in overpayment of Rs 2.080 million as detailed below: -

			<b>Rs in million</b>
<b>Description of work</b>	<b>Qty</b>	<b>Rate</b>	<b>Amount</b>
P/L PCC 1:2:4	4110.50	38,378.90	1.577
Carriage of aggregate used for PCC	4228.49	10,993.25	0.465
Const. of inauguration pillar / board	1	38,500	0.038
<b>Total</b>			<b>2.080</b>

Audit held that overpayment was made to contractor without execution of PCC due to weak internal and administrative controls.

The matter was reported to the PAO in April 2024. The department replied that the amount of Rs 2.080 million was payable against this scheme. The final payment would be made after completion of work. Reply was not tenable because advance payment was made as per Ist running bill.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 decided to probe the matter at administrator level to physically verify the work and to fix responsibility against the person(s) at fault. No further progress was reported till finalization of this report.

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

[PDP No. 01]

## **B) Management of accounts with commercial banks**

### **17.4.3 Loss due to placing of deposits in ordinary saving account – Rs 109.935 million**

According to Rule 3 (1) of the Punjab Local Government (Accounts) Rules 2017, the local fund and public account of a local government shall be a “Corporate Premium Account” or “Profit Bearing Account”. According to letter No. FD(W&M)1-1/70 (Vol-XV)/2018 dated 11.01.2019, Finance Department, Government of the Punjab, mark up rates offered by Bank of Punjab may be compared with all public/private and Islamic banks having minimum long term "AA" rating at the time of placement of funds. In case Bank of Punjab offers the highest profit rate, funds may be placed with it. In case any of the above referred banks offers the highest profit rate, Bank of Punjab may be given an opportunity to match that profit rate within maximum of 10 days.

During audit of District Council Kasur for the period 2021-23, it was observed that the management placed funds in ordinary saving bank account at interest rate of 1.995% to 10.758%. The department did not obtain competitive rates from the AA rated banks. Audit calculated amount of interest by applying KIBOR and found that the Government sustained a loss of estimated Rs 109.935 million. This resulted in loss of Rs 109.935 million as detailed at **Annexure-Kasur-C**.

Audit held that funds were not placed in corporate premium accounts due to weak financial controls.

The matter was reported to the PAO in April 2024 and the department replied that the matter would be taken up with the Bank of Punjab to get best profit rate. The reply was not tenable as the management did not obtain competitive rates.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to get competitive rates from all commercial banks as per direction of FD and resolve matter within two months otherwise incumbent would be responsible for the loss. No further progress was reported till finalization of this report.

Audit recommends obtaining the competitive interest rates for placement of funds besides fixing of responsibility against the person(s) at fault.

[PDP No. 06]

**C) Others**

**17.4.4 Loss to the government due to non-auction of shops - Rs 19.592 million**

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

During audit of District Council Kasur for the period 2021-23, it was observed that the lease agreement of 64 shops expired on 08-05-2022. The District Rent Assessment Committee revised the rates, however, the management did not re-auction the shops as per new revised rates after expiry of the contract. The management realized rent of these shops at previous rates. This resulted in loss to the government due to non-auction of shops amounting to Rs 13.435 million.

Audit held that non-auction at revised rate was not made due to weak internal controls.

The matter was reported to the PAO in April 2024 and the management replied that the process for fresh agreement under Section 96(4) of the PLGA, 2022 was in process and new agreement would be penned down with tenants after completion of all codal formalities. Reply was not tenable as the re-auction was not made in time resulting in loss to the government.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to complete the auction process within two months. No further progress was reported till finalization of this report.

Audit recommends that the auction process be completed within two months besides fixing of responsibility against the persons at fault.

[PDP No. 03 &07]

## CHAPTER 18

### District Council Mandi Bahauddin

#### 18.1 Introduction

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

#### a) Audit Profile of District Council Mandi Bahauddin

Rs in million					
Sr. No.	Description	Total No. of Formations	Audited	Expenditure Audited	Receipts Audited
1	DC Mandi Bahauddin	1	1	251.94	516.621

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2022-23 of the District Council Mandi Bahauddin, total budget (development and non-development) was Rs 1,334.357 million. Against the budget, total expenditure of Rs 541.44 million was incurred by District Council, Mandi Bahauddin during financial year 2022-23 which was Rs 792.917 million less than allocated budget indicating poor financial planning. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Description	Budget Allocation	Exp.	(Savings)	% age saving
Salary	138.676	92.558	(46.118)	(33)
Non-salary	157.725	37.04	(120.685)	(77)
Development	1,037.956	411.842	(626.114)	(60)
<b>Total</b>	<b>1,334.357</b>	<b>541.44</b>	<b>(792.917)</b>	<b>(59)</b>

#### c) Sectoral Analysis

Out of total 42 development schemes, Management of District Council Mandi Bahauddin was able to complete 28 scheme indicating achievement of 67% during FY 2022-23.

#### 18.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 31.532 million were raised in this report during current audit of "District Council Mandi Bahauddin". This amount also includes recoveries of Rs 26.723 million as pointed out by the audit. Classification of audit observations is as under:

**Rs in million**

<b>Sr. No.</b>	<b>Classification</b>	<b>Amount Placed under audit observations</b>
1	Non-production of record	-
2	Reported cases of fraud, embezzlement and misappropriation	-
3	Irregularities	
A	HR/ Employees related irregularities	-
B	Procurement related irregularities	2.739
C	Management of Accounts with Commercial Banks	0
4	Value for money and service delivery issues	20.538
5	Others	8.255
	<b>Total</b>	<b>31.532</b>

### **18.3 Brief Comments on the Status of Compliance with PAC Directives**

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meeting</b>
1	2020-21	03	Not convened

## 18.4 AUDIT PARAS

### A) Procurement related irregularities

#### 18.4.1 Irregular expenditure on sports event – Rs 1.564 million

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, procurements over two hundred thousand rupees and up to the limit of three million rupees shall be advertised on the PPRA's website. As per Rule 15.4 (a) & 15.7 of PFR Vol-1, all material must be examined, counted, weighed, or measured as the case may be. The receiving Government servant should also be required to give a certificate that he has received the materials and recorded them in his appropriate stock registers. For securing this object, all quantities received in or issued from stores must be entered in the stock accounts strictly by the rule and in the order of Recurrence on the dates, the transactions take place, so that it should be possible at any time to check the actual balances with the book balances.

During audit of District Council Mandi Bahauddin for the period 2021-23, it was found that expenditure of Rs 1.564 million was incurred on purchase of sports items and arrangement of sports events by splitting job orders to avoid competitive bidding. Further, audit also observed that no record regarding purchase and arrangements of events like delivery challans, stock entries and issuing of stock was produced to audit.

**Rs in million**

Vr. No.	Date of payment	Date of invoice	Description	Name of Contractor	Amount
65	29.09.2022	27.09.2022	44 white Uniform, Caps, wicket	M/s New Shan Government Contractor	0.200
66	29.09.2022	27.09.2022	63 uniform and caps		0.198
67	29.09.2022	27.09.2022	63 uniform and caps		0.198
424	28.07.2022	26.07.2022	82 uniform, 10 trophies		0.199
425	28.07.2022	26.07.2022	Uniform for football, hockey etc.		0.197
426	28.07.2022	16.07.2022	Arrangement for sports event		0.200
123	26.10.2022	10.10.2022	Arrangement for sports event		0.179
124	26.10.2022	10.10.2022	Arrangement for sports event		0.193
<b>Total</b>					<b>1.564</b>

Audit held that irregular expenditure on sports event was incurred to avoid competitive biddings.

The matter was reported to the CO / PAO in April 2024. Management replied that expenditure was incurred by invoking urgency clause of Punjab Procurement Rules. The reply was not tenable because management failed to produce the documentary evidence.

SDAC in its meeting held on 15<sup>th</sup> May 2024 directed the management to get the expenditure regularized from competent authority. No further progress was reported till the finalization of this report.

Audit recommends probe of the matter and fixing of responsibility against the person(s) at fault along with implementation of SDAC decision at the earliest.

[PDP No. 05]

#### **18.4.2 Irregular procurement of lab testing equipment - Rs 1.175 million**

According to Rule 12(1) and 9 of Punjab Procurement Rules 2014, procurements over two hundred thousand rupees and up to the limit of three million rupees shall be advertised on the PPRA's website. According to instruction of Finance Department Govt. of Punjab letter No.RO(Tech)FD-18-29/2004 dated 03.03.2005, Plant and Machinery like Generator, Air Conditioner, Electric items and Turbine Transformers/ Panels etc. are required to be purchased as per procedure prescribed in the Purchase manual (new PPR 2014) instead of through contractor by allowing 20% contractor profit and overhead charges.

During audit of District Council Mandi Bahauddin for the period 2021-23, it was found that management incurred expenditure of Rs 1.175 million on purchase of Lab testing equipment on quotation basis without advertisement at PPRA website. Moreover, estimates for the purchase of equipment were prepared by sub-engineer (C&W) by allowing 10% contractor's profit. This resulted in irregular procurement of lab testing equipment worth Rs 1.175 million.

Audit held that irregular procurement was made due to weak internal controls.

The matter was reported to the CO / PAO in April 2024. Management replied that lab testing equipment was procured by calling quotations. Reply of the management was not acceptable because estimate was prepared to oblige contractor by allowing 10% extra profit of Rs 92,180 and procurement was made without advertisement on PPRA website.

SDAC in its meeting held on 15<sup>th</sup> May 2024 directed for regularization of expenditure besides recovery of overpayment from the contractor. No further progress was reported till the finalization of this report.

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

[PDP No. 01]

## **B) Value for money and service delivery issues**

### **18.4.3 Non-imposition of penalty due to delay in completion of works - Rs 18.468 million**

According to Clause 2 and 5 of contract agreement, if a contractor fails to complete the work within stipulated period, he is liable to pay compensation @1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not exceeding maximum of 10% of the construction of contract. The contractor shall have to apply within one month for extension in time limit before the expiry of scheduled time of completion.

During audit of District Council Mandi Bahauddin for the period 2021-23 it was observed that seven (07) development schemes, pertaining to financial year 2022-23, costing Rs 184.682 million were not completed within stipulated time. The management neither granted extension nor imposed penalty on the contractors. This resulted in non-imposition of penalty due to delay in completion of works amounting to Rs 18.468 million.

Audit held that that the penalty was not imposed to the contractors due to weak supervision.

The matter was reported to the CO / PAO in April 2024. Management replied that all the development schemes were completed in time but payment was made to the contractors after lifting the ban of Election Commission of Pakistan. Reply of the management was not acceptable because no documentary evidence was produced regarding timely completion of schemes.

SDAC in its meeting held on 15th May 2024 directed for recovery. No further progress was reported till the finalization of this report.

Audit recommends for implementation of SDAC decisions at the earliest.

[PDP No. 03]

### **18.4.4 Illegal conversion of land use without approval of DPDC – Rs 2.070 million**

As per rule 11 of Punjab Local Government Land Use Plan Rules 2020, a Local Government shall not grant permission to a person for a permissible land use unless the District Planning and Design committee has examined and recommended such permission.

During audit of District Council Mandi Bahauddin for the financial years 2021-23, scrutiny of records in respect of conversion/ Commercialization of land of permissible cases revealed that the DO(Planning) had converted the land use of flour mill and received conversion fee / building fee without obtaining approval and recommendations of the District Planning and Design Committee (DPDC). This resulted in illegal conversion of land use due to non-approval of DPDC of Rs 2.070 million. As detailed below:

Rs in million					
<b>Name of Owner</b>	<b>Nature of Building</b>	<b>Area of Plot</b>	<b>Value of Land</b>	<b>Conversion Fee received</b>	<b>Building fee received</b>
Muhammad Iqbal S/O Nazar Muhammad	Fluor mill	80 marlas	2.070	0.104	0.152

Audit held that that the penalty was not imposed to the contractors due to weak supervision.

The matter was reported to the CO / PAO in April 2024. Management replied that said building plan new fall in the jurisdiction of Municipal Committee M.B Din.

SDAC in its meeting held on 15th May 2024 directed DAC directed to take up the matter with Municipal Committee M.B Din for recovery. No further progress was reported till the finalization of this report.

Audit recommends for implementation of SDAC decisions at the earliest.

**C) Others**

**18.4.5 Irregular award of contract to the defaulter contractors, non-recovery of receipts from contractors - Rs 5.198 million**

According to Rule 7(e) of Punjab Local Government (Budget) Rules 2017, the primary obligation of collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund under the proper receipt head.

During audit of District Council Mandi Bahauddin for the period 2021-23, it was found that collection rights of following fees/taxes were auctioned to various contractors for Rs 10.426 million but management could recover Rs 6.271 million. Moreover, management failed to recover withholding income tax of Rs 1.043 million. This resulted in non-recovery of Rs 5.198 million from the contractors as detailed below:

<b>Rs in million</b>						
<b>Financial year</b>	<b>Name of Contract</b>	<b>Name of Contractor</b>	<b>Contract Amount</b>	<b>Amount recovered</b>	<b>Income Tax</b>	<b>Amount Recoverable</b>
2022-23	Advertisement tax, Zila Council	Muhammad Afzal S/O Fazal Deen	6.100	3.694	0.610	3.016
2020-21	Advertisement tax, Tehsil M B Din	Muhammad Afzal S/O Fazal Deen	1.320	0.625	0.132	0.827
2020-21	Advertisement tax, Tehsil Phalia	Shehbaz Ahmed S/O M. Aslam	1.050	0.671	0.105	0.484
2020-21	Advertisement tax, Tehsil Malikwal	Abid Hussain S/O M. Ali	1.260	0.640	0.126	0.746
2020-21	Slaughter House Qadirabad	Iftikhar Azam	0.116	0.089	0.012	0.039
2020-21	Adda parking fee Qadirabad	Iftikhar Azam	0.580	0.552	0.058	0.086
	<b>Total</b>		<b>10.426</b>	<b>6.271</b>	<b>1.043</b>	<b>5.198</b>

It was further noticed that management awarded various contracts for Rs 87.712 during FY 2022-23 to the defaulter contractors of previous FY 2021-22.

Audit held that government receipts were not collected due to weak financial discipline.

The matter was reported to the CO / PAO in April 2024. The management replied that process of recovery of outstanding dues had been initiated. The management admitted the recovery.

SDAC in its meeting held on 15th May 2024 directed for recovery. No further progress was reported till the finalization of this report.

Audit recommends recovery at the earliest.

[PDP No. 08, 13]

#### 18.4.6 Overpayment due to not taking lead from nearest approved quarry – Rs 1.991 million

According to condition No. 5 of the Finance Department letter No.RO (Tech) F.D 2-3/2004, dated 02.08.2004, the material of base, sub-base, CR masonry, stone boulders and stone pitching shall be carried from nearest Quarry and shortest route shall be used / adopted for carriage. Further, as per Sr No.03 of instructions given at start of chapter 6 of MRS 2<sup>nd</sup> Bi-annual 2022, subsequent carriage of crushed stone aggregate and bajri will be paid according to the following:

- a) The carriage for the whole distance to the site of work shall be calculated on the basis of the rates of the actual means of transport used in carriage, i.e. road and / or rail, as the case may be.
- b) It shall be payable from the nearest approved quarry to site of work.

During audit of District Council M B Din for the financial years 2021-23, it was found that DO (Infrastructure) had approved the rate analysis of item of carriage of bajri in following schemes and allowed carriage from longer distance quarry Sargodha from the site instead of shorter distance approved quarry of Dina. This resulted in overpayment of Rs 1.991 million as detailed below:

Sr No.	Name of Work	Name of Item	Lead taken in analysis (Sargodha)	Nearest approved quarry Dina	Excess rate paid	Quantity (Cft)	Amount (million)
1	Const. of Streets, Drains, Soling, Tuff Tile, PCC, village Jassic,	Carriage of Bajri	129KM	80KM	2690.75	8,335	0.224
2	Const. of Streets, Drains, Tuff Tile, PCC village Lala Pindi.	Carriage of Bajri	127KM	85KM	2404.50	3,857	0.093
3	Const. of Sewer Line & PCC Street village Sivia.	Carriage of Bajri	132KM	75KM	3805.75	43,996	1.674
				<b>Total</b>			<b>1.991</b>

Audit held that overpayment was made to violation of instructions of Finance department.

The matter was reported to the CO / PAO in April 2024. The management replied that Melot quarry is only approved for sub base and Marghalla Hills Islamabad & Kirana Hills Sargodha are approved for base course and crush bajri. Reply of the department was not acceptable because no documentary evidence was provided

SDAC in its meeting held on 15th May 2024 directed to seek clarification from the administrative department. No further progress was reported till the finalization of this report.

Audit recommends for implementation of SDAC decisions at the earliest.

[PDP No. 12]

#### 18.4.7 Overpayment due to incorrect rate analysis - Rs 1.066 million

According to para 4.5.5 of B & R code, every officer making or ordering payment on behalf of Government should satisfy himself that work has been actually done in accordance with the bill submitted for payment. He should inspect personally all the most important works before authorizing final payment and should check the measurements made by his subordinates as per scale laid. Further, as per Finance Department's Notification No.RO(TECH)FD 2-3/2004 dated 02.08.2004, Chief Engineers shall, on the basis of input rates fixed/notified by Finance Department on its website, fix the rate of each item of work for rough cost estimates/administrative approval and detailed estimate for technical sanction.

During audit of District Council Mandi Bahauddin for the FYs 2021-23, it was found that rate analysis of P/L stone ballast mixed with 25% sand was calculated by taking 100cft stone ballast and 25cft sand instead of taking 75cft stone ballast and 25cft sand. It caused payment of 125cft instead of 100cft. This resulted in overpayment of Rs 1.066 million due to preparation of wrong estimates / rate analysis as detailed below:

<b>Rs in million</b>							
Scheme No.	Name of Work	Name of Item	Rate work out by dptt	Rate work out by Audit	Excess rate paid	Quantity Cft	Excess rate paid
19	Const of Streets, Drains, PCC, Soling, Tuff Tile village Haigherwala/ ChakZahir, District M.B.Din	P/L stone ballast with 25% sand mixed	15,820.32	13,580.95	2,239.37	5,031	0.113
37	Const of Sewer Line & PCC Street village Sivia.	DO	14,675.32	12,435.95	2,239.37	37,200	0.833
40	Beautification of Roads Phalia road, Canal Road, District Complex MBdin	DO	14,675.32	12,435.95	2,239.37	5,393	0.121
<b>Total</b>							<b>1.066</b>

Audit held that overpayment was made due to violation of Finance department instructions.

The matter was reported to the CO / PAO in April 2024. The management replied that the payment was made as per MRS 2<sup>nd</sup> biannual 2022, of the Finance Department. Reply was not satisfactory being evasive.

SDAC in its meeting held on 15<sup>th</sup> May 2024 directed to get the matter regularization from competent authority. No further progress was reported till the finalization of this report.

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

[PDP No. 06]

## CHAPTER 19

### District Council Rawalpindi

#### 19.1 Introduction

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

#### a) Audit Profile of District Councils Rawalpindi

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	District Council Rawalpindi	01	01	1925.210	1,025.081

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2022-23 of the District Councils of District Rawalpindi, final budget (development and non-development) was Rs 4,057.790 million. Against the budget, expenditure of Rs 1,925.210 million was incurred by the District Council during financial year 2022-23 indicating poor financial planning and resulting in savings of Rs 2,132.580 million. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Head	Budget Allocation	Actual Exp.	Savings	% age Savings
Salary	158.464	103.529	(54.935)	(35)
Non-salary	2,314.330	1,597.530	(716.794)	(31)
Development	1,585.000	224.153	(1,360.850)	(86)
<b>Total</b>	<b>4,057.790</b>	<b>1,925.210</b>	<b>(2,132.580)</b>	<b>(53)</b>

#### c) Sector Analysis

Out of total 35 development schemes, Management of District Council Rawalpindi was able to complete 21 scheme indicating achievement of 60% during the FY 2022-23.

#### 19.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 313.429 million were raised in this report during current audit of "District Council Rawalpindi". This amount also includes recoveries of Rs 290.533 million as pointed out by the audit. Classification of audit observations is as under:

### Overview of audit observations

		<b>Rs in million</b>
<b>Sr. No.</b>	<b>Classification</b>	<b>Amount Placed under Audit Observation</b>
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	
	HR/Employees related irregularities	-
	Procurement related irregularities	1,324
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	290.553
5	Others	21.552
	<b>Total</b>	<b>313.429</b>

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

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meeting</b>
1	2018-19	24	Not Convened
2	2019-20	11	Not Convened
3	2020-21	04	Not Convened

## 19.4 AUDIT PARAS

### A) Procurement related irregularities

#### 19.4.1 Purchase of spray pumps at exorbitant rates causing loss – Rs 1.324 million

According to Rule 2(ad) of PP Rules 2014 ‘Urgency’ means a limited timeline for the accomplishment of procurement which cannot be met through open and limited bidding method. Further, according to Rule 59 (d) (iii) of PPR Rules, a procuring agency may engage in negotiated tendering with one or more contractors with or without prior publication of procurement notification, but this procedure shall only be used for reasons of extreme urgency brought about by events unforeseeable by procuring agency, the time limits laid down for open and limited bidding methods cannot be met, however, the circumstances invoked to justify extreme urgency must not be attributable to the procuring agency.

During audit of District Council Rawalpindi for the FY 2021-23, it was observed that Administrator of the District Council invoked urgency on 30-08-2022 for purchase of ninety-eight (98) “PIR pump for IRS” on the eve of dengue outbreak in Chak Jalal Din and incurred expenditure of Rs 3.177 million through quotation basis. It was further observed that 50 pump out of 98 were shown received in stock register of DDHO Pothohar Town on 29.08.2022 one day prior to invoking of urgency. While the District Council Rawalpindi called the quotations on 01.09.2022 and issued the work order on 02.09.2022. The remaining 48 IRS pumps were received on 27.09.2022 which proves that the urgency was declared to avoid PPRA and healthy competition. During the audit activity, it was found from the website of the Mubasher Trading Corporation that the invoice price was much less than paid rate as shown in the table below:

Rs in million						
Vendor	Name of items	Rate paid	Market Rates/ website rate	Difference	Qty	Total
Mubasher Trading Corporation	Spray Pump	28,950	16,000	12,950	98	1.269
	Bush Cutter Zomax	32,900	22,000	10,900	5	0.055
	Torch Flash LED	1750			100	
	<b>Total</b>					<b>1.324</b>

This resulted in procurement of spray pumps at exorbitant rates, causing loss of Rs 1.324 million.

Audit held that expenditure was incurred in violation of PP Rules due to weak internal controls.

The matter was reported to the PAO in May, 2024. The management replied that District Council, Rawalpindi incurred expenditure through quotations. The Quotations were called on 01-09-2022 and the Equipment was delivered on 09-09-2022 and was received by the Officer Incharge /Focal Person Dengue Cell on the same day as evident in file. It is further intimated that the items purchased were solely meant to use for Anti-Dengue Activities by the Health department and were purchased in consultation with their Technical Experts, ensuring high quality standards as per their requirement. Therefore, the rates taken from website could not be the base for weak internal controls and declaring the expenditure irregular. The reply was not tenable as the 50 IRS pumps were received even before the date of calling of quotation and invoking of urgency. Further, the rates were compared with website because the management had not conducted market survey to obtain estimated cost.

SDAC in its meeting held on 4<sup>th</sup> July 2024 directed for regularization. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC's decision at the earliest.

[PDP No.378]

## B) Value for money and service delivery issues

### 19.4.2 Loss due to non-recovery of water conservancy charges - Rs 289.530 million

District Council Rawalpindi imposed water conservancy charges @ 1,000,000 per cusec (Rs 409 per cubic meter) vide gazette notification No.687 dated.27.10.2018 published on 08.01.2019. Further according to Rule 9 (C) of the Punjab Local Government (Accounts) Rule 2017. The collector of tax, fee, rate charge, surcharge of the local government shall be personally responsible or delay for crediting the amounts, so collected to the account of the local government and shall be liable to make good the loss arising from his negligence.

During audit of District Council Rawalpindi for the FY 2021-23, it was noticed that District Council did not recover outstanding dues on account of Water Conservancy Charges during FY-2021-23 amounting to Rs 289.530 million. The loss incurred due to the non-recovery of outstanding dues presents a significant financial challenge for the organization, impacting its liquidity, operational capabilities, and overall financial health. Detail is as under:

<b>Rs in million</b>				
<b>Sr. No.</b>	<b>Period</b>	<b>Head of receipts</b>	<b>Name of factor</b>	<b>Amount</b>
1	01-12-2020 to 08-010-2021	Water Conservancy Charges	Askari Cement Factory	12.918
2	09-01-2021 to 30-04-2021	Water Conservancy Charges	Askari Cement Factory	51.670
3	01-05-2021 to 30-06-2021	Water Conservancy Charges	Askari Cement Factory	25.849
4	01-07-2021 to 30-06-2022	Water Conservancy Charges	Askari Cement Factory	99.547
5	01-07-2022 to 30-06-2023	Water Conservancy Charges	Askari Cement Factory	99.547
<b>Total</b>				<b>289.530</b>

Audit held that due to poor internal control and mismanagement outstanding dues of water conservancy Charges were not made.

The matter was reported to the PAO in May, 2024. The management replied that matter is sub judicious in Court vide write Petition No.3329/2018. The reply was not tenable as efforts were not made for recovery.

SDAC in its meeting held on 4<sup>th</sup> July 2024 directed for recovery. No further progress was reported till finalization of this report.

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

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 16.4.1.2.1 having financial impact of Rs291.642 million. Recurrence of same irregularity is a matter of serious concern.

[PDP No.394]

### 19.4.3 Less collection of conversion fees – Rs 1.023 million

According to Rule 50(1)a of Punjab Land Use Plan (Classification, Reclassification and Redevelopment) Rules 2020, the conversion fee for the conversion of residential, industrial, or site development zone (agricultural area) abutting List “A” roads to commercial use shall be ten percent of the commercial value of land or plot or property as per valuation table.

During audit of District Council Rawalpindi for the FY 2021-23, it was observed that management favored the applicant by charging old DC rates instead of applicable rates. This resulted in less collection of conversion fee of Rs 1.023 million as detailed below:

Rs in million

Name	Area/Khasra No	Size of Plot	Date of Fee Deposit	Rate Charged	Rate To Be Charged	Amount Recovered	Amount Due	Difference
Master Abdullah Momin	Kolian Par (Al-Haram City)	125 marlas	27.03.23	0.455	0.537	5.693	6.716	1.023

Audit held that less conversion fee was charged due to weak internal controls.

The matter was reported to the PAO in May, 2024. The management replied that fees calculated / deposited in the accounts of District Council Rawalpindi upon the basis when files were submitted in this office after completion of all legal formalities and the case was forwarded to DPDC for the change of land use. The reply was not tenable because incomplete application was submitted by the applicant and on completion of the application the revised rates were required to be charged.

SDAC in its meeting held on 4<sup>th</sup> July 2024 directed for recovery. No further progress was reported till finalization of this report.

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

[PDP No.384]

## C) Others

### 19.4.4 Irregular execution of repair work beyond competency – Rs 12.170 million

According to Part-II (special powers to certain department and officer), serial No.3(1)(c)(iv) of the Punjab Delegation of Financial Powers Rules 2016, the power of executive engineer for ordinary and special repairs to residential buildings is upto Rs 0.100 million in case of each building during a year. Further, according to serial No.3(1)(b)(iii) of ibid, the power of superintending engineer for ordinary and special repairs to non-residential buildings is upto Rs 3.00 million in each case.

During audit of DC Rawalpindi for the FY 2021-23, it was noticed that following repair works/schemes were technically sanctioned by the engineer beyond their competency. The detail is as under:

<b>Rs in million</b>			
<b>Scheme</b>	<b>Sanction Amount</b>	<b>Sanctioned Limit</b>	<b>Sanction by</b>
Repair, Rehabilitation of class IV quarters Jhawra Road Rawalpindi	1.460	0.100 million	DO (I&S) Rawalpindi equal to Executive engineer
Rehabilitation of office building DC Rawalpindi	5.510	3.000 million	MO (Infrastructure) Metropolitan Corporation Rawalpindi equal to Superintending engineer
Repair/ Rehabilitation of House of DO (I&S) District Council Rawalpindi	5.200	0.200 million	-do-
<b>Total</b>	<b>12.170</b>		

Audit held that work was sanction beyond competency due to weak financial controls.

The matter was reported to the PAO in May, 2024. The management replied that schemes were Administratively Approved from competent forums being beyond 0.200 million and falls in the category of rehabilitation according to Punjab Local Government Works Rule, 2017 and doesn't fall in category of ordinary/special repair, therefore, the technical sanction of the said schemes were accorded by DO(I&S) and MO(I). The reply was not tenable as the schemes were related to repair work and did not fall under the rehabilitation works.

SDAC in its meeting held on 4<sup>th</sup> July 2024 directed for clarification. No further progress was reported till finalization of this report.

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

#### **19.4.5 Doubtful payment of PCC (1:2:4) on fake Lab Test report - Rs 9.382 million**

According to Rule 19(4) of the Punjab Local Government Works Rule 2017, the quality control field test shall be mandatory for each development work costing more than ten million.

During audit of DC Rawalpindi for the FY 2021-23, it was noticed that the department issued work order of Rs 13.280 million for scheme “rehabilitation/ Improvement of link road from Mandra Chakwal road to village Koont UC Syed Tehsil Gujar Khan” to M/S Adan Enterprises on 11.11.2022. Scrutiny of record revealed that department paid an amount of Rs 9.382 million for PCC 1:2:4 item on fake concrete test report as the test was taken before the date of commencement of work and no casting entry was made in MB No.25527. The execution of concrete work without test was not only the violation of rule but also compromised the quality of civil work. This resulted in doubtful payment of PCC (1:2:4) on fake lab test report amounting to Rs 9.382 million.

Audit held that that the payment of PCC (1:2:4) was made without test due to weak managerial controls.

The matter was reported to the PAO in May, 2024. The management replied that test report was obtained in due course of time before the payment from competent authority but the same was somehow missed to be examined. Reply was not tenable as the test report provided contains date prior to award of work.

SDAC in its meeting held on 4<sup>th</sup> July 2024 directed to probe in the matter by Administrative Department. No further progress was reported till finalization of this report.

Audit recommends implementation of the SDAC’s decision at the earliest.

**Note:** The issue was also reported earlier in the Audit Report for Audit Year 2021-22 vide para number 16.4.1.2.2 & 16.4.2.3.3 having financial impact of Rs31.870 million. Recurrence of same irregularity is a matter of serious concern.

## CHAPTER 20

### District Council Sargodha

#### 20.1 Introduction

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

#### a) Audit Profile of District Council Sargodha

Rs in million

Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	District Council Sargodha	01	01	2,947.579	1,529.582

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2022-23 of the District Council Sargodha, total original budget (Development and Non-Development) was Rs 4,779.193 million, no supplementary grant was allocated and the final budget Rs 3,124.261 million. Against the final budget, total expenditure of Rs 2,947.579 million was incurred by District Council Sargodha, during financial year 2022-23 which was less than original grant of Rs 4,779.193 million indicating poor financial planning and resulting in savings of Rs 176.682 million against the final grant. The break-up of total budget and expenditure is given in the following table:

Rs in million

Description	Final Grant	Exp.	Excess / (Savings)	% age saving
Salary	503.062	456.099	(46.963)	(9.34)
Non-Salary	1,133.199	1,033.991	(99.208)	(8.75)
Development	1,488.000	1,457.489	(30.511)	(2.05)
<b>Total</b>	<b>3,124.261</b>	<b>2,947.579</b>	<b>(176.682)</b>	<b>(20.14)</b>

#### c) Sectoral Analysis

Out of total 256 development schemes, Management of District council, Sargodha was able to complete 203 schemes indicating achievement of 79% during Financial Year 2022-23.

#### 20.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 370.923 million were raised in this report during current audit of "District Council Sargodha." This amount also

includes recoveries of Rs 28.919 million as pointed out by the audit. Classification of audit observations is as under:

<b>Rs in million</b>		
<b>Sr. No.</b>	<b>Classification</b>	<b>Amount Placed under Audit Observation</b>
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	<b>Irregularities:</b>	-
	a. HR/Employees related irregularities	-
	b. Procurement related irregularities	8.005
	c. Management of accounts with commercial banks	0
4	Value for money and service delivery issues	28.919
5	Others	333.999
	<b>Total</b>	<b>370.923</b>

### **20.3 Brief comments on the status of compliance with PAC directives**

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meeting</b>
1	2018-19	29	Not Convened
2	2019-20	16	Not Convened
3	2020-21	04	Not Convened

## **20.4 AUDITPARAS**

### **A) Procurement related irregularities**

#### **20.4.1 Irregular expenditure on procurement - Rs 8.005 million**

According to Rule 9 (1) &12 (1) of PPRA Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Furthermore, a procuring agency shall advertise procurement of more than two hundred thousand rupees and up to the limit of three million rupees on the website of the Authority.

During audit of District Council Sargodha for the FY 2021-2023, it was observed that expenditure was incurred by splitting orders to avoid tendering process in violation of the above rule. This resulted in irregular expenditure of Rs 8.005 million.

Audit holds that procurement was made by splitting orders to avoid tendering as required under PPRA 2014 due to weak financial controls.

The matter was reported to the PAO in April, 2024. Department replied that there was no need to upload any emergency quotation work up to 0.2 (M) on PPRA website or advertised in newspapers etc. However, quotations were called before start of every emergency quotation work SDAC in its meeting held 13.06.2024, directed the DG(I&M), LG&CD Lahore to hold an enquiry for fix responsibility and submit report along with specific recommendations within (30) days. No progress was reported till finalization of this report.

Note: The issue was also reported earlier in the Audit Report for Audit Year 2018-19 vide para number 10.4.1.5 having financial impact of Rs 1.909 million. Recurrence of same irregularity is a matter of serious concern.

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

[PDP No.03]

## **B) Value for money and service delivery issues**

### **20.4.2 Less deduction of Income tax from contractors inactive on ATL - Rs 16.701 million**

According to section 153(1)(c) of Income Tax Ordinance 2001, income tax @ 7% of the contract amount is required to be withheld in advance at the time of payment from filer whereas in case of non-filer income tax @ 14% of the contract amount.

During audit of District Council Sargodha for the FY 2021-2023, it was observed that management made payment of Rs 238.587 million on account of development works to contractors those appeared as inactive on ATL list and online record of FBR. Audit noticed that income tax @ 7% was deducted instead 14% from the contractors at filers rate despite the fact that the contractors were inactive on ATL list. This resulted in less recovery of income tax from non-filer Rs 16.701 million.

Audit holds that income tax was less deducted from non-filers due to weak financial controls.

The matter was reported to the PAO in April, 2024. Department replied that active filer list of all contractors according to the FBR department on which dates payment has been made was attached with record. Audit contented that in support of their reply department could not produce proof of filer either at the time of audit or at the time of verification in the subject cases. SDAC in its meeting held on 13.06.2024 directed the management to produce relevant record to the Audit for re-verification within (07) days. No progress was reported till finalization of this report.

Note: The issue was also reported earlier in the Audit Report for Audit Years 2018-19 and 2019-20 vide para numbers 10.4.2.12 and 17.5.3.3 having financial impact of Rs 2.533 million and 47.443 million respectively. Recurrence of same irregularity is a matter of serious concern.

Audit recommends for recovery of income tax from the contractors.

[PDP No.01]

### **20.4.3 Non-recovery of rent of local Government properties – Rs 12.218 million**

According to Rule 14 of the Punjab Local Government Accounts Rules, 2017 read with Rule 7 of the Punjab Local Government Budget Rules, 2017, the collecting officer shall collect the receipt in a transparent manner beyond any doubt of misappropriation frauds, embezzlement or compromise. Cause to credit the monies so collected in local fund. Ensure timely recoveries against

each demand and ensure that the revenue collected against a demand is credited in the local fund immediately and necessary entries are made in demand and collection register.

During audit of District Council Sargodha for the FY 2021-23, it was observed that listed below buildings/properties of district council were rented out or handed over to different departments/tenants but rent was not recovered. This resulted in non-recovery of rent of Rs 12.218 million. Detail is as under:

<b>Rs in million</b>				
<b>Description of building/ property</b>	<b>Area</b>	<b>Average Rent/Month</b>	<b>Period</b>	<b>Amount</b>
Food godown at Sahiwal	9,914Sft	3,966	01.07.2021 to 30.06.2023	0.190
Food godown at Shahpur	27,762Sft	11,105	01.07.2021 to 30.06.2023	1.599
Arrears of rent of food godown			01.07.2000 to 30.06.2021	1.789
Radio Pakistan Club road Sargodha	2870/3356 Sft	20,000	2005 to 2023	4.320
DPS Club road Sargodha	2346/3279Sft	20,000	2005 to 2023	4.320
<b>Total</b>				<b>12.218</b>

Audit holds that rent was not recovered due to weak financial controls.

The matter was reported to the PAO in April 2024. Department replied that notice has issued to Food department, Sargodha vide No. 29/DO/R dated 11-05-2024 for recovery of outstanding rent amount in case of PDP-12. In case of PDP-13 notices have also been issued to Incharge Radio Pakistan, Club Road Sargodha vide No. 29/CO/DCS dated 11-05-2024 and to the Principle, DPS School club road Sargodha vide No. 29/CO/DCS dated 11-05-2024 for recovery of outstanding amount. SDAC in its meeting held on 13.06.2024 directed the management to take up the matter with the Administrator and expedite the recovery.

Note: The issue was also reported earlier in the Audit Report for Audit Years 2018-19 and 2019-20 vide para numbers 10.4.2.8 & 10.4.2.11 and 17.5.3.10 having financial impact of Rs 6.240 million & 3.074 million and 0.678 million respectively. Recurrence of same irregularity is a matter of serious concern.

Audit stresses for recovery of rent from the use departments.

[PDP No.12&13]

## C) Others

### 20.4.4 Unauthorized execution of works without Technical Sanctioned Estimate – Rs 333.990 million

According to Section 9(2), 11 and 12 of PLG (Works) Rules, 2017, after the administrative approval and technical sanction for the work is accorded bids shall be invited with the prior approval of Chairman / Mayor by the chief officer or any officer duly authorized by the Chairman/Mayor. An Engineer in BS-17 working as an independent Engineer in-charge in local government shall have power to accord the technical sanction upto one million rupees. The Technical Sanction of the detail estimate exceeding the limit of powers of engineer of a local government shall be accorded by the Engineer in BS-18, BS-19 of the same district or division or Chief Engineer (H.Q) PLGB.

During audit of District Council Sargodha for the FY 2021-2023, it was observed that a sum of Rs 333.990 million was spent on 33 schemes but Technical Sanction Estimates of these schemes were not provided to audit for scrutiny. Moreover, Technical Sanctioned Estimate numbers of these schemes were not mentioned in the advertisement of the schemes. This resulted in unauthorized execution of development schemes without having technical sanction of Rs 333.990 million as detailed at **Annexure-SGD-B**.

Audit held that schemes were executed without having TS estimate due to weak internal controls.

The matter was reported to the PAO in April 2024. The management replied that TS of all the schemes were obtained. However, at the time of audit, some files were found missing. Copies of TS Estimates were enclosed for verification. The reply was not tenable because neither dispatch number or forwarding letter nor diary number was mentioned on TS estimates. Further, even TS number of estimates were not mentioned in advertisement(s) for tendering.

SDAC in its meeting held on 13.06.2024, directed the DG(I&M), LG&CD Lahore to hold an enquiry, fix responsibility and submit report along with specific recommendations within (30) days. No progress was reported till finalization of this report.

Audit recommends early compliance of the SDAC decision.

[PDP No.02]

## CHAPTER 21

### District Council Sheikhpura

#### 21.1 Introduction

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

#### a) Audit Profile of District Council Sheikhpura

Rs in million

Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts audited
1	District Council Sheikhpura	01	01	2099.904	365.887

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial year 2022-23 of the District Council Sheikhpura, total budget (development and non-development) was Rs 3,245.782 million. Against the budget, total expenditure of Rs 2,009.904 million was incurred by District Council, Sheikhpura during financial year 2022-23 which was Rs 1,145.88 million less than allocated budget indicating poor financial planning. The break-up of total budget and expenditure is given in the following table:

Rs in million

Description	Budget Allocation	Exp.	(Savings)	% age saving
Salary	301.237	301.237	-	-
Non-Salary	1974.545	828.667	(1,145.88)	(58.03)
Development	970.000	970.000	-	-
<b>Total</b>	<b>3245.782</b>	<b>2,099.904</b>	<b>(1,145.88)</b>	<b>(37.87)</b>

#### c) Sectoral Analysis

Out of total 97 development schemes, management of District Council Sheikhpura was able to complete 33 scheme indicating achievement of 34% of targets.

#### 21.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 5,087.132 million were raised in this report during current audit of District Council Sheikhpura. This amount also includes recoveries of Rs 115.958 million as pointed out by the audit. Classification of audit observations is as under:

		<b>Rs in million</b>
	<b>Classification</b>	<b>Amount Placed under Audit Observation</b>
1	Non-production of record	
2	Reported cases of fraud, embezzlement, and misappropriation	
3	<b>Irregularities:</b>	
	A. HR/Employees related irregularities	-
	B. Procurement related irregularities	23.472
	C. Management of accounts with commercial banks	0
4	Value for money and service delivery issues	75.454
5	Others	4,988.206
<b>Total</b>		<b>5,087.132</b>

### **21.3 Brief Comments on the Status of Compliance with PAC Directives**

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meeting</b>
<b>1</b>	2018-19	10	Not Convened
<b>2</b>	2019-20	08	
<b>3</b>	2020-21	03	
<b>4</b>	2021-22	06	

## 21.4 AUDIT PARAS

### B) Procurement related irregularities

#### 21.4.1 Irregular procurement through invocation of urgency – Rs 15.962 million

According to Rule 12 of PPR 2014, a procuring agency shall advertise procurement of more than two hundred thousand rupees and up to the limit of three million rupees on the website of the Authority. Rule 59(d)(iii) of PPR 2014 states that a procuring agency may engage in negotiated tendering with one or more contractors with or without prior publication of a procurement notification but this procedure shall only be used for reasons of extreme urgency brought about by events unforeseeable by the procuring agency.

During audit of District Council Sheikhpura for the FY 2021-23, it was observed that the management spent Rs 15.962 million for the procurement of different items for Hiring of machinery for lifting of garbage, bye-election, T-20 cricket league, Hockey Championship etc. after invocation of urgency. The management declared urgency without justifying reasons of extreme urgency. Lifting of garbage, by elections and sports activities were not unforeseen events and the management had ample time to fulfill PPR 2014 requirements for normal tendering process. Moreover, no negotiations were conducted as per Rule 59(d)(iii) of PPR 2014. This resulted in irregular procurement of Rs 15.962 million by violating PPR as detailed below:

**Rs in million**

Sr. No.	Bill No. & Dated	Name of the work	Name of program	Total payment
1	233 dt 23-5-2023	Asif Hameed & Co.	Arrangement of Chief of Staff inter Hockey Stadium Championship	1.383
2	234 dt 23-5-2023	Patiala Engineering Co.	Arrangement of Chief of Staff inter Hockey Stadium Championship	8.492
3	232 dated 23-5-2023	Asif Hameed & Co.	Temporary Arrangement for Bye Election PP-140	1.972
4	235 dated 28-5-2023	Rawan Dawan Developers	Temporary Arrangement for Bye-Election PP-139	0.978
5	136 dt 22-12-2027	Adnan Enterprises	Arrangement for DC T-20 Cricket League 2022	1.995
6	739 dt17-3-2022	Muhammad Ajmal Govt. Contractor	Hiring of machinery for lifting of garbage	1.141
<b>Total</b>				<b>15.962</b>

Audit held that irregular procurement was made due to weak internal controls.

The matter was reported to the PAO in April 2024. The department replied that works were awarded to the contractors after declaring urgency as per law. The reply was not tenable because procurement was made by violating PPRA Rules.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to regularize the expenditure from competent authority within two months. No further progress was reported till finalization of this report.

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

[PDP No. 02]

#### **21.4.2 Irregular award of contract to the defaulter contractors - Rs 7.510 million**

According to Rule 16(a) of the Collection Rights Rules 2016, a person shall not be eligible to be a contractor who is defaulter in respect of any dues to a local government.

During audit of District Council Sheikhpura for the FY 2021-23, it was observed that the management awarded the contracts to Allah Wallah Corporation for Rs 7.510 million. During scrutiny of record it was further revealed that the contractor was defaulter for Rs 1.152 million in the FY 2019-20. This resulted in irregular award of contracts of Rs 7.510 million.

Audit held that contract was irregularly awarded to the defaulter contractors due to weak internal controls.

The matter was reported to the PAO in April 2024. The department replied that case is under trail in honorable court since 18-05-2020. Reply was not tenable because contract was awarded to defaulter contractor.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to follow the case for early decision for recovery the government dues as early as possible. No further progress was reported till finalization of this report.

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

[PDP No. 03]

#### **21.4.3 Non-imposition of penalty - Rs 2.221 million**

According to Clause 39 read with Clause 37 of contract agreement, if a contractor fails to complete the work within stipulated period, he is liable to pay compensation @1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not

exceeding maximum of 10% of the construction of contract. The contractor shall have to apply within one month for extension in time limit before the expiry of scheduled shall have to apply within one month for extension in time limit before the expiry of scheduled time of completion.

During audit of District Council Sheikhpura for the FY 2021-23, it was observed that works were awarded for Rs 22.219 million to the various contractors. The contractors failed to complete the schemes within time period. The management did not impose penalty @ 10% of Rs.2.221 million for delay in completion of schemes. This resulted in non-imposition of penalty of Rs 2.221 million as detailed at below:

Sr. No.	Name of the work	Name of contractor	Cost as per agreement	Work order No. & date	Date of completion	Rs in million
						10% Penalty
1.	Metalled road from Old Narong road to Attiquepura	Sajjad Ahmed	20.719	622 dt 13-6-2022	13-2-2023	2.071
2.	Nala KhtiyalaVirrain	Imran Ali	1.500	944 dt 24-12-22	23-6-2023	0.150
Total			<b>22.219</b>			<b>2.221</b>

Audit held that penalty was not imposed due to weak internal controls.

The matter was reported to the PAO in April 2024. The department replied that warning letters were issued to defaulter's contractors. Management has admitted the lapse.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to impose the penalty as per law. No further progress was reported till finalization of this report.

Audit recommends imposition of penalty besides fixing of responsibility against person(s) at fault.

[PDP No.06]

#### **21.4.4 Unauthorized payment of carpeting without approval of job mix formula - Rs 73.233 million**

According to MRS Rates given by Finance Department, Government of Punjab, rate for item of carpeting shall be fixed by Chief Engineer on the basis of different percentages of bitumen i.e. 3% to 6%. However, payment will be made to the contractor as per Job Mix Formula for bitumen used in the work. Further, Section 641-Sr. No. 3.1 of Book of Specification of C&W requires that the exact percentage of bitumen to be used shall be fixed on the basis of laboratory tests on the Job Mix Formula.

During audit of District Council Sheikhpura for the FYs 2021-23, item of plant premix bituminous carpeting was shown laid under various schemes for Rs 73.233 million without obtaining approval of percentage from the Chief Engineer for the carpeting on the basis of laboratory tests on Job Mix Formula in violation of rule *ibid*.

This resulted in unauthorized payment of carpeting without approval of job mix formula Rs 73.233 million (**Annexure-SKP-B**).

Audit held that payment without approval of job mix formula was made due to weak internal controls.

The matter was reported to the PAO in April 2024. The management replied that all schemes were technically sanctioned by the Engineer Incharge but job mix formula test reports were not provided to SDAC for verification. Reply was not accepted because approval of rate was not obtained from the Chief Engineer before payment.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO for regularization of the expenditure from competent authority. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision besides fixing of responsibility against the person(s) at fault.

[PDP No. 08]

## **C) Others**

### **21.4.5 Non-collection of 10% advance Income Tax-Rs 3.672 million**

According to Section 236A of the Income Tax Ordinance the rate of collection of tax is 10% on sale by auction property or goods. As per Rule 47(1) of PLG (Budget) Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited immediately in the local fund an entered in the proper receipt head.

During audit of District Council Sheikhpura for the FY 2021-23, it was noticed that the management did not recover advance Income Tax @ 10% amounting to Rs 3.672 million on sale by auction during FY 2021-23. This resulted in non-collection of government money amounting to Rs3.672 million as detailed at **Annexure-SKP-C**.

Audit held that Income Tax was not collected from contractors and deposited in to govt. treasury due to week internal control.

The matter was reported to the PAO in April 2024. The department replied that notices have been issued to contractors for payment of advance Income Tax. The management admitted the lapse.

The SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to recover the amount from defaulters concerned within one month. No further progress was reported till finalization of this report.

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

[PDP No.01]

### **21.4.6 Less realization of government receipt from defaulters - Rs 3.544 million**

According to Rule 47(1) of the PLG (Budget) Rules 2017, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund and entered in proper receipt head.

During audit of District Council Sheikhpura for the FY 2021-23, it was revealed that management failed to collect government money from the defaulters against the demand. This resulted in non-realization of Rs3.544 million as detailed below: -

Rs in million

Sr. No.	Description	Demand	Recovery	Short realization
1.	Pattan Kakazai and advertisement	17.492	16.343	1.149
2..	Rent of 12 shops at Manawala	0.639	0.352	0.286
3.	Rent of 14 shop at Sucha Souda	0.713	0.237	0.476
4.	Recovery of open space at Safdrabad	1.560	0	1.560
5.	Tender fee	0.240	0.168	0.072
<b>Total</b>				<b>3.544</b>

Audit held that non-recovery of government dues for was due to poor financial discipline and weak internal controls.

The matter was reported to the PAO in April 2024. The department replied that an amount Rs 0.118 million against the Manawala shops and Rs 0.706 million against the Sucha Souda shops was recovered and verified by DO (F). The management admitted the recovery.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to recover the remaining amount from defaulters within one month. No further progress was reported till finalization of this report.

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

[PDP No.04]

#### **21.4.7 Loss to government due encroachment of the land – Rs 4,824.08 million**

According to Rule 4(2) of the Punjab Local Government (Property) Rules, 2018, the Manager shall be responsible to the Local Government for any loss, destruction, or deterioration of the property if such a loss, destruction, or deterioration occurs as a result of his default or negligence in the discharge of his responsibilities.

During audit of District Council Sheikhpura for the FY 2021-23, it was observed that 33 kanal and 5 marla District Council land at Safdrabad Rati Tibbi 13 RB (Khasra # 362) was occupied by the encroachers since 2018. Scrutiny of record revealed that encroachers has developed permanent structures such as houses and shops and the management had not made efforts for vacation of land or to realize rent. This resulted in loss to government due to encroachment of land of Rs 4,824.08 million @ 100,000 per marla.

Audit held that land was encroached due to weak internal control.

The matter was reported to the PAO in April 2024. The department replied that the case is under proceeding in honorable court. Reply was not accepted as no rent of land was realized.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO for the recovery of land from encroachers besides recovery of rent of entire period of occupation. No further progress was reported till finalization of this report.

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

[PDP No. 09]

#### **21.4.8 Non-maintenance of record of public lands at private housing schemes**

According to Rule 17 (e) of Punjab Private Housing Scheme and land subdivision Rule 2010 submit a transfer deed in accordance with form B for free of cost transfer of land in the name of Administration relate to:

- (i) area reserved for road, open space, park and graveyard, solid waste management; arid
- (ii) one percent of scheme area for public buildings, excluding the area of mosque:

During the audit of the District Council Sheikhpura for FY 2021-23, it was observed that the management did not maintain records related to public lands owned by the district council. The property of housing schemes was neither transferred nor entered into the property register in violation of rules above. This resulted in the non-maintenance of land of Rs 3,185.084 million as detailed below:

<b>Sr. No.</b>	<b>Name of scheme</b>	<b>Area of society (Kanal)</b>	<b>Public Land Area (kanal)</b>	<b>Rate per marla (Rs)</b>	<b>Amount (Rs in million)</b>
1	Mansoor City	91.78	37.83	220000	166.452
2	Alkreem Archad	34.6	15.55	330000	102.630
3	Shaheen Village P-II	347-11-233	53.53	330000	353.298
4	Makkah City	98.5	41.32	150000	123.960
5	Al- Hafeez Garden P-IV	433K-1M	225.16	42000	189.134
6	VIP City	670K-18 m	340.85	330000	2249.610
<b>Total</b>					<b>3,185.084</b>

Audit held that property record of public lands at private housing societies was not maintained due to weak internal controls.

The matter was reported to the PAO in April 2024. The department noted the observation for compliance in future.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO to maintain record and decided to conduct physical verification of public land. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision besides fixing responsibility against person (s) at fault.

[PDP No.12]

#### **21.4.9 Non-recovery of conversion fee and development chargers - Rs 65.075 million**

According to Rule 4 (2) of Punjab Local Government (Property) Rules, 2018, the Manager shall be responsible to the Local Government for any loss, destruction or deterioration of the property, if such a loss, destruction or deterioration occurs as a result of his default or negligence in discharge of his responsibility.

During the audit of the District Council Sheikhpura for FY 2021-23, it was observed that the various housing schemes did not deposit the conversion charges and other development charges. These schemes continued their business and construction work without payment of conversion fee and development charges. This resulted in a loss to the government of Rs 65.075 million.

Audit held that conversion fee and other charges were not recovered due to weak internal controls.

The matter was reported to the PAO in April 2024. The department replied that the process for recovery is under way. Reply was not accepted as no progress was shown to audit.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO that pursue the case for recovery with liaison of LDA Lahore within two months. No further progress was reported till finalization of this report.

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

[PDP No.13]

#### **21.4.10 Less realization of conversion Fee - Rs 43.667 million**

According to Rule 4 (2) of Punjab Local Government (Property) Rules, 2018, the Manager shall be responsible to the Local Government for any loss, destruction or deterioration of the property, if such a loss, destruction or

deterioration occurs as a result of his default or negligence in discharge of his responsibility.

During audit of District Council Sheikhpura for the FY 2021-23, it was observed that approval form land use change was granted by District Council by applying wrong or less rates as compare to approved rates in valuation table and FBR rate for register of property. This resulted in loss to local fund Rs 43.667 million without any justification as detailed below.

Rs in million

Sr. No	Description	Rate charged	Valuation table Rate	10% of Difference
1	Step School System	234000	550000 P.M	2.528
2	H& H Global Industries	1100000	2035000p.k	935.00
3	Yaseen Petroleum	450000	700000 FBR	0.250
4	Mansoor City	1491750	8,544,650	7.052
5	FWD Shoes	1004293	1375000 Per Kanal	11,605
6	Synergy	1403180	330000 Per marla residential	7.869
7	Atta Metal	1952406	330000 Per marla .Residential	5.986
8	Aayan Plastic		2200000/Kanal industrial	3.465
9	Commercial Map Illyas Gujjar filling station	330000/m	-	1.089
10	Petrol Pump	3996000	310000/residential	2.886
<b>Total</b>				<b>43.667</b>

Audit held that due to weak internal control conversion fee less recovered from the owners of the private housing societies.

The matter was reported to the PAO in April 2024. The department replied that conversion fee was charged as per District Assessment Committee rates. Reply was not accepted as no uniform rate was applied.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO for probe the matter by Director for Town Planning office of the DG I & M Local government. No further progress was reported till finalization of this report.

Audit recommends that actual conversion fee may be recovered from the defaulters besides fixing responsibility person(s) at fault.

[PDP No.14]

#### **21.4.11 Loss to government due to illegal housing schemes - Rs 48.168 million**

According to Rule 4 (2) of Punjab Local Government (Property) Rules, 2018, the Manager shall be responsible to the Local Government for any

loss, destruction or deterioration of the property, if such a loss, destruction or deterioration occurs as a result of his default or negligence in discharge of his responsibility.

During audit of District Council Sheikhpura for the FY 2021-23, it was observed that Ajwaa Housing society neither got approval from planning branch District Council Sheikhpura and illegal sale purchase and construction of many Houses and commercial shops. Staff of the District Council has failed to stop the illegal construction as well recover the fesses from the proprietor. Due to non-approval of the society local fund sustained loss of Rs 48.168 million which falls in green area. The detail is at **Annexure-SKP-D**.

Audit held that due to weak internal control and poor financial management illegal housing schemes were developed by the owners in green area in the presence of the planning department of district council.

The matter was reported to the PAO in April 2024. The department replied that the matter is under process in court. Reply was not accepted as no progress was shown to audit.

SDAC in its meeting held on 7<sup>th</sup> May 2024 directed the PAO the follow up the case for early decision. No further progress was reported till finalization of this report.

Audit recommends proper measures should be taken for construction of illegal housing schemes and recovery of government dues from defaulters besides fixing responsibility person (s) at fault.

[PDP No.15]

## CHAPTER 22

### District Council Sialkot

#### 22.1 Introduction

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

#### a) Audit Profile District Council Sialkot

Rs in million					
Sr. No.	Description	Total No. of Formations	Formations Audited	Expenditure Audited	Receipts Audited
1	DC, Sialkot	01	01	3360.678	720.45

#### b) Comments on Budget and Accounts (Variance Analysis)

As per the Appropriation Accounts for the financial years 2021-23 of the District Council Sialkot, total budget (development and non-development) was Rs 6,944.922 million. Against the budget, total expenditure of Rs 3,360.678 million was incurred by District Council Sialkot during financial year 2021-23 which was Rs 3,584.244 million less than allocated budget indicating poor financial planning. The break-up of total budget and expenditure is given in the following table:

Rs in million				
Description	Budget Allocation	Exp.	(Savings)	% age saving
Salary	300	128.923	(171.077)	57
Non-Salary	1573.99	767.458	(806.532)	51
Development	5,070.932	2,443.141	(2,627.791)	52
<b>Total</b>	<b>6,944.922</b>	<b>3,360.678</b>	<b>(3,584.244)</b>	<b>52</b>

#### c) Sectoral Analysis

Out of total 54 development schemes, Management of District Council Sialkot was able to complete 38 scheme indicating achievement of 70%.

## 22.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 30.977 million were raised in this report during current audit of “DC Sialkot.” This amount also includes recoveries of Rs 24.707 million as pointed out by the audit. Classification of audit observations is as under:

<b>Rs in million</b>		
<b>Sr. No.</b>	<b>Classification</b>	<b>Amount Placed under Audit Observation</b>
1	Non-production of record	-
2	Reported cases of fraud, embezzlement, and misappropriation	-
3	Irregularities:	-
	HR/Employees related irregularities	-
	Procurement related irregularities	6.270
	Management of accounts with commercial banks	0
4	Value for money and service delivery issues	0
5	Other	24.707
	<b>Total</b>	<b>30.977</b>

## 22.3 Brief comments on the status of compliance with PAC directives

The audit report pertaining to the following period was submitted to the Governor of the Punjab. However, PAC meeting to discuss these Audit Reports is yet to be convened.

### Status of Previous Audit Reports

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meeting</b>
1	2021-22	-	Not Convened
2	2022-23	-	Not Convened

## **22.4 AUDIT PARAS**

### **A) Procurement related irregularity**

#### **22.4.1 Irregular expenditure for bush removing in graveyard - Rs 2.03 million**

According to Rule 12(1) of PPRA 2014, as amended on 17.08.2020, procurements over two hundred thousand rupees and up to the limit of three million rupees shall be advertised on the PPRA'S website in the manner and format specified from time to time. According to Rule 27 (3) (a) of Punjab Local Government (Accounts) Rules 2017, the sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

During audit of District Council Sialkot for Financial Years 2021-23, it was observed that 604 Glafosate chemical was purchased for removing of bushes in the grave yards of District council Sialkot for Rs 2.030 million. The expenditure was incurred through splitting the purchase orders. Further, stock register was not produced in order to verify the receipt and issuance of procured items. Moreover, Glafosate chemical were purchased on higher rates as compare to the market rates. This resulted in irregular expenditure for bush removing in graveyard of Rs 2.03 million as detailed at **Annexure-Sialkot-B**.

Audit held that irregular expenditure was incurred due to weak internal controls.

The matter was reported to the PAO in April, 2024. The management replied that Glafosate chemical was purchased for removing bushes in grave yard in compliance of government directions to Local Government in Punjab for launching a campaign against Dengue. As the work was of scattered nature and no combined or single estimate could be prepared so that the assignment was completed through quotations. The reply of the department was not accepted because the above mentioned PPRA rule was violated.

DAC in its meeting held on 16<sup>th</sup> May 2024 did not accept the reply as purchase was made from a single vendor in violation of PPRA rules and kept the para pending for regularization. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest along with probe to check the genuineness of the expenditure.

[PDP No.05]

## 22.4.2 Irregular payment due to non-provision of GST invoices – Rs 4.240 million

According to FBR No.1(42)STM/2009/99638-R, dated 24.07.2013 directs that the contractors engaged should make purchases only from sales tax registered persons. The contractors carrying out government works against public tender are required to have a BOQ (Bill of Quantities), the contracting department/organization must require such contractors to present sales tax invoices of all the material mentioned in the BOQ as evidence of its legal purchase, before payment is released to them.

During audit of District Council Sialkot it was observed that Rs4.240million in lieu of GST was paid to the contractor without GST invoices. Audit apprehends that purchases were made from un-registered vendors. Violation of rules resulted in irregular payment of Rs 4.240 million.

**Rs in million**

Scheme No	Name of Scheme	Item	Quantity	Rate	Amount
2	Construction of Carpet Construction of Road from Budha Goraya Syrah Rd towards VILLAGE Phadaki Length 2.3 km District SKT	P/F of Cat Eyes	598	33.9	0.200
		Fabrication of mild steel 4 <sup>th</sup> final bill	78.37	31425	2.463
37	Construction Of Open Channel From Qila Kalarwala Towards Malokay Tehsil Pasrur 3 <sup>rd</sup> running bill	Fabrication of mild steel	1472	556.05	0.818
20/34	Construction of Streets and Drains Union Council Syedanwali District Council Sialkot.	Fabrication of mild steel 4th running bill item #14	2416	31,425	0.759
<b>Total</b>					<b>4.240</b>

Audit held that violation of rules resulted in irregular payment of GST worth Rs 4.240 million.

The matter was reported to the CO/PAO in April 2024. The department replied that all the three contractor firms have been directed to provide the GST invoices for the items upon receipt of GST invoices from the contractors the same will be submitted to audit for the verification. The department reply was not acceptable as the GST invoices should have been obtained at the time of pay to the contractor.

DAC in its meeting held on 16<sup>th</sup> May 2024 kept the para pending for production of GST invoices. No further progress was reported till finalization of this report.

Audit recommends early production of sales tax invoices besides fixing responsibility against the person (s) at fault.

[PDP No.14]

## **B) Others**

### **22.4.3 Non-imposition of penalty due to late completion of development schemes - Rs 7.840 million**

The contractor shall have to apply within one month for extension in time limit before the expiry of scheduled shall have to apply within one month for extension in time limit before the expiry of scheduled time of completion according to Clause 39 read with Clause 37 of contract agreement.

During audit of District Council Sialkot for financial years 2021-23, it was observed that 13 development schemes costing Rs 70.840 million were not completed within stipulated time. The management neither granted extension nor imposed penalty amounting to Rs 7.840 million @ 10% on the contractors.

Audit held that weak internal controls and non-compliance of rules resulted in non-imposition of penalty for late completion by the contractors resulting in undue favor to contractors and loss of Rs7.840 million.

The matter was reported to the CO/PAO in April 2024. The department replied that development schemes mentioned in the para were executed after completion of codal formalities. The reply of the department was not tenable as no penalty was imposed for late completion of scheme thus violating above mentioned contract clause.

DAC in its meeting held on 16<sup>th</sup> May 2024 did not accept the reply as no documentary evidence was produced and decided to kept the para pending for recovery. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest.

[PDP No.13]

### **22.4.4 Loss to Govt. due to non-collection of land conversion/commercialization fee - Rs 6.215 million**

According to Clause 50 ( a ) of the Punjab land use plan (classification, reclassification and redevelopment ) Rules, 2020 a local government should levy following fee the conversion of land use subject to scrutiny and clearance of district planning and design committee fee for the conversion, the conversion fee for the conversion of residential, industrial or site development zone ( Agriculture area ) abutting list “A” roads to commercial use shall be 10% of commercial value of the land or plot as per valuation table.

During audit of District Council Sialkot, for the financial years 2021-23, it was observed that case of conversion of land located at Rangers Road village Lagrial was submitted by Chenab Rangers and same was approved by District Planning and Design Committee in its meeting held on 27/06/2023. However, conversion fee @ 10% amounting to Rs 6.215 million was not deposited into government treasury. Detail is as under:-

<b>Rs in million</b>				
<b>Location</b>	<b>Area</b>	<b>Commercial value of land / marla</b>	<b>Total Land Value Rs.</b>	<b>Conversion fee @10%</b>
Ranger Road Village Lagrial	113 Marla	0.550	62.150	6.215

Audit held that weak internal controls resulted in non-deposit of receipt worth Rs 6.215 million.

The matter was reported to the CO/PAO in April 2024. The department replied that the clearance from district planning and design committee stands revoked. No construction has been initiated at site by the Chenab Rangers. The reply of the department was not accepted as no conversion fee was deposited by the applicant.

DAC in its meeting held on 16<sup>th</sup> May 2024 kept the para pending till the deposit of conversion fee. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest.

[PDP No.01]

#### **22.4.5 Non-recovery of arrear of water rate – Rs 6.875 million**

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

During audit of District Council Sialkot for the financial years 2021-23, it was observed that department failed to recover arrears of water rate of Rs 6.875 million. Moreover, neither department made efforts for collection of arrears nor connection of defaulters were disconnected. Detail is as follows: -

**Rs in million**

Sr No	Name of Urban Council	Arrear 2021-22	Arrear 2022-23	Total Arrears
1	Urban Council Kalaswla	341,113	335,370	0.676
2	Urban Council Bopalwala	345,240	336,785	0.682
3	Urban Council Begowala	109,800	15,900	0.126
4	Urban Council Chawinda	3,090,226	3,282,201	6.372
5	Urban Council Kotli Loharan	325,180	245,120	0.570
<b>Total recoverable</b>				8.427
<b>Recovered amount</b>				1.552
<b>Balance Recoverable</b>				<b>6.875</b>

Audit held that weak internal and managerial controls resulted in non-recovery of arrears of water rates from the defaulters worth Rs 6.875 million.

The matter was reported to the CO/PAO in April 2024. The department replied that for the recovery of balance istaghasas were sent to special magistrate. The department reply was not accepted as amount of recoverable water is pending since 2021-22.

DAC in its meeting held on 16<sup>th</sup> May 2024 decided to kept the para pending for recovery of balance amount. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest.

[PDP No.07]

#### **22.4.6 Loss due to non-auction of agriculture land - Rs 3.777 million**

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

During course of audit of District Council Sialkot for the financial years 2021-23 it was observed that agriculture land of 33 acers situated at Tharoo Mandi was auctioned for Rs 34000/acr for five years lease i.e. FY 2023-28. Later on, same was irregularly cancelled by the Chief Officer vide letter No. DCS/1125 dated 24.08.2023 without any solid reason. Further scrutiny of the record revealed that the same was also neither auctioned nor any self-collection was made by the District Council in previous five years i.e. 2018-19 to 2022-23 which resulted in loss to Government for Rs3.777 million as detailed below: -

<b>Rs in million</b>				
<b>Financial Year</b>	<b>Description</b>	<b>Auction Amount (Rs)</b>	<b>Amount Realized</b>	<b>Outstanding Balance</b>
2021-22	Auction of agriculture land at Tharo Mandi by 10 % decrease	1009800 + 112200 income Tax	0	1.122
2020-21	Auction of agriculture land at Tharo Mandi by 10 % decrease	908820 + 100980 Income Tax	0	1.010
2019-20	Auction of agriculture land at Tharo Mandi by 10 % decrease	817938 + 90882 Income Tax	0	0.909
2018-19	Auction of agriculture land at Tharo Mandi by 10 % decrease	736,144 + 81794 Income Tax	0	0.736
<b>Total</b>				<b>3.777</b>

Audit held that weak internal controls resulted in loss to government worth Rs 3.777 million.

The matter was reported to the CO/PAO in April 2024. The department replied that the said land was auctioned for Rs 1,122,000 for the Financial Year 2023-24 but no recovery was deposited by the contractor. The department reply was not accepted as no amount was deposited by the contractor.

DAC in its meeting held on 16<sup>th</sup> May 2024 decided to kept the para pending for recovery and auction of land at the earliest. No further progress was reported till finalization of this report.

Audit recommends implementation of SDAC decision at the earliest.

[PDP No.09]

#### **22.4.7 Non-recovery of rent from the illegal occupant of District Council property worth – Rs 53.232 million**

According to Rule 47 (1) of the Punjab Local Government Budget Rules 2017, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

During audit of District Council Sialkot for the FY 2021-23, it was observed that District Council Sialkot owned a 12 Marla property at Mahal Atari Tehsil District Sialkot which is illegally occupied by Muhammad Safdar S/O Ch. Feroz Din R/O College Road since 1973, and being used as Petrol Pump. The Additional Deputy commissioner Sialkot evaluated the rent of the said property for the past period worth Rs 53.232 million which was communicated to the Tehsil Council Sialkot vide letter No.DRA/21/274 dated

24.04.2021 for recovery from the occupier of the land. It was noticed that no recovery of the rent was made from the occupier of the DC property till the time of audit.

Audit held that weak internal controls resulted in non-recovery of rent from the illegal occupants worth Rs 53.232 million.

The matter was reported to the CO/PAO in April 2024. The department replied that District Council Sialkot has already moved the case to the collector / Deputy Commissioner Sialkot for recovery of the defaulted amount vide letter dated 04-08-2021. The department reply was not accepted since no solid action was taken by the management of the District Council Sialkot for illegally occupied property.

DAC in its meeting held on 16<sup>th</sup> May 2024 directed the department to recover the outstanding rent from the occupier of the land. No further progress was reported till finalization of this report.

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

[PDP No.17]

## **ANNEXURES**

**Annexure-A**

**Memorandum for Departmental Accounts Committee (MFDAC)  
for the AY 2023-24**

**Rs. in million**

<b>Sr. No.</b>	<b>Title of Para</b>	<b>Nature of Irregularity</b>	<b>Amount</b>
<b>Gujranwala Waste Management Company</b>			
1	Unjustified payment of Sundays and gazette holidays to the third party labor	HR related irregularity	22.919
2	Overpayment to the contractor due to excessive hiring of services of chain dozer	Procurement related irregularity	5.305
3	Unjustified payment to third party for the computer operators and office assistants	HR related irregularity	11.874
4	Unauthorized deployment of sanitation staff resulted unauthorized expenditure on account of salaries and wages	HR related irregularity	18.46
<b>Lahore Waste Management Company</b>			
1	Payment below minimum wage rate to security guards.	Others	29.20
2	Non-transparent evaluation of reserve price of scrap material	Others	38.557
3.	Doubtful expenditure on awareness campaign – Rs 32.626 million	Other	32.626
4.	Irregular retention of health department funds	Other	65.227
5.	Irregular expenditure on account of hiring of machinery	Procurement	249.929
6.	Less deduction of PST	Recovery	61.670
7	Irregular purchase of lubricants from non-licensed sellers	Procurement	7.40
8	Irregular disbursement of leave encashment	HR related irregularity	79.650
9	Unauthentic consumption of POL	Others	258.126
<b>Rawalpindi Waste Management Company</b>			
1	Dumping of solid waste by CDA	Value for money & service delivery	-
2	Unauthorized expenditure on POL by Chairman	Others	0.768
3	Non recovery of used lubricants	Others	1.189
4	Loss due to execution of the agreements on low value of stamp papers	Contract Management	0.394
5	Overpayment of incentive allowance	HR related irregularity	0.387
6	Overpayment of conveyance allowance	HR related irregularity	0.325
7	Mis-procurement of Compactor	Procurement irregularity	49.609
<b>Sialkot Waste Management Company</b>			
1	Loss due to execution of the agreements on low value of stamp papers	Others	2.264
2	Irregular expenditure on hiring of machinery and procurement for Eid-ul-Azha	Procurement	18.773
3	Overpayment on account of hiring of 3 <sup>rd</sup> party labor	Procurement	4.557
4	Irregular procurement of furniture / computers without tender	Procurement	2.283
5	Non-functional tracking system of the operational vehicles and fuel consumption thereof	Others	12.755
6	Irregular expenditure due to non-approval of non-scheduled items-Rs 10.167 million	Others	10.167
<b>Punjab Cattle Market Management &amp; Development Company</b>			
1	Irregular waiver of performance guarantee - Rs 38.685 million	Others	38.685
2	Loss on account of Self collection	Others	4.639
3	Payment less than minimum wage rate	Recovery	2.349
4	Non-auction of unserviceable material	Recovery	2.00

**Rs. in million**

Sr. No.	Title of Para	Nature of Irregularity	Amount
5	Irregular expenditure on account of tents Rs 936,000	Others	0.936
6.	Non-notify allied services rates	Others	-
7.	Less deduction of PST	Recovery	3.752
8.	Non-production of Record	Others	-
<b>Municipal Corporation Gujranwala</b>			
1	Irregular purchases of computers and printers	Procurement	1.626
2	Irregular expenditure under unforeseen budget	Procurement	6.167
3	Excess payment monthly pension, recovery thereof	HR	0.825
4	Non recovery of compensation	Other	5.10
5	Non appointment of whole time qualified technical personnel and non-deduction of salary from contractor	HR	4.99
6	Non-reduction of steel rate from the bills of contractors	Other	0.195
7	Excess Payment made to contractor on arrangement of animal sale point	Procurement	0.585
8	Irregular execution of work arrangement of animal Sale Point, resulted in overpayment	Others	3.215
9	Doubtful expenditure on hiring of machinery for anti-encroachment campaign	Others	7.84
10	Unjustified conversion of shops by subletting the portion of shops resulted in loss of government revenues	Others	4.737
11	Un-authorized payment of removal of surplus material	Others	3.810
12	Unjustified allotment of service station area including shops resulted in loss of government revenues	Others	1.695
13	Irregular expenditure due to non-approval of non-scheduled items – Rs 12.091 million	Others	12.091
<b>Metropolitan Corporation Lahore</b>			
1	Non-implementation of inquiries recommendations and non-incorporation of decisions in service books	HR	-
2	Non-verification of Antecedents	Others	-
3	Payment without authenticating JMF through lab test Rs 84.146 million	Procurement	Rs 84.146
4	Execution of PCC without soil test report-Rs 26.263 million	Others	Rs 26.263
5	Unauthorized expenditure on account of non-schedule items-Rs 22.971 million	Others	Rs 22.971
6	Non-adjustment of credit in electricity bills Rs 894.284 million	Others	Rs 894.284
7	Irregular payment of electricity charges Rs 965.167 million	HR	Rs 965.167
8	Providing & laying of sub-standard RCC-Rs 15.768 million & overpayment of Rs 407,623	Others	Rs 407,623
9	Irregular administrative approval for Rs 172.430 million	HR	Rs 172.430
10	Irregular purchase of steel, PVC pipe, tuff tiles-Rs 29.198 million	Procurement	Rs 29.198
11	Excess payments during execution of development schemes-Rs 838,100	Procurement	Rs 838,100
12	Non-obtaining of additional performance security-Rs4.648 million	Others	Rs 4.648
13	Irregular expenditure on Muharam-ul-Haram – Rs186.324 million	HR	Rs186.324
14	Irregular expenditure on establishment of temporary bakar mandi sales points – Rs 172.431 million	HR	Rs 172.431
15	Irregular approval of the building plan without competency	HR	-
16	Irregular approval of hotel Building Plan and loss of Rs8.400 million	HR	Rs 8.400
17	Irregular approval and construction of commercial plaza on Hall Road	HR	-
18	Blockage of government building plan fee amounting to Rs 8.924 million	Others	Rs 8.924
19	Unjustified expenditures on pay and allowances without performing duty-Rs0.396 million	Procurement	Rs 0.396
20	Irregular purchase of goods from the person not registered with the tax department Rs. 479018 and unjustified deduction of PST Rs.66073	HR	Rs 479018 Rs.66073
21	Illegal Construction of house in the unapproved housing scheme	Others	-
22	Non-imposition of Sewerage services augmentation charges	Others	-
23	Irregular approval of building plan (DGBT)	Others	-
24	Irregular expenditure on hiring of generators – Rs 1034.513 million	Procurement	Rs1034.513
25	Irregular expenditure on flood relief camps – Rs 15.425 million	Procurement	Rs 15.425

**Rs. in million**

<b>Sr. No.</b>	<b>Title of Para</b>	<b>Nature of Irregularity</b>	<b>Amount</b>
26	Irregular expenditure with previous year sanction – Rs 3.029 million	Procurement	Rs 3.029
27	Non / Less deposit of stamp duty due to executing the agreements low value stamp papers – Rs 1.682 million	Others	Rs 1.682
28	Overpayment on account of rent of pedestal fans – Rs 534000	Procurement	Rs 534000
29	Irregular payment on account of refreshment – Rs 14.808 million	Procurement	Rs 14.808
30	Irregular expenditure on flexes and streamers – Rs 57.532 million	Procurement	Rs 57.532
31	Less recovery of fine – Rs 1.052 million	Others	Rs 1.052
32	Mis-procurement due to violation of PPRA Rules – Rs 3667.908 million	Procurement	Rs3667.908
33	Non verification of income tax on public toilets receipts – Rs 1.095 million	Value of money	Rs 1.095
34	Irregular expenditure on account cleaning of Graveyard - Rs 19.272million	procurement	Rs 19.272
35	Overpayment on account of labor charges - Rs8.977 million and irregular payment of labor – Rs 14.878 million	Procurement	Rs 14.878
36	Excess payment of rent of generators and fuel – Rs 1.883 million	Procurement	Rs 1.883
37	Undue favor to the contractors due to un-authorized expenditure on establishment of Bakar Mandi / temporary sale points of sacrificial animals	Procurement	-
38	Misclassification of expenditure - Rs 1565.83 million	Others	Rs 1565.83
39	Establishment of sale points for Eid ul Azha 2023 on no profit no loss	Others	-
40	Unauthorized payment without administrative approval -Rs10.173 million and overpayment of Rs 1.480 million	Procurement	Rs 10.173
41	Non action by the management resulting in loss of Rs 447.005 million to MCL	HR	Rs 447.005
42	Unauthorized expenditure on advertising- Rs 24.180 million.	Procurement	Rs 24.180
43	Loss due to purchase of mineral water at excess rate –Rs2.985 million	Procurement	Rs 2.985
44	Irregular expenditure on advertising services without executive directive-Rs 20.159 million	Procurement	Rs 20.159
45	Irregular expenditure on Black Day-Rs 9.566 million	Procurement	Rs 9.566
46	Doubtful expenditure on provision of Lunch and sports kits Rs 12.237 million.	Procurement	Rs 12.237
47	Unjustified expenditure on Punjab Olympic Association Games -Rs 9.336 million	Procurement	Rs 9.336
48	Doubtful expenditure on Generator & POL Rs 1.18 million	Procurement	Rs 1.18
49	Doubtful expenditure on advertising-Rs25.801 million	Procurement	Rs 25.801
50	Loss due to non-use of iron frames available in the store-Rs 6.620 million	Procurement	Rs 6.620
51	Loss on account of payments made more than purchase order- Rs 3.507 million	Procurement	Rs 3.507
52	Doubtful Expenditure on Printing of smog awareness Brochures-Rs 21.436 million	Procurement	Rs 21.436
53	Overpayment in violation of PPRA Rules -Rs 3.262 million	Procurement	Rs 3.262
54	Non-recovery of water conservancy charges from swimming pools-Rs 2.220 million	Procurement	Rs 2.220
55	Purchases from non-registered persons with PRA-Rs13.901 million	Procurement	Rs 13.901
56	Loss due to non-auction of collection rights fee – Rs35.581 million (16 Nos auctions)	Others	Rs 35.581
57	Irregular expenditure on POL & Repair of vehicles-Rs4.174 million	Procurement	Rs 4.174
58	Overpayment due to twice charging of labour-Rs422,500	Procurement	Rs 422,500
59	Non-Maintenance of service books	HR	-
60	Irregular payment of Leave Encashment Rs 63.864 million	HR	Rs 63.864
<b>Municipal Committee Jhelum</b>			
1	Non imposing of fine on account of illegal extension of housing society	Recoverable	0.500
2	Irregular expenditure due to splitting		1.151
3	Irregular procurement without advertisement on Punjab Procurement Rules	Others	0.962
4	Loss to government due to non-auction of shops	Others	51.266
5	Irregular execution of development scheme from M&R Funds	Others	4.950
6	Unjustified execution of PCC	Others	1.042
<b>Municipal Corporation Sargodha</b>			
1	Non-recovery of house building advance to employees of MC	Recovery	2.500
2	Irregular execution of scheme	Others	1.000

**Rs. in million**

<b>Sr. No.</b>	<b>Title of Para</b>	<b>Nature of Irregularity</b>	<b>Amount</b>
3	Irregular execution of scheme	Others	1.293
4	Loss to MC due to undue inclusion of taxes over the values quoted by the bidder	Others	5.634
5	Unauthentic expenditure due to execution of work without its site location	Procurement	19.990
6	Unjustified payment without approval of JMF	Others	9.274
<b>Municipal Corporation Sialkot</b>			
1	Execution of PCC work without having strength quality test reports resulting unauthorized payment	Others	3.361
2	Non-recovery of Encroachment Fines	Procurement	0.137
3	Wasteful expenditure on de-silting of nullahs and sewerage through contractors of Rs 11.620 million	Procurement	11.620
4	Non-credit of lapse security into government treasury	Others	15.468
5	Non-recovery of rent of shops	Others	0.991
6	Unjustified payment of removal of surplus material	Procurement	0.599
7	Non deduction of shrinkage of earth filling	Procurement	0.269
8	Non-recovery of conversion fee	Others	7.316
<b>District Council Attock</b>			
1	Unjustified expenditures on procurement of video and still photography services	Procurement related irregularities	0.870
2	Irregular appointments of class-IV staff in violation of prescribed quota	HR/Employees related irregularities	0
3	Non retaining/maintaining the record of development schemes	Others	0
4	Non-recording /entering of property transferred from housing societies	Others	0
5	Irregular payment to contractor on account of meal for horse rider	Procurement related irregularities	1.500
6	Excess payment on account of exhibitions, fairs and other national celebrations	Procurement related irregularities	1.926
7	Irregular expenditure on account of sport activities	Others	1.018
8	Utilization of development fund beyond limit	Others	181.944
9	Irregular execution of repair work beyond competency	Others	1.896
<b>District Council Bhakkar</b>			
1	Illegal construction of commercial buildings without approval and payment of local Government fees	Others	0.367
2	Overpayment to contractor due to application of incorrect rates	Others	0.890
3	Non-recovery of rent of godown	Value for money	0.688
4	Non-recovery of income tax and PST	Value for money	0.064
5	Irregular procurement by splitting job orders	Procurement related irregularity	2.739
6	Non-recovery of rent of weigh bridge	Value for money	0.056
<b>District Council Gujrat</b>			
1	Overpayment due to application of rich specification at higher rates	Procurement related irregularity	40.867
2	Excess payment on account of quantity executed over and above of TS estimates	DO	33.129

**Rs. in million**

Sr. No.	Title of Para	Nature of Irregularity	Amount
3	Non credit of security deposits	Others	22.623
4	Overpayment for RCC work	Others	1.134
5	Loss to government due to unauthorized sub-division of shop and sub-letting by original tenant	Others	0.430
6	Non-credit of security deposits	Others	22.623
<b>District Council Kasur</b>			
1	Loss due to non-auction of shops	Recovery	3.537
2	Non-deduction of social security contribution	Others	13.824
<b>District Council M.B Din</b>			
1	Loss of government dues to non-auction of contracts	Others	0.242
2	Loss due to less realization of revenue of water rates	Others	0.239
3	Non-recovery of professional tax	Others	0.030
<b>District Council Rawalpindi</b>			
1	Non deduction of income tax at increased rate Rs 0.703 million and payment of 4/5 th GST to in-active vendor	Others	1.736
2	Approval of change in Land use on illegal documents	Others	0
3	Non-collection of TTIP receipts from Private Housing Schemes	Others	4.351
4	Less recovery of rent due to miscalculation of Annual Increase	Others	1.455
5	Loss to government due to less realization of Board tax	Others	11.279
6	Irregular auction of Chattar Park resulting in loss to Local Government	Others	1.325
7	Non-imposition of penalty amounting	Others	4.749
8	Irregular execution of works without maintaining record	Others	11.6
9	Irregular approval of change in Land use –conversion case	Others	0
10	Irregular execution of Development Work by invoking urgency	Procurement related irregularities	55.743
11	Non-maintenance of vouchers	Others	33.261
12	Irregular execution of repair work	Others	2.177
13	Excess collection of Building Fee	Others	1.188
<b>District Council Sargodha</b>			
1	Non-recovery of standard rent from un-authorized occupant of residences of District Council	Value for money	1.712
2	Overpayment of earth filling by application of wrong rates	Value for money	0.446
3	Less deduction of shrinkage from earth work	Value for money	2.169
4	Un-authorized occupation of residences of District Council	Value for money	7.164
5	Non-recovery of compensation amount from contractor on account of delay in completion of works	Value for money	2.050
6	Loss to local Government due to adjustment of old material at less value	Others	1.384
7	Non recovery of rent of shops	Value for money	0.707
8	Non-auction of un-serviceable vehicles	Others	3.000
9	Less-recovery of Income Tax on account of auction money	Value for money	0.114
<b>District Council Sheikhpura</b>			
1	Non-recovery of pay and allowance from the contractor	HR related irregularities	1.133
2	Irregular expenditure on account of non-schedule item	Others	11.509
3	Non-recovery of rent of land owned by the District Council	Value for money	2.474

**Rs. in million**

<b>Sr. No.</b>	<b>Title of Para</b>	<b>Nature of Irregularity</b>	<b>Amount</b>
4	Non-recovery of rent / share of income from bus stand	Value for money	1,293.0
<b>District Council Sialkot</b>			
1.	Non-recovery of Pay & allowances from contractor	HR/Employee related	0.816
2.	Doubtful expenditure in the name of Christmas and splitting of indents	Procurement	0.797
3.	Loss to Govt. due to non deposit of conversion fee	Others	9.199
4.	Irregular Expenditure for Stray Dogs Medicines	Procurement	1.584
5.	Non deposit of conversion fee worth	Others	3.658

## Annexure-GWMC-B

### 2.4.2 Unauthorized payment of conveyance allowance to sanitary inspectors and supervisors – Rs 1.705 million

Sr. #	Designation	UC No.	Name of Inspector/ Supervisor	Status	CA
1	S.Inspector	Misc Ucs	Rana M. Younas	Regular	34,272
2	S.Inspector	Misc Ucs	Muhammad Shahbaz	Regular	23,184
3	S.Inspector	Misc Ucs	Imran Khalid Butt	Regular	23,184
4	S.Inspector	Misc Ucs	Saqib Ashraf Butt	Regular	23,184
5	S.Inspector	Misc Ucs	Binyamin Mattu S/o Ghulam	Regular	21,420
6	S.Inspector	Misc Ucs	Zulfiqar S/o Shan	Regular	23,184
7	S.Inspector	Misc Ucs	PervaizAkhtar	Regular	23,184
8	S.Inspector	Misc Ucs	MohsanRaza S/O Saleem	Regular	23,184
9	S.Inspector	Misc Ucs	RaufBhatti	Regular	23,184
10	S.Inspector	Misc Ucs	AsharAzeem	Regular	23,184
11	S.Inspector	Misc Ucs	Afzal Ali	Regular	23,184
12	S.Inspector	Misc Ucs	AmjadHussain	Regular	7,728
13	S.Inspector	Misc Ucs	ZaryabMasih S/o Yaqoob	Regular	23,184
14	S.Inspector	Misc Ucs	Muhammad Rizwan S/O M Ameen	Regular	23,184
15	S.Inspector	Misc Ucs	Amjadali so Arshad Ali	Regular	23,184
1	Supervisor	1	Faisal S/O JaviadMasih	Regular	21,420
2	Supervisor	2	Daniyal S/o Bashir Masih	Regular	21,420
3	Supervisor	3	M. Nawaz S/o M. Bashir	Regular	23,184
4	Supervisor	4	KhurramGhori S/O Daniyal	Regular	21,420
5	Supervisor	5	Nasir S/o AnayatMasih	Regular	23,184
6	Supervisor	7	Amanual S/o GulzarMasih	Regular	23,184
7	Supervisor	8	Aitzaz S/O YousafMasih	Regular	21,420
8	Supervisor	9	Sajid S/O GhulamMasih	Regular	21,420
9	Supervisor	11	Banjman S/o ParviazMasih	Regular	23,184
10	Supervisor	12	Zulfiqar S/o ShareefMasih	Regular	23,184
11	Supervisor	13	Shahzad S/O RiazMasih	Regular	21,420
12	Supervisor	15	Sabar S/O Hussain	Regular	21,420
13	Supervisor	16	Liaqat S/o BarkatMasih	Regular	23,184
14	Supervisor	Dastger Road	NoumanYaqoob S/o YaqoobMasih	Regular	21,420
15	Supervisor	17	Rasheed S/o Rahmat	Regular	21,420
16	Supervisor	18	ArshadJaved S/o M Shafi	Regular	23,184
17	Supervisor	19	Joseph S/o IqbalMasih	Regular	23,184
18	Supervisor	20	Manzoor S/o JeewanBaksh	Regular	21,420
19	Supervisor	21	M. Waheed S/o Mirajdin	Regular	21,420
20	Supervisor	22	Rasheed S/o HakamMasih	Regular	23,184
21	Supervisor	23	M. Ashraf S/o M. Ali	Regular	23,184
22	Supervisor	24	David S/O IjazMasih	Regular	21,420
23	Supervisor	26	Malik Tariq S/o M. Sadique	Regular	21,420
24	Supervisor	27	M. Shafiq S/o M.Shareef	Regular	23,184
25	Supervisor	28	Ilyas S/O KhushiMasih	Regular	21,420
26	Supervisor	31	RehmanMasih S/O Abdul Rehman	Regular	21,420
27	Supervisor	32	Goga S/o IqbalMasih	Regular	21,420
28	Supervisor	33	Basharat S/o SardarMasih	Regular	23,184
29	Supervisor	34	Salamat S/o RahmatMasih	Regular	21,420
30	Supervisor	35	Sarfraz S/o Alder BarkatMasih	Regular	23,184
31	Supervisor	36	Danish S/O BasharatMasih	Regular	21,420
32	Supervisor	39	Amir S/O Javaid	Regular	21,420
33	Supervisor	41	Irshad Jan S/O RiazMasih	Regular	21,420
34	Supervisor	42	Rashid Gill S/O David Mushtaq	Regular	21,420

Sr. #	Designation	UC No.	Name of Inspector/ Supervisor	Status	CA
35	Supervisor	43	Sohail S/o ManzoorMasih	Regular	23,184
36	Supervisor	44	Nasir S/O Rasheed	Regular	21,420
37	Supervisor	45	Muneer S/o ShareefMasih	Regular	21,420
38	Supervisor	46	Aftab S/O SaleemMasih	Regular	21,420
39	Supervisor	47	Sajjad Hassan S/O M. Rafeeq	Regular	21,420
40	Supervisor	48	ShakeelAnjum S/O IqbalMasih	Regular	21,420
41	Supervisor	49	Samsoon S/O JavaidMasih	Regular	21,420
42	Supervisor	50	Nadeem S/o Nazir	Regular	21,420
43	Supervisor	51	Haroon S/O PervizBhatti	Regular	21,420
44	Supervisor	51	AashirAzeem S/o javaid	Regular	23,184
45	Supervisor	52	UsmanMattu S/O Binyamin	Regular	21,420
46	Supervisor	53	Qamer S/o Mastana	Regular	21,420
47	Supervisor	54	Arif S/o YousafMasih	Regular	21,420
48	Supervisor	55	Rashid Bhatti S/o MushtaqMasih	Regular	21,420
49	Supervisor	56	Younas S/o MunshiMasih	Regular	23,184
50	Supervisor	57	Javiad S/o Nazar	Regular	23,184
51	Supervisor	61	Rashid S/O SaleemMasih	Regular	21,420
52	Supervisor	62	RizwanAnjum S/O Parviaz	Regular	21,420
53	Supervisor	64	Patres S/o BarkatMasih	Regular	23,184
54	Supervisor	64	AftabKhushi S/O khushiMasih	Regular	21,420
55	Supervisor	G.T Road Road	Adnan Masih s/o NazeerMasih	Regular	21,420
56	Supervisor	G.T Road Road	Ashfaq s/o Younas	Regular	21,420
57	Supervisor	G.T Road Road	Muhammad Bilal S/O Muhammad Ismail	Regular	21,420
58	Supervisor	G.T Road Road	M.Asghar Ali S/o Akbar Ali	Regular	21,420
59	Supervisor	G.T Road Road	Moon S/O Salas Masih	Regular	21,420
60	Supervisor	Landfill	RizwanSaeed S/O Saeed Ahmed	Regular	23,184
61	Supervisor	HR Branch	HamzaShujah	Regular	23,184
62	Supervisor	workshop/Fleet	Shahbaz s/o Ashraf	Regular	21,420
<b>Total</b>					<b>1,704,948</b>

## Annexure-GWMC-C

### 2.4.5 Unjustified drawl of POL on trip basis instead of mileage of sanitation vehicles –Rs 30.430 million and excess drawl – Rs 2.932 million

#### I.

Sr. No.	Vehicle Category	Vehicle No.	Consumption Rate/Trip	MIS Report in KM	Landfill trips	Mileage rate in SWMC	No. of liter to be required	Actual Petro/Diesel drawn	Diff in no. of liters	Avg. Rate	Overpayment
1	Arm Roll Truck 10 M	ISUZU-01	12	13,420	548	4.60	2,917	6,290	3,373	255	860,015
2	Arm Roll Truck 10 M	ISUZU-02	12	13,650	477	4.60	2,967	5,616	2,649	255	675,395
3	Arm Roll Truck 5 M	HINO-12	8	26,990	998	4.60	5,867	8,126	2,259	255	575,945
4	Arm Roll Truck 5 M	HINO-13	8	19,909	927	4.60	4,328	7,416	3,088	255	787,429
5	Arm Roll Truck 5 M	HINO-14	8	28,788	1,065	4.60	6,258	8,579	2,321	255	591,788
6	Arm Roll Truck 5 M	HINO-3	8	25,609	1,001	4.60	5,567	8,008	2,441	255	622,411
7	Arm Roll Truck 5 M	MB-01	8	23,733	848	4.60	5,159	7,009	1,850	255	471,661
8	Arm Roll Truck 5 M	MB-02	8	10,252	888	4.60	2,229	3,760	1,531	255	390,483
9	Arm Roll Truck 5 M	MB-03	8	15,297	564	4.60	3,325	4,576	1,251	255	318,894
10	Arm Roll Truck 5 M	MB-17	8	20,758	827	4.60	4,513	6,672	2,159	255	550,645
11	Arm Roll Truck 5 M	MB-18	8	19,828	816	4.60	4,310	6,566	2,256	255	575,169
12	Tractor	SAA-594	4.5	12,608	1,282	4.0	3,152	4,955	1,803	255	459,638
13	Tractor	SAA-595	4.5	17,677	1,411	4.0	4,419	5,561	1,142	255	291,146
14	Tractor	SAA-596	4.5	12,417	1,630	4.0	3,104	6,386	3,282	255	836,846
15	Tractor	SAA-597	4.5	10,411	1,040	4.0	2,603	4,194	1,591	255	405,769
16	Tractor	SAA-598	4.5	16,166	1,301	4.0	4,042	5,166	1,125	255	286,748
17	Tractor	SAA-601	4.5	15,351	1,609	4.0	3,838	6,239	2,401	255	612,319
18	Tractor	SAA-602	4.5	12,745	1,344	4.0	3,186	5,322	2,136	255	544,616
19	Tractor	SAA-603	4.5	19,021	1,990	4.0	4,755	7,390	2,635	255	671,861
20	Tractor	SAA-604	4.5	14,554	1,454	4.0	3,639	5,700	2,062	255	525,683
21	Tractor	SAA-605	4.5	13,705	1,571	4.0	3,426	5,988	2,562	255	653,246
22	Tractor	SAA-607	4.5	15,942	1,341	4.0	3,986	5,318	1,333	255	339,788
23	Tractor	SAA-608	4.5	11,247	1,549	4.0	2,812	5,912	3,100	255	790,564
24	Tractor	SAA-610	4.5	14,986	1,725	4.0	3,747	6,657	2,911	255	742,178
25	Tractor	SAA-611	4.5	13,350	1,526	4.0	3,338	5,926	2,589	255	660,068
26	Tractor	SAA-612	4.5	11,251	880	4.0	2,813	3,512	699	255	178,309
27	Tractor	SAA-613	4.5	14,539	1,465	4.0	3,635	5,740	2,105	255	536,711
28	Tractor	SAA-614	4.5	10,932	1,216	4.0	2,733	4,784	2,051	255	522,878
29	Tractor	SAA-615	4.5	14,658	1,331	4.0	3,665	5,228	1,564	255	398,693
30	Tractor	SAA-616	4.5	17,359	1,647	4.0	4,340	6,350	2,010	255	512,614
31	Tractor	SAA-617	4.5	11,811	1,223	4.0	2,953	4,812	1,859	255	474,109
32	Tractor	SAA-618	4.5	17,084	1,850	4.0	4,271	7,068	2,797	255	713,235
33	Tractor	SAA-619	4.5	15,805	1,235	4.0	3,951	4,900	949	255	241,931
34	Tractor	SAA-620	4.5	15,840	1,642	4.0	3,960	6,390	2,430	255	619,650
35	Tractor	SAA-621	4.5	16,586	1,210	4.0	4,147	4,784	638	255	162,563
36	Tractor	SAA-622	4.5	19,274	1,667	4.0	4,819	6,367	1,548	255	394,740
37	Tractor	SAA-623	4.5	16,139	1,476	4.0	4,035	5,747	1,712	255	436,624
38	Tractor	SAA-625	4.5	13,805	1,346	4.0	3,451	5,180	1,729	255	440,831
39	Tractor	SAA-	4.5					6,669			647,828

Sr. No.	Vehicle Category	Vehicle No.	Consumption Rate/Trip	MIS Report in KM	Landfill trips	Mileage rate in SWMC	No. of liter to be required	Actual Petrol/Diesel drawn	Diff in no. of liters	Avg. Rate	Overpayment
		626		16,512	1,752	4.0	4,128		2,541	255	
40	Tractor	SAA-627	4.5	14,325	1,431	4.0	3,581	5,607	2,026	255	516,566
41	Tractor	SAA-628	4.5	20,652	2,242	4.0	5,163	8,141	2,978	255	759,263
42	Tractor	SAA-629	4.5	16,734	1,355	4.0	4,184	5,287	1,104	255	281,393
43	Tractor	SAA-630	4.5	15,455	1,652	4.0	3,864	6,362	2,498	255	637,054
44	Tractor	SAA-631	4.5	17,468	1,113	4.0	4,367	4,432	65	255	16,575
45	Tractor	SAA-634	4.5	17,217	1,394	4.0	4,304	5,502	1,198	255	305,426
46	Tractor	SAA-635	4.5	17,366	1,494	4.0	4,342	5,893	1,552	255	395,633
47	Tractor	SAA-636	4.5	13,087	1,274	4.0	3,272	5,055	1,783	255	454,729
48	Tractor	SAA-637	4.5	13,578	1,139	4.0	3,395	4,484	1,089	255	277,695
49	Tractor	TT-26	4.5	18,139	2,211	4.0	4,535	8,073	3,538	255	902,126
50	Tractor	TT-31	4.5	12,788	1,446	4.0	3,197	5,575	2,378	255	606,390
51	Tractor	TT-32	4.5	19,229	1,864	4.0	4,807	6,894	2,087	255	532,121
52	Tractor	TT-33	4.5	19,089	1,822	4.0	4,772	6,958	2,186	255	557,366
53	Tractor	TT-34	4.5	15,680	1,647	4.0	3,920	6,394	2,474	255	630,743
54	Tractor	TT-35	4.5	13,267	1,544	4.0	3,317	6,044	2,727	255	695,449
55	Tractor	TT-36	4.5	12,709	1,703	4.0	3,177	6,509	3,332	255	849,596
56	Tractor	TT-37	4.5	11,007	845	4.0	2,752	3,385	633	255	161,479
57	Tractor	TT-39	4.5	14,839	1,757	4.0	3,710	6,740	3,030	255	772,714
58	Tractor	TT-40	4.5	17,378	1,764	4.0	4,345	6,529	2,184	255	556,920
<b>Total</b>											<b>30,430,259</b>

## II A.

Sr. No.	Vehicle Category	Vehicle No.	Standard Mileage Rate	MIS Report KM	Actual Petrol/Diesel	Liters Required As Per Standard Mileage	Excess Liters Utilized	Excess Amount @ Rs.255	Already Deducted	Balance
1	Arm Roll Truck 5 M	SAJ-22-831	3.3	20,059	7,593	6,078	1,515	386,201	4,450	381,751
2	Arm Roll Truck 5 M	SAJ-22-834	3.3	18,776	6,769	5,690	1,079	275,222	4,208	271,014
3	Dumper	SAJ-22-832	1.1	18,253	20,259	16,594	3,665	934,668	-	934,668
4	Dumper	SAJ-22-833	1.1	15,455	18,159	14,050	4,109	1,047,795	-	1,047,795
5	Mini Tipper	GAJ14-17	6	8,755	1,572	1,459	113	28,773	28,688	84
6	Mini Tipper	GAJ14-19	6	5,867	1,054	978	76	19,423	14,244	5,178
7	Mini Tipper	GAJ14-21	6	6,205	1,135	1,034	101	25,713	15,235	10,477
8	Mini Tipper	GAJ14-51	6	4,985	1,001	831	170	43,393	16,732	26,661
9	Mini Tipper	GAJ14-67	6	4,268	769	711	58	14,705	14,634	71
10	Mini Tipper	GAJ14-69	6	4,289	777	715	62	15,853	11,424	4,428
11	Mini Tipper	GAJ14-71	6	610	126	102	24	6,205	1,414	4,791
12	Mini Tipper	GAJ14-76	6	4,096	822	683	139	35,530	22,213	13,317
13	Mini Tipper	GAJ14-83	6	5,758	1,190	960	230	58,735	49,915	8,820
14	Mini Tipper	SAA21-382	6	14,600	3,004	2,433	571	145,520	96,321	49,199
15	Mini Tipper	SAA21-396	6	20,735	3,646	3,456	190	48,493	39,198	9,295
16	Mini Tipper	SAA21-399	6	15,740	2,755	2,623	132	33,575	25,608	7,967
17	Mini	SAA21-410	6	14,977	2,637	2,496	141	35,913	9,016	26,897

Sr. No.	Vehicle Category	Vehicle No.	Standard Mileage Rate	MIS Report KM	Actual Petrol/Diesel	Liters Required As Per Standard Mileage	Excess Liters Utilized	Excess Amount @ Rs.255	Already Deducted	Balance
	Tipper									
18	Mini Tipper	SAA21-428	6	15,570	2,821	2,595	226	57,630	28,689	28,941
19	Mini Tipper	GAJ14-23(Puncture Van)	6	7,224	1,264	1,204	60	15,300	12,433	2,867
20	Mini Tipper	GAJ14-24(Puncture Van)	6	12,709	2,343	2,118	225	57,333	31,429	25,903
21	Mini Tipper	GAJ14-20 (Workshop)	6	110	30	18	12	2,975	2,829	146
	<b>TOTAL</b>	-		<b>219,041</b>	<b>79,726</b>	<b>66,828</b>	<b>12,898</b>	<b>3,288,951</b>	<b>428,680</b>	<b>2,860,271</b>

## B.

Sr. No.	Vehicle Category	Vehicle No.	Standard Liters / Trip	Landfill Trips	Actual Petrol/Diesel	Actual Amount	Liters Required As Per Standard Trip Rate	Excess Liters Utilised	Excess Amount @ Rs.255	Already Deducted	Balance
1	Arm Roll Truck 5 M	HINO-12	8	998	8,126	2,084,596	7,984	142	36,210	21,851	14,359
2	Arm Roll Truck 5 M	HINO-14	8	1065	8,579	2,191,036	8,520	59	15,045	4,220	10,825
3	Arm Roll Truck 5 M	MB-01	8	848	7,009	1,791,017	6,784	225	57,375	38,088	19,287
4	Arm Roll Truck 5 M	MB-03	8	564	4,576	1,181,511	4,512	64	16,320	15,477	843
5	Arm Roll Truck 5 M	MB-18	8	816	6,566	1,706,708	6,528	38	9,690	-	9,690
6	Compaction Arm	C46	4.5	894	4,135	1,081,085	4,023	112	28,560	12,161	16,399
	<b>TOTAL</b>	-		<b>5,185</b>	<b>38,991</b>	<b>10,035,953</b>	<b>38,351</b>	<b>640</b>	<b>163,200</b>	<b>91,797</b>	<b>71,403</b>

**Annexure-GWMC-D**

**2.4.6 Non-auction of tractors, arm rolls and water bozer in workshop - Rs 24.884 million**

Sr. No	Reg.#	Vehicle Type	Engine No.	Chassis No.	Model	Approx. value of the machinery
1	3385	Tractor MF 240	505721-w	0300-D3	1993	280,000
2	4028	Tractor MF 240	LD22781U928508 K	-	1996	450,000
3	7653	Tractor MF 240	501995-X	0341-29	1993	270,000
4	9624	Tractor MF 375	LD9704120506680B	534118	1996	530,000
5	9634	Tractor MF 375	LD970412060666920	533-24	2000	560,000
6	260	Tractor MF 260	CN9B4612050713	007270-	1996	400,000
7	5260	Tractor MF 375	509995-E	0670-06	2000	550,000
8	6836	Tractor MF 240	519403-A	0514-55	1995	210,000
9	8052	Tractor MF 240	3711164A/1	MTL/A056V01	1990	220,000
10	781-18	Tractor MF 240	LD07041V512777F	781-18	2001	450,000
11	9776	Tractor MF 240	CE310892011304L	A67419	1996	250,000
12	Holand	Tractor Holand	04V55001	-	2008	200,000
13	5268	Tractor MF 240	558348-E	0912-48	2000	270,000
14	8402	Tractor MF 375	LM9B600V500387H	(06-16)	1996	390,000
15	9621	Tractor MF 375	506718-B	0535-08	1996	510,000
16	6835	Tractor MF 240	519372-A	0514-42	1995	220,000
17	9630	Tractor MF 375	506697-B	0534-17	1996	480,000
18	9629	Tractor MF 375	506661-B	0534-04	1996	460,000
19	9773	Tractor MF 240	CE31089V11649L	-	1996	255,000
20	8053	Tractor MF 240	CE31089V56650	-	1990	215,000
21	5271	Tractor MF 240	554720-E	0876-25	2000	240,000
22	9627	Tractor MF 375	506715-B	0534-22	1996	500,000
23	6945	Tractor MF 240	37111570/313E2	-	1985	210,000
24	451	Tractor MF 240	CE215260591496	-	1989	200,000
25	Holand	Tractor Holand	55001058	-	2008	200,000
26	9772	Tractor MF 240	3711164A/1	MTL/A674/1	1996	225,000

27	4022	Tractor MF 240	37111570-5	2717	1989	195,000
28	6946	Tractor MF 240	CE-31075V-701028- J	MIL-E64-12	1982	210,000
29	5265	Tractor MF 240	LD97041V516718E	741/21-	2000	510,000
30	9774	Tractor MF 240	3711164A/123E4	-	1996	185,000
31	7960	Tractor MF 375	LD311400340279	MTY-116-18	1989	370,000
32	1006	Tractor Holand	150411	HFB049322	2008	180,000
33	512727	Tractor MF 375	LD97041V5127F	D781/13	2001	390,000
34	782101	Tractor MF 375	512731-F	0782-01	2001	400,000
35		Tractor FIAT 480	-	230786	2011	200,000
36		Tractor FIAT 480	-	230787	2011	200,000
37	Arm Roll Hino 15	( Arm Roll 5m3)	12119	806002018	2009	1,200,000
38	Hino 1196	( Arm Roll 5m3)	W04D-JM10719	HFYF20H0060 00618	2007	1,150,000
39	Hino 06	( Arm Roll 5m3)	12112	506002011	2009	1,230,000
40	Hino 07	( Arm Roll 5m3)	12104	606002003	2009	950,000
41	Hino 04	( Arm Roll 5m3)	12013	406002002	2009	1,300,000
42	Hino 10	( Arm Roll 5m3)	12016	X06002005	2009	1,100,000
43	Hino 1197	( Arm Roll 5m3)	W04D-JM107006	JHFYF20H2060 00605	2007	1,039,000
44	MB-16	( Arm Roll 5m3)	4D34-M99618	MMC-04- CN00175	2011- 12	1,130,000
45	Nissan-01	( Arm Roll 10m3)	96868	343	2002	1,100,000
46	Water bozerBedfords (3774)	Truck (Sprinkler )	MC24654A	7204050	1985	3,100,000
	<b>Total</b>					<b>24,884,000</b>

**Annexure-RWP-B**

**4.4.1 Overpayment due to unauthorized increase in house rent & utilities– Rs 3.279 million**

Sr. #	Name	Designation	Basic Salary 30.06.22	House Rent All. 25% 30.06.22	Utilities 10% 30.06.22	Gross Salary 30.06.22	Increment Rate (10% Annual & 6% or 5% Performance)	Increment on House Rent & Utilities Per Month	Amount	Period
A	B	C	D	E	F	G	H	$I = (E+F) \times H$	$J = I \times K$	K
1	Mian Tahir Bashir	CFO	268,857	67,214	26,886	362,957	16%	15,056	168,044	01.07.22 to 05.07.23 (11Months 05 days)
2	Tariq Iqbal Khattak	CIA	177,923	44,481	17,792	240,196	16%	9,964	199,280	01.07.22 to 29.02.24 (20 Months)
3	Muhammad Husnain	SM Operation	200,144	50,036	20,014	270,195	16%	11,208	147,512	01.07.22 to 05.08.23 (13 Months 05 days)
4	Muhammad Farooq	Manager Operation	116,212	29,053	11,621	156,886	16%	6,508	130,160	01.07.22 to 29.02.24 (20 Months)
5	Bilal Khawar	Manager HR	116,212	29,053	11,621	156,886	16%	6,508	130,160	
6	Jalal Ud Din	Manager Procurement	116,212	29,053	11,621	156,886	16%	6,508	130,160	
7	Nasir Mehmood	Manager Communication	116,212	29,053	11,621	156,886	16%	6,508	130,160	
8	Ahsan Azmat Malik	Manager MIS	116,212	29,053	11,621	156,886	16%	6,508	130,160	
9	Hamid Iqbal	Sr Manager P&C	116,212	29,053	11,621	156,886	16%	6,508	130,160	
10	Hina Kishwer	PS to MD	55,899	13,975	5,590	75,463	16%	3,130	36,308	01.07.22 to 18.06.23 (11 Months 18 Days)
11	Muhammad Bilal Niazi	Manager Operation	59,163	14,791	5,916	79,870	16%	3,313	66,260	01.07.22 to 29.02.24 (20 Months)
12	Ali Muraad	AM Operation	58,051	14,513	5,805	78,369	16%	3,251	65,020	
13	Khizar Aftab	AM Operation	53,751	13,438	5,375	72,564	16%	3,010	60,200	
14	Sohail Imtiaz	AM Operation	54,780	13,695	5,478	73,953	16%	3,068	61,360	
15	Syed Hassan Sardar	Manager Operation	54,780	13,695	5,478	73,953	16%	3,068	61,360	
16	Israr Javed	Manager Operation	58,051	14,513	5,805	78,369	16%	3,251	65,020	
17	Sana Sagheer	AM HR	54,780	13,695	5,478	73,953	16%	3,068	18,408	01.07.22 to 31.12.22 (06 Months)
18	Malik Kamran Fareed	AM Operation	59,163	14,791	5,916	79,870	16%	3,313	66,260	01.07.22 to 29.02.24 (20 Months)
19	Sheikh Suleman Aziz	PS to Secretary	54,780	13,695	5,478	73,953	16%	3,068	61,360	
20	Aamir Younus Naik	Manager Operation	54,780	13,695	5,478	73,953	16%	3,068	61,360	
21	Haris	AM Operation	53,751	13,438	5,375	72,564	16%	3,010	60,200	

Sr. #	Name	Designation	Basic Salary 30.06.22	House Rent All. 25% 30.06.22	Utilities 10% 30.06.22	Gross Salary 30.06.22	Increment Rate (10% Annual & 6% or 5% Performance)	Increment on House Rent & Utilities Per Month	Amount	Period
A	B	C	D	E	F	G	H	I = (E+F) x H	J = I x K	K
	Murtaza									
22	Umair Usman	AM Operation	53,751	13,438	5,375	72,564	16%	3,010	60,200	
23	Muhammad Ishaq	AM Operation	59,163	14,791	5,916	79,870	16%	3,313	66,260	
24	Yasmin Tahira	Manager Finance	59,163	14,791	5,916	79,870	16%	3,313	66,260	
25	Anum Naz	AM HR	59,163	14,791	5,916	79,870	16%	3,313	22,015	01.07.22 to 20.01.23 (06 Months 20 Days)
26	Shahid Aziz Durrani	AM Admin	54,780	13,695	5,478	73,953	16%	3,068	61,360	01.07.22 to 29.02.24 (20 Months)
27	Ijaz Ahmed	AM Admin	54,780	13,695	5,478	73,953	16%	3,068	61,360	
28	Farhan Gohar	AM Operation	44,113	11,028	4,411	59,552	16%	2,470	14,820	01.07.22 to 31.12.22 (06 Months)
29	Umair Qureshi	AM Operation	44,962	11,241	4,496	60,699	15%	2,361	47,220	
30	Majid Ishaq	AM Planning	42,870	10,717	4,287	57,874	15%	2,251	45,020	
31	Waleed Bin Farooq	AM Planning	44,962	11,241	4,496	60,699	16%	2,518	50,360	
32	Waleed Abbasi	AM Planning	44,538	11,134	4,454	60,126	16%	2,494	49,880	
33	Aqsa Shakeel	Manager Contract	44,962	11,241	4,496	60,699	16%	2,518	50,360	01.07.22 to 29.02.24 (20 Months)
34	Ahmad Ali Abbasi	AM Procurement	44,538	11,134	4,454	60,126	16%	2,494	49,880	
35	Ali Hassan	AM Operation	45,390	11,347	4,539	61,276	15%	2,383	47,660	
36	Asif Salam	Manager Admin	45,390	11,347	4,539	61,276	16%	2,542	50,840	
37	Fahad Akhtar	Manager Operation	44,533	11,133	4,453	60,119	16%	2,494	49,880	
38	Nafees Khan	AM MIS	45,390	11,347	4,539	61,276	16%	2,542	50,840	
39	Tanveer Jahangir	PA to MD	41,319	10,330	4,132	55,781	16%	2,314	46,280	
40	Raja Adil Istiaq	AM Admin	41,319	10,330	4,132	55,781	16%	2,314	46,280	
41	Muhammad Omer Massad	AM Procurement	40,543	10,136	4,054	54,733	16%	2,270	45,400	
42	Raja Imran Pervaiz	PA to MD	45,264	11,316	4,526	61,106	16%	2,535	50,700	
43	Nauman Asghar	Office Asstt	31,007	7,752	3,101	41,860	16%	1,736	34,720	
44	Ibrar Hussain Abbasi	Office Asstt	31,007	7,752	3,101	41,860	16%	1,736	34,720	
45	Shabbaz Ahmed	HR Assistant	25,356	6,339	2,536	34,230	16%	1,420	28,400	
46	Malik Shahid Hussain	Driver	25,356	6,339	2,536	34,230	15%	1,331	26,620	
47	Mazhar	Driver	25,356	6,339	2,536	34,230	16%	1,420	28,400	

Sr. #	Name	Designation	Basic Salary 30.06.22	House Rent All. 25% 30.06.22	Utilities 10% 30.06.22	Gross Salary 30.06.22	Increment Rate (10% Annual & 6% or 5% Performance)	Increment on House Rent & Utilities Per Month	Amount	Period
A	B	C	D	E	F	G	H	$I = (E+F) \times H$	$J = I \times K$	K
	Sultan									
48	Muhammad Farooq	Driver	25,356	6,339	2,536	34,230	16%	1,420	28,400	
49	Ali Raza	Helper	24,877	6,219	2,488	33,584	15%	1,306	26,120	
50	Nouman Zameer	Office Boy	25,356	6,339	2,536	34,230	16%	1,420	28,400	
51	Abdul Raheem	Helper	25,356	6,339	2,536	34,230	16%	1,420	28,400	
52	M. Rizwan Abbassi	Metro Manager	54,780	13,695	5,478	73,953	16%	3,068	3,068	01.07.22 to 31.07.2022 (01 Month)
<b>TOTAL</b>									<b>3,279,035</b>	

**Annexure-RWP-C**

**4.4.2 Irregular hiring of staff from third party – Rs 75.873 million**

Sr No	Designation	No of Staff As Per Contract/Bidding Documents	Staff To Be Hired As Per Contract	Total Staff Hired / Paid During 2022-23	Excess Staff	Wage Rate	Amount
A	B	C	D = C x 12	E	F = E - D	G	H = G x E
1	Sr Executive General (Cat A)	9	108	187	79	51,750	9,677,250
2	Sr Executive General (Cat B)	0	0	26	26	57,500	1,495,000
3	Sr Executive General (Cat C)	0	0	99	99	63,250	6,261,750
4	Sr Executive General (Cat D)	0	0	46	46	69,000	3,174,000
5	Complaint Handling Officer	1	12	12	0	40,250	483,000
6	Assistant A	20	240	335	95	40,250	13,483,750
7	Assistant B	12	144	267	123	34,500	9,211,500
8	Computer Operator	36	432	432	0	34,500	14,904,000
9	IT Operator	30	360	346	0	34,500	11,937,000
10	Office Boy	16	192	192	0	25,100	4,819,200
11	Photocopy Operator	2	24	17	0	25,100	426,700
	<b>Total</b>	<b>126</b>			<b>468</b>		<b>75,873,150</b>

#### 4.4.5 Increase in wage rates without approval of procurement committee – Rs 15.029 million

(i)

Sr No	Designation	Agreed Wage As Per Contract	New Wage Rate Paid W.E.F 07/2022	Total Staff During 2022-23	Wage Rate 2022 Notified By Govt of Punjab	Diff	Amount
A	B	C	D	E	F	G = D – F	H = G x E
1	Sanitary Supervisor	24,071	26,000	1,719	25,500	500	859,500
2	Checkers	22,066	26,000	169	25,500	500	84,500
3	Assistants A	35,000	40,250	335	30,089	10,161	3,403,935
4	Assistants B	30,000	34,500	267	30,089	4,411	1,177,737
5	Computer Operators	30,000	34,500	432	32,386	2,114	913,248
6	IT Operators	30,000	34,500	346	32,386	2,114	731,444
7	Drivers HTV	25,760	29,624	2,233	28,253	1,371	3,061,443
8	HTV-Cat B	29,000	33,350	266	28,253	4,350	1,157,100
<b>Total</b>							<b>11,388,907</b>

(ii)

Sr No	Designation	Agreed Wage As Per Contract	New Wage Rate Paid W.E.F 07/2022	Total Staff Paid During 2022-23	Diff	Amount
A	B	C	D	E	F = D – C	G = F x E
1	Vehicle Inspector	25,760	29,624	30	29,624	888,720
2	Sr Executive General (Cat A)	45,000	51,750	187	6,750	1,262,250
3	Complaint Handling Officer	35,000	40,250	12	5,250	63,000
4	Sr Executive General (Cat B)	50,000	57,500	26	7,500	195,000
5	Sr Executive General (Cat C)	55,000	63,250	99	8,250	816,750
6	Sr Executive General (Cat D)	60,000	69,000	46	9,000	414,000
<b>Total</b>						<b>3,639,720</b>

## 4.4.7 Non/less imposition of penalty– Rs 2.372 million

## Minimum Number of Vehicles:

Category of Vehicle & Vehicle Nos.	Total Vehicles	Total Contract Value	Minimum Vehicles Functional at All time	Non Functional Dates	No of days minimum number of vehicles not fulfilled	Penalty Due	Penalty Deducted	Penalty Less Deducted
A	B	C	D	E	F	G = (Cx5%) x F	H	I = G-H
Water Bowser (1842, 1847 & 4591)	4	760,000	2 or 50% in 24 hours	24.02.23 to 02.03.23	07	266,000	0	266,000
JCB Loader (6883 & 6884)	2	380,000	1 or 50% in 48 hours	01.01.23 to 30.04.23	*60	1,140,000	**332,000	808,000
<b>Total</b>						<b>1,406,000</b>	<b>332,000</b>	<b>1,074,000</b>

\*Minimum requirement was 50% in 48 hours so 120 days divided by 02 and alternate vehicle provided from May 2023

\*\*Penalty already deducted 01/2023 Rs 62,000, 02/2023 Rs 168,000, 03/2023 Rs 42,000, 04/2023 Rs 60,000 = Rs 332,000

## Less Penalty:

Cheque No. Date & Invoice Month	Vehicle	Reg No	In Date	Exit Date	Nature of Work	detained	Allowed Days	Excess Days	Penalty Per Day	Penalty to be Charged	Penalty Imposed	Less Penalty	Remarks
8804693598 dated.24.02.2023 January 2023	FAW	9959	01.01.2023	19.01.2023	Major (Engine Issue)	19	10	9	3,000	27,000	9,000	18,000	
	Mitsubishi	8055	15.01.2023	21.01.2023	Minor (Wheel Issue)	7	4	3	2,000	6,000	2,000	4,000	
	Mitsubishi	8050	01.01.2023	13.01.2023	Major (Engine Issue)	13	10	3	3,000	9,000	3,000	6,000	
	Millat	7469	01.01.2023	09.01.2023	Minor (Front Suspension)	9	4	5	2,000	10,000	2,000	8,000	
86142 dated. 12.04.2023 February 2023	FAW	9967	10.02.2023	24.02.2023	Major (Engine Issue)	15	10	5	3,000	15,000	6,000	9,000	
	Suzuki	9156	17.02.2023	26.02.2023	Minor (Petrol Leak)	10	4	6	2,000	12,000	8,000	4,000	
	Tractor	7467	18.01.2023	08.02.2023	Major (Engine Issue)	22	10	12	3,000	36,000	12,000	24,000	
	Compactor	8054	26.01.2023	17.02.2023	Major (Engine Issue)	23	10	13	3,000	39,000	20,000	19,000	
	Mechanical Sweeper	1495	08.02.2023	18.02.2023	Minor (Clutch)	11	4	7	2,000	14,000	6,000	8,000	

Cheque No. Date & Invoice Month	Vehicle	Reg No	In Date	Exit Date	Nature of Work	detained	Allowed Days	Excess Days	Penalty Per Day	Penalty to be Charged	Penalty Imposed	Less Penalty	Remarks
	Hino Bowser	1842	12.02.2023	18.02.2023	Minor (Gear/Clutch)	7	4	3	2,000	6,000	2,000	4,000	
	Prime Mover	4079	12.02.2023	24.02.2023	Minor (Periodic Maintenance)	13	4	9	2,000	18,000	14,000	4,000	
	Compactor	8055	12.02.2023	28.02.2023	Major (Engine Issue)	17	10	7	3,000	21,000	15,000	6,000	
	Hino	1465	17.02.2023	27.02.2023	Minor (Stopper)	11	4	7	2,000	14,000	8,000	6,000	
	Hino	4591	20.02.2023	28.02.2023	Minor (Compressor)	9	4	5	2,000	10,000	8,000	2,000	
	Mechanical Sweeper	1501	13.02.2023	28.02.2023	Minor (Back Fan)	16	4	12	2,000	24,000	8,000	16,000	
	Suzuki	7606	28.02.2023	31.03.2023	Major (Frame Work)	32	10	22	3,000	66,000	6,000	60,000	
86167 dated.17.04.2023 March 2023	Loader	6883	16.04.2022	17.03.2023	Minor (Wheel Issue)	61	4	57	2,000	114,000	32,000	82,000	From 01.11.2022 to 31.12.2022
	Compactor	8054	18.02.2023	04.03.2023	Major (Engine Issue)	15	-	15	3,000	45,000	9,000	36,000	Penalty upto 17.02.23 & 10 allowed days already taken in account in Feb 2023
	Compactor	9717	17.02.2023	13.03.2023	Major (Engine Issue)	25	10	15	3,000	45,000	36,000	9,000	
	Compactor	8055	01.03.2023	11.03.2023	Major (Engine Issue)	11	-	11	3,000	33,000	30,000	3,000	Penalty upto 28.02.23 & 10 allowed days already taken in account in Feb 2023
	Bowser	1847	07.08.2022	31.03.2023	Minor (Starting Issue)	144	4	140	2,000	280,000	40,000	240,000	From 01.11.2022 to 31.03.2023 excluding 24.02.23 to 02.03.23 for which minimum number of vehicles not working and penalty imposed on that basis
	Mini Dumper	7177	24.03.2023	06.04.2023	Major (Engine Issue)	14	10	4	3,000	12,000	4,000	8,000	
86180 dated.23.05.2023 April 2023	Mini Dumper	1604	31.03.2023	05.04.2023	Minor (Fuel Tank)	6	4	2	2,000	4,000	2,000	2,000	
	Mini Dumper	1441	18.01.2023	06.04.2023	Major (Frame Work)	79	10	69	3,000	207,000	18,000	189,000	
	Mini	51	31.03.2023	30.04.2023	Major (Frame Work)	31	10	21	3,000	63,000	3,000	60,000	

Cheque No. Date & Invoice Month	Vehicle	Reg No	In Date	Exit Date	Nature of Work	detained	Allowed Days	Excess Days	Penalty Per Day	Penalty to be Charged	Penalty Imposed	Less Penalty	Remarks
	Dumper	56	2023	2023	Work)				0	0	0	0	
	Bowser	1847	01.04.2023	07.04.2023	Minor (Starting Issue)	7	-	7	2,000	14,000	6,000	8,000	Penalty upto 31.02.23 & 4 allowed days already taken in account in Mar 2023
	Compactor	9840	28.03.2023	12.04.2023	Major (Engine Issue)	16	10	6	3,000	18,000	9,000	9,000	
	Compactor	9728	08.04.2023	20.04.2023	Minor (Bucket Issue)	13	4	9	2,000	18,000	14,000	4,000	
	Compactor	2939	08.04.2023	16.04.2023	Minor (Center Blade)	9	4	5	2,000	10,000	8,000	2,000	
	Road Washer	1466	17.04.2023	25.04.2023	Minor (Chemical Gun)	9	4	5	2,000	10,000	8,000	2,000	
	Compactor	2914	21.04.2023	29.04.2023	Minor (Profile Kenchi)	9	4	5	2,000	10,000	6,000	4,000	
	Compactor	8050	18.04.2023	30.04.2023	Major (Engine Issue)	13	10	3	3,000	9,000	3,000	6,000	
	Compactor	4074	11.02.2023	07.04.2023	Major (Engine Issue)	56	10	46	3,000	138,000	21,000	117,000	
88047204 dated.23.06.2023	Mini Dumper	5169	07.02.2023	05.05.2023	Major (Frame Work)	88	10	78	3,000	234,000	15,000	219,000	
May 2023	Mini Dumper	5179	28.04.2023	11.05.2023	Major (Engine Issue)	14	10	4	3000	12000	6000	6000	
	Mini Dumper	9967	06.05.2023	18.05.2023	Major (Engine Issue)	13	10	3	3000	9000	3000	6000	
	Mini Dumper	9983	16.05.2023	23.05.2023	Minor (Missing)	8	4	4	2000	8000	6000	2000	
	Mechanical Sweeper	1475	14.04.2023	02.05.2023	Minor (Side Brush)	19	4	15	2000	3000	4000	2600	
	Compactor	2915	16.04.2023	21.05.2023	Major (Bucket Welding)	36	10	26	3000	7800	1800	6000	
	<b>Total</b>									<b>1,728,000</b>	<b>430,000</b>	<b>1,298,000</b>	

## 4.4.9 Non realization of receipts – Rs 41.530 million

Sr. No.	Societies Name / Authorities / Contractor	Pending	Recovered After Audit Including Tax Withheld	Balance Recoverable
1	Cantonment Board Murree	84,457	84,457	0
2	Bagga Sheikhan	635,564	0	635,564
3	Punjab Food Authorty	1,351	0	1,351
4	Capital Development Authority	39,584,019	30,000,000	9,584,019
5	Murree Extended Area	26,735,003	0	26,735,003
6	Trade Xpert	472,306	0	472,306
7	Sadiq Poultry	568,814	200,000	368,814
8	Spring Apartments	736,404	0	736,404
9	Arsalan Chicks	253,069	0	253,069
10	Zain Ullah (Selling of Waste)	2,421,137	0	2,421,137
11	D Tech waste Solution	31,219	0	31,219
12	PMBA	291,101	0	291,101
13	Islamabad Metro Bus	15,100,362	15,100,362	0
<b>Total</b>		<b>86,914,806</b>	<b>45,384,819</b>	<b>41,529,987</b>

## 4.4.11 Wasteful expenditure on rental machinery– Rs8.479 million

Sr. No.	Period 01.05.2023 to 08.06.2023
A	<b>Cost paid to contractor of rental machinery per ton</b> Payment made to M/s Khan & Co = Rs 23,579,883 Waste Lifted by Contractor = 24,752.09 Tons Cost paid to contractor per ton = 952.64
B	<b>Cost Per Ton of RWMC own Haulers:</b> Fuel Cost = 60 Km / 1.50 KM per liter = 40 liter x Rs 253 per liter = Rs 10,120 Capacity of Hauler Per Trip = 22 Tons Fuel cost per ton = 10,120 / 22 = Rs 460.09 Approximate cost of labor & loading of waste in hauler = Rs 150 per tons Total Cost Per Ton = 460.09 + 150 = Rs 610.09 Per Ton (Note: Hauler repair and maintenance cost already paid to outsource contractor as it was liability of RWMC to pay the cost either the machinery is used or remain idle so no effect of maintenance cost was taken)
C	Difference in Cost = 952.64 – 610.09 = 342.55 per ton
D	<b>Loss = 24,752.09 Ton x 342.55 = 8,478,828</b>

**Annexure-PCMMDC-B**

**6.4.1 Unauthorized payment on account of Gratuity Rs 7.068 million**

**Rs in million**

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Gross Salary</b>	<b>For 4 Year</b>	<b>June to 30 Sp (3 Month)</b>	<b>Total Amount</b>
1	M Younis Khan	COO DGK	333,375	1,333,500	83,344	1.417
2	Faqir Hussain	GMO	161,051	644,204	40,263	0.684
3	M Khurram Shahzad	AMF/HR	73,492	293,968	18,373	0.312
4	Muhammad Abubakar	AM Operations	79,354	317,416	19,839	0.337
5	Abid Nadeem	Executive Secretary To DCOO	55,636	222,544	13,909	0.236
6	Waqar ul Hassan	Field Officer Operations	58,564	234,256	14,641	0.249
7	Abdur Rahim Khaleel	Field Officer Operations	58,564	234,256	14,641	0.249
8	Muhammad Hanif	Supt H.O	45,387	181,548	11,347	0.193
9	Asif Ali	Assistant-1	42,459	169,836	10,615	0.180
10	M Adnan Khosa	Computer Operator	36,603	146,412	9,151	0.156
11	Gulzaib Khan	Veterinary Assistant	38,067	152,268	9,517	0.162
12	Muhammad Hussain	Veterinary Assistant	35,870	143,480	8,968	0.152
13	Rao Abdi Ali	Veterinary Assistant	35,870	143,480	8,968	0.152
14	Sultan Mehmood	Veterinary Assistant	35,870	143,480	8,968	0.133
15	Khalil Ahmad	Cattle Attendant	31,331	125,324	7,833	0.133
16	Muhammad Daniyal	Cattle Attendant	31,331	125,324	7,833	0.133
17	Ijaaz Ahmad	Cattle Attendant	31,331	125,324	7,833	0.133
18	Akhtar Abbas	Cattle Attendant	29,282	117,128	7,321	0.124
19	Syed Asif Abbas Shah	Cattle Attendant	29,282	117,128	7,321	0.124
20	Abdul Razzaq	Cattle Attendant	29,282	117,128	7,321	0.124
21	Haider Ali	Cattle Attendant	29,282	117,128	7,321	0.124
22	Abid Hussain	Cattle Attendant	29,282	117,128	7,321	0.124
23	Ali Raza	Cattle Attendant	29,282	117,128	7,321	0.124
24	Nasir Iqbal	Cattle Attendant	29,282	117,128	7,321	0.124
25	Kamran Siddique	Cattle Attendant	29,282	117,128	7,321	0.124
26	Farman Ali	Cattle Attendant	29,282	117,128	7,321	0.124

27	Muhammad Rizwan	Cattle Attendant	29,282	117,128	7,321	0.124
28	Salman Asghar	Cattle Attendant	29,282	117,128	7,321	0.124
29	Abdullah Atiq	Cattle Attendant	29,282	117,128	7,321	0.124
30	Rafaqat Abbas	Cattle Attendant	29,282	117,128	7,321	0.124
31	Qaisar Ahmad Shah	Cattle Attendant	29,282	117,128	7,321	0.124
32	Muhammad Sajid Ali	Office Boy	24,743	98,972	6,186	0.105
33	Riaz Hussain	Office Boy	24,743	98,972	6,186	0.105
34	Abdul Rasheed	Office Boy	24,157	96,628	6,039	0.103
						<b>7.068</b>

**6.4.2 Overpayment of Inadmissible Allowances Rs 1.608 million****Rs in million**

Sr. No.	Name of Officer	Design.	Name of Allowance	Rate per Month	Period	Amount Rs
1	Mr. Abdul Latif	CEO	Executive Allowance (upto 30.04.23)	200,340	Three months 09.01.23 to 30.04.23	0.676
2	Rizwan Nazir	CEO	Special Allowance	300,000	23.11.22 to 10.01.23	0.490
3	Rizwan Nazir	CEO	HRA while availing Govt. accommodation	63,936	23.11.22 to 10.01.23	0.104
<b>Total:</b>						<b>1.270</b>

**Rs in million**

Sr. No.	Cheque No.	Name	Status	Tax	Net Amount	Total Amount
1	4010451067	Mr. Rizwan Nazir (CEO)	Executive Director	22,500	90,000	0.113
2	4010412798	Amjid Ali	Rep of Commissioner Lhr	37,500	150,000	0.188
3	4040451099	Mr. Rizwan Nazir (CEO)	Executive Director	7,500	30,000	0.0375
<b>Total:</b>						<b>0.337</b>

**Annexure-PCMMDC-D**

**6.4.3 Overpayment of TA/DA and Fuel Rs 1.035 million**

Sr No	Name of Officer	Designation	Date	Excess Paid Over Night stay	Excess Paid Daily Allowance	Over payment (Rs in million)	Purpose of visit
1	Mr.Atif	COO Gujranwala	03.10.22	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
2	Mr.Atif	COO Gujranwala	08.10.22	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
3	Mr.Atif	COO Gujranwala	12.10.22	20,000	6,000	0.026	visit to Civil secretariat Lahore for hearing
4	Mr.Atif	COO Gujranwala	17.10.22	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
5	Mr.Atif	COO Gujranwala	01.11.22	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
6	Mr.Atif	COO Gujranwala	16.11.22	20,000	6,000	0.026	visit to Civil secretariat Lahore for hearing
7	Mr.Atif	COO Gujranwala	02.12.22	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
8	Mr.Atif	COO Gujranwala	12.12.22	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
9	Mr.Atif	COO Gujranwala	30.12.22 to 31.12.22	20,000	6,000	0.026	Visit to PCMMDC Faisalabad office of DRC committee
10	Mr.Atif	COO Gujranwala	03.01.23 to 04.01.23	20,000	6,000	0.026	Visit to Mulana More cattle market and PCMMDC Head office Lahore
11	Mr.Atif	COO Gujranwala	12.01.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
12	Mr.Atif	COO Gujranwala	23.01.23 to 24.01.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
13	Mr.Atif	COO Gujranwala	26.01.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office

14	Mr.Atif	COO Gujranwala	03.02.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
15	Mr.Atif	COO Gujranwala	06.02.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
16	Mr.Atif	COO Gujranwala	08.02.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
17	Mr.Atif	COO Gujranwala	16.02.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
18	Mr.Atif	COO Gujranwala	24.02.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
19	Mr.Atif	COO Gujranwala	08.03.23 to 09.03.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
20	Mr.Atif	COO Gujranwala	13.03.23 to 17.03.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
21	Mr.Atif	COO Gujranwala	20.03.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
22	Mr.Atif	COO Gujranwala	22.03.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
23	Mr.Atif	COO Gujranwala	27.03.23 to 30.03.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
24	Mr.Atif	COO Gujranwala	14.04.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
25	Mr.Atif	COO Gujranwala	17.04.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
26	Mr.Atif	COO Gujranwala	05.05.23 to 09.05.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
27	Mr.Atif	COO Gujranwala	18.05.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
28	Mr.Atif	COO Gujranwala	22.05.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
29	Mr.Atif	COO Gujranwala	07.06.23	20,000	6,000	0.026	Visit to Lahore PCMMDC Head Office
30	Mr. Zeeshan Ahmed	Manager Admn/Finan ce	12.10.22	15,000	3,300	0.018	visit to Civil secretariat Lahore for hearing
31	Mr. Zeeshan Ahmed	Manager Admn/Finan ce	16.11.22	15,000	3,300	0.018	visit to Civil secretariat Lahore for hearing

32	Mr. Zeeshan Ahmed	Manager Admn/Finance	09.02.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
33	Mr. Zeeshan Ahmed	Manager Admn/Finance	10.03.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
34	Mr. Zeeshan Ahmed	Manager Admn/Finance	15.03.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
35	Mr. Zeeshan Ahmed	Manager Admn/Finance	17.03.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
36	Mr. Zeeshan Ahmed	Manager Admn/Finance	29.03.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
37	Mr. Tahir Naveed	Manager Procurement	10.03.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
38	Mr. Tahir Naveed	Manager Procurement	29.03.23	15,000	3,300	0.018	Visit to Lahore PCMMDC Head Office
39	Mr. Zeeshan Ahmed	Manager Admn/Finance	17.04.23	15,000	3,300	0.018	Visit to Lahore for signing salaries from COO
		<b>Total</b>				<b>0.937</b>	
				<b>Excess Fuel Consumed</b>		<b>0.098</b>	
						<b>1.035</b>	

### Excess Fuel Consumed

Rs in million

Sr. No	Name of Officer	Designation	Month	Fuel Limit	Fuel consumed	Difference	Rate	Overpayment
1	Mr. Atif	COO Gujranwala	23-Jan	350	370	20	271.87	0.005
2	Mr. Atif	COO Gujranwala	1-Feb	350	499	149	276.78	0.412
3	Mr. Atif	COO Gujranwala	23-May	350	449	99	276.78	0.274
4	Mr. Atif	COO Gujranwala	23-Jun	350	444	94	262.74	0.246
						<b>362</b>		<b>0.098</b>

**Annexure-PCMMDC-E**

**6.4.4. Non-levy of parking fee and animal entry fee on extra days of Eid-ul-Azah Rs 839.274 million**

**Rs in million**

Name of Cattle Market	Name of Contractors	Auction Price	Auction for Nos. of dyas in a week	Auction for days in a year	Nos. of Eid Days excluding auction days	Price per auction day	Less recover
Shahpur Kanjra	Muhammad Zaheer Mughal	902.100	1	52	30	17.348	520.442
Sheikhपुरا	Muhammad Ismail	255.050	1	52	20	4.904	98.096
Nankana Sahib	Javaid Iqbal	1.800	1	52	20	0.034	0.692
Pattoki	Muhammad Kashan	1.525	1	52	20	0.03	0.587
Gujrat	Mujahid Ashraf S/o Muhammad Ashraf	135.500	1	52	18	2.606	46.904
Hafizabad	Jawad Shabbir S/o Shabbir Hussain	57.500	1	52	18	1.106	19.904
M.B.Din	Younas Hussain S/o Aleem Ud Din	31.510	1	52	18	0.606	10.907
Zafarwal	Jawad Shabbir S/o Shabbir Hussain	7.150	1	52	18	0.138	2.475
Eminabad Bhalwal	Younas Hussain S/o Aleem ud din	1.075	1	52	18	0.02	520.44
	Muhammad Zaheer Mughal	113.000	2	104	12	1.086	13.038
Sillanwali	Raja Faisal Sardar	6.428	1	52	16	0.124	1.978
Khushab	Muhammad Ashraf	151.010	1	52	16	2.904	46.465
Adhi Sargal	Qamar Uddin	1.003	1	52	16	0.02	0.309
Quaidabad	Innayat Ullah Khan	1.311	1	52	16	0.026	0.403
Bhakkar	Innayat Ullah Khan	56.600	1	52	16	1.088	17.415
Saray Muhajar	Muhammad Hassan Rafique	8.001	1	52	16	0.154	2.462
Chandni Chowk	Malik Faiz Ahmed	9.700	1	52	16	0.186	2.985
Darya Khan	Malik Faiz Ahmed	1.090	1	52	16	0.02	0.335
Ban Hafiz Jee, Wan Bachran	Qamar Uddin	12.250	1	52	16	0.236	3.769

Kamar Mashani	Qamar Uddin	0.301	1	52	16	0.006	0.093
Piplan	Malik Faiz Ahmed	2.911	1	52	16	0.056	0.896
Gondal	Qamar-u-Din s/o Abdul Majeed	67.510	1	52	16	1.298	20.772
Domel	Naveed Ahmad Khan S/o Dilbar Khan	45.000	1	52	16	0.866	13.846
Gali Jagir	Naveed Ahmad Khan S/o Dilbar Khan	6.800	1	52	16	0.13	2.092
Chakwal	Naveed Ahmad Khan S/o Dilbar Khan	27.000	1	52	16	0.52	8.308
Talagang	M. Tariq S/o Muhammad Ramzan	30.414	2	104	12	0.292	3.509
Gujar Khan	M. Kashan Qureshi S/o M. Ijaz Qureshi	0.715	1	104	16	0.014	0.220
	<b>Total</b>						<b>839.275</b>

**Annexure-PCMMDC-F**

**6.4.5 Non-recovery of arrears from the contractors- Rs 235.755 million**

**Rs in million**

Sr. No.	Name of Division	Name	Description	Due Date	Aging as on 30-06-2023 (Days)	Amount Receivable (Rs)
1	Lahore	Saifu ur Rehman S/o Muhammad Muslim	Hotel	2-Dec-15	2,767	0.008
2	Lahore	Malik Afzal S/o Malik Niyamat	Tori/Parali	21-Dec-15	2,748	0.137
3	Lahore	Munawar Hussain S/o Rehmat Ali	Fodder Without Toka	21-Dec-15	2,748	0.019
4	Lahore	Sabar Ali S/o Shah Muhammad	Tori/Parali	26-Dec-15	2,743	0.296
5	Lahore	Irfan Rana S/o Rana Mazher	Fodder Without Toka	26-Dec-15	2,743	0.099
6	Lahore	Ammar Shafqat S/o Ch. Shafqat Ali	Fodder With Toka	30-Jun-17	2,191	0.006
7	Lahore	Muhammad Faheem Khan S/o Muhammad Afzal Khan	Tori/Parali	15-Oct-17	2,084	0.706
8	Lahore	Muhammad Faheem Khan S/o Muhammad Afzal Khan	Tori/Parali	15-Oct-17	2,084	0.706
9	Lahore	Muhammad Kashif S/o Tanveer Dilawar	Khokha/ Tea Stall	30-Jun-19	1,461	0.056
10	Lahore	Tayyab Khizer S/o Khizer Hayat	Fodder Without Toka	5-Aug-19	1,425	4.432
11	Lahore	Abid Asghar S/o Ashgar Ali	Khokha/ Tea Stall	3-Jun-19	1,488	0.013
12	Lahore	Iftikhar Ahmad Bhatti S/o M. Yaqoo Bhatti	Fodder With Toka	30-Jun-20	1,095	3.818
13	Lahore	Saeed ul Hassan S/o Muhammad Arif	Fodder With Toka	30-Jun-20	1,095	6.211
14	Lahore	Naseer Ahmad S/o Manzoor Ahmad Bhatti	Tori	30-Jun-20	1,095	2.285
15	Lahore	Muhammad Ilyas Qureshi S/o Muhammad Irshad Qureshi	Animal Levy & Parking Fee	30-Jun-22	365	170.203
16	Lahore	Muhammad Zaheer Mughal	-	30-Nov-22	212	0.008
1	Sargodha	Khizar Hayat	Parking	30-Jun-19	1,461	0.819
2	Sargodha	Khizar Hayat	Hotel	30-Jun-19	1,461	0.015
3	Sargodha	Khizar Hayat	Tea Stalls	30-Jun-19	1,461	0.032

4	Sargodha	Khizar Hayat	Rice stalls	30-Jun-19	1,461	0.024
5	Sargodha	Khizar Hayat	Ornaments	30-Jun-19	1,461	0.019
6	Sargodha	Khizar Hayat	Fooder	30-Jun-19	1,461	0.003
7	Sargodha	Khizar Hayat	Juices/ Fruit/ Veg.	30-Jun-19	1,461	0.113
8	Sargodha	Khizar Hayat	Misc. Stalls	30-Jun-19	1,461	0.300
9	Sargodha	Umer Hayat	Parking	30-Jun-20	1,095	2.772
10	Sargodha	Muhammad Mumtaz	Hotel with Tandor	30-Jun-20	1,095	0.029
11	Sargodha	Muhammad Mumtaz	Hotel	30-Jun-20	1,095	0.095
12	Sargodha	Muhammad Ameer	Tea Stalls	30-Jun-20	1,095	0.029
13	Sargodha	Muhammad Mumtaz	Rice stalls	30-Jun-20	1,095	0.059
14	Sargodha	Muhammad Mumtaz	Ornaments	30-Jun-20	1,095	0.053
15	Sargodha	Muhammad Ameer	Fooder	30-Jun-20	1,095	0.008
16	Sargodha	Muhammad Ameer	Juice/Fruits	30-Jun-20	1,095	0.060
17	Sargodha	Muhammad Bashir	Misc. Stalls	30-Jun-20	1,095	0.055
18	Sargodha	Raja Yousaf	Parking Fee	30-Jun-20	1,095	1.954
19	Sargodha	Muhammad Mumtaz	Hotel	30-Jun-20	1,095	0.049
20	Sargodha	Muhammad Mumtaz	Tea Stalls	30-Jun-20	1,095	0.095
21	Sargodha	Muhammad Mumtaz	Rice Stalls	30-Jun-20	1,095	0.189
22	Sargodha	Muhammad Mumtaz	Ornaments	30-Jun-20	1,095	0.033
23	Sargodha	Muhammad Bashir	Fooder	30-Jun-20	1,095	0.030
24	Sargodha	Muhammad Bashir	Juice/Fruits	30-Jun-20	1,095	0.145
25	Sargodha	Muhammad Shoaib	Parking	30-Jun-20	1,095	1.283
26	Sargodha	Muhammad Shoaib	Hotel with Tandor	30-Jun-20	1,095	0.006
27	Sargodha	Muhammad Shoaib	Hotel	30-Jun-20	1,095	0.015
28	Sargodha	Muhammad Shoaib	Tea Stalls	30-Jun-20	1,095	0.016

29	Sargodha	Muhammad Shoaib	Rice stalls	30-Jun-20	1,095	0.046
30	Sargodha	Muhammad Shoaib	Ornaments	30-Jun-20	1,095	0.012
31	Sargodha	Muhammad Shoaib	Fooder	30-Jun-20	1,095	0.007
32	Sargodha	Muhammad Shoaib	Juices/ Fruit/ Veg.	30-Jun-20	1,095	0.014
33	Sargodha	Muhammad Shoaib	Misc. Stalls	30-Jun-20	1,095	0.045
34	Sargodha	Muhammad Shoaib	Parking Fee	30-Jun-20	1,095	0.221
35	Sargodha	Muhammad Shoaib	Hotel	30-Jun-20	1,095	0.005
36	Sargodha	Muhammad Shoaib	Tea Stalls	30-Jun-20	1,095	0.007
37	Sargodha	Muhammad Shoaib	Rice Stalls	30-Jun-20	1,095	0.013
38	Sargodha	Muhammad Shoaib	Ornaments	30-Jun-20	1,095	0.008
39	Sargodha	Muhammad Shoaib	Fooder	30-Jun-20	1,095	0.004
40	Sargodha	Muhammad Shoaib	Juice/Fruits	30-Jun-20	1,095	0.011
41	Sargodha	Muhammad Shoaib	Miscellaneous Stalls	30-Jun-20	1,095	0.087
42	Sargodha	Muhammad Shoaib	Parking Fee	30-Jun-20	1,095	0.083
43	Sargodha	Muhammad Shoaib	Hotel	30-Jun-20	1,095	0.007
44	Sargodha	Muhammad Shoaib	Tea Stalls	30-Jun-20	1,095	0.002
45	Sargodha	Muhammad Shoaib	Rice Stalls	30-Jun-20	1,095	0.013
46	Sargodha	Muhammad Shoaib	Ornaments	30-Jun-20	1,095	0.004
47	Sargodha	Muhammad Shoaib	Fooder	30-Jun-20	1,095	0.003
48	Sargodha	Muhammad Shoaib	Juice/Fruits	30-Jun-20	1,095	0.007
49	Sargodha	Muhammad Shoaib	Miscellaneous Stalls	30-Jun-20	1,095	0.002
50	Sargodha	Muhammad Shoaib	Parking Fee	30-Jun-20	1,095	0.667
51	Sargodha	Muhammad Shoaib	Hotel	30-Jun-20	1,095	0.005
52	Sargodha	Muhammad Shoaib	Tea Stalls	30-Jun-20	1,095	0.004
53	Sargodha	Muhammad Shoaib	Rice Stalls	30-Jun-20	1,095	0.005

54	Sargodha	Muhammad Shoaib	Ornaments	30-Jun-20	1,095	0.007
55	Sargodha	Muhammad Shoaib	Fooder	30-Jun-20	1,095	0.001
56	Sargodha	Muhammad Shoaib	Miscellaneous Stalls	30-Jun-20	1,095	0.009
57	Sargodha	Raja Muhammad Yousaf	Parking Fee	30-Jun-20	1,095	1.289
58	Sargodha	Muhammad Iqbal Khan	Parking Fee	30-Jun-20	1,095	0.571
59	Sargodha	Zulfiqar Haider S/o Haji Gul Anar	Levy Fee	30-Jun-22	365	10.350
60	Sargodha	Ishtiaq Ahmad S/o Muhammad Yasin	Levy Fee	30-Jun-22	365	8.107
61	Sargodha	Muhammad Ashraf	Levy Fee	30-Jun-23	-	7.413
62	Sargodha	Muhammad Zaheer Mughal	Fine Income	30-Jun-23	-	0.078
63	Sargodha	Raja Faisal Sardar	Fine Income	30-Jun-23	-	0.009
64	Sargodha	Muhammad Ashraf	Fine Income	30-Jun-23	-	0.998
65	Sargodha	Qamar Uddin	Fine Income	30-Jun-23	-	0.002
66	Sargodha	Innayat Ullah Khan	Fine Income	30-Jun-23	-	0.001
67	Sargodha	Innayat Ullah Khan	Fine Income	30-Jun-23	-	0.062
68	Sargodha	Muhammad Hassan Rafique	Fine Income	30-Jun-23	-	0.042
69	Sargodha	Malik Faiz Ahmed	Fine Income	30-Jun-23	-	0.009
70	Sargodha	Malik Faiz Ahmed	Fine Income	30-Jun-23	-	0.002
71	Sargodha	Qamar Uddin	Fine Income	30-Jun-23	-	0.048
72	Sargodha	Qamar Uddin	Fine Income	30-Jun-23	-	0.000
73	Sargodha	Malik Faiz Ahmed	Fine Income	30-Jun-23	-	0.004
3	Gujranwala	Ashiq Hussain	Tea Stall/Juice Stall	24-Dec-20	918	0.012
4	Gujranwala	Munawar Hussain	Tea Stall/Juice Stall	18-Aug-20	1,046	0.033
5	Gujranwala	Khalid Saif Ullah	Tea Stall/Juice Stall	10-Dec-20	932	0.014
6	Gujranwala	Haq Nawaz	Tea Stall/Juice Stall	10-Dec-20	932	0.010
7	Gujranwala	Khan Muhammad	Tea Stall/Juice Stall	6-May-21	785	0.002

8	Gujran wala	Eid Muhammad	Toori/Parali	4-Mar-21	848	0.004
9	Gujran wala	Muhammad Asif	Hotel	28-Dec-20	914	0.070
10	Gujran wala	Muhammad Salman	Hotel	28-Dec-20	914	0.070
11	Gujran wala	Nadeem Sher	Hotel	28-Dec-20	914	0.028
12	Gujran wala	Zahoor Ul Haq	Hotel	28-Dec-20	914	0.028
13	Gujran wala	Muhammad Riaz	Ornamental Shops	28-Dec-20	914	0.019
14	Gujran wala	Sajid Naseer	Ornamental Shops	28-Dec-20	914	0.019
15	Gujran wala	Sadam Hussain	Ornamental Shops	28-Dec-20	914	0.019
16	Gujran wala	Ansar Mehmood	Ornamental Shops	28-Dec-20	914	0.019
17	Gujran wala	Amanat Ali	Ornamental Shops	28-Dec-20	914	0.019
18	Gujran wala	Shahid Ashraf	Ornamental Shops	28-Dec-20	914	0.030
19	Gujran wala	Ashfaq Ahmed	Ornamental Shops	28-Dec-20	914	0.019
20	Gujran wala	Rafaqat Ali	Ornamental Shops	28-Dec-20	914	0.019
21	Gujran wala	Israr Ahmed	Ornamental Shops	28-Dec-20	914	0.019
22	Gujran wala	Kashif Sohail	Ornamental Shops	28-Dec-20	914	0.019
23	Gujran wala	Mehdi Hussan	Ornamental Shops	28-Dec-20	914	0.019
24	Gujran wala	Iftikhar Ali	Ornamental Shops	28-Dec-20	914	0.031
25	Gujran wala	Muhammad Ajmal	Tea Stall/Juice Stall	28-Dec-20	914	0.038
26	Gujran wala	Asif Ali	Tea Stall/Juice Stall	28-Dec-20	914	0.029
27	Gujran wala	Shahzail Nasar	Tea Stall/Juice Stall	28-Dec-20	914	0.053
28	Gujran wala	Naveed Akhtar Butt	Tea Stall/Juice Stall	28-Dec-20	914	0.056
29	Gujran wala	Javed Iqbal Butt	Tea Stall/Juice Stall	28-Dec-20	914	0.067
30	Gujran wala	Muhammad Sharif	Fodder Shop	28-Dec-20	914	0.017
31	Gujran wala	Sarfraz Ahmed	Toori Parali Shop	28-Dec-20	914	0.014
32	Gujran wala	Sajwal	Hotel	12-Mar-20	1,205	0.028

33	Gujran wala	Zulfiqar Ali	Tea Stall/Juice Stall	7-Jan-20	1,270	0.020
34	Gujran wala	Muhammad Abbas	Tea Stall/Juice Stall	7-Jan-20	1,270	0.020
35	Gujran wala	Sajwal	Tea Stall/Juice Stall	7-Jan-20	1,270	0.024
36	Gujran wala	Syed Taswar Hussain Shah	Parking	14-Jul-20	1,081	5.657
37	Gujran wala	Muhammad Shoib	Parking	24-Feb-20	1,222	0.470
38	Gujran wala	Muhammad Amin	Parking	5-Mar-20	1,212	0.395
39	Gujran wala	Mobeen Ashraf Gondal	Parking	11-Mar-20	1,206	0.652
40	Gujran wala	Self Managed	Hotel	31-Dec-21	546	0.012
41	Gujran wala	Self Managed	Animal	29-May-21	762	0.013
42	Gujran wala	Munawar Hussain	Hotel	13-Jul-20	1,082	0.006
43	Gujran wala	Habib-Ur- Rehman	Ornamental Shops	25-Jun-20	1,100	0.010
44	Gujran wala	Abdullah	Ornamental Shops	25-Jun-20	1,100	0.009
45	Gujran wala	Muhammad Habib	Tea Stall/Juice Stall	25-Feb-20	1,221	0.024
46	Gujran wala	Waseem Iqbal	Tea Stall/Juice Stall	6-Jul-20	1,089	0.005
47	Gujran wala	Muhammad Ishaq	Tea Stall/Juice Stall	25-Jun-20	1,100	0.005
48	Gujran wala	Muhammad Mushtaq	Tea Stall/Juice Stall	6-Jul-20	1,089	0.001
49	Gujran wala	Altaf Ahmad	Tea Stall/Juice Stall	6-Jul-20	1,089	0.001
50	Gujran wala	Haq Nawaz	Tea Stall/Juice Stall	25-Jun-20	1,100	0.006
51	Gujran wala	Munawar Hussain	Tea Stall/Juice Stall	6-Jul-20	1,089	0.004
52	Gujran wala	Munawar Hussain	Misc. Stalls	6-Jul-20	1,089	0.001
53	Gujran wala	Asif Bashir	Misc. Stalls	12-Mar-20	1,205	0.002
54	Gujran wala	Muhammad Shebaz	Toori Parali Shop	6-Jul-20	1,089	0.001
55	Gujran wala	Javaid Iqbal Butt	Parking	13-Apr-20	1,173	0.006
					<b>Total</b>	<b>235.755</b>

**Annexure-PCMMDC-G**

**6.4.4 Irregular grant of rebate on auctioned cattle markets  
Rs 203.517 million**

**Rs in million**

<b>Name of Division</b>	<b>Name of Cattle Market</b>	<b>Name of Contractors</b>	<b>Amount of Rebate</b>
Lahore	Shahpur Kanjan Lahore	Muhammad Zaheer Mughal	89.570
	Model Market Sheikhupura	Muhammad Ismail	25.041
	Cattle Market Nankana Sahib	Javaid Iqbal	0.177
	Cattle Market Pattoki	Muhammad Kashan Qurashi	0.150
Gujranwala	Gujrat	Mujahid Ashraf S/o Muhammad Ashraf	13.304
	Hafizabad	Jawad Shabbir S/o Shabbir Hussain	5.645
	M.B.Din	Younas Hussain S/o Aleem Ud Din	3.094
	Zafarwal	Jawad Shabbir S/o Shabbir Hussain	0.702
	Eminabad	Younas Hussain S/o Aleem Ud Din	0.106
Rawalpindi	Gondal	Qamar-u-Din s/o Abdul Majeed	1.657
	Domel	Naveed Ahmad Khan S/o Dilbar Khan	4.418
	Gali Jagir	Naveed Ahmad Khan S/o Dilbar Khan	0.668

	Chakwal	Naveed Ahmad Khan S/o Dilbar Khan	2.651
	Talagang	M. Tariq S/o Muhammad Ramzan	2.986
	Gujar Khan	M. Kashan Qureshi S/o M. Ijaz Qureshi	0.018
Sargodha	Bhalwal	Muhammad Zaheer Mughal	11.095
	Sillanwali	Raja Faisal Sardar	0.631
	Khushab	Muhammad Ashraf	14.826
	Adhi Sargal	Qamar Uddin	0.098
	Quaidabad	Innayat Ullah Khan	0.129
	Bhakkar	Innayat Ullah Khan	5.557
	Saray Muhajar	Muhammad Hassan Rafique	0.786
	Chandni Chowk	Malik Faiz Ahmed	0.952
	Darya Khan	Malik Faiz Ahmed	0.107
	Kamar Mashani	Qamar uddin	0.030
	Piplan	Malik Faiz Ahmed	0.286
Rawalpindi	Chakwal	Naveed Ahmad Khan S/o Dilbar Khan	5.699
Rawalpindi	Talagang	M. Tariq S/o Muhammad Ramzan	5.723
Sargodha	Khushab	Muhammad Ashraf S/o Abdul Majeed	7.412
<b>Total:</b>			<b>203.517</b>

**Annexure-PCMMDC-H**

**6.4.8 Non-realization of the fine– Rs 7.394 million**

**Rs in million**

Name of Cattle Market	Name of Contractor	Due Date of Instalment	Actual Date of Receiving	Delayed days	Amount Received	Amount of Fine
Shahpur Kanjaran	Muhammad Zaheer Mughal S/o Kareem Daad	9/5/2022	9/12/2022	7	44.285	0.620
		10/5/2022	10/10/2022	7	44.285	0.620
			10/12/2022			
5/5/2023	6/7/2023 06/15/2023	7	73.808	1.033		
Model Cattle Market Sheikhpura	Muhammad Ismail S/o Hakim Ali	9/5/2022	9/12/2022	7	12.521	0.175
		10/5/2022	10/10/2022	5	12.521	0.125
		11/5/2022	11/8/2022	3	12.521	0.075
		12/5/2022	12/7/2022	7	20.868	0.292
12/20/2022	0.000					
Nankana Sahib	Javaid Iqbal S/o Muhammad Yousaf	9/5/2022	9/8/2022	3	0.088	0.001
		10/5/2022	10/10/2022	5	0.088	0.001
		11/5/2022	11/8/2022	3	0.088	0.001
Pattoki	Muhammad Kashan Qureshi S/o Muhammad Ijaz Qureshi	5-Sep-22	9/12/2022	7	0.075	0.001
		5-Oct-22	10/12/2022	7	0.075	0.001
		5-Dec-22	12/7/2022	2	0.125	0.000
Gujrat	Mujahid Ashraf	5-Sep-22	6-Sep-22	1	11.086	0.022
Gujrat		5-Jan-23	7-Jan-23	2	11.086	0.044
Hafizabad	Jawad Shabbir	8/5/2022	8/15/2022	7	4.705	0.066
Hafizabad	Jawad Shabbir	9/5/2022	9/26/2022	7	4.705	0.066
Hafizabad	Jawad Shabbir	10/5/2022	10/24/2022	7	2.823	0.040
Hafizabad	Jawad Shabbir	11/5/2022	11/21/2022	7	2.823	0.040
Hafizabad	Jawad Shabbir	12/5/2022	12/6/2022	1	2.823	0.006
Hafizabad	Jawad Shabbir	1/5/2023	1/6/2023	1	4.705	0.009
Hafizabad	Jawad Shabbir	2/5/2023	2/6/2023	1	4.705	0.009
Hafizabad	Jawad Shabbir	5/5/2023	5/10/2023	5	3.133	0.031
M.B Din	Younas Hussain	9/5/2022	9/29/2022	7	2.578	0.036
M.B Din	Younas Hussain	10/5/2022	10/6/2022	1	1.547	0.003
Zafarwal	Jawad Shabbir	8/5/2022	8/24/2022	7	0.560	0.008
Zafarwal	Jawad Shabbir	9/5/2022	9/26/2022	7	0.585	0.008
Zafarwal	Jawad Shabbir	10/5/2022	10/27/2022	7	0.351	0.005
Zafarwal	Jawad Shabbir	11/5/2022	11/21/2022	7	0.351	0.005
Zafarwal	Jawad Shabbir	12/5/2022	12/6/2022	1	0.351	0.001
Zafarwal	Jawad Shabbir	1/5/2023	1/6/2023	1	0.585	0.001
Zafarwal	Jawad Shabbir	2/5/2023	2/6/2023	1	0.585	0.001
Zafarwal	Jawad Shabbir	5/5/2023	5/10/2023	5	0.585	0.006
Eminabad	Younas Hussain	9/5/2022	9/15/2022	7	0.088	0.001
Eminabad	Younas Hussain	10/5/2022	10/6/2022	1	0.053	0.000
Bhalwal	Muhammad Zaheer Mughal	1-Jul-22	13-Jul-22	7	20.545	0.288
Bhalwal	Muhammad Zaheer Mughal	5-Aug-22	16-Aug-22	7	9.245	0.129
Bhalwal	Muhammad Zaheer Mughal	5-Sep-22	12-Sep-22	7	5.547	0.078
Bhalwal	Muhammad Zaheer Mughal	5-Oct-22	6-Oct-22	1	5.547	0.011
Bhalwal	Muhammad Zaheer Mughal	5-Nov-22	17-Nov-22	7	5.547	0.078
Bhalwal	Muhammad Zaheer Mughal	5-Jan-23	9-Jan-23	4	9.245	0.074
Bhalwal	Muhammad Zaheer Mughal	5-Mar-23	6-Mar-23	1	9.245	0.018

Sillanwali	Raja Faisal Sardar	1-Jul-22	13-Jul-22	7	1.169	0.016
Sillanwali	Raja Faisal Sardar	5-Aug-22	16-Aug-22	7	0.526	0.007
Sillanwali	Raja Faisal Sardar	5-Sep-22	19-Sep-22	7	0.316	0.004
Sillanwali	Raja Faisal Sardar	5-Nov-22	17-Nov-22	7	0.316	0.004
Sillanwali	Raja Faisal Sardar	5-Dec-22	8-Dec-22	3	0.526	0.003
Sillanwali	Raja Faisal Sardar	5-Jan-23	9-Jan-23	4	0.526	0.004
Sillanwali	Raja Faisal Sardar	5-Feb-23	8-Feb-23	3	0.526	0.003
Sillanwali	Raja Faisal Sardar	5-Mar-23	15-Mar-23	7	0.526	0.007
Sillanwali	Raja Faisal Sardar	5-Apr-23	10-Apr-23	5	0.526	0.005
Khushab	Muhammad Ashraf	1-Jul-22	13-Jul-22	7	27.456	0.384
Khushab	Muhammad Ashraf	5-Aug-22	16-Aug-22	7	12.355	0.173
Khushab	Muhammad Ashraf	5-Sep-22	13-Sep-22	7	4.942	0.069
Khushab	Muhammad Ashraf	5-Dec-22	16-Dec-22	7	12.355	0.173
Khushab	Muhammad Ashraf	5-Jan-23	29-Dec-22	7	12.355	0.173
Khushab	Muhammad Ashraf	5-Feb-23	15-Feb-23	7	12.355	0.173
Khushab	Muhammad Ashraf	5-Mar-23	28-Mar-23	7	12.355	0.173
Khushab	Muhammad Ashraf	5-Apr-23	13-Apr-23	7	12.355	0.173
Khushab	Muhammad Ashraf	5-May-23	24-May-23	7	12.356	0.173
Adhi Sargal	Qamar uddin	1-Jul-22	13-Jul-22	7	0.182	0.003
Adhi Sargal	Qamar uddin	5-Aug-22	16-Aug-22	7	0.082	0.001
Adhi Sargal	Qamar uddin	5-Sep-22	19-Sep-22	7	0.049	0.001
Adhi Sargal	Qamar uddin	5-Nov-22	17-Nov-22	7	0.049	0.001
Adhi Sargal	Qamar uddin	5-Dec-22	16-Dec-22	7	0.082	0.001
Adhi Sargal	Qamar uddin	5-Jan-23	16-Dec-22	7	0.082	0.001
Adhi Sargal	Qamar uddin	5-Feb-23	8-Feb-23	3	0.082	0.000
Adhi Sargal	Qamar uddin	5-Mar-23	13-Mar-23	7	0.082	0.001
Adhi Sargal	Qamar uddin	5-Apr-23	6-Apr-23	1	0.082	0.000
Quaidabad	Innayyat Ullah Khan	1-Jul-22	13-Jul-22	7	0.238	0.003
Quaidabad	Innayyat Ullah Khan	5-Aug-22	16-Aug-22	7	0.107	0.002
Quaidabad	Innayyat Ullah Khan	5-Sep-22	19-Sep-22	7	0.064	0.001
Quaidabad	Innayyat Ullah Khan	5-Nov-22	10-Nov-22	5	0.064	0.001
Quaidabad	Innayyat Ullah Khan	5-Jan-23	9-Jan-23	4	0.107	0.001
Quaidabad	Innayyat Ullah Khan	5-Feb-23	6-Feb-23	1	0.107	0.000
Quaidabad	Innayyat Ullah Khan	5-Mar-23	6-Mar-23	1	0.107	0.000
Bhakkar	Innayyat Ullah Khan	1-Jul-22	13-Jul-22	7	10.291	0.144
Bhakkar	Innayyat Ullah Khan	5-Aug-22	16-Aug-22	7	4.631	0.065
Bhakkar	Innayyat Ullah Khan	5-Sep-22	19-Sep-22	7	2.779	0.039
Bhakkar	Innayyat Ullah Khan	5-Oct-22	9-Oct-22	4	2.779	0.022
Bhakkar	Innayyat Ullah Khan	5-Nov-22	17-Nov-22	7	2.779	0.039
Bhakkar	Innayyat Ullah Khan	5-Dec-22	17-Nov-22	7	4.631	0.065
Bhakkar	Innayyat Ullah Khan	5-Jan-23	9-Jan-23	4	4.631	0.037
Bhakkar	Innayyat Ullah Khan	5-Feb-23	6-Feb-23	1	4.631	0.009
Bhakkar	Innayyat Ullah Khan	5-Mar-23	6-Mar-23	1	4.631	0.009
Saray Muhajar	Muhammad Hassan Rafique	1-Jul-22	13-Jul-22	7	1.455	0.020
Saray Muhajar	Muhammad Hassan Rafique	5-Aug-22	16-Aug-22	7	0.655	0.009
Saray Muhajar	Muhammad Hassan Rafique	5-Sep-22	21-Sep-22	7	0.393	0.005
Saray Muhajar	Muhammad Hassan Rafique	5-Oct-22	10-Oct-22	5	0.393	0.004
Saray Muhajar	Muhammad Hassan Rafique	5-Nov-22	17-Nov-22	7	0.393	0.005
Saray Muhajar	Muhammad Hassan Rafique	5-Jan-23	9-Jan-23	4	0.655	0.005
Saray Muhajar	Muhammad Hassan Rafique	5-Feb-23	28-Feb-23	7	0.655	0.009
Saray Muhajar	Muhammad Hassan Rafique	5-Mar-23	20-Mar-23	7	0.655	0.009

Saray Muhajar	Muhammad Hassan Rafique	5-Apr-23	17-Apr-23	7	0.675	0.009
Chandni Chowk	Malik Faiz Ahmed	1-Jul-22	13-Jul-22	7	1.764	0.025
Chandni Chowk	Malik Faiz Ahmed	5-Aug-22	16-Aug-22	7	0.794	0.011
Chandni Chowk	Malik Faiz Ahmed	5-Sep-22	21-Sep-22	7	0.476	0.007
Chandni Chowk	Malik Faiz Ahmed	5-Oct-22	10-Oct-22	5	0.476	0.005
Chandni Chowk	Malik Faiz Ahmed	5-Nov-22	10-Nov-22	5	0.476	0.005
Chandni Chowk	Malik Faiz Ahmed	5-Feb-23	8-Feb-23	3	0.794	0.005
Chandni Chowk	Malik Faiz Ahmed	5-Mar-23	13-Mar-23	7	0.794	0.011
Chandni Chowk	Malik Faiz Ahmed	5-Apr-23	6-Apr-23	1	0.794	0.002
Darya Khan	Malik Faiz Ahmed	1-Jul-22	13-Jul-22	7	0.198	0.003
Darya Khan	Malik Faiz Ahmed	5-Aug-22	16-Aug-22	7	0.089	0.001
Darya Khan	Malik Faiz Ahmed	5-Sep-22	21-Sep-22	7	0.054	0.001
Darya Khan	Malik Faiz Ahmed	5-Oct-22	10-Oct-22	5	0.054	0.001
Darya Khan	Malik Faiz Ahmed	5-Nov-22	10-Nov-22	5	0.054	0.001
Darya Khan	Malik Faiz Ahmed	5-Jan-23	18-Jan-23	7	0.089	0.001
Darya Khan	Malik Faiz Ahmed	5-Feb-23	8-Feb-23	3	0.089	0.001
Darya Khan	Malik Faiz Ahmed	5-Mar-23	9-Mar-23	4	0.089	0.001
Darya Khan	Malik Faiz Ahmed	5-Apr-23	10-Apr-23	5	0.089	0.001
Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	5-Sep-22	12-Sep-22	7	2.603	0.036
Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	5-Nov-22	17-Nov-22	7	1.378	0.019
Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	5-Dec-22	16-Dec-22	7	1.378	0.019
Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	5-Feb-23	15-Feb-23	7	1.378	0.019
Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	5-Mar-23	29-Mar-23	7	1.378	0.019
Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	5-Apr-23	6-Apr-23	1	1.378	0.003
Kamar Mashani	Qamar Uddin	1-Jul-22	13-Jul-22	7	0.055	0.001
Kamar Mashani	Qamar Uddin	5-Aug-22	16-Aug-22	7	0.025	0.000
Kamar Mashani	Qamar Uddin	5-Sep-22	21-Sep-22	7	0.015	0.000
Kamar Mashani	Qamar Uddin	5-Oct-22	10-Oct-22	5	0.015	0.000
Kamar Mashani	Qamar Uddin	5-Nov-22	17-Nov-22	7	0.015	0.000
Kamar Mashani	Qamar Uddin	5-Dec-22	16-Dec-22	7	0.025	0.000
Kamar Mashani	Qamar Uddin	5-Feb-23	8-Feb-23	3	0.025	0.000
Kamar	Qamar Uddin	5-Mar-23	12-Mar-23	7	0.025	0.000

Mashani						
Kamar Mashani	Qamar Uddin	5-Apr-23	6-Apr-23	1	0.025	0.000
Piplan	Malik Faiz Ahmed	1-Jul-22	13-Jul-22	7	0.529	0.007
Piplan	Malik Faiz Ahmed	5-Aug-22	16-Aug-22	7	0.238	0.003
Piplan	Malik Faiz Ahmed	5-Sep-22	12-Sep-22	7	0.143	0.002
Piplan	Malik Faiz Ahmed	5-Oct-22	10-Oct-22	5	0.143	0.001
Piplan	Malik Faiz Ahmed	5-Nov-22	17-Nov-22	7	0.143	0.002
Piplan	Malik Faiz Ahmed	5-Jan-23	18-Jan-23	7	0.238	0.003
Piplan	Malik Faiz Ahmed	5-Feb-23	8-Feb-23	3	0.238	0.001
Piplan	Malik Faiz Ahmed	5-Mar-23	9-Mar-23	4	0.238	0.002
Piplan	Malik Faiz Ahmed	5-Apr-23	10-Apr-23	5	0.238	0.002
Gondal	Qamar-u-Din	5-Sep-22	10/13/2022	7	4.971	0.070
Gondal	Qamar-u-Din	10/5/2022	10/14/2022	7	4.971	0.070
Gondal	Qamar-u-Din	11/5/2022	11/13/2022	7	4.971	0.070
Gondal	Qamar-u-Din	5-Dec-22	12/20/2022	7	5.524	0.077
Gondal	Qamar-u-Din	5-Jan-23	1/27/2023	7	5.524	0.077
Gondal	Qamar-u-Din	3/5/2023	3/15/2023	10	5.524	0.110
Domel	Naveed Ahmad Khan	9/5/2022	11/17/2022	7	2.209	0.031
Domel	Naveed Ahmad Khan	10/5/2022	12/1/2022	7	2.209	0.031
Domel	Naveed Ahmad Khan	11/5/2022	12/8/2022	7	2.209	0.031
Domel	Naveed Ahmad Khan	12/5/2022	12/21/2022	7	3.682	0.052
Gali Jagir	Naveed Ahmad Khan	9/5/2022	11/17/2022	7	0.334	0.005
Gali Jagir	Naveed Ahmad Khan	10/5/2022	12/1/2022	7	0.334	0.005
Gali Jagir	Naveed Ahmad Khan	11/5/2022	12/8/2022	7	0.334	0.005
Gali Jagir	Naveed Ahmad Khan	12/5/2022	12/21/2022	7	0.556	0.008
Chakwal	Naveed Ahmad Khan	8/5/2022	8/12/2022	7	2.209	0.031
Chakwal	Naveed Ahmad Khan	9/5/2022	12/30/2022	7	1.325	0.019
Chakwal	Naveed Ahmad Khan	10/5/2022	1/9/2023	7	1.325	0.019
Chakwal	Naveed Ahmad Khan	11/5/2022	2/2/2023	7	1.325	0.019
Chakwal	Naveed Ahmad Khan	12/5/2022	3/3/2023	7	2.209	0.031
Chakwal	Naveed Ahmad Khan	1/5/2023	4/4/2023	7	2.209	0.031
Chakwal	Naveed Ahmad Khan	2/5/2023	5/16/2023	7	1.591	0.022
Talagang	M. Tariq	9/5/2022	10/13/2022	7	1.493	0.021
Talagang	M. Tariq	1/5/2023	1/12/2023	7	2.488	0.035
Talagang	M. Tariq	2/5/2023	2/8/2023	3	2.488	0.015
Talagang	M. Tariq	3/5/2023	3/8/2023	3	2.488	0.015
Gujjar Khan	M. Kashan Qureshi	9/5/2022	10/1/2022	7	0.059	0.001
Gujjar Khan	M. Kashan Qureshi	11/5/2022	11/22/2022	7	0.035	0.000
		<b>G.Total</b>				<b>7.394</b>

**Annexure-PCMMDC-I**

**6.4.10 Loss to Government due to non-recovery of PST– Rs 279.056 million**

**Rs in million**

Sr. No	Name of Division	Name of Cattle Market	Name of Contractor	Amount of Contract (Rs)	Amount Received (Rs)	PST
1	Lahore	Shahpur	Muhammad Zaheer Mughal	902.100	813.530	130.165
2		Sheikhupura	Muhammad Ismail	255.050	230.009	36.801
3		Nankana	Javaid Iqbal	1.800	1.623	0.260
4		Pattoki	Muhammad Kashan Qureshi	1.525	1.375	0.220
5	Gujranwala	Gujrat	Mujahid Ashraf S/o Muhammad Ashraf	135.500	122.196	19.551
6		Hafizabad	Jawad Shabbir S/o Shabbir Hussain	135.500	51.855	8.297
7		M.B.Din	Younas Hussain S/o Aleem Ud Din	135.500	28.416	4.547
8		Zafarwal	Jawad Shabbir S/o Shabbir Hussain	7.150	6.448	1.032
9		Eminabad	Younas Hussain S/o Aleem Ud Din	135.500	0.969	0.155
10	Sargodha	Bhalwal	Muhammad Zaheer Mughal	113.000	101.905	16.305
11		Sillanwali	Raja Faisal Sardar	6.428	5.797	0.928
12		Khushab	Muhammad Ashraf	151.010	128.771	20.603
13		Adhi Sargal	Qamar Uddin	1.003	0.905	0.145
14		Quaidabad	Innayat Ullah Khan	1.311	1.182	0.189
15		Bhakkar	Innayat Ullah Khan	56.600	51.043	8.167

16		Saray Muhajar	Muhammad Hassan Rafique	8.001	7.215	1.154
17		Chandni Chowk	Malik Faiz Ahmed	9.700	8.748	1.400
18		Darya Khan	Malik Faiz Ahmed	1.090	0.983	0.157
19		Mianwali, Ban Hafiz Jee, Wan Bachran	Qamar Uddin	12.250	12.250	1.960
20		Kamar Mashani	Qamar Uddin	0.301	0.271	0.043
21		Piplan	Malik Faiz Ahmed	2.911	2.625	0.420
22	Rawalpin di	Gondal	Qamar-u-Din s/o Abdul Majeed	67.510	67.510	10.802
23		Domel	Naveed Ahmad Khan S/o Dilbar Khan	45.000	45.000	7.200
24		Gali Jagir	Naveed Ahmad Khan S/o Dilbar Khan	6.800	6.800	1.088
25		Chakwal	Naveed Ahmad Khan S/o Dilbar Khan	27.000	21.301	3.408
26		Talagang	M. Tariq S/o Muhammad Ramzan	30.414	24.691	3.951
27		Gujar Khan	M. Kashan Qureshi S/o M. Ijaz Qureshi	0.715	0.687	0.110
				<b>2250.669</b>		<b>279.057</b>

**Annexure-MCG-B**

**8.4.1 Irregular expenditure on Jashan-e-Baharan – Rs 3.825 million**

**Rs in million**

<b>Sr No</b>	<b>Head Detail</b>	<b>Object</b>	<b>Cheque No.</b>	<b>Date</b>	<b>Amount</b>
1	Bill Sply Pnflx Jshn Bahrn	A03918	4702210327	4/17/2023	0.199
2	Bill Sply Jshn Bhrn Shnla bgh	A03918	4702210327	4/17/2023	0.198
3	bill sply chr cln sofa jshn bhrn	A03918	4702210327	4/17/2023	0.200
4	Bill Sply Bky Jshn bhrn	A03918	4702210327	4/17/2023	0.199
5	Bill Sply Psnflx Jshn Bhrn	A03918	4702210327	4/17/2023	0.199
6	bill sply Psnflx jshn bhrn	A03918	4702210327	4/17/2023	0.199
7	Bill Sply Pnflx Jshn Bahrn	A03918	4702210327	4/17/2023	0.199
8	Bill Sply Pnflx Wd frm	A03918	4702210327	4/17/2023	0.199
9	Bill Sply Pnflx Jshn bhrn	A03918	4702210327	4/17/2023	0.199
10	Bill Sply Pnflx Jshn bhrn	A03918	4702210327	4/17/2023	0.198
11	Bill Sply Pnflx Jshn bhrn	A03918	4702210327	4/17/2023	0.199
12	Bill Sply Pnflx Jshn bhrn	A03918	4702210327	4/17/2023	0.197
13	Bill Sply gnrttr desl Jshn bhrn	A03918	4702210327	4/17/2023	0.199
14	Bill Sply Pnflx Jshn bhrn	A03918	4702210327	4/17/2023	0.198
15	Bill Sply Pnflx Shnwla bgh	A03918	4702210327	4/17/2023	0.198
16	Bill Sply Pnflx Jshn bhrn	A03918	4702210327	4/17/2023	0.199
17	Bill Sply Pnaflx Jshn bhrn	A03918	4702210327	4/17/2023	0.198
18	Bill Sply Snd Sytm jshn Bhrn	A03918	4702210327	4/17/2023	0.198
19	Bill Sply Snd Sytm jshn Bhrn	A03918	4702210327	4/17/2023	0.168
20	Bill Sply Flx Pnflx jshn bhrn	A03918	4702210327	4/17/2023	0.082
				<b>Total</b>	<b>3.825</b>

**Annexure-MCG-C**

**8.4.2 Loss to Govt. due to non-collection of land conversion fee –  
Rs 52.834 million**

**Rs in million**

<b>Sr. No</b>	<b>Date of DPDC Meeting</b>	<b>Description of Case</b>	<b>Nature of Building</b>	<b>Total Area (marla)</b>	<b>Rate per marla</b>	<b>Total Value (Rs)</b>	<b>Conversion fee</b>
1	24.06.2023	Conversion fee for construction of Commercial Building by Mr. Faqeerullah S/O Allah Ditta	Market	6 Kanal 17 Marla	1.565	214.405	21.440
2	30.01.2023	Conversion fee for construction of Commercial Building by Mr. Asghar Hussain S/O Mashriq Ahmed	Land	48 Marla	6.160	301.285	30.128
3	13.01.2022	Conversion fee for construction of Commercial Shop by Mr. Aress Tahir S/O M. Tahir	Shop	01-128/272 Marla	6.850	10.138	1.014
4	17.02.2022	Conversion fee for construction of Commercial Shop by Mr. M. Adan S/O M. Hussain	Shop	200 SQF	3.425	2.518	0.252
<b>Total</b>							<b>52.834</b>

## 8.4.3 Non-recovery of rent of shops – Rs 30.271 million

Rs in million

Name of Market	Shop No.	Name of Occupant	Arrear from	Arrears	Current	Total
Adda Gondalanwala North	1	M Yaqoob S/O Peeran Ditta / Mehmood Abdullah	2020-21	0.506	0.340	0.846
Adda Gondalanwala North	2	Zahoor ul haq + Inam Ul haq + FiazUl haq S/O Muhammad Hussain	2020-21	0.334	0.227	0.561
Adda Gondalanwala North	3	M Ishfaq S/O Muhammad Ayoub	2020-21	0.368	0.227	0.594
Adda Gondalanwala North	4	M Ishfaq S/O Muhammad Ayoub	2020-21	0.368	0.227	0.594
Adda Gondalanwala South	1	Muhammad Rafiq S/O Fazal Din	Since the Estab. of MC	1.178	0.118	1.296
Adda Gondalanwala South	2	GhulamNabi S/O Taj Din	-do-	1.316	0.136	1.451
Adda Gondalanwala South	3	Muhammd Aslam S/O Noor Muhammd	-do-	0.888	0.087	0.975
Adda Gondalanwala South	4	Anayatullah S/O Hassan Baxsh (4-A)	-do-	0.610	0.063	0.673
Adda Gondalanwala South	5	Abdul Rashid S/O Peeran Ditta (4-B)	-do-	0.715	0.127	0.843
Adda Gondalanwala South	6	Muhammad Rafiq S/O Muhammad Hussain	-do-	1.294	0.131	1.425
Adda Gondalanwala South	7	Murad Ali + Muhammad Ishaq	-do-	1.154	0.121	1.276
Adda Gondalanwala South	8	Ali Muhammad S/O Imam Din	-do-	1.103	0.114	1.217
Adda GondalanwalaSouth	9	M Aslam + M. Jameel + Dastagheer + Tanveer Ahmad S/O AnayatUllah	-do-	1.146	0.115	1.261
Adda Gondalanwala South	10	M Aslam + M. Jameel + Dastagheer + Tanveer Ahmad S/O AnayatUllah	-do-	1.199	0.136	1.335
Adda Gondalanwala South	11	M Irfan + M Aslam S/O Tanveer Ahmad	-do-	1.333	0.137	1.471
Adda Gondalanwala South	12	Abdul Ghafoor S/O Muhammd Shafi	-do-	1.009	0.121	1.130
Adda Gondalanwala South	13	Bahadar Khan S/O Fathy Khan	-do-	1.207	0.110	1.317
Adda Gondalanwala South	14	Shahda Raham+Najma Rehman+ Uzma Rehman D/O Abdul Rehman	-do-	1.215	0.115	1.330
Adda Gondalanwala South	15	Shahda Raham+Najma	-do-	1.794	0.123	1.917

Name of Market	Shop No.	Name of Occupant	Arrear from	Arrears	Current	Total
		Rehman+ Uzma Rehman D/O Abdul Rehman				
Adda Gondalanwala South	16	M Ibrahim + M Yaqoob	-do-	1.206	0.123	1.329
Adda Gondalanwala South	17	M Tanveer S/O Karam Ehlahi	-do-	1.174	0.087	1.260
Adda Gondalanwala South	18	M Tanveer S/O Karam Ehlahi	-do-	1.317	0.113	1.430
Adda Gondalanwala South	19	FazalKarim S/O Allah Ditta	-do-	1.269	0.116	1.385
Adda Gondalanwala South	20	Abdul Karim S/O Allah Ditta	-do-	1.206	0.123	1.329
Adda Gondalanwala South	21	M Irfan+ M Usman S/O Tanveer Ahmad	-do-	0.927	0.123	1.050
Adda Gondalanwala South	22	M Aslim+ Dastagheer+ Tahveer Ahmad S/O AnayatUllah	-do-	0.870	0.106	0.976
		<b>Total</b>				<b>30.271</b>

**Annexure-MCG-E**

**8.4.5 Non-imposition of penalty, recovery thereof - Rs 6.570 million**

**Rs in million**

Name of Scheme	Name of Contractor	Work Order No. Date	Time Period	Bill Date	Agreement Amount	Status	Penalty
Rehabilitation of Street around Madrassa Aalmi Adara Tanzeem-UI-Islam Model Town Gujranwala.	Ali Enterprises	04/MOI/MCG Dated 05.10.2022	2 Months	1st running bill dated 03.12.22	1.1939	W.I.P	0.12
Repair / Rehabilitation of link Road at Ghoray Shah Bazar and Gallah Mehar Wazir Wala MC Gujranwala.	KUC Builders Pvt. Ltd.	08/MOI/MCG 23.12.2022	3 Months	1st running bill dated 08.08.23	19.4470	W.I.P	1.94
Repair / Rehabilitation of Link Road Gondlanwala Phatak to Jinnah Stadium UC-02 MC Gujranwala.	Ghulam Sarwar Virk	15/MOI/MCG Dated 31.12.2022	3 Months	1st running bill dated 08.08.23	15.4000	W.I.P	1.54
Repair / Rehabilitation of Slaughter House Municipal Corporation, Gujranwala.	Mian Munir	3/MOI/MCG Dated 09.09.2022	2 Months	1st running bill dated 27.12.22	3.0348	W.I.P	0.30
Repair/Rehabilitation of Gallah Janaz Gah Graveyard Wala Rajkot, Municipal Corporation, Gujranwala.	Usman Aqeel Khokhar	07/MOI/MCG 23.12.2022	3 Months	1st running bill dated 20.09.23	15.3400	W.I.P	1.53
Repair/Rehabilitation of Garjakh Road and Main Road Ali Gee Town, Municipal Corporation, Gujranwala.	Qaisar Ismail	06/MOI/MCG Dated 23.12.2022	3 Months	1st running bill dated 01.09.23	11.3563	W.I.P	1.14
<b>Total</b>					<b>65.772</b>		<b>6.57</b>

### 8.4.6 Unauthorized expenditure on account of hiring of machinery on eve of Eid Ul Azha and lifting of solid waste – Rs 6.830 million

Rs in million

<b>Detailed object</b>		<b>A03919</b>		
<b>Description</b>	<b>Cheque No.</b>	<b>Date of cheque</b>	<b>Vendor</b>	<b>Amount</b>
Bill supply of 2 vehicles on Eid Ul Azha on rent	4702179896	24/08/2022	M/s Ali Enterprises	0.192
Bill supply of 2 vehicles on Eid Ul Azha on rent	4702179896	24/08/2022	M/s Ali Enterprises	0.182
Bill supply of 2 vehicles on Eid Ul Azha on rent	4702179896	24/08/2022	M/s Ali Enterprises	0.196
Bill supply of 2 vehicles on Eid Ul Azha on rent	4702179896	24/08/2022	M/s Ali Enterprises	0.192
Bill supply of 2 vehicles on Eid Ul Azha on rent	4702179896	24/08/2022	M/s Ali Enterprises	0.192
Bill supply of 2 vehicles on Eid Ul Azha on rent	4702179896	24/08/2022	M/s Ali Enterprises	0.182
<b>Sub total</b>				<b>1.136</b>
<b>Detailed object</b>		<b>A03408</b>		
Bil Tractor TraliJamiaJafria	4702187613	5/5/2023	Hafiz Enterprises	0.191
Bill Trctr Trali RattaJhaal	4702187613	5/5/2023	Hafiz Enterprises	0.191
Bill Exavator Machine Garjakh	4702187613	5/5/2023	Hafiz Enterprises	0.198
BilSplyExvtr Mchn RntHdr Clny	4702212072	5/6/2023	Ishtaiq Ahmad	0.199
Bill Bucket Tractor etc DC RD	4702187615	5/5/2023	M I Construction	0.193
Bill Exavatr & Tractr Slkt Bypas	470217614	5/5/2023	Ishtaiq Ahmad	0.198
Bill Exavtr & Trctr Kcha emnabd	470217614	5/5/2023	Ishtaiq Ahmad	0.197
Bill Exavtr & Trctr Kashmr Rd	470217614	5/5/2023	Ishtaiq Ahmad	0.195
Bill Exbtr Trctr Trol y Mslm Rd	4702187615	5/5/2023	M I Construction	0.199
Bill Exvtr Rent Chn Da Qila	4702206845	3/22/2023	M I Construction	0.198
Bill Exvtr Trctr	4702187613	5/5/2023	Hafiz Enterprises	0.197

Troly Md Twm				
Bill Exvtr Trctr Etc Gurnank	4702187613	5/5/2023	Hafiz Enterprises	0.199
Bill ExvtrTrctrfTrolley Awn Chk	470217614	5/5/2023	Ishtaiq Ahmad	0.198
Bill Prvte mchnry front blde	4702158819	1/8/2022	Ali Enterpriser	0.194
Bill Prvte Mchnry Ner Crown	4702158819	1/8/2022	Ali Enterpriser	0.198
Bill Private mchnry	4702158820	1/8/2022	Ishtaiq Ahmad	0.197
Bill Provd Front Blade Sale Point	4702191921	21/11/2022	Muaz& Co	0.198
Bill Provd Front Blade Sale Point	4702191921	21/11/2022	Muaz& Co	0.196
Bill Provd Front Blade lifting Mughl	4702191921	21/11/2022	Muaz& Co	0.188
Bill Rent Tractor Bld Frnsisabd	4702187615	5/5/2023	M I Construction	0.199
Bill Rent Tractor BldJinah Rd	4702187615	5/5/2023	M I Construction	0.198
Bill Sply Exvtr Mchn Rn tNoshra	4702212061	5/6/2023	M I Construction	0.197
Bill Sply Exvtr Mchn Rnt Kcha kl	4702212062	5/6/2023	Ishtaiq Ahmad	0.199
Bill Sply Exvtr Mchnshprrd	4702212073	5/6/2023	M I Construction	0.196
Bill SplyExvtr Rat Chal	4702206842	3/21/2023	M I Construction	0.198
Bill Sply Exvtr Mchne Rnt DC RD	4702212072	5/6/2023	Ishtaiq Ahmad	0.194
Bill Sply Exvtr Mchne RtaChl	4702212073	5/6/2023	M I Construction	0.199
Bill Sply Mchn Rntslkt Byps	4702212061	5/6/2023	M I Construction	0.198
Bill Sply Mchn Rnt Gap chk	4702212061	5/6/2023	M I Construction	0.193
<b>Sub total</b>				5.694
<b>Grand total</b>				<b>6.830</b>

## Annexure-MCG-G

### 8.4.7 Overpayment on account of RCC (1:2:4) - Rs 2.236 million

Rs in million

Name of Scheme	Name of Contractor	Work Order No. Date	Bill Date	Description	QTY	Rate	Amount
Repair/Rehabilitation of Gallah Janaz Gah Graveyard Wala Rajkot	Usman Aqeel Khokhar	07/MOI/MC G 23.12.2022	1st running bill dated 20.09.23	R.C.C 1:1.5:3	12499	25	0.312
Repair/Rehabilitation of Garjakh Road and Main Road Ali Gee Town	Qaisar Ismail	06/MOI/MC G Dated 23.12.2022	1st running bill dated 01.09.23	R.C.C 1:2:4	525	25	0.013
Repair/Rehabilitation of Nowshera Road from Chowk Nayian to Sagheer Park, Nowshera Sansi Road, Bazar	Ishtiaq Ahmed	24/MOI/MC G Dated 24.01.2023	1st running bill dated 21.06.23	R.C.C 1:1.5:3	6710	25	0.168
Repair/Rehabilitation of Jinnah Road MC Gujranwala.	Four Star Naru Construction Company	16/MOI/MC G Dated 04.01.2023	1st running bill dated 07.10.23	R.C.C 1:2:4	15015	25	0.375
Repair/Rehabilitation of Gulshan-e-Adeel Road Kangni wala, Road Check Post wala Bazar to G.T Road	Ishtiaq Ahmed	19/MOI/MC G Dated 10.01.2023	1st running bill dated 15.05.23	R.C.C 1:1.5:3	9696	25	0.242
Repair / Rehabilitation of Link Road Gondlanwala Phatak to Jinnah Stadium UC-02	Ghulam Sarwar Virk	15/MOI/MC G Dated 31.12.2022	1st running bill dated 08.08.23	R.C.C 1:1.5:4	4725	25	0.118
Repair / Rehabilitation of RCC Road Peoples Colony Right and Left Side Under pass	Muhammad Asif Khan	14/MOI/MC G Dated 31.12.2022	1st running bill dated 07.10.23	R.C.C 1:1.5:4	15888	25	0.397
Repair / Rehabilitation of Fattomand Chowk Gujranwala	Muhammad Younas Ameen	13/MOI/MC G Dated 31.12.2022	1st running bill dated 24.06.23	R.C.C 1:1.5:3	6170	25	0.154
Repair / Rehabilitation of Slaughter House	Mian Munir	3/MOI/MCG Dated 09.09.2022	1st running bill dated 27.12.22	R.C.C 1:2:4	735	25	0.018
Repair / Rehabilitation of Prao Road, Katcha Sheikhupura Road, Bank Road and Road at Haidary Under Pass	Four Star Naru Construction Company	17/MOI/MC G Dated 04.01.2023	1st running bill dated 24.06.23	R.C.C 1:1.5:3	16999.65	25	0.425
Repair of Boundary Wall of Chungi Wala Graveyard, Hafizabad Road	Ali Enterprises	02/MOI/MC G Dated 05.08.2022	1st running bill dated 27-10-2022.	R.C.C 1:2:4	486.82	25	0.014
<b>Total</b>							<b>2.236</b>

## Annexure-MC JLM-B

### 9.4.4 Non-imposition of penalty for late completion of development schemes

**Rs in million**

Sr. No.	Name of Scheme	Start Date	Date of completion	Estimated Cost	Expenditure up to 30-06-2023	Amount of Liabilities For the Year 2023-2024	10% Penalty
1.	Rehabilitation of Street / Drain / Sewerage Arsal Town C/O Faisal	25.1.21	15.5.21	0.700	0.657	42,500	0.070
2.	Rehabilitation of Street / Drain / Sewerage Mohallah Christian C/O Malik Asif	25.1.21	15.5.21	1.500	1.289	210,667	0.150
3.	Rehabilitation of Street / Drain / Sewerage Nawab Town C/O CH. Mubarik	25.1.21	15.5.21	0.800	0.137	662,431	0.080
4.	Const of street drain allied works chamjad wali kala gujran.	25.1.21	15.5.21	0.600	0.451	148,146	0.060
5.	Const: of path/ street PCC, from disposal station suleman paras to main road suleman paras.	25.1.21	15.5.21	1.000	0.052	947,827	0.100
6.	Construction of street is about 2200feet concrete C/O arfanqurishmohallahqurishankalagujran	25.1.21	15.5.21	1.000	0.524	475,544	0.100
7.	Construction of Street madni masjid to shakelkrayan store ,galimalikqadir boar wali , gali sheikh janmahromwali, galimalikmuner to shakelkrayan store wali , gali sheikh hassan to malikrafi ,galimalik froze wali, galihabbib metro bank wali , road tariknarsri to choudarykhadam house wali , gali raja Mohammad hussian to choudaryarifwali, gali inspector javadwali and galimohallah khan samnawali, machine mohallah No.2 . C/O Maqsood Ahmed Butt	25.1.21	15.5.21	1.000	0.959	41,000	0.100
8.	Construction of RCC Slab Cover Nullah Civil Line Road OpposieShaloom Center	25.1.21	15.5.21	0.500	0.314	185,110	0.050
9.	Const: of Street & P/L Sewerage C/O Shamshair Kala Gujran	25.1.21	15.5.21	1.500	0.871	628,063	0.150
10.	Const: of NullahMoziaKothaGorsianmonan Const: of street and nullah from house ChDawadMonan to DeeraMehar Muhammad Khan Monan c/o ChsaedMonan	25.1.21	15.5.21	1.000	0.672	327,255	0.100
11	Providing/ Laying & Rehabilitation of Sewerage Line Tehsil Road Tevta College Road Stadium SulemanParas Jhelum	6.1.22	06.4.22	4.950	3.814	1,135,496	0.495
<b>TOTAL</b>				<b>14.550</b>	<b>9.745</b>	<b>4.804</b>	<b>1.455</b>

**Annexure-MC JLM-C**

**9.4.5 Non-imposition of fine – Rs 1.800 million**

**Rs in million**

<b>S. No.</b>	<b>Name &amp; Address</b>	<b>No. of storeys</b>	<b>Plot Area</b>	<b>Status</b>	<b>Fine to be imposed</b>
1.	AkhterHussain s/o Ch. Muhammad Khan, Plot No. 50, 51, 52, Road No. 1 Block-C	07	5405 Sqft.	Un-approved	0.100
2.	ShahzadHussain s/o Muhammad Rashid, Plot No. 84, Road No. 1, Block-C	07	1841 Sqft.	Un-approved	0.100
3.	AnsarMehmood s/o KhadimHussain, Plot No. 17, Road NO. 11, Block-G.	04	456 Sqft.	Un-Approved	0.100
4.	ShaukatMehmood s/o MehboobHussain, Plot No. 18, Road No. 11 Block-G	04	456 Sqft.	Un-Approved	0.100
5.	Tariq Javed s/o Bashir Javed, Plot No. 35 Road No. 1 Block-A	07	1817 Sqft.	Un-Approved	0.100
6.	AsifMehmood s/o Nazir Ahmed, Plot No. 15, Road No. 1, Block-B	07	1800 Sqft.	Un-Approved	0.100
8.	SajidMehmood s/o Muhammad Ashraf, Plot No. 11, Road No. 5 Block-G	04	450 Sqft.	Un-Approved	0.100
9.	Babar Saleem s/o Muhammad Saleem, Plot No. 19, Block-K	04	450 Sqft.	Un-approved	0.100
10.	YounasRehman s/o Muhammad Rafique, Plot No. 67, Road No. 2, Block-C	07	939 Sqft.	Un-Approved	0.100
11.	Khalil urRehman s/o ManzoorEllahi, Plot NO. 10 Road No. 2 Block-B	04	454 Sqft.	Un-Approved	0.100
12.	Muhammad Aslam s/o Muhammad Kamal, Plot NO. 11, Road No. 2 Plot –B	03	454 Sqft.	Un-Approved	0.100
13.	SajidMehmood, Plot No. 11, Road No. 5 Block-G	04	450 Sqft.	Un-Approved	0.100
14.	ZahidMehmood, Plot No. 33, Road No. 1, Block-C	07	1844 Sqft.	Un-Approved	0.100
16.	AtifMehmood, Plot No. 12, Road No. 1, Block-A	07	1877 Sqft.	Un-Approved	0.100
17.	Hassan Akhter, Plot No. 52, Road No. 2, block, C.	07	939 Sqft.	Un-Approved	0.100

<b>S. No.</b>	<b>Name &amp; Address</b>	<b>No. of storeys</b>	<b>Plot Area</b>	<b>Status</b>	<b>Fine to be imposed</b>
18.	IqbalHussain, Plot No. 86, Road No. 1 Block-C.	07	1841 Sqft.	Un-Approved	0.100
19.	Yasir Adnan, Plot No. 19, Block-C	07	1832 Sqft.	Un-Approved	0.100
20.	SajidMehmood, Plot No. 96, Road No. 1 Block-C	07	1841 Sqft.	Un-Approved	0.100
<b>Total</b>					<b>1.800</b>

**Annexure-MCL-B**

**10.4.1 Fraudulent payment on account of qanat and scaffolding –  
Rs 80.519 million**

**B-I**

Sr. No.	Cheque No. dated	Name of Zone	Amount paid by MO (Regulations) Muharram 2022		Amount paid by MO (Infrastructure) Muharram 2022		
			Scaffolding	Qannat	Cheque dated	no.	Scaffolding
1	9117342738 dated 5.12.2022	Ravi	9.496	1.459	9117332302 / 10.8.22	9.496	1.459
2		DGB	6.125	1.240	9117332294 / 10.8.22	6.125	-
3		Samnabad	1.911	1.014	9117332290 / 16.8.22	1.911	1.014
4		Allama Iqbal	5.305	2.066	9117332306 / 10.8.22	5.305	2.066
5		Aziz Bhatti	2.936	1.184	9117332298 / 10.8.22	2.936	1.184
6		Wahga	0.394	1.046	9117332286 / 10.8.22	0.394	1.046
7		Gulerg	1.558	1.395	9117332331 / 11.8.22	2.378	5.921
8		Shalamar	1.312	1.318	9117332328 / 11.8.22	5.085	6.053
9		Nishter	1.968	2.015		-	-
<b>Total</b>			<b>31.004</b>	<b>12.736</b>		<b>33.630</b>	<b>18.743</b>

**B-2**

Sr. No.	Name of Zone	Amount paid by MO (Regulations) Chehlum 2022		Amount paid by MO (Infrastructure) Chehlum 2022	
		Scaffolding	Qannat	Scaffolding	Qannat
1	Ravi	3.798	0.583	12.575	4.876
	Ravi	-	-	1.294	0.041
2	DGB	2.250	0.439	9.362	-
<b>Total</b>		<b>6.048</b>	<b>1.022</b>	<b>23.230</b>	<b>4.917</b>

**Grand Total = A + B = Rs 52.372 + Rs 28.147 = Rs 80.519 million**

## Annexure-MCL-C

### 10.4.2 Unlawful recruitment of employees – Rs 1.216 million

(a)

First Name	Designation	Rate per month Rs	Salary Rs million 21.03.23 to 30.06.23
Attique Ahmed s/o Muhammad Shafique	Naib Qasid	0.029	0.068
Miss Mehwish d/o Sanaullah	Bulavi	0.029	0.068
Muhammad Hassaan Riaz s/o Muhammad Riaz-ud-din	Baildar	0.029	0.068
<b>Total</b>			0.204

(b)

Name	Designation	Closing date of application	Age limit	Relaxation years	Required Date of Birth	Date of birth of selected candidate	Rate per month	Salary Rs million 21.03.23 to 30.06.23
Muhammad Asim Sikandar Bhatti	N/Q	19-11-2022	25	7	18-11-1990	12-07-1988	0.029	0.068
Basharat Ali	Baildar	19-11-2022	25	7	18-11-1990	16-07-1989	0.029	0.068
<b>Total</b>								0.136

(c)

Name of candidate	Discrepancy	Rate per month	Salary Rs million 21.03.23 to 30.06.23
Mr. Bilal Husain s/o Falak Shair CNIC 38406-0531534-3	Appointed as Baildar and was a resident of Bhabrah, Tehsil Kot Momin, District Sargodha, as per CNIC. There are doubts about the validity of the domicile issued on 31-12-2012, considering the individual's date of birth as 15-02-2003.	0.029	0.068
Mr. Rameez Ahmad s/o Muhammad Haneef CNIC No.34103-6132672-5	Appointed as Naib Qasid. Permanent resident of Fateh Ki, Tehsil Noshera Virkan District Gujranwala as mentioned in his CNIC and this address was also mentioned in his application by him. Domicile issued date was on 18-1-2023	0.029	0.068
<b>Total</b>			0.136

(d-1)

Quotas allocated under different categories

Vacancies advertised	Quotas	%age	No. of vacancies	No. of vacancies Rounded off	Appointed against quota	Deviation
58	Disable	3%	1.74	2	1	-1
	Minorities	5%	2.9	3	1	-2
	Women	15%	8.7	9	9	0
	In service / retired employee's children	20%	11.6	11	3	-8
	Open merit	57%	33.06	33	44	+11
		100%	58	58	58	

(d-2)

Sr. No	Name of candidate	Designation	Seniority No.	Rate per month	Salary Rs million 21.03.23 to 30.06.23
1	Attique Ahmed s/o Muhammad Shafique	Naib Qasid	Not included in merit list	0.029	0.068
2	Miss Mehwish d/o Sanaullah	Bulavi	-do-	0.029	0.068
3	Muhammad Hassaan Riaz s/o Muhammad Riaz-ud-din	Baildar	-do-	0.029	0.068
4	Sawera Areej d/o Mahmood Ashgar	Balavi	-do-	0.029	0.068
5	Shafqat Naz d/o Muhammad Ashraf	Balavi	-do-	0.029	0.068
6	Mehwish d/o Sana Ullah	Balavi	-do-	0.029	0.068
7	Muhammad Azeem s/o Muhammad Tanveer	Baildar	3178	0.029	0.068
8	Muhammad Kshif s/o Muhammad Bati	Baildar	3179	0.029	0.068
9	Bilal Hassan s/o Falak Sher	Baildar	3180	0.029	0.068
10	Muhammad Omar s/o Sikandar Azam	Naib Qasid	3181	0.029	0.068
11	Anas Khan s/o Ain-ul-haq	Naib Qasid	3182	0.029	0.068
<b>Total</b>					<b>0.748</b>

## 10.4.3 Non-deduction of SSB Allowance (D-1)

<b>Scrutiny Committee Meeting Held on 14-5-2020</b>					
<b>Sr. No.</b>	<b>Name of officials with Parentage</b>	<b>Designation</b>	<b>B.P.S</b>	<b>Name of office</b>	<b>Deduction of SSB 30%</b>
1	Muhammad Faisal S/o Malik Sham-ud-Din	Baildar	1	Metropolitan Officer (Infra), MC, Lahore	184,565
2	Masood-al-Badar S/o Badar-ud-Duja	Baildar	1	Metropolitan Officer (Infra), MC, Lahore	184,565
3	Syed Zubair Hassan S/o Syed Ahmed Hassan	Naib Qasid	1	Metropolitan Officer (Infra), MC, Lahore	184,565
4	Muhammad Sufyan S/o Safdar Ali	Baildar	1	Metropolitan Officer (Infra), MC, Lahore	184,565
5	Asif Amin S/o Muhammad Amin	Naib Qasid	1	Field Office/Registration Center No. 43 MC, Lahore	184,565
6	Faisal Rafique S/o Muhammad Rafique	Junior Clerk	11	Metropolitan Officer (Regulation), defunct Allama Iqbal Zone MCL	184,565
7	Manna Masih S/o Ishaq Masih	Mali	1	Chief Public Relation Officer, MCL	184,565
8	Muhammad Dilawar S/o Hanif Ali	Baildar	1	Metropolitan Officer (Regulation), MCL	184,565
9	Amir Hussain S/o Khalid Hussain	Baildar	1	Metropolitan Officer (Regulation), MCL	184,565
10	Muhammad Adnan S/o Muhammad Javaid	Baildar	1	Metropolitan Officer (Regulation), MCL	184,565
11	Muhammad Waqar Yousef S/o Muhammad Yousef	Naib Qasid	1	Metropolitan Officer (Planning), MCL	184,565
12	Syed Ali Hassan S/o Syed Mohsin Muzaffar	Naib Qasid	1	Deputy Chief Officer MCL	184,565
13	Hafiz Zeeshan S/o Muhammad Ramzan	Junior Clerk	11	Administrator (Transport)(P&FTT),MCL	184,565
14	Haniyam Sawaira D/o Malik Dost Muhammad	Junior Clerk	11	Deputy Director (Public Facilities), MCL	184,565
15	Ammar Bin Baidar S/o Baidar Hussain Awan	Junior Clerk	11	Metropolitan Officer (finance) defunct Allama Iqbal Zone, MCL	184,565
16	Samra Ramzan D/o Muhammad Ramzan	Junior Clerk	11	Defunct Deputy Chief Officer, DGB, Zone MCL, Now MO (Regulation) defunct DGB Zone MCL	184,565
				<b>TOTAL</b>	<b>2,953,040</b>
<b>Scrutiny Committee Meeting Held on 15-11-2019</b>					
<b>Sr. No.</b>	<b>Name of officials with Parentage</b>	<b>Designation</b>	<b>B.P.S</b>	<b>Name of office</b>	<b>Deduction of SSB 30%</b>
1	Rana Shaharyar Zafar S/o Muhammad Zafar Rana	Junior Clerk	11	Deputy Chief Officer, DGB, Zone MCL	165,114
2	Mudassar Hussain Butt S/o Muhammad Ashraf Butt	Junior Clerk	11	Zonal Officer (Infra), DGB Zone, MCL	165,114
3	Sajjad Sabir Hussain S/o Sabir Hussain	Junior Clerk	11	Metropolitan Officer (Services), MCL	165,114
4	Ali Arshad S/o Muhammad Arshad	Naib Qasid	1	PSO to Administrator, MCL	165,114
5	Muhammad Bashir Khan S/o Muhammad Hanif Khan	Junior Clerk	11	PSO to Administrator, MCL	165,114
6	Faizan Tariq S/o Muhammad Tariq	Naib Qasid	1	Deputy Director (Public Facilities), MCL	165,114
7	Sidra Shaheen Wd/o Raja Shahid Habib	Junior Clerk	11	Metropolitan Officer (Regulation), MCL	165,114
8	Muhammad Waqas Sharif S/o Muhammad Sharif	Book Binder	4	Shah Muhammad Ghous Library, MCL O/o MO (Service), MCL	165,114
9	Asma Abid D/o Muhammad Abid Ali	Typist	5	Shah Muhammad Ghous Library, MCL O/o MO (Service), MCL	165,114
10	Muhammad Azan S/o Muhammad younas	Naib Qasid	1	Deputy Chief Officer, Shalamar Zone, MCL	165,114

11	Muhammad Sagheer S/o Muhammad Bashir Khan	Naib Qasid	1	Deputy Chief Officer, Shalamar Zone, MCL	165,114
12	Sameer Allah Rakha S/o Allah Rakha	Naib Qasid	1	Deputy Chief Officer, Shalamar Zone, MCL	165,114
13	Hafiz Ahmed Saleem S/o Saleem Ahmed	Chowkidar	1	Deputy Chief Officer, Shalamar Zone, MCL	165,114
14	Inran Ahmed S/o Muhammad Anees	Naib Qasid	1	Zonal Officer (Infra), Ravi Zone, MCL	165,114
15	Khuram Latif S/o Muhammad Latif	baildar	1	Zonal Officer (Infra), Ravi Zone, MCL	165,114
16	Qaiser Ali S/o Abdul Rasheed	Junior Clerk	11	ZO (Planning), DGB Zone, MCL presently working in E&A branch LG&CD Department	165,114
17	Waqar Wajahat S/o Wajahat Hussain	Junior Clerk	11	ZO (Finance) Nishtar Zone, MCL	165,114
18	Ahsan Ikhtlaq S/o Muhammad Ikhtlaq Khan	baildar	1	MO (Planning), MCL	165,114
19	Faiq Ahmed Rana S/o Muhammad Javaid	Road Gang Baildar	1	MO (Infra), MCL	165,114
20	Sabir Hussain S/o Faqeer Hussain	Dumper Cleaner	1	MO (Infra), MCL	165,114
21	Muhammad Usman S/o Allah Ditta	Gangman	1	ZO (Regulation), Allama Iqbal Zone, MCL	165,114
<b>TOTAL</b>					<b>3,467,394</b>
<b>GRAND TOTAL</b>					<b>6,420,434</b>

#### Overpayment of Conveyance Allowance (D-2)

<b>MO (Services)</b>				
S.No.	Name	Registration	Vehicle Used	Amount Rs
1	Mr. Kashif	LEG 2737	Pothohar Jeep	60,000
2	Mian Waheed	LEG 9595	Cultus	60,000
3	Riaz Shad	LOU 9814	Jeep	60,000
4	Waheed Foreman	LOD 7328	Mcycle	60,000
5	Tariq	LOJ 8200	Car	60,000
6	Azeem	LXL 5816	Margalla	60,000
7	MO Services	LOV 3007		60,000
				<b>420,000</b>
<b>Litigation &amp; Council Office:</b>				
Sr. No.	Name & Designation	Place of posting	Vehicle No. (Motor Cycl)	Overpayment
1	Zulfiqar Anjum, Junior Clerk	Litigation Branch	LEG-6395	34,272
2	Muhammad Asif, Court Assistant	Litigation Branch	LEG-1681	34,272
3	Shakeel Ahmed	Litigation Branch	LEG-6396	34,272
4	Shahbaz Ali, Naib Qasid	Council Officer Branch	LHZ-8102	10,800
5	Nasir Ali, Naib Qasid	Council Officer Branch	LHZ-1923	21,420
6	Ijaz Ahmed, Naib Qasid	Council Officer Branch	LWR-3494	21,420
Total				156,456
<b>Grand Total</b>				<b>6.996 million</b>

#### 10.4.4 Unauthorized expenditure on pay & allowances without approved posts -Rs16.841 million

Name of the official	Designation with BPS	Annual Amount
Noman Ahmad	(Incharge IT Department) BPS 18	1.493
Asif Iqbal	Senior Computer Operator BPS-17	1.384
Zakir Rashid	Senior Computer Operator BPS-17	1.315
Muhammad Akhtar Qureshi	Asstt Computer Operator BPS-15	0.596
Sohail Bhatti	Computer Operator BPS-15	0.596
Haroon Rasheed	Senior Computer Operator BPS-16	0.677
Shahzad Ajmal	Computer Operator BPS-15	0.596
Saleem Sial	Senior Computer Operator BPS-16	0.677
Syed Khurram Raza	Computer Operator BPS-15	0.596
Zubair Ahmad	Senior Computer Operator BPS-16	0.677
Naveed Akhtar	Computer Operator BPS-15	0.596
Asif Ali	Computer Operator BPS-15	0.596
Khurram Liaquat	Computer Operator BPS-16	0.677
Muhammad Asif Liaquat	Computer Operator BPS-15	0.596
Gul Sher Khan	Senior Computer Operator BPS-16	0.677
Muhammad Amir Yaseen	Senior Computer Operator BPS-16	0.677
Syed Ain Zaidi	Senior Computer Operator BPS-16	0.677
Imrana Ramzan	Computer Operator BPS-15	0.596
Shazia Yaqoob	Senior Computer Operator BPS-16	0.677
Sofia	Senior Computer Operator BPS-16	0.677
Nabeela Shaheen	Computer Operator BPS-15	0.596
Raees Ahmad Khan	Computer Operator BPS-15	0.596
Nadeem Hussain	Computer Operator BPS-15	0.596
		<b>16.841</b>

**Annexure-MCL-F**

**10.4.6 Irregular expenditure on arrangements of traffic load management camps – Rs 59.955 million**

**Rs million**

Object code	Dated	Vendor	Cheque no.	Description	Amount
3970	05.08.2022	M/s ANW Enterprizer	9117332176	Provision of Tentage Items i.e. Gazebo regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	7.056
3970	05.08.2022	M/s Ibrahim Impex	9117332180	Provision of Labour regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	3.326
3970	05.08.2022	M/s ANW Enterprizer	9117332175	Provision of Electrical Items i.e. Generator 6KVA regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	3.024
	05.08.2022	M/s ANW Enterprizer	9117332175	Fuel Charges	25.592
3970	05.08.2022	M/s City Graphics	9117332182	Provision of Flex Banner regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	0.952
3970	05.08.2022	M/s Zeeshan Enterprises	9117332181	Provision of Flex Banner regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	0.806
3970	05.08.2022	M/s Rashid Ali Awan Enterprises	9117332177	Provision of Tentage Items i.e. Chair regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	0.726
3970	05.08.2022	M/s Farooq & Company	9117332178	Provision of Tentage Items i.e. Table Iron regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	0.585
3970	05.08.2022	M/s Amjad Ali	9117332179	Provision of Electric Items i.e. Pedestal Fan regarding Arrangements of Traffic Load Management Camps at 24 main Road of Distt. Lahore for 16.05.2022 to 25.07.2022	0.262
9601	10.08.2022	M/s Hadi Enterpriser	9117332277	Provision of Printed Jackets & Caps regarding Traffic Load Management Camps, MCL for Shalamar Zone MCL	0.153
9601	10.08.2022	M/s Shahzaib & Co	9117332278	Provision of Printed Jackets & Caps regarding Traffic Load Management Camps, MCL for A.I Zone MCL	0.152
9601	10.08.2022	M/s Hadi Enterpriser	9117332277	Provision of Printed Jackets & Caps regarding Traffic Load Management Camps, MCL for Aziz Bhatti Zone MCL	0.152
9601	10.08.2022	M/s Hadi Enterpriser	9117332277	Provision of Printed Jackets & Caps regarding Traffic Load Management Camps, MCL for Wahga Zone MCL	0.151
3970	06.08.2022	M/s Rehaan Traders	9117332210	Supply of Biryani and Drinking Water to 28 Nos. for Traffic Load Management Camps .	17.019
					<b>59.956</b>

**10.4.12 Overpayment on account of Chehlum – Rs 102.222 million**

Rs in millions

Cheque issue Date	Name of Payee	Cheque No.	Description of Bill	Amount paid	Amount to be paid for 01 day	Overpayment (Rs)
16.11.2022	M/s Amjad Ali	9117342365	Arrangement of Generator 150KVA and Hanger Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Aziz Bhatti Zone from 17 to 20 Safar ul Muzaffar 2022	2.980	0.993	1.987
16.11.2022	M/s ANW Enterprizer	9117342366	Arrangement of Tower Stands for Majlis e Aza & Jaloos under jurisdiction of Aziz Bhatti Zone from 17 to 20 Safar ul Muzaffar 22	3.033	1.011	2.022
16.11.2022	M/s Rafique Enterprises	9117342367	Arrangement of Generator 100KVA and Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Aziz Bhatti Zone from 17 to 20 Safar ul Muzaffar 2022	4.569	1.523	3.046
16.11.2022	M/s Rashid Ali Awan Enterprises	9117342368	Arrangement of Generator 200KVA and Wire 7/0.064 & 19/0.083 for Majlis e Aza & Jaloos under jurisdiction of Aziz Bhatti Zone from 17 to 20 Safar ul Muzaffar 2022	4.756	1.585	3.171
16.11.2022	M/s Amjad Ali	9117342373	Arrangement of Generator 150KVA and Hanger Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Wahga Zone from 17 to 20 Safar ul Muzaffar 2022	1.848	0.616	1.232
16.11.2022	M/s ANW Enterprizer	9117342374	Arrangement of Tower Stands for Majlis e Aza & Jaloos under jurisdiction of Wahga Zone from 17 to 20 Safar ul Muzaffar 22	2.426	0.809	1.617
16.11.2022	M/s Rafique Enterprises	9117342375	Arrangement of Generator 100KVA and Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Wahga Zone from 17 to 20 Safar ul Muzaffar 2022	3.866	1.289	2.577
16.11.2022	M/s Amjad Ali	9117342381	Arrangement of Generator 150KVA and Hanger Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Samanabad Zone from 17 to 20 Safar ul Muzaffar 2022	2.410	0.803	1.607
16.11.2022	M/s ANW Enterprizer	9117342382	Arrangement of Tower Stands for Majlis e Aza & Jaloos under jurisdiction of Samanabad Zone from 17 to 20 Safar ul Muzaffar 22	3.931	1.310	2.621
16.11.2022	M/s Rafique Enterprises	9117342383	Arrangement of Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Samanabad Zone from 17 to 20 Safar ul Muzaffar 2022	5.831	1.944	3.888

16.11.20 22	M/s Rashid Ali Awan Enterprises	9117342384	Arrangement of Generator 200KVA & 5KVA and Wire 7/0.064, for Majlis e Aza & Jaloos under jurisdiction of Samanabad Zone from 17 to 20 Safar ul Muzaffar 2022	12.133	4.044	8.089
16.11.20 22	M/s Amjad Ali	9117342385	Arrangement of Generator 150KVA and Hanger Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Data Gunj Bux Zone from 17 to 20 Safar ul Muzaffar 2022	1.957	0.652	1.305
16.11.20 22	M/s Rafique Enterprises	9117342387	Arrangement of Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Data Gunj Bux Zone from 17 to 20 Safar ul Muzaffar 2022	6.831	2.277	4.554
16.11.20 22	M/s Rashid Ali Awan Enterprises	9117342388	Arrangement of Generator 200KVA & 5KVA, Wire 7/0.064, 7/0.044 & 19/0.083 and Scaffolding for Majlis e Aza & Jaloos under jurisdiction of Data Gunj Bux Zone from 17 to 20 Safar ul Muzaffar 2022	14.306	4.769	9.538
16.11.20 22	M/s Amjad Ali	9117342389	Arrangement of Generator 150KVA and Hanger Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Ravi Zone from 17 to 20 Safar ul Muzaffar 2022	6.686	2.229	4.457
16.11.20 22	M/s Rafique Enterprises	9117342391	Arrangement of Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Ravi Zone from 17 to 20 Safar ul Muzaffar 2022	6.725	2.242	4.483
16.11.20 22	M/s Rashid Ali Awan Enterprises	9117342392	Arrangement of Generator 200KVA & 5KVA, Wire 7/0.064, 7/0.044 & 19/0.083 and Scaffolding & Kanat for Majlis e Aza & Jaloos under jurisdiction of Ravi Zone from 17 to 20 Safar ul Muzaffar 2022	22.234	7.411	14.822
16.11.20 22	M/s Amjad Ali	9117342405	Arrangement of Generator 150KVA and Hanger Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Allama Iqbal Zone from 17 to 20 Safar ul Muzaffar 2022	1.306	0.435	0.871
16.11.20 22	M/s Rafique Enterprises	9117342407	Arrangement of Beam Lights 500W for Majlis e Aza & Jaloos under jurisdiction of Allama Iqbal Zone from 17 to 20 Safar ul Muzaffar 2022	5.793	1.931	3.862
16.11.20 22	M/s Rashid Ali Awan Enterprises	9117342408	Arrangement of Generator 200KVA & 5KVA, Wire 7/0.064, 7/0.044 & 19/0.083 and Scaffolding & Kanat for Majlis e Aza & Jaloos under jurisdiction of Allama Iqbal Zone from 17 to 20 Safar ul Muzaffar 2022	8.072	2.691	5.382
19.01.20 23	M/s ANW Enterprizer	9117347054	Arrangement of Tower Stands & Emergency Vans regarding Main Procession of Shahadat Hazrat Imam Hassan on 27 & 28 Safar ul Muzaffar 2022 at Mochi Gate	0.674	0.337	0.337

			Lahore			
19.01.20 23	M/s Rafique Enterprises	9117347055	Arrangement of Beam Lights 500Watt and Generator 100 KVA regarding Main Procession of Shahadat Hazrat Imam Hassan on 27 & 28 Safar ul Muzaffar 2022 at Mochi Gate Lahore	0.837	0.419	0.419
19.01.20 23	M/s Rashid Ali Awan Enterprises	9117347056	Arrangement of Generator 50 KVA, Qanat, Scaffolding & Wire regarding Main Procession of Shahadat Hazrat Imam Hassan on 27 & 28 Safar ul Muzaffar 2022 at Mochi Gate Lahore	3.367	1.684	1.684
21.1.23	M/s ANW Enterprizer	9117347119	Arrangement of lights 19&20 safar Gulberg	12.460	4.153	8.307
			Arrangement of fuel 19&20 Safar ul Muzaffar 2022 Gulberg zone	12.118	4.039	8.078
			Arrangement of wire 19&20 Safar ul Muzaffar 2022 Gulberg zone	3.403	1.134	2.269
				<b>154.554</b>	<b>52.331</b>	<b>102.223</b>

### 10.4.14 Loss on account of hiring of tentage–Rs 315.302 million

#### H-1

Vendor	Mandi	Item	Qty	Sft	Rate Paid Per Sft	Rate To Be Paid As Per Pcmmdc / sft	Excess Paid	Average Days	Recoverable Rs in million
Rafique Enterprises	Near Kahna Kacha Interchange Gulberg Zone	Kuppa 45x45	204	413100	2.12	0.58	1.54	10	6.362
Rafique Enterprises	LT. university main campus near Paragon society	Kuppa 45x45	274	554850	2.12	0.58	1.54	10	8.545
Ibrahim impex	LT. university main campus near Paragon society	Dera Patti 60 x 90	170	918000	3.05	0.58	2.475	10	22.721
Ibrahim impex	LT. university main campus near Paragon society	Qanat Jersi 15 X 7	175	18375	1.476	0.95	0.526	10	0.097
Ibrahim impex	Near Kahna Kacha Interchange Gulberg Zone	Dera Patti 60 x 90	74	399600	3.05	0.58	2.47	10	9.870
Ibrahim impex	Near Kahna Kacha Interchange Gulberg Zone	Qanat Jersi 15 X 7	140	14700	1.476	0.95	0.526	10	0.077
Ibrahim impex	LT. university main campus near Paragon society	Labor	24		1750	700	1050	12	0.302
Ibrahim impex	Near Kahna Kacha Interchange Gulberg Zone	Labor	18		1750	700	1050	15	0.284
ANW Enterprizer	LT. university main campus near Paragon society	Dera 60 x 90	93	502200	3.51	0.58	2.93	12	17.657
ANW Enterprizer	Near Kahna Kacha Interchange Gulberg Zone	Dera 60 x 90	34	183600	3.51	0.58	2.93	12	6.455
				2971350			0		72.370

#### H-2

Zone	Vendor	Mandi	Item	Qty	Sft	Area Covered in Acres	Rate Paid Per Day Per Sft	Rate To Be Paid As Per Pcmmdc	Excess Paid	Average Days	Recoverable (Rs in million)
Ravi	Rashid Ali Awan Enterprises	Baakar Mandi Hazrat Abubakar Siddique Road, Hazraty Umar Farooq Road & River Bed Ravi Khalid Town	Kuppa 30 X 30	162	145800	20	2.61	0.58	2.03	12	3.552
Ravi	Rashid Ali Awan Enterprises	Baakar Mandi Hazrat Abubakar Siddique Road, Hazraty Umar Farooq Road & River Bed Ravi Khalid Town	Qanat 15 X 7	105	11025		1.476	0.95	0.526	12	0.070
Ravi	Rafique Enterprises	Baakar Mandi Hazrat Abubakar Siddique Road, Hazraty Umar Farooq Road & River Bed Ravi Khalid Town	Kuppa 45x45	200	405000		2.12	0.58	1.54	12	7.484
Ravi	Anw Enterprizer	Baakar Mandi Hazrat Abubakar Siddique Road, Hazraty Umar Farooq Road & River Bed Ravi Khalid Town	Dera 60 X 90	34	183600		3.52	0.58	2.94	12	6.477
Dgb Zone	Rashid Ali Awan Enterprises	Hazrat Usman-E- Ghani Road, Saggian Road	Kuppa 30 X 30	192	172800	13	2.61	0.58	2.03	12	4.209
Dgb Zone	Rashid Ali Awan Enterprises	Hazrat Usman-E- Ghani Road, Saggian Road	Qanat 15 X 7	80	8400		1.476	0.95	0.526	12	0.053
Dgb Zone	Rafique Enterprises	Hazrat Usman-E- Ghani Road, Saggian Road	Kuppa 45x45	81	164025		2.12	0.58	1.54	12	3.031
Dgb Zone	Anw Enterprizer	Hazrat Usman-E- Ghani Road, Saggian Road	Dera 60 X 90	24	129600		3.52	0.58	2.94	12	4.572
Wahga	Rashid Ali Awan Enterprises	Lakhodair Turkey Road Near Dumping Site	Kuppa 30 X 30	319	287100	50	2.61	0.58	2.03	12	6.994
Wahga	Rashid Ali Awan Enterprises	Lakhodair Turkey Road Near Dumping Site	Qanat 15 X 7	345	36225		1.476	0.95	0.526	12	0.229
Wahga	Rafique Enterprises	Lakhodair Turkey Road Near Dumping Site	Kuppa 45x45	413	836325		2.12	0.58	1.54	12	15.455
Wahga	Anw Enterprizer	Lakhodair Turkey Road Near Dumping Site	Dera 60 X 90	125	675000		3.52	0.58	2.94	12	23.814
Nishter	Anw Enterprizer	Lda Avenue-I Raiwind Road	Dera 60 X 90	59	318600	24	3.51	0.58	2.93	12	11.202
Nishter	Rashid Ali Awan Enterprises	Lda Avenue-I Raiwind Road	Kuppa 30 X 30	183	164700		2.61	0.58	2.03	12	4.012
Nishter	Rashid Ali Awan Enterprises	Lda Avenue-I Raiwind Road	Qanat 15 X 7	75	7875		1.476	0.95	0.526	12	0.050

Nishter	Rashid Ali Awan Enterprizes	Lda Avenue-I Raiwind Road	Kuppa 45x45	197	398925		2.12	0.58	1.54	12	7.372
Nishter	Anw Enterprizer	Lda City Near Sidhar Village Kahna Kacha	Dera 60 X 90	39	210600	15	3.51	0.58	2.93	12	7.405
Nishter	Rashid Ali Awan Enterprizes	Lda City Near Sidhar Village Kahna Kacha	Kuppa 30 X 30	194	174600		2.61	0.58	2.03	12	4.253
Nishter	Rashid Ali Awan Enterprizes	Lda City Near Sidhar Village Kahna Kacha	Qanat 15 X 7	148	15540		1.476	0.95	0.526	12	0.098
Nishter	Rashid Ali Awan Enterprizes	Lda City Near Sidhar Village Kahna Kacha	Kuppa 45x45	82	166050		2.12	0.58	1.54	12	3.069
Nishter	Anw Enterprizer	Near Fruit & Vegetable Market Kacha Lahore	Dera 60 X 90	35	189000	16	3.51	0.58	2.93	12	6.645
Nishter	Rashid Ali Awan Enterprizes	Near Fruit & Vegetable Market Kacha Lahore	Kuppa 30 X 30	284	255600		2.61	0.58	2.03	12	6.226
Nishter	Rashid Ali Awan Enterprizes	Near Fruit & Vegetable Market Kacha Lahore	Qanat 15 X 7	148	15540		1.476	0.95	0.526	12	0.098
Nishter	Rashid Ali Awan Enterprizes	Near Fruit & Vegetable Market Kacha Lahore	Kuppa 45x45	57	115425		2.12	0.58	1.54	12	2.133
Allama Iqbal	Rashid Ali Awan Enterprizes	Nfc Socitery Multan Road Lahore	Kuppa 30 X 30	102	91800	23	2.61	0.58	2.03	12	2.236
Allama Iqbal	Rafique Enterprizes	Nfc Socitery Multan Road Lahore	Kuppa 45x45	188	380700		2.12	0.58	1.54	12	7.035
Allama Iqbal	Anw Enterprizer	Nfc Socitery Multan Road Lahore	Dera 60 X 90	69	372600		3.52	0.58	2.94	12	13.145
Nishter	Anw Enterprizer	Pine Avenue Road Lahore	Dera 60 X 90	87	469800	32	3.51	0.58	2.93	12	16.518
Nishter	Rashid Ali Awan Enterprizes	Pine Avenue Road Lahore	Kuppa 30 X 30	265	238500		2.61	0.58	2.03	12	5.810
Nishter	Rashid Ali Awan Enterprizes	Pine Avenue Road Lahore	Qanat 15 X 7	320	33600		1.476	0.95	0.526	12	0.212
Nishter	Rashid Ali Awan Enterprizes	Pine Avenue Road Lahore	Kuppa 45x45	220	445500		2.12	0.58	1.54	12	8.233
Allama Iqbal	Rashid Ali Awan Enterprizes	Raiwind Manga Mandi Multan Road Lahore	Kuppa 30 X 30	122	109800	15	2.61	0.58	2.03	12	2.675
Allama Iqbal	Rashid Ali Awan Enterprizes	Raiwind Manga Mandi Multan Road Lahore	Qanat 15 X 7	75	7875		1.476	0.95	0.526	12	0.050
Allama Iqbal	Rafique Enterprizes	Raiwind Manga Mandi Multan Road Lahore	Kuppa 45x45	75	151875		2.12	0.58	1.54	12	2.807
Allama Iqbal	Anw Enterprizer	Raiwind Manga Mandi Multan Road Lahore	Dera 60 X 90	52	280800		3.52	0.58	2.94	12	9.907
Allama Iqbal	Rashid Ali Awan Enterprizes	Raiwind Near Haveli Markaz Opposite Nisar Spinning Mills Sundar Road	Kuppa 30 X 30	100	90000	26	2.61	0.58	2.03	12	2.192
Allama Iqbal	Rashid Ali Awan Enterprizes	Raiwind Near Haveli Markaz Opposite Nisar Spinning Mills Sundar Road	Qanat 15 X 7	147	15435		1.476	0.95	0.526	12	0.097
Allama Iqbal	Rafique Enterprizes	Raiwind Near Haveli Markaz Opposite Nisar Spinning Mills Sundar Road	Kuppa 45x45	230	465750		2.12	0.58	1.54	12	8.607
Allama Iqbal	Anw Enterprizer	Raiwind Near Haveli Markaz Opposite Nisar Spinning Mills Sundar Road	Dera 60 X 90	72	388000		3.52	0.58	2.94	12	13.689
Shalamar	Rashid Ali Awan Enterprizes	Sports Complex Adda Rakh Chabeel Near Manawan Hospital Lahore	Kuppa 30 X 30	193	173700	22	2.61	0.58	2.03	12	4.231
Shalamar	Rashid Ali Awan Enterprizes	Sports Complex Adda Rakh Chabeel Near Manawan Hospital Lahore	Qanat 15 X 7	70	7350		1.476	0.95	0.526	12	0.046
Shalamar	Rafique Enterprizes	Sports Complex Adda Rakh Chabeel Near Manawan Hospital Lahore	Kuppa 45x45	137	277425		2.12	0.58	1.54	12	5.127
Shalamar	Anw Enterprizer	Sports Complex Adda Rakh Chabeel Near Manawan Hospital Lahore	Dera 60 X 90	62	334800		3.52	0.58	2.94	12	11.812
<b>Total</b>											<b>242.933</b>
<b>Grand Total = Rs 72.369 + Rs 242.933 = Rs 315.302 million</b>											

**10.4.24 Non-collection of government receipts- Rs 2067.399 million**

I-I

S.No.	Lease Title	Contractor Name	Successful Bid Amount	Deposited	Recoverable
1	Restaurant No.2, Truck Stand, Ravi Link Road	Muhammad Pervaiz	5,625,000	5,161,570	463,430
2	Tuck Shop, Non AC Bus Station, Opp Stand 16, GBS	Ch. M. Siddiq	2,866,440	1,254,570	1,611,870
3	Tuck Shop, AC Station, GBS	Shah Nawaz	323,980	175,300	148,680
			<b>8,815,420</b>	<b>6,591,440</b>	<b>2,223,980</b>

I-2

D & C Register No	CONTRACT	NAME OF CONTRACTOR	DEPOSIT DATE	LATE DAYS	FINE
1	MCL Fee AC Buses City Bus Terminal Sikanderia Colony	AFZAL AHMAD	07/09/22	2	20000
			06/10/22	1	10000
			08/11/22	3	30000
			06/12/22	1	10000
			06/01/23	1	10000
			07/02/23	2	20000
			07/03/23	2	20000
2	Joint Contract Fee MCL Intercity Wagon Fee Sector Multan Road Gulshan Ravi Babu Sabu Hanjerwal Thokar Niaz Baig & Raiwind Road & Sector Ferozepur Road	AFZAL AHMAD	06/09/22	1	10000
			06/10/22	1	10000
			08/11/22	3	30000
			06/12/22	1	10000
			06/01/23	1	10000
			07/02/23	2	20000
			07/03/23	2	20000
3	MCL Fee AC Buses-20-Bays Non AC Buses-22 GBS.	CH. MUHAMMAD SADIQ	06/12/22	1	10000
			10/3/23	5	50000
			11/4/23	6	60000
			09/5/23	4	40000
4	Fee MCL Intercity Wagon Fee Sector Sheikupura Road / Saggian Bridge Road Lahore	CH. MUHAMMAD SADIQ	6/12/22	1	10000
5	Site for Parking Stand inside Jinnah Bus Terminal	CH. MUHAMMAD SADIQ	06/12/22	1	10000
6	Tuckshop PCO & Newspaper No.1 inside Waiting Hall New Bus Terminal (Size 8x9)/Biryani & Slaad No.2 inside waiting hall new bus terminal / Bakers & Sweets No.3 inside Waiting Hall New Bus Terminal / Disposable Fast Food No.4 inside Waiting Hall New Bus Terminal	CH. MUHAMMAD SADIQ	06/12/22	1	10000
7	Fee MCL AC/Non AC Buses Jinnah Terminal Thokar Niaz Baig	CH. MUHAMMAD SADIQ	06/10/22	1	10000
			06/12/22	1	10000
8	Intercity Wagon Fee Sector Gujranwala Road	RASHID ALI AWAN	06/12/22	1	10000
			07/02/23	2	20000
			08/03/23	3	30000
10	Idle Parking Vehicles City Bus Terminal	MUHAMMAD ALI & CO	06/01/23	1	10000
15	Cargo Office City Bus Terminal Sikanderia Colony	KH. NADEEM KASHIF	06/12/22	1	5000
16	Tuck Shop No.1 City Bus Terminal Sikanderia Colony	KH. NADEEM KASHIF	06/12/22	1	5000
17	Tuck Shop No.2 City Bus Terminal Sikanderia Colony	KH. NADEEM KASHIF	06/12/22	1	5000

18	Public Toilet opposite Non AC Buses 22-Bays GBS Badami Bagh	NADEEM ASLAM JUTT	06/12/22	1	5000
19	Tuck Shop front Non AC Buses 7-Bays GBS	NADEEM ASLAM JUTT	06/12/22	1	5000
21	Public Toilet Male & Female inside New Bus Terminal	MUHAMMAD JAVED CH.	06/10/22	1	5000
			06/12/22	1	5000
24	Site for Restaurant No.2 front workshop plot No. 5 Truck Stand Ravi Link Road Lahore	MUHAMMAD PERVAIZ	16/08/22	11	55000
			20/09/22	15	75000
			21/10/22	16	80000
			10/11/22	05	25000
			12/12/22	07	35000
			10/01/23	05	25000
			13/02/23	08	40000
			14/03/23	09	45000
25	Restaurant No. 4 near 7-shops old Truck Stand Ravi Link Rd Lahore.	FAZAL GHANI	09/01/23	04	20000
			07/02/23	02	10000
			11/04/23	06	30000
27	Site for Tuckshop No. 1 Intercity wagon stands 47-Bays	CH.MUHAMMAD SADIQ	6/12/23	01	5000
28	Tuckshop front Non AC Buses 16-Bays General Bus Stand Badami Bagh Lahore.	CH. MUHAMMAD SADIQ	25/10/22	20	100000
29	Porter /Hand Carriage & Mazda Suzuki Pickup Chingchee Rickshaw Fee GBS Badami Bagh	ABAD FAROOQ	12/09/22	07	35000
			06/10/22	01	5000
			14/11/22	09	45000
			06/12/22	01	5000
			12/01/23	07	35000
			09/02/23	04	20000
			11/04/23	06	30000
30	Site for Car/Truck & Mazda Parking Plot No. 1 & rear plot Dispensary old Truck Stand Ravi Link Rd.	ABDUL RAUF	11/11/22	06	60000
			07/12/22	02	20000
31	Contract Parking Fee Bus Coaster Wagon etc. GBS Badami Bagh	MALIK MUHAMMAD RAMZAN	06/10/22	01	10000
			06/12/22	01	10000
32	Site for Tuckshop AC Vehicles parking stand	SHAH NAWAZ	21/11/22	16	80000
<b>TOTAL</b>					<b>1,630,000</b>

### I-3

Demand Details	Monthly Rent	Rent Outstanding	Remarks
01.11.2021 to 31.03.2022	57,100	285,500	Running Rent
01.04.2022 to 30.06.2022	100,000	300,000	Assessment by DRAC
01.07.2022 to 30.06.2023	110,000	1,320,000	With 10% Annual increase
01.07.2023 to 31.01.2024	121,000	847,000	With 10% Annual increase
		<b>2,752,500</b>	

### I-4

S.N	NO. OF CONNECTION	MONTHLY DEMAND	YEARLY DEMAND	ARREARS	TOTAL DEMAND	AMOUNT DEPOSITED	CURRENT DUES

1	740	148,000	1,776,000	10,335,440	12,152,240	93,000	12,065,240
2	810	162,000	1,944,000	5,862,500	7,806,500	404,000	7,392,900
3	1265	253,000	3,036,000	10,659,200	13,690,400	129,000	13,561,400
4	1198	239,600	2,875,200	7,048,400	9,961,600	162,080	9,810,520
5	924	184,800	2,217,600	10,254,300	12,493,500	12,000	12,481,500
6	1303	260,600	3,127,200	15,094,000	18,312,400	121,600	18,190,800
7	940	188,000	2,256,000	4,785,400	7,034,200	583,400	6,450,800
8	2395	479,000	5,748,000	18,287,800	24,028,600	405,800	23,622,800
<b>GT</b>	<b>9575</b>	<b>1,915,000</b>	<b>22,980,000</b>	<b>82,327,040</b>	<b>105,479,440</b>	<b>1,910,880</b>	<b>103,575,960</b>

#### I-5

Demand Details	Arrears upto 30-06-2022	Current Year Demand FY 2022-23	Total Demand FY 2022-23	Received Amount FY 2022- 23	Shortfall
1579 Shops of MCL at 33 Locations	230.224	118.921	349.624	09.413	239.401

#### I-6

Sr. No.	Name of employee	Department	Designation	Scale	Estimated Basic Pay	Per month Penal rent	Penal rent for 12 months	5% maintenance charges	*Recovery
1	Mr. Amin Akbar Chopra	After retirement from MCL more than 06 months	Dir Admn.	18	71310	42786	513432	42,786	556,218
2	Mr. Abdul Rauf Mahar	DC, Office	Additional Deputy Commissioner (R)	18	71310	42786	513432	42,786	556,218
3	Mr. Muhammad Nadeem	DC, Office	Tehsildaar, Shalimar Town	17	56790	34074	408888	34,074	442,962
4	Syed Iqbal Hussain Shah	DC, Office	Suptd. EDO (R) Office, Lahore	17	56790	34074	408888	34,074	442,962
5	Naseem Bibi	Education Department	Lady Teacher	14	26500	15900	190800	15,900	206,700
6	Adeel Ahmad	Health Department	Vaccinator	9	19,430	11658	139896	11,658	151,554
7	Syed Ali Abbas Zaidi	Health Dept.	Storekeeper	7	18010	10806	129672	10,806	140,478
8	Masood ud Din	Commissioner Office	Junior Clerk	11	20283	12169.8	146037.6	12,170	158,207
9	Mahmood Asghar	Law Br.	Naib Qasid	1	17850	10710	128520	10,710	139,230
10	Muhammad Javed	Infra Br.	Mate	5	25730	15438	185256	15,438	200,694
11	Samar Haroon Zaidi	Mayor Office	Naib Qasid	5	25730	15438	185256	15,438	200,694
12	Feroz Khan	MO Infra	Mate	18	71310	42786	513432	42,786	556,218
13	Tariq Mahmood	Ravi Infra	Electrician	5	25730	15438	185256	15,438	200,694
14	Sayara Hayat	DC, Office	Junior Clerk	11	20283	12169.8	146037.6	12,170	158,207
	<b>Total</b>				<b>527,056</b>	<b>316,234</b>	<b>3,794,803</b>	<b>316,234</b>	<b>4,311,037</b>

#### I-7

Sr. No.	Name of Swimming Pool	Address	Amount
1	Wapda Sports Complex	Wapda Sports Complex, Near Wapda Grid Station, Chungi Amar Sadhu, Lahore	0.060
2	Park Lane Hotel	MM Alam Road, Lahore	0.060
3	Sozo Water Park	Canal Road, Lahore	0.060
4	Lahore Gymkhana Golf Club	Mall Road, Gulberg-V, Lahore	0.060
5	Shapes Swimming Pool	50 E-1, Gulberg III, Lahore	0.060
6	XNF Swimming Pool	105-A, Ahmed Block Model Town, Lahore	0.060
7	Punjab International Pool	Block E-2, Gulberg-III, Lahore	0.060
8	Royal Palm Hotel	Canal Bank Road, Lahore	0.060
9	Bata Private Limited	Batapur G.T. Road, Lahore	0.060
10	PHA Khawateen Park	Choras Tanki Green Town, Lahore	0.060
11	The Nishat Hotel	94 Gulberg-III, Lahore	0.060
12	The Nishat Hotel	Adjacent to Emporium Mall, Main Abdul Haque Road, Johar Town, Lahore	0.060

13	Sozo Inn / Luxus Grand Hotel	04- Egirton Road, Opp Awan-e-Iqbal, Lahore	0.060
14	Water Land	Saghyan Road, Saghyan Bai Pass, Lahore	0.060
15	Pearl Continental Hotel	The Mall Road, Lahore	0.060
16	Avari Hotel	Upper Mall, Lahore	0.060
17	Four Point / Hospitality Inn	Egerton Road, Lahore	0.060
18	Sozo Water Park	Canal Road, Lahore	0.060
19	Masco Water Swimming Pool	Azam Chowk, Kamahan Pind, Ferozpur Road, Lahore	0.060
20	Country Club Swimming Pool	Bahria Town, Lahore	0.060
21	Residency Hotel	39-A, Gulberg Lahore	0.060
22	Sukh Chain Swimming Pool	Gulber-III, at the back of Siddique Trade Centre, Lahore	0.060
23	Mehar Brothers	Babu Sabu, Lahore	0.060
24	Malik Water Park	Babu Sabu, Lahore	0.060
25	Mehar Asif	Babu Sabu, Lahore	0.060
26	Maqbool Water Park	Kamahan Pind Near Dera Akhtar Ferozpur Road, Lahore	0.060
27	Johar Town Sports Complex	Near Mian Plaza, Main Johar Town Road, Lahore	0.060
28	Johar Town Sports Complex	Near Mian Plaza, Main Johar Town Road, Lahore	0.060
29	Babu Farm House	Defence Road, Lahore	0.060
30	Mazhar Hussain Fitness Plus	Khyaban-e-Jinnah Road, Lahore	0.060
31	Mian Nasir Rajpoot Farm House	Opp. Rohi Nala, Defence Road, Lahore	0.060
32	Lahore Water Pool	Raiwing Road, Near Safari Park, Lahore	0.060
33	Bhatti Brothers Swimming Pool	Babu Sabu, Lahore	0.060
34	Sada Water Park	Babu Sabu, Lahore	0.060
35	PHA Swimming Pool	LDA Complex, Dongi Ground Samnabad, Lahore	0.060
36	Hotel One Swimming Pool	Gulberg Lahore	0.060
37	Sindhu Swimming Pool	Shadiwal Crossing Motorway, Near Marghzar Colony, Lahore	0.060
		<b>Total Amount</b>	2.220

#### I-8-1

Sr. No.	Name of Shop Keeper	Monthly Rent	Monthly rent approved by DRAC	Difference
1	Ch. Sardar Muhammad S/o Ch. Muhammad Ismail	10570	25000	14430
2	Abdul Razzaq S/o Haji Rahmat Ali	10570	25000	14430
3	Ikram Elahi S/o Lal Din	10570	25000	14430
4	Rana Munir Hussain S/o Mian Karim Baksh	10570	25000	14430
5	Rana Tassadaq Hussain S/o Rana Munir Hussain	10570	25000	14430
6	Muhammad Nazir S/o Ch. Rahmat Ali	10570	25000	14430
7	Mian Muhammad Sharif S/o Haji Mehr Din	10570	25000	14430
8	Khalil Ahmed Qureshi	10570	25000	14430
9	Muhammad Siddique S/o Muhammad Ashraf	10570	25000	14430
10	Nisar Ahmed S/o Khushi Muhammad	10570	25000	14430
11	Naeem Malik S/o Muhammad Boota	10570	25000	14430
12	Malik Fazal Karim S/o Barkat Ali 2) Muhammad Aslam S/o Haji Rahmat Ali	11630	25000	13370
13	Muhammad Rafique Haji Abdul Razzaq S/o Piran Ditta	11910	25000	13090
14	Muhammad Jamil S/o Muhammad Musa	10570	25000	14430
15	Arshad Mehmood S/o Muhammad Ashraf	10570	25000	14430
16	Shoukat Ali S/o Rahmat Ali 2) Abdul Hameed S/o Haji Muhammad Din	10570	25000	14430
17	Muhammad Hanif S/o Muhammad Habib Ullah	10570	25000	14430
18	Muhammad Arif S/o Abdul Latif	10570	25000	14430
19	Abdul Latif S/o Umer Din	10570	25000	14430
20	Sufi Muhammad Yaqoob S/o Haji Muhammad Sufi	10570	25000	14430
21	Muhammad Riaz S/o Muhammad Yaseen	10570	25000	14430
22	Muhammad Irshad Qureshi S/o Akhtar Hussain Qureshi	10570	25000	14430
23	Nazir Hussain S/o Sadar ud din	10570	25000	14430
24	Shahid Taseem S/o Ch. Jilal Din	11780	25000	13220
25	Gulam Rubani S/o Atta Muhammad	10570	25000	14430

26	Khalil Ahmed S/o Muhammad Ismail	11780	25000	13220
27	Abdul Aziz S/o Kh. Muhammad Ishaq	10570	25000	14430
28	Mushtaq Ahmed S.o Karim Baksh	10570	25000	14430
29	Abdul Shakoor S/o Abdul Wahid	11630	25000	13370
30	Abdul Manan S/o Abdul Saleem	10570	25000	14430
31	Haji Abdul Razzaq 2) Muhammad Latif	10570	25000	14430
32	Liaqat Ali S/o Jan Muhammad	11630	25000	13370
33	Muhammad Ashraf S/o Chanan Din 2) Akber Khan S/o Madad Khan	10570	25000	14430
34	Abdul Ghafoor S/o Abdul Wahid	5285	12500	7215
34-A	Muhammad Iqbal S/o Miraj Din	5285	12500	7215
35	Ghulam Muhammad S/o Jamal Din	10570	25000	14430
36	Muhammad Iqbal S/o Noor Muhammad	10570	25000	14430
37	Muhammad Rafique S/o Piran Ditta	10570	25000	14430
38	Sufi Muhammad Riaz S/o Fazal Din	10570	25000	14430
39	Open Space from Serial No. 39 to Serial No. 47 are allocated for construction of shops			
48	Muhammad Rafique S/o Fazal Din	10570	25000	14430
49	Muhammad Saeed S/o Muhammad Ibrahim	10570	25000	14430
50	Muhammad Ashiq S/o Muhammad Ramzan	10570	25000	14430
51	Kh. Muhammad Latif S/o Muhammad Abdullah	10570	25000	14430
52	Muhammad Saeed S/o Allah Bakhsh	10570	25000	14430
53	Azhar Hussain S/o Hassan Din	10570	25000	14430
54	Syed Shafqat Hussain Shah S/o Fazal Hussain Shah	10570	25000	14430
55	Muhammad Sharif S/o Khalil Ahymed	10570	25000	14430
56	Irfaz Elahi S/o Ahsan Elahi	10570	25000	14430
57	Abad Ullah Butt S/o Abdullah Butt	10570	25000	14430
58	Safdar Mehmood S/o Ghulam Mohy ud Din	10570	25000	14430
59	Kh. Abdul Qayyum S/o Kh. Abdul Latif	10570	25000	14430
60	Muhammad Yamin S/o Sher Muhammad	10570	25000	14430
61	Ghulam Nabi S/o Ahmed Din	10570	25000	14430
62	Muhammad Hassan S/o Muhammad Ali	10570	25000	14430
63	Muhammad Latif S/o Muhammad Siddique	10570	25000	14430
64	Zaheer ud Din Butt 2) Zika ud Din Butt 3) Alla ud Din Butt S/o Miraj Din Butt	3550	25000	21450
		581270	1375000	793730
<b>RENTED OPEN LAND</b>				
1	Umer Daraz S/o Rahmat Ali 2) Naseer Ahmed S/o Muhammad Yousaf near Plot No. 10.	9920	25000	15080
2	Abdul Razzaq S/o Haji Muhammad Din	9920	25000	15080
3	Mushtaq Ahmed S/o Haji Abdul Raheem near plot No.10.	9920	25000	15080
4	Mushtaq Ahmed S/o Haji Abdul Raheem near Plot No. 10.	9920	25000	15080
5	Gul Akber Khan near Shop No.33	18135	25000	6865
		57815	125000	67185
				860,915

#### I-8-2

Sr. No.	Name of Shop Keeper	No of Shops	Monthly Rent	Monthly rent approved by DRAC	Difference	Loss due to rent received less than assessment
1	Market Gulistan Colony, Dharam pura, Lahore	15	3500	10000	6500	97,500
2	Shuja Market, Millat Road, Lahore	13	5500	8000	2500	32,500
3	Jail Road Underpass near Services Hospital	16	0	28000	28000	448,000
4	MCL Markets CO Unit Raiwind	256	10792	25000	14208	3,637,248

5	Shops at GBS	56	8730	25000	16270	911,120
6	Open Plots at General Bus Stand	5	8800	25000	16200	81,000
						<b>5,207,368</b>

**I-8-3**

Sr. No.	No. of shops	Current rent received (Avg)	Rent assessed per shop (Rs)	Difference	Loss for two year
1	256	10,792	25,000	14,208	87,293,952

**I-8-4**

Sr. No.	Market	No. of shops	Current rent received (Avg)	Rent assessed per shop (Rs)	Difference	Loss for one year
1	Market Gulistan Colony	15	3500	10000	6500	2340000
2	Plots/ shops near Dharampura	2	5700	15000	9300	446400
3	Tehsil Bazar Said Mitha	6	5341	10000	4659	670896
4	Chohan Colony	4	1600	5000	3400	326400
5	Shuja Market	13	5500	8000	2500	780000
6	Jinnah Market Township	17	15000	28000	13000	5304000
		<b>57</b>		<b>Total</b>		<b>9,867,696</b>

## Annexure-MC-Sialkot-B

### 12.4.2 Non-imposition of penalty for late completion of development schemes-recovery thereof Rs 27.099 million

Sr No	AD P Sr No	Name of work	Tender Amount	Name of Contractor	Physical Progress	Work order No & Date	time completion	Penalty @10%
1	75	CONSTRUCTION OF STREETS IN MUHALLAH HALEEM PURA U-C PINDI ARRAIAN SIALKOT	9,850,000	Muhammad Suleman Saleem	85%	622 dt 22.11.22	90	985,000
2	88	CONSTRUCTION OF MAIN AND LINK STREETS ZAFAR MIR WALI, MUHALLAH SHUJABAD	10,577,000	Gill Construction	40%	523 dt 22.11.22	90	1,057,700
3	49	CONSTRUCTION OF STREET SABIR WALLI, MASJID AHLE HADEES WALI AND OTHER STREETSUC TALWARA MUGHLAN.	8,045,000	Hafiz Nasarullah Bajwa	75%	473 dt 22.11.22	90	804,500
4	4	CONSTRUCTION OF STREET FROM SUNNY TAILOR TOWARDSNADEEM BUTT CHOWKMOHALAH CHAPRI AND LINK STREETS UNION COUNCIL SHAHAB PURA	6,000,000	Shaheer Enterprises	60%	569 dt 22.11.22	60	600,000
5	73	CONSTRUCTION OF MAIN AND LINK STREETS ASLAM GUJJAR WALI, VILLAGE JODHAY WALI	4,500,000	Kashif Ishaq & Co.	90%	509 dt 22.11.22	60	450,000
6	15	CONSTRUCTION OF STREET GATE NO 2 CAMP GUJERIAN AND LINK UNION COUNCIL KOTLI BEHRAM	5,000,000	H/F Construction	90%	476 dt 22.11.22	60	500,000
7	3	CONSTRUCTION OF STREET FROM ABDUL AZIZ KARYANA STORE TOWARDS JAVID HOUSE MOHALAH CHAPRI AND LINK STREETS IN UNION COUNCIL SHAHAB PURA	5,000,000	Malik Shakeel Arif	90%	488 dt 22.11.22	60	500,000
8	5	PROVIDING AND INSTALLATION OF FILTRATION PLANT IN U/C SHAHAB PURA	4,000,000	Mir & Sons	50%	493 dt 22.11.22	60	400,000
9	9	CONSTRUCTION OF STREET FROM KHAN COLONY TOSTREET SOHAIL BUTT , AND LINK STREETS IN UNION COUNCIL HAJI PURA BAN	5,000,000	Ch. Mustaq Ahmed Sulehri	40%	485 dt 22.11.22	60	500,000
10	10	CONSTRUCTION OF STREET EID GHAAH ROAD, MUHALLAH EID GHAAH, AND LINK STREETS IN UNION COUNCIL PACCA GHARAH	5,000,000	M/s Z I N Group	70%	490 dt 22.11.22	60	500,000
11	12	CONSTRUCTION OF STREET A2, HAJI QADEER, AND LINK STREETS IN UNION COUNCIL PACCA GHARAH	5,000,000	Abdul Majeed Gujar	80%	512 dt 22.11.22	60	500,000
12	16	CONSTRUCTION OF JINNAH STREET, MODEL TOWN, AND LINK STREETS IN UNION COUNCIL MODEL TOWN	7,500,000	M.S Islam-ud-Din & Co	60%	518 dt 22.11.22	90	750,000
13	17	CONSTRUCTION OF BAIT-UL-MUKARAM PARK MODEL TOWN AND LINK STREETS IN UNION COUNCIL MODEL TOWN	7,500,000	Aescon Pvt Ltd	95%	520 dt 22.11.22	90	750,000
14	18	CONSTRUCTION OF STREET MASJID IBN-E-ABAS WALI, MUHALLAH BOGHRA AND LINK STREETS IN UNION COUNCIL	5,000,000	Muhammad Hussain Builders	50%	510 dt 22.11.22	60	500,000

Sr No	AD P Sr No	Name of work	Tender Amount	Name of Contractor	Physical Progress	Work order No & Date	time completion	Penalty @10%
		FATEH GHARH						
15	19	CONSTRUCTION OF STREET SHOAB BUTT, MUHALLAH FATEH GHARH, STREET IFTIKHAR WALI, STREET JAVED WALI AND LINK STREETS IN UNION COUNCIL FATEH GHARH	5,000,000	Muhammad Nasir	50%	522 dt 22.11.22	60	500,000
16	20	CONSTRUCTION OF STREET IHSAN SPORTS WALI AND LINK STREETS, MUHALLAH SHAH ABAD, HAJI PURA ROAD UNION COUNCIL HAJI PURA	10,000,000	Farooq Construction Co.	80%	521 dt 22.11.22	90	1,000,000
17	21	CONSTRUCTION OF STREET ZULFIQAR WALI, MUHALLAH MUMTAZ PURA, AND LINK STREETS IN UNION COUNCIL HAJI PURA	5,000,000	Muhammad Suleman Saleem	80%	501 dt 22.11.22	60	500,000
18	22	CONSTRUCTION OF STREET SHAIKHAN WALI NEAR JAMIYA MASJID AND LINKS UNION COUNCIL HAJI PURA	5,000,000	Muhammad Nasir	60%	512 dt 22.11.22	60	500,000
19	23	CONSTRUCTION OF STREET THAKEDARAIN WALI NEAR CONVET SCHOOL AND LINKS UNION COUNCIL HAJI PURA	5,000,000	Malik Muhammad Azaam	95%	507 dt 22.11.22	60	500,000
20	24	CONSTRUCTION OF STREET RANA MAJEED, MUHALLAH TANKY WALA, AND LINK STREETS IN UNION COUNCIL FATEH GHARH	5,000,000	Muhammad Hussain Builder	90%	427 dt 22.11.22	60	500,000
21	25	CONSTRUCTION OF STREET MEHAR HANEEF, STREET YOUNUS, STREET AMAN ULLAH AND LINK STREETS, UNION COUNCIL MIANA PURA.	5,000,000	Abdul Majeed Gujjar	50%	422 dt 22.11.22	60	500,000
22	29	CONSTRUCTION OF STREET NO.6, MUHALLAH MUZAFAR PUR, AND LINK STREETS IN UNION COUNCIL MUZAFAR PUR	5,000,000	Malik Amjad Hussain	90%	435 dt 22.11.22	60	500,000
23	30	CONSTRUCTION OF STREET FROM MASJID HAMZA TO MAIN ROAD MUZAFAR PUR, AND LINK STREETS IN UNION COUNCIL MUZAFAR PUR	5,000,000	Abdul Majeed Gujjar	90%	503 dt 22.11.22	60	500,000
24	31	CONSTRUCTION OF STREET ZAHEER SCHOOL WALI, MUHALLAH MUZAFAR PUR, AND LINK STREETS IN UNION COUNCIL MUZAFAR PUR	5,000,000	Malik Muhammad Azaam	80%	508 dt 22.11.22	60	500,000
25	35	CONSTRUCTION OF STREETS SHABEER KARYANA STORE WALL, JANZAIB WALI AND OTHER STREETS VILLAGE ALUCHAK U-C TALWARA MUGHLAN	7,585,000	Hafiz Nasarullah Bajwa	80%	511 dt 22.11.22	90	758,500
26	51	CONSTRUCTION OF STREET KAKAY WALI GRAVEYARD, TALWARA MUGHLAN	5,800,000	Mir & Sons	50%	473 dt 22.11.22	60	580,000
27	62	CONSTRUCTION OF STREET MASJID MUHAMMAD HUSSAIN WALI, MUHALLAH PORAN HEERAN	5,359,000	Ch. Sanaullah Goraya	50%	473 dt 22.11.22	60	535,900
28	71	CONSTRUCTION OF STREETS AND NULLAH FROM MUSHTAQ CHOWK TO TUBE WELL AND	11,500,000	Hafiz Nasarullah Bajwa	50%	473 dt 22.11.22	90	1,150,000

Sr No	AD P Sr No	Name of work	Tender Amount	Name of Contractor	Physical Progress	Work order No & Date	time completion	Penalty @10%
		LINK STREETS VILLAGE JODEWALI U-C PINDI ARRAIAN SIALKOT						
29	77	CONSTRUCTION OF STREETS, DRAINS, SEWERAGE IN MUHALLAH ARSHAD PURA, U-C PINDI ARAIYAN	10,000,000	Aescon Pvt Ltd	60%	622 dt 22.11.22	90	1,000,000
30	86	CONSTRUCTION OF STREETS SADIQUE BAGE WALI AND LINK STREETS AHMED NAGAR BONGA U-C PINDI ARRAIAN	13,000,000	Farooq Construction	90%	523 dt 22.11.22	90	1,300,000
31	87	CONSTRUCTION OF STREET NAEEM ASKARI,GOVT.SCHOOL WALI AND OTHER STREETS VILLAGE KISHNAWALI U-C PINDI ARRAIAN SIALKOT.	4,250,000	Ali Usman Zafar	90%	473 dt 22.11.22	60	425,000
32	102	CONSTRUCTION OF STREET MASTER ZAHOR WALI, MUHALLAH NIZAMABAD	4,666,000	Mir & Sons	70%	512 dt 22.11.22	60	466,600
33	104	CONSTRUCTION OF ROAD TOHEED SHAH, REHMAN PURA	13,942,000	Aescon Pvt Ltd	70%	473 dt 22.11.22	90	1,394,200
34	107	CONSTRUCTION OF SEWERAGE SYSTEM AT CHRISTIAN BASTI, DOBURJI MALIYAN	6,000,000	MS Ali Bajwa & Co	80%	622 dt 22.11.22	60	600,000
35	109	CONSTRUCTION OF STREET SABAR KHAN WALI AND MAIN STREET PATHANA WALI, ALI TOWN, HAMZA GHOUSE	9,843,000	Ch Mushtaq Ahmed Sulehri	50%	523 dt 22.11.22	90	984,300
36	119	CONSTRUCTION OF STREET SHAFQAAT GERNAL STORE WALI,SARWAR KHARAL WALI,MADRISA DARUL ALOOM WALI AND OTHER STREETS U-C HAMZA GHause.	9,575,000	Ch. Mushtaq Ahmed Sulehri	30%	509 dt 22.11.22	90	957,500
37	145	CONSTRUCTION OF STREET MUHALLAH KHARASIAN AND MUHALLAH KHATEKAN U-C KAREEM PURA SIALKOT.	5,000,000	Raw Associate	85%	622 dt 22.11.22	60	500,000
38	148	BORING OF TUBE WELL, PROVIDING AND INSTALLATION OF TURBINE MACHINERY AND ELECTRIC ACCESSORIES AT AT U-C KAREEM PURA	12,000,000	Mir & Sons	60%	473 dt 22.11.22	90	1,200,000
39	162	CONSTRUCTION OF STREET MARRIAN,MASJID PANJTAN PAK AND OTHER STREETS U-C ISLAM ABAD	5,500,000	Farooq Const. & Co.	75%	622 dt 22.11.22	60	550,000
40	165	CONSTRUCTION AND REPAIRING OF STREETS AT WARD NO.6, U/C ISLAMABAD	4,000,000	Muhammad Nasir	50%	569 dt 22.11.22	60	400,000
								<b>27,099,200</b>

**Annexure-MC-Sialkot-D**

**12.4.6 Non-recovery of water charges from defaulters-Rs 19.650 million**

<b>page no</b>	<b>type connection</b>	<b>No of connection</b>	<b>Arrear</b>	<b>Total Arrear</b>
1	Domestic	32	459,061	612,046
	Commercial	7	152,985	
2	Domestic	34	420,057	523,821
	Commercial	5	103,764	
3	Domestic	37	497,829	517,078
	Commercial	2	19,249	
4	Domestic	31	374,437	503,623
	Commercial	8	129,186	
5	Domestic	35	504,889	605,142
	Commercial	4	100,253	
6	Domestic	37	475,753	508,952
	Commercial	2	33,199	
7	Domestic	35	456,532	522,834
	Commercial	4	66,302	
8	Domestic	31	418,898	583,770
	Commercial	8	164,872	
9	Domestic	34	397,929	498,761
	Commercial	5	100,832	
10	Domestic	35	395,351	469,235
	Commercial	4	73,884	
11	Domestic	26	291,285	508,600
	Commercial	13	217,315	
12	Domestic	30	283,229	479,249
	Commercial	9	196,020	
13	Domestic	32	463,762	670,961
	Commercial	7	207,199	
14	Domestic	33	391,618	491,853
	Commercial	6	100,235	
15	Domestic	31	347,486	503,307
	Commercial	8	155,821	
16	Domestic	38	434,594	455,221
	Commercial	1	20,627	
17	Domestic	35	486,119	648,214
	Commercial	4	162,095	
18	Domestic	38	592,289	633,766
	Commercial	1	41,477	
19	Domestic	33	538,672	758,069
	Commercial	6	219,397	
20	Domestic	37	531,776	557,165
	Commercial	1	25,389	
21	Domestic	34	599,293	721,375
	Commercial	5	122,082	

page no	type connection	No of connection	Arrear	Total Arrear
22	Domestic	37	663,245	680,805
	Commercial	2	17,560	
23	Domestic	38	618,918	668,454
	Commercial	1	49,536	
24	Domestic	36	646,755	712,903
	Commercial	3	66,148	
25	Domestic	35	446,509	548,411
	Commercial	4	101,902	
26	Domestic	33	329,863	433,968
	Commercial	6	104,105	
27	Domestic	17	153,184	330,092
	Commercial	21	176,908	
28	Domestic	36	558,897	586,526
	Commercial	3	27,629	
29	Domestic	28	391,281	614,541
	Commercial	11	223,260	
30	Domestic	29	397,011	679,877
	Commercial	10	282,866	
31	Domestic	31	301,467	417,912
	Commercial	8	116,445	
32	Domestic	31	402,353	554,505
	Commercial	8	152,152	
33	Domestic	36	426,093	482,020
	Commercial	3	55,927	
34	Domestic	37	441,760	483,420
	Commercial	2	41,660	
35	Domestic	33	257,373	394,494
	Commercial	6	137,121	
36	Domestic	29	213,343	539,256
	Commercial	9	325,913	
37	Domestic	21	165,075	570,861
	Commercial	18	405,786	
38	Domestic	38	330,546	330,546
	Commercial	0	-	
39	Domestic	14	60,550	69,800
	Commercial	1	9,250	
<b>Total</b>	<b>Domestic</b>	<b>1,267</b>	<b>16,165,082</b>	
<b>Total</b>	<b>Commercial</b>	<b>226</b>	<b>4,706,351</b>	
<b>Grand Total</b>		<b>1493 defaulters</b>		<b>20,871,433</b>

**Annexure-Attock-B**

**14.4.2 Irregular and doubtful expenditure on account of rent of machinery – Rs 6.054 million**

S. No	Date of Bill & Invoice	Description	Farm Name	Voucher No	Visit Date	Amount (Rs)
1	10.08.2022	Removal of Gharbag Village Hameed	MS Jaba	265	16.07.2022	162074
	10.08.2022	Removal of Gharbag Village Rahmo	MS Jaba	266	06.07.2022	156387
2	10.08.2022	Removal of Gharbag Village Nartopa	Muhammad Yaqoob	267	15.07.2022	130322
3	03.08.2022	Removal of Gharbag Village Bolianwal	MS Hifazat	309	09.07.2022	158364
4	02.08.2022	Removal of Gharbag Village Mirza	MS Jaba	299	13.07.2022	157335
5	31.08.2022	Removal of Gharbag Village Shamsabad	Muhammad Yaqoob	337	Not mentioned	150226
6	31.09.2022	Removal of Gharbag Village Kalo	Muhammad Yaqoob	392	15.07.2022	157410
	31.09.2022	Removal of Gharbag Village Adal Zai	Muhammad Yaqoob	393	16.07.2022	41703
7	14.07.2022	Removal of Gharbag Eid ul Azha	Mazhar Majeed	373	Not mentioned	641661
8	22.08.2022	Removal of Gharbag Village Larnaspur	MS Lala Jee	344		156038
9	24.10.2022	Removal of Gharbag Village Baboode	Mazhar Majeed	438	02.10.2022	159230
	08.11.2022	Removal of Gharbag Village Kamra	Mazhar Majeed	442	03.10.2022	160889
10	22.10.2022	Removal of Gharbag Village Mirza	Liaqat Ali	437	03.10.2022	47390
11	08.11.2022	Removal of Gharbag Village Kisran	Al Meer	445		160889
12	30.09.2022	Removal of Gharbag Village Rahmo	Muhammad Yaqoob	448	16.08.2022	163083
	14.10.2022	Removal of Gharbag Village Goundal	Muhammad Yaqoob	447	08.09.2022	162074
13	25.11.2022	Removal of Gharbag Village Jassian	Mazhar Majeed	460	Not mentioned	135692
	10.11.2022	Removal of Gharbag Village Artak pur Kamra	Mazhar Majeed	440	Not mentioned	85041
	02.11.2022	Removal of Gharbag Village Kamra	Mazhar Majeed	439	27.09.2022	58053
14	28.07.2022	Removal of Gharbag Misc Place	MN Construction	486	Not mentioned	750658
15	16.01.2023	Removal of Gharbag Village Khura Khali	MS Jaba	538	14.12.2022	163323
16	08.01.2023	Removal of Gharbag Village Kaamlepur Alam	Mazhar Majeed	535	20.12.2022	128627
17	12.01.2023	Removal of Gharbag Village daman	MS Jaba	536	23.09.2022	158832
18	12.01.2023	Removal of Gharbag Village Painsa	Mazhar Majeed	537	02.12.2022	158529
19	16.01.2023	Removal of Gharbag Village mirza	Mazhar Majeed	534	28.12.2022	97149
20		Removal of Gharbag Village mansard	MS Jaba	539	05.12.2022	97830

S. No	Date of Bill & Invoice	Description	Farm Name	Voucher No	Visit Date	Amount (Rs)
21		Removal of Gharbag Village shen bagh road	Muhammad Al-ameer	606	Not mentioned	59237
22	30.03.2023	Leveling of stadium DC Attock	MN Construction	628	Not mentioned	21216
23	02.06.2023	Removal of Gharbag Village Sarwala	Hamza Enterprises	714	27.05.2023	165580
24	13.06.2023	Removal of Gharbag Village sheenbagh school mala	Hifazat Nawaz	717	01.06.2023	160513
25	07.06.2023	Removal of Gharbag Village sheenbagh	Hamza Enterprises	711	24.05.2023	165580
26	15.06.2023	Removal of Gharbag Village mirza	Hamza Enterprises	716	01.06.2023	165580
27	03.06.2023	Removal of Gharbag Village shakardara	Hamza Enterprises	710	25.05.2023	163910
28	12.06.2023	Removal of Gharbag Village burhan	Liaqat Ali	715	30.05.2023	165480
29	09.06.2023	Removal of Gharbag Village lawarance pur	Hamza Enterprises	712	28.05.2023	163910
30	31.12.2022	Rent of Trackter trolley	Hamza Enterprises	709	23.05.2023	163085
31	09.06.2023	Removal of Gharbag Village Jassian	Hamza Enterprises	713	05.06.2023	60740
		<b>Total</b>				<b>6053640</b>

## Annexure-Attock-C

### 14.4.3 Loss due to non-recovery of outstanding water conservancy charges – Rs 964.304 million

S. No.	Month	Recovery	Date	Amount (Rs)
1	May-18			16,315,878.00
2	Jun-18			25,493,559.00
3	Jul-18			27,221,456.00
<b>Total up to July 2018</b>				<b>69,030,893.00</b>
4	Aug-18	District Council Attock.		21,077,849.00
5	Sep-18	District Council Attock.		35,166,539.00
6	Oct-18	District Council Attock.		38,153,600.00
7	Nov-18	District Council Attock.		45,386,808.00
8	Dec-18	District Council Attock.		42,290,191.00
9	Jan-19	District Council Attock.		26,003,412.00
10	Feb-19	District Council Attock.		16,443,755.00
11	Mar-19	District Council Attock.		22,180,479.00
12	Apr-19	District Council Attock.		30,307,309.00
13	May-19	District Council Attock.		25,624,259.00
14	June,2019	District Council Attock.		20,503,579.00
15	Jul-19	District Council Attock.		30,734,714.00
16	Aug-19	District Council Attock.		21,776,387.00
17	Sep-19	District Council Attock.		14,701,505.00
18	Oct-19	District Council Attock.		31,900,364.00
19	Nov-19	District Council Attock.		30,034,506.00
20	Dec-19	District Council Attock.		29,002,190.00
21	Jan-20	District Council Attock.		29,294,625.00
22	Feb-20	Tehsil Council Fatehjang		16,112,555.00
23	Mar-20	Tehsil Council Fatehjang		19,510,118.00
24	Apr-20	Tehsil Council Fatehjang		7,980,817.00
25	May-20	Tehsil Council Fatehjang		15,476,969.00
26	Jun-20	Tehsil Council Fatehjang		21,028,735.00
27	Jul-20	Tehsil Council Fatehjang		24,159,630.00
28	Aug-20	Tehsil Council Fatehjang		28,962,517.00
29	Sep-20	Tehsil Council Fatehjang		14,953,858.00
30	Oct-20	Tehsil Council Fatehjang		21,866,776.00
31	Nov-20	Tehsil Council Fatehjang		24,134,679.00
32	Dec-20	Tehsil Council Fatehjang		21,045,913.00
33	Jan-21	Tehsil Council Fatehjang		19,083,531.00
34	Feb-21	Tehsil Council Fatehjang		21,318,716.00
35	Mar-21	Tehsil Council Fatehjang		29,657,817.00
36	Apr-21	Tehsil Council Fatehjang		21,009,921.00
37	May-21	Tehsil Council Fatehjang		21,540,803.00
38	Jun-21	Tehsil Council Fatehjang		33,951,499.00
39	Jul-21	Tehsil Council Fatehjang		28,584,192.00
40	Aug-21	Tehsil Council Fatehjang		25,275,382.00

S. No.	Month	Recovery	Date	Amount (Rs)
41	Sep-21	Tehsil Council Fatehjang		17,047,529.00
42	Oct-21	Tehsil Council Fatehjang		7,875,295.00
43	Nov-21	District Council Attock.		18,128,516.00
44	Dec-21	District Council Attock.		17,512,971.00
45	Jan-22	District Council Attock.		5,543,995.00
46	Feb-22	District Council Attock.		1,305,528.00
47	Mar-22	District Council Attock.		94,479.00
48	Apr-22	District Council Attock.		75,256.00
49	May-22	District Council Attock.		74,847.00
50	Jun-22	District Council Attock.		70,348.00
51	Jul-22	District Council Attock.		40,491.00
52	Aug-22	District Council Attock.		67,894.00
53	Sep-22	District Council Attock.		68,303.00
54	Oct-22	District Council Attock.		77,710.00
55	Nov-22	District Council Attock.		
56	Dec-22	District Council Attock.		78,937.00
57	Jan-23	District Council Attock.		76,483.00
58	Feb-23	District Council Attock.		79,755.00
59	Mar-23	District Council Attock.		92,481.96
60	Apr-23	District Council Attock.		81,561.80
61	May-23	District Council Attock.		94,231.84
62	Jun-23	District Council Attock.		98,446.96
63	Jul-23	District Council Attock.		87,201.92
64	Aug-23	District Council Attock.		90,879.76
65	Sep-23	District Council Attock.		94,488.48
66	Oct-23	District Council Attock.		95,670.36
67	Nov-23	District Council Attock.		83,839.52
68	Dec-23	District Council Attock.		
69	Jan-24	District Council Attock.		
	<b>Total Due</b>			<b>1,064,304,531.60</b>
1	Received	Cheque No. 49270307	09.11.2018	19,000,000.00
2	Received	Cheque No.51399795	11.12.2018	11,500,000.00
3	Received	Cheque No.55429236	10.04.2019	12,000,000.00
4	Received	Cheque No. 59218198	12.09.2019	57,500,000.00
	<b>Total Received</b>			<b>100,000,000.00</b>
	<b>Balance</b>			<b>- 964,304,531.60</b>

**Annexure-Attock-D**

**14.4.4 Non-imposition of penalty on illegal housing schemes -  
Rs 382.430 million**

**Amount in Rs**

<b>Sr. No.</b>	<b>Name of the Housing society</b>	<b>Location/ Address</b>	<b>Tehsil</b>	<b>Area/Land occupied by the Society in Kanal</b>	<b>Status</b>	<b>Penalty @ Rs10,000/ kanal</b>
1	Samhan Housing Scheme	Mouza Mirza Tehsil Attock	Attock	2000	Earth work	20,000,000
2	Kamra Model Town	Mouza Haji Shah	Attock	2200	Earth work	22,000,000
3	Uzma Green	Mouza Roomian, Attock-Haji Shah Road	Attock	700	Open land	7,000,000
4	Sarwar Lane (LS)	Mouza Bahdar Khan	Hazro	44	Open land	440,000
5	Jatiyal Town.	Mouza Jatial	Hazro	87	Developed	870,000
6	Smart Orchard Farms	Bahdar Khan	Hazro	200	Partially Developed	2,000,000
7	New City Housing Scheme Phase-II (Extension)	ChukraBukra and Jhang	Hassanabdal	2465	Developed	24,650,000
8	Multi Orchard Housing Scheme (Extension)	ChukraBukra&Jhang	Hassanabdal	5577	Developed	55,770,000
9	AWC Housing Scheme	Mouza Sabz Pir	Hassanabdal	1467	Developed	14,670,000
10	Khyber City Housing Scheme	Khuda&Gharsheen	Hassanabdal	485	Developed	4,850,000
11	Wah Township	Daloo	Hassanabdal	132	Developed	1,320,000
12	Khyber City Executive Block	Mouza Islam Garh	Hassanabdal	137	Partially Developed	1,370,000
13	Kohistan Enclave	MalhiPind	Hassanabdal	2200	Partially Developed	22,000,000
14	Mayfair Housing Scheme	Mouza Qutbal	Fateh Jang	1275	Open Land	12,750,000
15	Gulzar-e-Sir Syed Housing Scheme	Jhang	Fateh Jang	807	Developed	8,070,000
16	PIAEWT Housing Scheme (Al-Faisal Enclave)	Mouza Moorat	Fateh Jang	500	Open Land	5,000,000
17	Al-Madina City Housing Scheme	Mouza Johad	Fateh Jang	161	Developed	1,610,000
18	Zarkon ECO City	Mouza Moorat	Fateh Jang	789	Open Land	7,890,000
19	Highland City Housing Scheme	Mouza Kanyal	Fateh Jang	100	Partially Earth work	1,000,000
20	Al-Noor City / New Chitral	Kanial	Fateh Jang	283	Open Land	2,830,000
21	Spring Field Farm Housing Scheme	Mouza Kanyal	Fateh Jang	568	Developed	5,680,000
22	Apex Housing Scheme	MouzaHattar	Fateh Jang	903	Open land	9,030,000
23	Green Acre farm Housing Scheme	MouzaBango	Fateh Jang	102	Open land	1,020,000
24	Sun Enclave Housing Scheme	Mouza Mangial	Fateh Jang	182	Open land	1,820,000
25	The Meadows	Tehsil Fateh Jang	Fateh Jang	514	Open land	5,140,000

<b>Sr. No.</b>	<b>Name of the Housing society</b>	<b>Location/ Address</b>	<b>Tehsil</b>	<b>Area/Land occupied by the Society in Kanal</b>	<b>Status</b>	<b>Penalty @ Rs10,000/ kanal</b>
26	National Housing Project	Moorat	Fateh Jang	288	Partially Developed	2,880,000
27	Airport Garden	Moorat	Fateh Jang	119	Open Land	1,190,000
28	Airport Avenue Housing Scheme	Mouza Bangoo	Fateh Jang	109	Open land	1,090,000
29	Gulsan e Rehman / Blue World city	Dhari Rai Dita	Fateh Jang	10000	Open land	100,000,000
30	Mustafa Garden	Doiyan	Fateh Jang	1000	Open land	10,000,000
31	Motorway City Housing Scheme	Ratwal	Fateh Jang	1503	Developed	15,030,000
32	ZCO Developers	Mangial	Fateh Jang	220	Open Land	2,200,000
33	New York Enclave	Mouza Gulial	Fateh Jang	85	Partially land leveled	850,000
34	Hashmi Residence,	Gharibwal	Pindigheb	92	Earth Work	920,000
35	Al-Meezan Villas,	Mouza Dandi	Pindigheb	96	Earth Work	960,000
36	Company Garden (L.S)	Khour	Pindigheb	98	Litigation / Developed	980,000
37	Sikandar City	Mouza Thatta	Jand	755	Earth Work	7,550,000
	<b>Total</b>			<b>38243</b>		<b>382,430,000</b>

## Annexure-Gujrat-B

### 16.4.4 Excess payment over & above TS rates – Rs 5.929 million

Amount in Rs

Vr. No.	Name of Scheme	Item	Qty	Rate paid	Rate to be paid	Diff.	Overpayment
119-121/01/23	Const. of st., Drains/Nallah Village Noushera Mianar MB 22749/47-52 Faisal Amir 4th F bill	RCC 1:1.5:3	11616	587.19	467	120.19	1396127.04
199-201/11-022	Const. of Road Saman Pindi Road to Nagrianwala Road 22308/62-64 6th & 7th 22308/74-79 Running bill Zulifqar A. Warriach	Sub Base	64749	10663	10025.19	637.81	412975.597
662-664/11-022	Constr. St/Drain and Nallah & Culverts Village Daria Kithana, Goga Tibba, sero Jaida 3rd R Bill Liaqat Ali	Tuff Tile 60 mm	20126	156.4	154.4	2	40252
5th F Bill	Rehabilitation and Improvement of Road from Rambrianwala to Village Ladha Sadha 6th F bill Fim Associates 22310/61-70	RCC 1:1.5:3	18130	434.29	291.49	142.8	2588964
30-32/01-23	Constr. St./Drains and Nallah Village Bhagowal Kalan 5th Final bill Rajid Ali & Bros	Iron Jangla	710	33751.35	31390.35	2361	16763.1
012-022	Rehabilitaiton and improvement of road from Rambrianwala to village Ladha Sadha 4th f bill 22310/66-70 FIM	RCC 1:1.5:3	18130	434.29	386.30	47.99	870059
389-391/12-022	Constr. St/Drain and Nallah Village Shah Jahanian Ranjian Di Asjad Ali, 25590/62-68	RCC 1:1.5:3	5450	579.28	510.65	68.63	374034
24949/36-41	Const. of Road, Government Degree College Mandi to Barrian Gorsia Road 4th R	Base Course	50943	25985	25533.84	451.16	229834
<b>Total</b>							<b>5929008.737</b>

**Annexure-Kasur-B**

**17.4.1 Payment without approval of job mix formula Rs19.925 million**

**Rs in million**

<b>Scheme No.</b>	<b>Financial Year</b>	<b>Name of work</b>	<b>Work order. No. and Date</b>	<b>Contractors Name</b>	<b>Description</b>	<b>Qty</b>	<b>Rate</b>	<b>Amount</b>
26	2021-22	Construction of PCC , tuff tile , drainage etc at Social Welfare Munir Shaheed Colony	DDO(I&S)55 Date: 02-04-2022	Khushi Enterprises	P/L plant primxed bituminus carpet 4.5 % bitumen 2" thick	9031.00	10991.50	0.992
28	2021-22	Repair / Rehabilitation of main Road Gulburg Colony	DDO(I&S)57 Date: 02-04-2022	Munir Enterprises	P/L plant primxed bituminus carpet 4.5 % bitumen 2" thick	10750.00	10991.00	1.181
100	2021-22	Rehabilitation of Road main road Kot Haleem Khan to Ward Darbar Shahdara City Kasur	DDO(I&S)129 Date: 02-04-2022	Al Hassan	P/L plant primxed bituminus carpet 4.5 % bitumen 2" thick	21819.50	10991.50	2.398
21	2022-23	Rehabilitation / Re-Construction of Metalled Road Khushhal Singh Road via Bhai Kot	DO(I&S)/DC K/2022/564 dated 16-11-2022	Al Zubair Const Co	P/L Plant bituminous priming coat using 10lbs kerosene oiland 10 lbs	9156.96	17160.84	1.571
35	2022-23	Rehabilitation / Re-Construction of Metalled Road Sardar Majid Dogar Bhutta to Qabrstan	DO(I&S)/DC K/2022/578 dated 16-11-2022	Al Zubair Const Co	P/L Plant bituminous priming coat using 10lbs kerosene oiland 10 lbs	9156.96	17160.84	1.571
55	2022-23	Rehabilitation / Re-Construction of road from Kot Jagliyan to Landiyan Wala road via Kot Siraj Deen	DO(I&S)/DC K/2022/598 dated 16-11-2022	Al Zubair Const Co	P/L plant premixed bituminous carpet i/c compaction and finishing	40750.00	17160.84	6.993
57	2022-23	Rehabilitation / Re-Construction / rehabilitation of Bypass Ellahabad from Nafees Textile (Gehlan Bypass)	DO(I&S)/DC K/2022/600 dated 16-11-2022	MS Smart Engineering	P/L plant premixed bituminous carpet i/c compaction and finishing	34356.00	15185.80	5.217
<b>Total</b>								<b>19.925</b>

**Annexure-J**

**Annexure-Kasur-C**

**17.4.3 Loss due to placing of deposits in ordinary saving account – Rs109.935 million**

Date	IBAN (Bank A/C No.)	Balance	% of profit earned	Earned Profit (Rs)	% of KIBOR	Profit To be earned	Loss (Rs)	Loss (Rs in million)
		A	B	C= A*B	D	E=A *D	F=E-C	F=E-C
01.07.2021	PKBPUN6620200103300040	286,097,899	2.615	7,481,095	8.07	23,088,100	15,607,005	15.607
01.07.2021	PKBPUN6620200103300038	14,874,584	1.995	296,819	8.07	1,200,379	903,560	0.904
01.07.2021	PKBPUN6620200103300018	462,684	2.727	12,619	8.07	37,339	24,720	0.025
01.07.2021	PK27BPUN6510160189500040	835,363,081	4.183	34,943,454	8.07	67,413,801	32,470,347	32.470
01.07.2021	PKBPUN6620200103300018	18,854,586	2.440	460,012	8.07	1,521,565	1,061,553	1.062
01.01.2022	PK41BPUN6510160295300016	4,802,493	2.963	142,298	11.79	566,214	423,916	0.424
01.01.2022	PK15BPUN6510160189500062	4,182,565	3.736	156,241	11.79	493,124	336,883	0.337
01.01.2022	PK39BPUN6510160189500018	2,462,962	3.872	95,358	11.79	290,383	195,025	0.195
01.01.2022	PK33BPUN6510160189500029	4,657,618	1.560	72,649	11.79	549,133	476,484	0.476
01.07.2022	PK41BPUN6510160295300016	10,909,780	8.193	893,870	15.84	1,728,109	834,239	0.834
01.07.2022	PK41BPUN6510160295300016	4,944,792	4.632	229,052	15.84	783,255	554,203	0.554
01.07.2022	PK15BPUN6510160189500062	12,415,562	3.658	454,161	15.84	1,966,625	1,512,464	1.512
01.01.2023	PK15BPUN6510160189500062	12,711,224	6.866	872,799	17.36	2,206,668	1,333,869	1.334
01.01.2023	PK39BPUN6510160189500018	48,503,180	6.752	3,274,981	17.36	8,420,152	5,145,171	5.145
01.01.2023	PK33BPUN6510160189500029	21,313,123	7.049	1,502,465	17.36	3,699,958	2,197,493	2.197
01.01.2023	PK41BPUN6510160295300016	5,173,844	6.784	351,006	17.36	898,179	547,173	0.547
30.06.2023	PK41BPUN6510160295300016	5,524,851	8.516	470,520	23.27	1,285,633	815,113	0.815
30.06.2023	PK39BPUN6510160189500018	61,096,043	9.871	6,031,045	23.27	14,217,049	8,186,004	8.186
30.06.2023	PK33BPUN6510160189500029	9,707,917	10.758	1,044,350	23.27	2,259,032	1,214,682	1.215
30.06.2023	PK27BPUN6510160189500040	262,525,529	9.521	24,994,947	23.27	61,089,691	36,094,744	36.095
<b>Total</b>							<b>109,934,650</b>	<b>109.935</b>

## Annexure-SGD-B

### 20.4.4 Un-authorized execution of works without valid technically sanctioned estimate – Rs 333.990 million

(Rs in Million)

Sr. No	Name of Scheme	Name of Contr	Estimate Cost	Bid Amount	Uo to date Payment	Remarks
1	Repair of Road from Dherowal to Chanana Tehsil Sahiwal Sargodha	Mughal Brothers	12.800	8.767	6.165	In progress
2	Repair of road from banglow sultanpur norewala carpet road to jalla balla tehsil sahiwal sargodha	Al-Jabbar Construction Company	12.800	8.819	6.387	In progress
3	Rehabilitation of road from dilawar to pull saim nala Muhammad ali wala tehsil sahiwal sargodha	Mughal Brothers	16.000	10.958	7.493	In progress
4	Reconstruction/ Rehabilitation of road from sahba farooqa carpet road to vijjoka via jasiak tehsil sahiwal sargodha	Mughal Brothers	18.400	12.494	8.891	In progress
5	Rehabilitation of Drainage scheme and PCC/Soling Repair Saim Pull Anwar Abad , Deendar Colony, District Sargodha	Rahat Riaz Khan	7.500	5.737	5.462	Final
6	Rehabilitation of Drainage scheme and PCC/Soling Chak No 31/SB	Rahat Riaz Khan	5.000	5.000	3.624	Final
7	Rehabilitation of Drainage scheme Chak no 112/sb district Sargodha.	Rana Mubarak Ali	13.000	8.970	9.866	Final
8	Rehabilitation of Drainage scheme Chak no 132/nb district Sargodha.	Rana Mubarak Ali	10.000	7.300	7.142	Final
9	REHABILITATION OF RURAL DRAINAGE SCHEME MANGNI COLONY, TEHSIL & DISTRICT SARGODHA.	Tanveer Hussain	7.000	-	6.996	Final
10	REHABILITATION OF ROAD ABADI MUSHTAQ BAJWA CHAK NO.83/SB TEHSIL & DISTRICT SARGODHA	Rahat Riaz Khan	9.000	5.984	4.851	Final
11	REHABILITATION OF PCC TUFF PAVER NALLAH DRAINAGE SYSTEM CHAK NO 50/NB TEHSIL SARGODHA	MS Chaniot Builders	10.000	7.171	7.171	Final
12	REHABILITATION OF RURAL DRAINAGE SCHEME CHAK NO.66/NB	KB Builders	5.000	3.635	3.635	Final
13	REHABILITATION OF RURAL DRAINAGE SCHEME CHAK NO.88/NB	Shafqat Mehmood	5.000	4.990	4.990	Final
14	REHABILITATION OF SEWERAGE, PCC , DRAINS , NALLA , TUFF TILE , WATER SUPPLY , SOILING , RESOLING FATIMA JINNAH COLONY, CHAK NO 71/NB, SABARWALL COLONY, VIP TOWN, TASSWAR TOWN, AZIZ BHATTI TOWN UC 76 DISTRICT SARGODHA.	Ch. Builders	15.000	11.085	10.746	In progress
15	REHABILITATION OF RURAL DRAINAGE SCHEME MOUZA DEWANPUR TO MOUZA DAVISPUR LINK ROAD TEHSIL BHERA	Shafqat Mehmood	9.000	7.308	5.336	Final
16	REHABILITATION OF DRAINAGE ABDI KOHLIAN KALAN, TEHSIL BHERA	Tahir Abbas	2.000	2.000	1.055	Final
17	REHABILITATION OF ROAD FROM SULTANPUR BANGLOW TO GOVT. HIGH SCHOOL VIA JAFRABAD TEHSIL SHAHPUR, DISTRICT SARGODHA	Imtiaz Ahmad Ranjha	7.900	5.288	2.962	In progress
18	REHABILITATION OF RURAL DRAINAGE SCHEME VIJH TEHSIL SAHIWAL	Shafqat Mehmood	6.500	4.480	4.480	Final
19	REHABILITATION OF RURAL DRAINAGE SCHEME CHAK BANDI, KOTLA WATNI, NAWANLOK DHOLAKA, SIAL DHOLAKA TEHSIL SAHIWAL	Bashir Ahmad Chanoit	10.000	-	3.020	In progress
20	REHABILITATION OF RURAL DRAINAGE SCHEME RABWA, DHUDIAN TEHSIL SAHIWAL	Hameed Ullah Baloch	2.000	1.999	1.999	Final
21	REHABILITATION OF ROAD FROM BY-PASS	Zarif Khan		5.339	5.339	In progress

	CARPET ROAD SAHIWAL TO LAKHIWAL TEHSIL SAHIWAL SARGODHA		15.000			
22	REHABILITATION OF ROAD FROM SAHIWAL JHANG ROAD TO SIAL SHREEF TEHSIL SAHIWAL SARGODHA	Shafqat Mehmood	15.000	-	5.699	In progress
23	REHABILITATION OF RURAL DRAINAGE SCHEME UNION COUNCIL DERA TEHSIL SAHIWAL	Tariq Builders	5.000	3.338	3.338	Final
24	REHABILITATION OF ROAD ACHAR ADDA TO YAREY WALA TEHSIL SHAHPUR DISTRICT SARGODHA.	Muddsar Hussain Natt	20.000	-	20.000	In progress
25	REHABILITATION OF ROAD GONDAL, THATHI UBHI ROAD TEHSIL SHAHPUR DISTRICT SARGODHA	Haral& CO	6.000	5.986	5.986	Final
26	REHABILITATION OF BHABRANI ROAD DISTRICT SARGODHA	Imtiaz Ahmad Ranjha	9.000	5.910	3.134	In progress
27	REHABILITATION OF RURAL DRAINAGE SCHEME AT KALANPUR (STREET HAYAT QUARISHI, STREET NAZAR QUARASHI, STREET SCHOOL WALI & STREET RAJA KHALID) BAGHO WAL (STREET ZAFAR, BAHAR HUSSAIN & STREET ZILLAY SHAH), LOKRI HUSSAIN & (DHELA), BHAGOWAL, SIGH ZARIEEN (STREET MALIK ZAFAR) SIGH BALA (STREET ANSAR, STREET ASAD KHOKHAR & STREET TAHIR) CHAK PIR SHAH (STREET GULNAZ SHAH) KANA (STREET ZAFAR WALI) CHAH ALAM (STREET SIKANDAR WALI) GHOGIYAT (STREET MALIK BASHARAT WALI, STREET RAZA SHAH) PIND RAHEEM SHAH KHLCHIAN, TEHSIL BHERA	Asad Gondal	15.000	15.000	13.420	In progress
28	REHABILITATION OF RURAL DRAINAGE SCHEME AT DHAL (STREET SCHOOL WALI HAJI ATTA MUHAMMAD, STREET KHIZAR DHAL & STREET SANAUULLAH DHAL) CHAK MUBARAK (ABADI OF RANA ROMI) KOT HAKIM (ABADI ASHRAF) HAFIZABAD (STREET NAZAR SHAH) TEHSIL BHERA	Tahir Abbas Shah 0301- 8196600	10.000	10.000	6.662	In progress
29	REHABILITATION OF RURAL DRAINAGE SCHEME AT KOTLI ALI AHMED (SOLING OF KOTLI ALI AHMED AND ABADI JAVED SHAH) BATONI (STREET HUSSAN ZAHEER) NABA (STREET HAYAT & STREET MUHAMMAD ALI WALI) BONGASURKRUH (STREET FIAZ SHAH) DEENPUR (SOLING OF ABADI TAHIR BHALWANA & SOLING OF ABADI MAQBOOL) THALIAN (STREET QAMAR ADVOCATE) CHAWA (SAIM NALLA PULL SOLING ABDI ABUBAKAR, STREET ARSHAD, STREET YAR ZAILDAR & STREET ASIF) JADDA TEHSIL BHERA	Tahir Abbas Shah	10.000	10.000	9.245	In progress
30	REHABILITATION OF ROAD TANGUWALI, TEHSIL SARGODHA	Rahat Riaz	10.000	10.000	3.488	In progress
31	REHABILITATION OF RURAL DRAINAGE SCHEME AJNALA AND CHAK 30/NB, TEHSIL SARGODHA	Rahat Riaz	15.000	15.000	11.053	In progress
32	REHABILITATION OF RURAL DRAINAGE SCHEME CHAK NO.29/NB, 75/SB DEENDAR COLONY	Rahat Riaz	10.000	10.000	5.971	In progress
33	REHABILITATION OF RURAL DRAINAGE SCHEME CHAK NO.68/SB, 69/SB, 73/SB	Sohal Builder	10.000	6.892	6.892	Final
<b>Total</b>			<b>333.900</b>	<b>219.450</b>	<b>212.497</b>	

**Annexure-SKP-B**

**21.4.4 Payment without approval of Job Mix Formula and test reports of the lying Carpeting Rs73.233 million**

Sr. No.	Name of the scheme	Contract or Name	Estimated Cost	Status	Qty	Rate	Payment
3	Construction of metaled road at Chak No. 28, Tehsil Muridkay, District Sheikhpura	Usman Saleem	9214000	complete	25000	12057.2	3.014
4	Construction of metaled road at Chak Sekhum, Tehsil Muridkey, District Sheikhpura	ZA Builders	6152360	complete	18500	11999.44	2.219
5	Construction of Metalled road from Old Narang road to Attique pura Tehsil Mruidke District Sheikhpura	SAJJAD AHMED	20719654	ON GOING	80628	12491.4	10.071
6	Construction of metalled road from GT road to Bhudankay Tehsil Muridke District Sheikhpura	YASIR RAFI & CO.	21282660	complete	45821	12491.3	5.723
7	Construction of Mettaled road Kala Khatai Road Towards Lathepur Village, Tehsil Ferozewala, District Sheikhpura	Sohail & Company	6927508	complete	18787	12491.4	2.346
8	Construction of Metalled road from Kala Khatai Road to Awan Muslim Tehsil Muridke District Sheikhpura	Ali raza Saddique & Co	25559040	complete	59670	12491.3	7.453
9	CONC/REHABILITATION OF METAL ROAD CHAK 29 TEHSIL MURIDKE	Ch.Imtiaz Hussain Basra	12304000	ADP(2022-23)	27000	16792	4.533
10	Construction of road from Mouza Kirain to Sam Nala Manawala				72000	17078	12.296
11	Construction of Matelled Road hafizabad jandiala road to dera Majithyan Tahsil And District Sheikhpura	Ch. Amanullah builders& developers	16400000	ADP(2022-23)	30592	17078	5.224
12	Rehabilitation / Construction of Metaled Road (Carpeting) from Faisalabad-Sheikhpura road Kadlathi Stop to House Sattar Gujjar, Faisalabad-Sheikhpura Road Dhahya Stop to Church Chowk and PCC, Drain & Nallah, Village Kadlathi, Tehsil / District Sheikhpura	Muhammad Arif	20000000	ADP(2022-23)	46377	16574	7.686
13	Construction / Rehabilitation Of Metal Road Hadyala Virkan Tehsil Muridke District Sheikhpura	Pro builders	27947510	M&R(2022-23)	75440	16792	12.668
							<b>73.233</b>

## Annexure-SKP-C

### 21.4.5 Non-collection of 10% advance Income Tax-Rs 3.672 million

SR.#	NAME OF CONTRACT 2021-22	NAME OF CONTRACTOR	Contract DEMAND	10% Adv. Tax
1	Pattan Kakazai	Alta Hussain S/O Asgher Ali	1.340	0.134
2	Advertisement Fee SKP	AMSU & Co. SKP	1.632	0.163
3	Advertisement Fee Ferozewala	Ali Mohammad S/O Zafarullah	7.010	0.701
4	Pattan Molanwal	Naveed Ahmad S/O Munir Ahmad	10.220	0.522
5	Pattan Mohlan Wal	Asif Ali S/o Muhammad Rafieque	11.250	1.125
6	Pattan Faiz Pur	Muhammad Aslam S/o Sardar Ali	0.116	0.011
7	Pattan Nawan Kot	Muhammad Aslam S/o Sardar Ali	0.128	0.012
8	Land Mandi Boch	Qurban Ali Bhatti S/o Ehsan Elahi Khan	0.068	0.006
9	Land Ucha Paind	Muhammad Naeem S/o Muhammad Ishaq	0.092	0.009
10	Land Moman Village	Asif Nadeem S/o Fatah Sher	0.258	0.025
11	Land Bajwana	Nadeem Ahmad Shakir S/o Nazir Ahmed Shakir	0.480	0.048
12	Land Paka Dalla	Muhammad Ashraf S/o Fatah Muhammad	1.625	0.162
13	Advertisement Fee	Allah Walay Corporation	7.510	0.751
<b>Total</b>				<b>3.669</b>

**Annexure-SKP-D**

**21.4.11 Loss to government due to illegal housing schemes -  
Rs 48.168 million**

Rs in million

Ajwa city Housing Scheme				
Maraba No	Rate		Marla/Acare	Amount
11	330000	1*178	178	58.740
10	330000	14*178	2492	822.360
12	330000	15*178	2670	881.100
13	330000	1*178	178	58.740
9	110000	3*178	534	58.740
2	330000	1*178	178	58.740
14	8415000	3*2805000	3	25.245
15	2805000	1*2805000	1	2.805
16	5610000	2*2805000	2	11.220
17	28050000	10*2805000	10	280.500
18	11220000	4*2805000	4	44.880
30	22000000	2*11000000	2	44.000
<b>Total</b>				<b>2,347.070</b>
			2%	46,941,400

Scrutiny Fee Rs 1000

Approval fee Rs 388000 (1000x388)

Road Design Fee Rs 194000(500\*388)

Sewerage Fee Rs194000(500\*388)

Fine and penalties

30 Houses approximate map Fee Rs450000 Total Rs 1227000

**Annexure-Sialkot-B**

**22.4.1 Irregular expenditure for bush removing in graveyard -  
Rs 2.03 million**

<b>Work Order No &amp; Date</b>	<b>Description</b>	<b>Market rate per</b>	<b>Difference per bottle</b>	<b>Excess Payment Paid Rs</b>	<b>Total Amount Rs.</b>
DCS/CO/66 25.04.2022	52 Bottle of Glafosate @ per bottle	1375	1225	63,700	150,800
DCS/CO/69 23.07.2022	54 Bottle of Glafosate@ Rs.2600	1375	1225	66,150,	156,600
DCS/CO/68 14.07.2022	63 Bottle of Glafosate @ Rs.2600	1375	1225	77,175	182,700
DCS/CO/78 21.11.2022	64 Bottle of Glafosate @ Rs.2600	1375	1225	78,400	185,600
DCS/CO/75 27.10.2022	65 Bottle of Glafosate@ Rs.2600	1375	1225	79,625	188,500
DCS/CO/73 26.09.2022	66 Bottle of Glafosate@ Rs.2600	1375	1225	80,850	191,400
DCS/CO/74 25.10.2022	68 Bottle of Glafosate@ Rs.2600	1375	1225	83,300	197,200
DCS/CO/74 25.10.2022	64 Bottle of Glafosate@ Rs.2600	1375	1225	78,400	185,600
DCS/CO/70 06.08.2022	68 Bottle of Glafosate@ Rs.2600	1375	1225	83,300	197,200
DCS/CO/72 23.09.2022	68 Bottle of Glafosate@ Rs.2600	1375	1225	83,300	197,200
DCS/CO/77 21.11.2022	52 Bottle of Glafosate@ Rs.2600	1375	1225	63,700	197,200
<b>Total</b>				<b>837,900</b>	<b>2,030,000</b>