



**AUDIT REPORT
ON
THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
LODHRAN
AUDITYEAR 2016-17**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
B&R	Buildings and Roads
CCB	Citizen Community Board
CCTV	Close Circuit Television
CEO	Chief Executive Officer
CO	Chief Officer
C&W	Communication & Works
DAC	Departmental Accounts Committee
DDO	Drawing and Disbursing Officer
DGA	Director General Audit
DNIT	Draft Notice Inviting Tender
FD	Finance Department
GST	General Sales Tax
IP	Immovable Property
IPSAS	International Public Sector Accounting Standards
LED	Light-Emitting Diode
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
NSL	Natural Surface Level
PAC	Public Accounts Committee
PPRA	Punjab Procurement Regularity Authority
PAO	Principal Accounting Officer
PDG	Punjab District Government
PEEDA	Punjab Employees Efficiency, Discipline and Accountability
PLGO	Punjab Local Government Ordinance
POL	Petrol, Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PVC	Polyvinyl Chloride
RCC	Reinforcement of Cement Concrete

TAC	Tehsil /Town Accounts Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Regulations)
TS	Technical Sanction
TTIP	Tax on Transfer of Immovable Properties

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance, 2001 and Auditor General of Pakistan's SRO (1)/2009 dated 02.03.2009 require the Auditor General of Pakistan to conduct audit of Receipts and Expenditures of the Local Fund and Public Accounts of District Governments, Town / Tehsil Municipal Administrations and Union Administrations.

The report is based on audit of the accounts of Tehsil Municipal Administrations of District Lodhran for the Financial Year 2015-16. The Directorate General of Audit, District Governments Punjab (South), Multan conducted audit during Audit Year 2016-17 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of Audit Report includes only the systemic issues and audit findings carrying value of Rs1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The Report has been finalized in the light of written responses of the management concerned wherever conveyed.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 for causing it to be laid before the Provincial Assembly.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

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

The Regional Directorate Audit has a human resource of 21 officers and staff, constituting 5,271 mandays and the budget amounting to Rs 22.549 million was allocated in Audit Year 2016-17. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly, RDA Multan carried out audit of the accounts of three TMAs of District Lodhran for the Financial Year 2015-16 and the findings are included in the Audit Report.

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

The total Development Budget of three TMAs in the District Lodhran for the Financial Year 2015-16, was Rs 253.729 million and expenditure incurred of Rs 231.512 million, showing savings of Rs 22.217 million. The total Non-development Budget for Financial Year 2015-16 was Rs 381.943 million and expenditure of Rs 310.256 million, showing savings of Rs 71.687 million in the

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

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

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

a. Scope of Audit

Out of the total expenditure of the TMAs of District Lodhran for the Financial Year 2015-16 auditable expenditure under the jurisdiction of RDA, Multan was Rs 541.768million, covering three PAOs/formations. Out of this, Regional Director Audit (District Governments), Multan audited an expenditure of Rs 112.153 million which, in terms of percentage, is 21% of total auditable expenditure and irregularities amounting to Rs 578.178 million were pointed out. RDA planned and executed audit of three formations i.e. 100% achievement against the planned audit activities.

Total receipt of the TMAs of District Lodhran for the Financial Year 2015-16, were Rs 449.119 million. RDA, Multan audited receipts of Rs 157.192 million which, in terms of percentage, is 40% of total receipts and irregularities amounting to Rs 777.366million were pointed out.

b. Recoveries at the Instance of Audit

Recoveries of Rs 318.406 million were pointed out by Audit (out of which Rs 259.117 million of paras over Rs 1 million are included in this Report) which was not in the notice of the management earlier. However, Rs 0.533 million was recovered which was verified by Audit.

c. Audit Methodology

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

d. Audit Impact

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

e. Comments on Internal Control and Internal Audit department

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

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

f. Key Audit Findings of the Report

- i. Non production of record of Rs 12.065 million noted one case¹.
- ii. Irregularities and non-compliance of Rs 265.166 million noted in fourteen case².
- iii. Performance issues of Rs 194.777million were noted in five cases³.

¹ Para: 1.2.1.1

² Para: 1.2.2.1, 1.2.2.2, 1.3.1.1, 1.3.1.2, 1.3.1.3, 1.3.1.4, 1.4.1.1, 1.4.1.2, 1.4.1.3, 1.4.1.4, 1.4.1.5, 1.4.1.6, 1.4.1.7, 1.4.1.8

³Para: 1.2.3.1, 1.2.3.2, 1.3.2.1, 1.3.2.2, 1.4.2.1

- iv. Internal Control Weaknesses of Rs 268.287 million were noted in ten cases⁴

Audit Paras on the accounts for the Financial Year 2015-16 involving procedural violations including internal controls weaknesses, and irregularities which were not considered worth reporting to Provincial PAC, have been included in Memorandum for Departmental Accounts Committee (MFDAC)(Annex-A).

g. Recommendations

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

- i. Hold investigations for wastage, fraud, misappropriation and losses, and disciplinary actions after fixing responsibilities.
- ii. Production of record to Audit for verification.
- iii. Compliance of relevant laws, rules, instructions and procedures, etc.
- iv. Addressing systemic issues to prevent recurrence of various omissions and commissions.
- v. Realization and reconciliation of various receipts.
- vi. Expediting recoveries pointed out by Audit as well as other recoveries in the notice of management.
- vii. Strengthening of internal controls.
- viii. Holding of DAC meetings in time.
- ix. Compliance of DAC directives and decisions in letter and spirit.
- x. Implement internal as well as financial controls in letter and spirit to avoid unauthorized drawal/ utilization of funds.

⁴Para: 1.2.4.1, 1.2.4.2, 1.2.4.3, 1.2.4.4, 1.2.4.5, 1.3.3.1, 1.3.3.2, 1.3.3.3, 1.3.3.4,1.4.3.1

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rupees in million)

Sr. No.	Description	No.	Expenditure	Receipts	Total
1	Total Entities (PAOs) in Audit Jurisdiction	03	541.768	449.119	990.887
2	Total formations in Audit Jurisdiction	03	541.768	449.119	990.887
3	Total Entities (PAOs) / DDOs Audited	03	112.153	157.192	269.345
4	Total Formations Audited	03	112.153	157.192	269.345
5	Audit & Inspection Reports	03	112.153	157.192	269.345
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports (Relating to TMA)	-	-	-	-

Table 2: Audit observations regarding Financial Management

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Unsound asset management	-
2	Weak financial management	194.777
3	Weak Internal controls relating to financial management	268.287
4	Others	277.231
Total		740.295

Table 3: Outcome Statistics

(Rupees in million)

Sr. No .	Description	Expenditure On Physical Assets	Salary	Non Salary	Civil Works	Receipt	Total	Total Last Year
1	Total Financial Outlay	10.544	204.814	94.898	231.512	449.119	990.887	868.135
2	Outlays Audited	3.365	33.646	35.889	39.254	157.192	269.346*	293.457
3	Amount placed under audit observation / irregularities pointed out	-	-	194.109	126.596	419.590	740.295	253.040
4	Recoveries pointed out at the instance of Audit	-	-	-	3.557	255.560	259.117	155.130
5	Recoveries accepted / established at Audit instance	-	-	-	3.557	255.560	259.117	155.130
6	Recoveries realized at the instance of Audit					0.533	0.533	0.020

*The amount mentioned against serial No.02 in column of "Total" is a sum of Expenditure and Receipts whereas the total expenditure was Rs112.153 million.

Table 4: Irregularities Pointed Out

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	200.826
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS*, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems	268.287
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	259.117
6	Non production of record to Audit	12.065
7	Others, including cases of accidents, negligence etc.	-
Total		740.295

Table 5: Cost Benefit

(Rupees in million)

Sr. No.	Description	Amount
1	Outlays Audit (Items 2 of Table 3)	269.346
2	Expenditure on Audit	0.143
3	Recoveries realized at the instance of Audit	0.533
4	Cost-Benefit Ratio	3.727

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

CHAPTER-1

1.1 Tehsil Municipal Administrations, Lodhran

1.1.1 Introduction

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

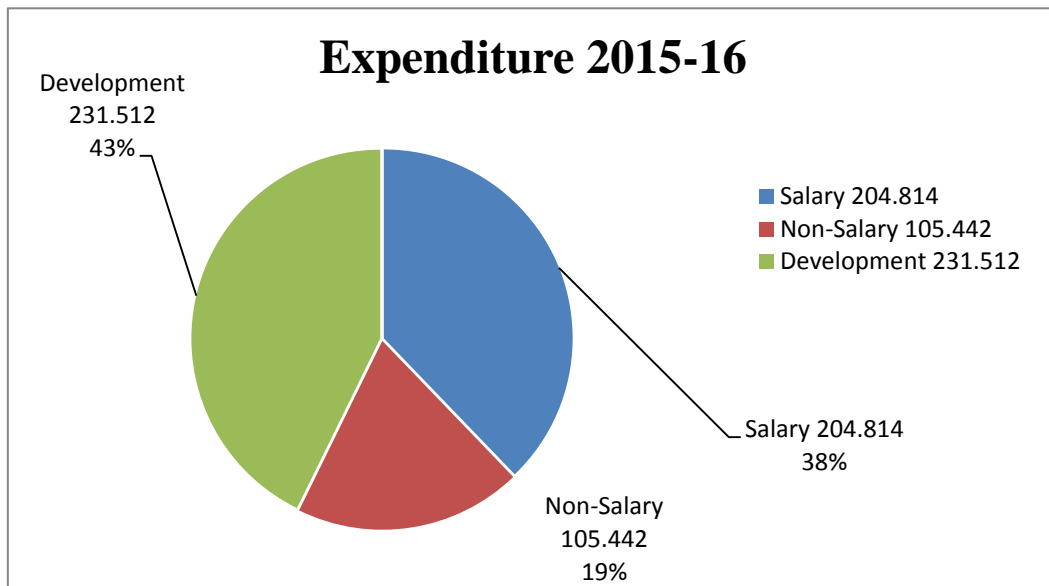
1.1.2 Comments on Budget and Accounts

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

(Rupees in million)

2015-16	Budget	Actual	Excess (+) / Saving (-)	% (Saving)
Salary	217.073	204.814	(12.259)	-6%
Non-salary	164.870	105.442	(59.428)	-36%
Development	253.729	231.512	(22.217)	-9%
Sub Total	635.672	541.768	(93.904)	-15%
Revenue	561.149	449.119	-112.030	-20%

(Rupees in million)

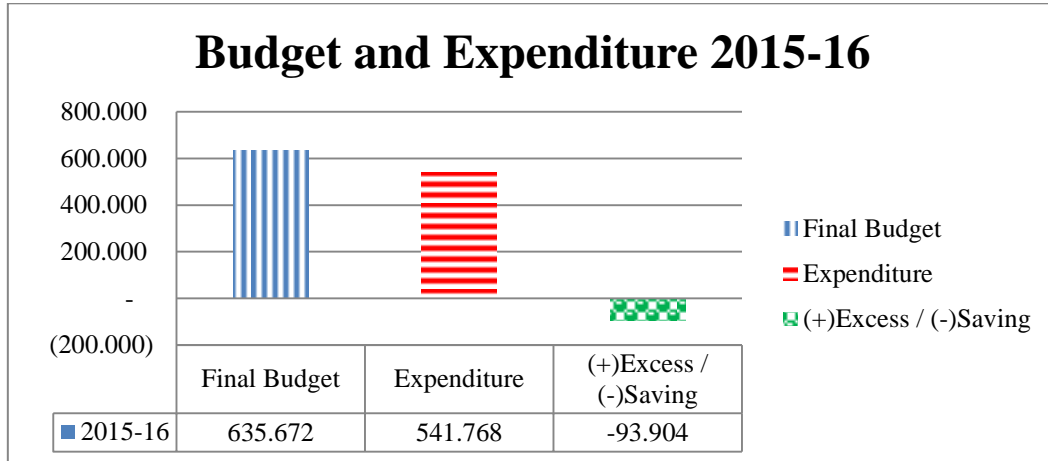


Details of budget allocations, expenditures and savings of each TMA in District Lodhran are at **Annex-B**.

As per the Budget Books for the Financial Year 2015-16 of TMAs in District Lodhran, the original and final budgets were Rs 635.672 million. Total expenditures incurred by these TMAs during Financial Year 2015-16 were Rs 541.768 million. A saving of Rs 112.967 million came to the notice of audit which shows that the TMAs failed to provide essential municipal services as envisaged and planned at the time of preparation and approval of annual budget for the year.

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

(Rupees in million)



1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2015-16

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

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

S. No.	Audit Report Year	No. of Paras	Status of PAC Meeting
1	2009-12	26	PAC not constituted
2	2012-13	17	PAC not constituted
3	2013-14	16	PAC not constituted
4	2014-15	07	PAC not constituted
5	2015-16	29	PAC not constituted

AUDIT PARAS

1.2 Tehsil Municipal Administration, Lodhran

1.2.1 Non Production of Record

1.2.1.1 Non production of record of development schemes-Rs 12.065 million

According to Clause 14 (1) (b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, "the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts".

TMA Lodhran, did not produce the record of development schemes executed during the Financial Year 2015-16 valuing Rs 12.065 million for audit scrutiny. Record was intentionally concealed because these schemes were irregularly revised and revalidated after lapse of five years. The detail is asunder:

(Rupees in million)

Name of Scheme	Original Cost	Revised Cost
Rehabilitation and Improvement of Multan Bahawalpur Road East and West Side from Saddar Police station to Jalal Pur More	4.750	5.455
Improvement Tuff Tile Tool Wali , Sewerage Road Dar-ul-Aloom, Small Nehr , Hassan Wala Through Al-Falah Bank Lodhran Public School to Jalalpur Road to Melad Chowk	3.060	6.610
Total		12.065

Audit is of the view that due to weak administrative controls, auditable record pertaining to development expenditure was not produced.

Nonproduction of record of Rs 12.065 million created doubt regarding the legitimacy of the expenditure as well as violation of the Government instructions.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that record of both schemes was available. The reply was not tenable as record was not produced during audit.

DAC, in its meeting, held in May 2017, directed the DDO to produce record for scrutiny of Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides production of record to Audit for verification.

[AIR Para: 33]

1.2.2 Irregularities and noncompliance

1.2.2.1 Uneconomical expenditure on civil works by splitting voucher - Rs 21.424 million

According to Rule 9 of the 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. The annual requirements thus determined would be advertised in advance on the PPRA's website as well as on the website of the procuring agency in case the procuring agency has its own website. Further, according to Rule 9, of amended TMA works Rule 2012, for purposes of undertaking a work, Tehsil / Town Municipal Administration Engineer shall prepare the rough cost estimates or PC-I for the same after inspecting the site of the scheme, certify the feasibility of the scheme by incorporating images or photographs of the site in the rough cost estimates or PC-I and shall get it vetted from the Technical Sanctioning Authority.

TMA Lodhran, incurred expenditures of Rs 21.424 million on original civil works during Financial Year 2015-16 out of funds available under the object head "Emergency Works" by calling simple quotations without advertisement on PPRA's website by dividing the works in piecemeal. Self favoured contractors were obliged by awarding contracts at very nominal rates without healthy competition during the whole year. Huge amount was allocated / expensed under the head emergency without any need and demand in order to avoid open competition on the plea of emergency works. **Annex-C**

Audit is of the view that due to weak internal controls, doubtful and uneconomical expenditure on civil works were incurred by splitting and calling quotations.

Uneconomical / doubtful expenditure on civil works by splitting and calling quotations resulted in irregular expenditures amounting to Rs 21.424 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that all expenditure on civil works was made by adopting proper procedure. The reply was not tenable as schemes were split up.

DAC, in its meeting, held in May, 2017, directed the DDO to justify the splitting. No progress was intimated till finalization of this Report.

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

[AIR Para: 04]

1.2.2.2 Unjustified payment of earth work without recording of cross section area - Rs 3.685 million

According to Rule 4.7 (3) of B&R Department Code, in all cases where payments of earth work are to be made from the longitudinal and cross section prepared before the work is started, the levels of such works should be recorded in a special level book. The level on which the sections are plotted should be entered in ink and the quantities should be calculated from the above mentioned levels.

TMA Lodhran, made payment of earth work amounting to Rs 3.685 million during the Financial Year 2015-16 without recording the natural surface level and cross section in the different development works. In absence of natural surface level and cross section the payment of earth work was quite unjustified.

Annex-D

Audit is of the view that due to weak internal controls, payments of earth work was made without recording of natural surface level and cross sections.

Unjustified payment of earth without recording of cross section area resulted in irregular expenditure of Rs 3.685 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that all the X-section, L-section were available in the files. The reply was not tenable as only few files were produced for verification in which Cross Section & L-Section recorded without Khewat and Khatoni. Complete record was not produced for verification of Audit.

DAC, in its meeting, held in May, 2017, directed the DDO to get the expenditure regularized from the competent authority. No progress was intimated till finalization of this Report.

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

[AIR Para: 32]

1.2.3 Performance

1.2.3.1 Non recovery of rent of shops-Rs 59.411 million

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

TMA Lodhran, did not recover the rent of shops amounting to Rs 55.911 million during the year 2015-16 from the tenants of 505 shops. The arrears were continuously increasing due to poor recovery position as only 9% of total amount of rent due was recovered during the Financial Year 2015-16. Further, additional rent of double story amounting to Rs3.500 million was not charged from 153 shopkeepers. This resulted into non-collection of total rent of Rs 59.411 million during the Financial Years 2014-16. **Annex-E**

Audit is of the view that due to weak financial management, less recovery of rent of shops was made.

Less recovery of rent of shops resulted in loss to TMA amounting to Rs 59.411 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that out of total 505 shops, 105 shop keepers filed a writ petition in Honourable High Court for proprietary rights and refused to pay government dues which resulted in accumulation of arrear of shops. Some shop keepers of Railway Road refused to pay rent due to decline in business. The shops were sealed by TMA. The reply was not tenable as no record in support of reply was produced to Audit.

DAC, in its meeting, held in April, 2017, directed the DDO to get the record verified viz- a-viz with the decision of High Court. Further, rent of shops of Railway Road be recovered from defaulters through Land Revenue Act. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 59.411 million, under intimation to Audit.

[AIR Para: 11]

1.2.3.2 Less recovery of Government receipts - Rs 8.498 million

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

TMA Lodhran, made less recovery on account of advertisement fee and sale of sludge water amounting to Rs 8.498 million during Financial Years 2013-2016 through departmental collection. It was observed that the same source of income generated more revenue when the income heads were auctioned to contractors but there was downfall of revenue when the income was collected by the department. Further, the numbers of advertisement boards increased during the period 2013-16 than the previous years and consumption of water was also increased but there was no increase in income. TMA authorities did not take any action against the downfall in the recovery. The comparison of revenue through auction and departmental collection is as under:

(Rupees in million)

Head of revenue	Period	Source Auctioned in 2011-12 & 2013-14	Departmental Collection	Loss due to departmental collection
Advertisement fee	2013-14	1.900	0.167	1.733
	2014-15		0.144	1.756
	2015-16		0.265	1.635
Sludge water	2014-15	2.674	1.415	1.259
	2015-16		0.558	2.115
Total				8.498

Audit is of the view that due to poor performance income was less realized as compared to the amount generated through auction.

Less recovery of government dues resulted in loss amounting to Rs 8.498 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that TMA took strict action against illegal boards and got them removed from site. As far as auction of sludge water is concerned, TMA tried to auction sludge water but no party participated. The reply was not tenable as no record in support of reply was produced to Audit.

DAC, in its meeting, held in May, 2017, directed the DDO to effect the recovery of Rs 5.124 million on account of advertisement fee and get the record of auction of sludge water verified by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 8.498 million, under intimation to Audit.

[AIR Para: 06,09]

1.2.4 Weak Internal Controls

1.2.4.1 Loss due to non-imposition of annual increase of rent of shops - Rs 205.998 million

According to Condition No.06 of Agreement of Rent, Lease agreement is for one year, maximum duration is five years and there would be annual increment of 10% every year.

TMA Lodhran, did not increase the rent of shops in the demand register @ 10% annually in violation of agreement. During last ten years rent collected/ deposited without annual increase amounting to Rs 195.008 million. The demand and collection registers of Financial Years 2010-2015 were concealed and not shown to Audit. The loss of last ten years was calculated on the basis of ten percent increase. Furthermore, arrears of rent of 105shops demolished during Year 2012 by the TMA authorities to give the space for Ghalla Mandi amounting to Rs 10.990 million were not recovered from tenants. The TMA authorities neither recovered the arrear of rent of shops nor were the efforts made for declaring the arrear of land revenue under Land Revenue Act. Moreover, the loss was not got write off from the competent authority. Detail of loss computed is as under:

(Rupees in million)

Particulars	Amount of Outstanding rent
Non-recovery of annual 10% increase in rent of shops	195.008
Arrear of 105 number of shops demolished	10.990
Total	205.998

Audit is of the view that due to weak internal control rent was not annually increased and arrear of demolished shops was not recovered.

Non recovery of rent of shops resulted in loss amounting to Rs 205.998 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that 10% annual increase was made in rent of shops. The case of Ghallah market was in the High Court Multan Bench, recovery would be made after judgment of case. The reply was not tenable as original Demand and Collection register was not produced to Audit. Further, no record relating to court case was provided.

DAC, in its meeting, held in May, 2017, directed the DDO to get the record verified within fifteen days. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 205.988 million and production of record to Audit for verification.

[AIR Para: 01,7]

1.2.4.2 Illegal construction of commercial buildings without payment of commercialization fee – Rs 10.378 million

According to Section 146-D of the Punjab Local Government Ordinance, 2001, inspector can suspend any work, seize the goods, seal the premises, demolish or remove work and issue directions for taking corrective measures in the time specified by him. Further, according to Section 146-D (2) (a) of the Punjab Local Government Ordinance, 2001, inspector can issue notices in writing on behalf of respective local Government served, either personally or through registered post with acknowledgement due or by any official of the local Government, in order to restrain violations or commission of any offence forthwith.

TMA Lodhran, did not take any action during the Financial Year 2015-16 against the illegal construction of commercial buildings, constructed without submission and approval of building plans and payment of the Government fee of Rs 10.378 million. **Annex-F**

Audit is of the view that due to weak internal controls, no action was taken against the illegal constructions established without submission of building plan and payment of prescribed fee.

Illegal construction of buildings without paying commercialization and building fee resulted in loss amounting to Rs 10.378 million to the TMA funds.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that cases had been filed in the court of Special Magistrate Lodhran. The reply was not tenable as no record in support of reply was produced to Audit.

DAC, in its meeting, held in May, 2017 directed the DDO to effect recovery within thirty days and to take up matter with appellate court if the trial court is unable to decide the pending cases. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 10.378 million, under intimation to Audit.

[AIR Para: 12, 15, 19]

1.2.4.3 Award of work by tempering in tender rates – Rs 8.300 million

According to Para No.2.61 of B & R Department Code, in giving out works on contracts, tenders which should always be sealed, should invariably be invited in the most open and public manner possible, whereby advertisement in the Government Gazette or local newspapers after the estimate has been technically sanctioned and the contract documents have been approved by an authority not lower than that empowered to accept the tender. Further, according to Rule 2.33 of PFR Vol-I, every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

TMA Lodhran, awarded the works of Rs 8.300 million to contractors by tempering the rates in different schemes during the Financial Year 2015-16. On the tender form, space was filled later on as appeared from the difference of writing and colour of ink. The bids were accepted without mentioning the above and below rates which was later on added after opening the bid. Further, as per tender register, tender form was not issued against works but works were awarded to a particular contractor. The detail is as under:

(Rupees in million)

Sr. No.	Name of Scheme	Contractor Name	Price of Tender	Remarks	Estimated Cost
1	Construction of metalled road from Jugu Wala Bachoo More Link Road to Basti Havily V/C Sher Pur	Malik Nawaz	0.5% Below	On tender form fake rate was filled neither above nor below was mentioned	5.000
2	Construction of soling drains Pacca Khall Chan Colony Qureshi Wala	Malik Nawaz	0.5% Below	Rate was filled later on, because there was difference of writing and ink of pen	1.500
3	Construction of Sludge Carrier Nawan Sher Mouza Malak Pur	Ch.Riasat Ali	0.25% Below	Rate was mentioned 0.25 %, without mentioning above or below on the TS estimate	0.800
4	Construction of soling from Ambwala Mor to Basti Nijabat Wala Mouza Bohar Bogay	Malik Imtiaz	0.25% Below	Rates were added later on and below rate was changed as above rate on TS estimate	1.000
Total					8.300

Audit is of the view that due to weak internal controls, tenders were awarded by tempering the bid sheets.

Award of works by tempering in tender rates resulted in misappropriation of Rs 8.300 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that there was no over writing in the tender form as all tenders were opened in the presence of tender opening committee. All the members checked the tenders at the time of opening. The reply was not tenable as overwriting was made on tenders and rates were written with different pen.

DAC, in its meeting held in May, 2017, directed the Chief Officer to refer the case for inquiry to CEO District Council. No progress was intimated till finalization of this Report.

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

[AIR Para: 02]

1.2.4.4 Illegal establishment of residential colony without payment of Government fee - Rs 5.526 million

According to Rule 60 (c) of Punjab Land Use Rules 2009, the conversion fee for the conversion of peri-urban area or intercity service area to residential use shall be one percent of the value of the land as per valuation table or one percent of the average sale price of preceding twelve months of land in the vicinity. Further, according to Notification No.TMA / LD / P&C / 555 / 02 / 2011 dated 15.10.2011, map fee of land sub division was Rs 500 per Kanal.

TMA Lodhran, did not recover conversion and map fee of Rs 5.526 million from the owner of residential colony “Shadman Housing Scheme” during 2015-16. The file was submitted on 11.09.2015 without deposit of prescribed fee. The detail is as under:

(Rupees in million)

Name	Building Application No.	Address	Total area of Land In Kanal	Av. Sale Rate of Land in 2016-17	1% commercial Fee	Map Fee @ Rs2 per Marla	Amount
Shadman Housing Scheme	16 dated 11/9/2015	Multan BWP Road Near WAPDA Colony Mouza Thatha Theem	251	0.100/ Marla	5.020	0.506	5.526

Audit is of view that due to weak financial management, the prescribed fee was not recovered from the owner of housing scheme.

Illegal establishment of residential colony without paying of fee resulted in loss amounting to Rs 5.526 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that demand notice was issued to the owner of scheme. The reply was not tenable as no recovery was made.

DAC, in its meeting, held in May, 2017, directed the DDO to effect recovery within thirty days. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 5.526 million, under intimation to Audit.

[AIR Para: 03]

1.2.4.5 Unjustified splitting of building plan and loss of conversion fee - Rs 2.911 million

According to the Rule 60(1)(a) of the Notification No. SOR (LG)38-18/2009 dated 27th June, 2009, Punjab Land use (Classification, Reclassification and Redevelopment) Rules, 2009, and Notification No. SOR(LG) 38-18 /2009-P dated 6th June, 2012, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be 5% for land value less than one million according to scheduled rate, 10% for value from one million to ten million, and 20% for value exceeding ten million.

TMA Lodhran, obtained less conversion fee of Rs 2.911 million from the owners during Financial Year 2015-16 due to splitting of building plans of commercial plaza. Three building plans of commercial plaza of same site with same area of land were submitted in order to avoid the 20% conversion fee. The detail is as under:

(Rupees in million)

Name	Building Application No.	Building Application Dated	Name Of Owner	Total area of Land Marla	Rate Of Land was Applied (Off Road)	Fee Paid & 10%	Fee To be Paid @ Rs.20%	Less Fee Paid	Remarks
Commercial Plaza	20	30.09.2015	Muhammad Akram S/O Nazar Muhammad	42	0.231	0.970	5.821	2.911	Less fee was paid by splitting up
	21	30.09.2015	Haji Sadique S/O Nazar Muhammad	42	0.231	0.970			
	22	30.09.2015	Muhammad Asghar S/O Nazar Muhammad	42	0.231	0.970			
Total				126		2.911	5.821	2.911	

Audit is of the view that due to weak internal controls, building plan was split up to avoid 20% conversion fee.

Unjustified splitting of building plan resulted in loss amounting to Rs 2.911 million.

The matter was reported to the Chief Officer / PAO in February, 2017. The Chief Officer replied that as per record of Revenue Department the property was in the name of different owners. The reply was not tenable as building applications showed that only one commercial plaza constructed. Hence, the fee @20% as per the valuation of property should have been recovered.

DAC, in its meeting, held in May, 2017 directed the DDO to get the record verified as to the site plan/ approved map of the three different buildings along with the survey report that three buildings were not inter-connected. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 2.911 million, under intimation to Audit.

[AIR Para: 08]

1.3 Tehsil Municipal Administrations, Dunyapur

1.3.1 Irregularities and non compliance

1.3.1.1 Non-maintenance of record of vouchers and separate books of accounts for expenditure - Rs 83.063 million

According to Rule 65 (1)(2) of PDG & TMA (Budget) Rules, 2003 responsibility of relevant local government functionaries is the heads of offices shall be responsible for controlling and managing expenditure from the grants placed at their disposal and each Drawing and Disbursing Officer (DDO) shall be responsible for the expenditure actually incurred against the funds allotted to him. The expenditure shall be sanctioned in accordance with the delegation of Financial Power Rules.

DDOs of TMA Dunyapur did not maintain books of accounts i.e. Cash Book, Contingent Register, and Budget Control Register, vouchers of pay, contingency or development expenditure etc. during the Financial Year 2015-16. Expenditure of Rs 83.063 million was incurred by the DDOs but neither proper books of accounts were maintained nor were reconciliations carried out with respective stakeholders. All the DDOs were allocated separate budget under specified head of accounts as prescribed under relevant rules.

Audit is of the view that due to weak management, separate books of accounts of expenditure were not maintained.

Non-maintenance of separate books of accounts of expenditure amounting to Rs 83.063 million resulted in violation of the Government rules.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that Cash Book of each DDO was prepared separately. Budget Control Register was maintained in Tehsil Officer (Finance) branch. All DDO's powers were utilized by Tehsil Municipal Officer in the said period. The reply was not tenable as cash books of TMO, TO(F) and TO(P) branches for the month of December, 2015 were checked which was not tally with general Cash Book of TAO. Cash Book of TO(I&S) was not maintained properly and TO (R)

did not maintain cashbook. It is admitted that DDO powers were drawn by TMO and utilized himself.

DAC, in its meeting, held in April, 2017, directed the DDO to get the irregularity regularized from the competent authority. No progress was intimated till finalization of this report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides proper maintenance of books of accounts by each DDO, under intimation to Audit

[AIR Para: 01]

1.3.1.2 Unauthorized issuance of work order - Rs 28.277 million

According to Rule 46 of the Punjab Tehsil/Town Municipal Administration (Works) Rules, 2003, where a quotation of a contractor has been accepted for piece work, the Engineer- incharge shall issue a work order for the execution of the work in the form and in the manner prescribed under the West Pakistan Building and Road Works Code. Further, according Rule 2.72 (2) of the West Pakistan Buildings & Roads Department Code up-to-date amendments 1994, in the Buildings and Roads Department work orders are used for all works and repairs estimated to cost, not more than Rs 10,000 up to which limit the Divisional Officers are competent to issue work order. The Sub-Divisional Officer may issue work orders for works and repairs estimated to cost, not more than Rs4,000. Moreover, according to Sr.No.12 (i) (ii) of Special Powers delegated to officers of Communication and Works Department under the Delegation of Financial Power Rules 2006, Sub-Divisional Officers were competent to issue work orders for works & repair up to Rs 20,000 in each case.

TMA Dunyapur, issued work orders of Rs28.277 million during the Financial Year 2015-16 for execution of works through calling short tenders/quotations by splitting in 293 schemes. The officers of sub-division were competent to issue work orders for the works up to Rs 20,000 in each case

whereas the works were awarded through quotations beyond the prescribed limits to avoid open tenders in violation of above rules.

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

Unauthorized issuance of work order for the works executed through quotations amounting to Rs 28.277 million instead of open tenders resulted in violation of Government rules.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that development works upto Rs 100,000 was executed through quotations. The reply was not tenable as orders were issued in excess of prescribed limits and against the prescribed procedure.

DAC, in its meeting, held in April 2017, directed the DDO to get the expenditure regularized from the competent authority. No progress was intimated till finalization of this Report.

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

[AIR Para: 04]

1.3.1.3 Irregular payment without test reports of bricks and tuff tiles – Rs 9.590 million

According to Chapter 7 (Brickwork) item 1 in remarks column of Market Rate System (MRS) issued by Finance Department it is clarified that the composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used. Further, according to Technical Sanction of Chief Engineer (HQ) Punjab Local Government Board, Lahore letter No. CE(HQ) PLGB-TS/2005 issued in different dates the tuff tile was required to be used having crushing strength not less than 7000 PSI.

TMA Dunyapur, made payment of Rs 9.590 million on account of execution of different development schemes of brick work / soling and laying of tuff tiles during the Financial Year 2015-16 without obtaining test reports of bricks and tuff tiles from laboratory.

Audit is of the view that due to weak management, work was executed without obtaining test reports.

Execution of works without obtaining test reports resulted in irregular payments of Rs 9.590 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that cost of these schemes was less than Rs 300,000 for which the test report was not necessary. The reply was not tenable as no evidence in support of reply was produced to Audit.

DAC, in its meeting, held in April, 2017, directed the DDO to produce the test reports of bricks and tuff tiles. No progress was intimated till finalization of this Report.

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

[AIR Para: 28,29]

1.3.1.4 Unauthorized purchases on quotations – Rs 1.987 million

According to Rule 59 (b) of the Punjab Procurement Rules, 2014, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees and such procurement shall be exempted from the requirements of bidding procedures. Further according to definition “competitive bidding” means a procedure leading to the award of a

contract whereby all the interested persons, firms, companies or organizations may bid for the contract.

TMA Dunyapur, made purchases of different items of Rs 1.987 million during the Financial Year 2015-16 on simple quotations instead of competitive bidding in violation of above rules. In all the cases cost of procurement was more than on hundred thousand rupees and procurement was not exempt from the requirement of bidding procedure. **Annex-G**.

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

Unauthorized purchases amounting to Rs1.987 million resulted in violation of Punjab Procurement Rules.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that quotations were called as per Rule 59(a)(b) of the Punjab Procurement Rules 2014, after completing all codal formalities. The reply was not tenable as expenditure was incurred by splitting up to avoid the advertisement process. Further, no consumption record was available.

DAC, in its meeting held in April, 2017, directed the DDO to get the expenditure regularized from the competent authority. No progress was intimated till finalization of this Report.

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

[AIR Para: 05]

1.3.2 Performance

1.3.2.1 Unauthorized construction of land subdivisions and approval of maps without transfer of land - Rs 104.619 million

According to Section 17 (e) of the Punjab Private Housing Schemes and Land Sub Division Rules 2010, a developer shall submit a transfer deed in accordance with Form B for free of cost transfer to a Town Municipal Administration, a Tehsil Municipal Administration or a Development Authority:

- i. The area reserved for roads, open space, park, solid waste management
- ii. One percent of the area under land sub-division for public buildings, excluding the area of mosque

TMA Dunyapur, did not get transferred the lands of various land subdivisions specified for roads and public places valuing Rs 104.619 million in the name TMA. The developers were allowed to develop and subdivisions and sale the plots without transfer of land in the name TMA. The detail is as under:

(Rupees in million)

Sr. No.	Name of Scheme	Area of Public Building/Roads (In Marlas)	Valuation as per valuation table 2015-16 (Per Marla)	Value of the land not transferred in the name of TMA / Municipality Dunyapur
1	Hamad City Land Sub Division Dunyapur	320	0.049	15.520
2	Jawad park land Sub Division	513.6	0.058	29.789
3	Modern Land Sub Division	631.4	0.049	30.623
4	Joyia Land Sub Division	494.6	0.058	28.687
Total				104.619

Audit is of the view that due to weak internal controls, unauthorized land subdivisions were developed without transfer of specified land for roads and public places in the name of TMA.

Unauthorized development of land subdivisions without transfer of specified land for roads and public places in the name of TMA resulted in loss amounting to Rs 104.619 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that Letter was issued to the Revenue Department for stay order to stop the sale / purchase on which implementation by the Revenue Department had been made. Notice was also issued to the developer/owner of the Land Sub Division. Reply was not tenable as no record in support of reply was produced to Audit.

DAC, in its meeting, held in April, 2017, directed the DDO to provide a certificate for stoppage of sale/ purchase of said colonies by Assistant Commissioner Dunyapur. Progress of transfer of land in the name of TMA/MC should also be intimated as and when occurred. No progress was intimated till finalization of this Report.

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

[AIR Para: 18]

1.3.2.2 Unauthorized construction of housing schemes / land subdivisions—Rs 6.300 million

According to Rule 76 (1) & (2) of PDG & TMA (Budget) Rules, 2003 the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund. The Head of the Offices shall supervise and take corrective measures in respect of the activities of the Collecting Officers.

TMA Dunyapur, advertised a public notice in daily Nawa-e-Waqt dated 19.11.2016 stating that various housing schemes / land subdivisions of Tehsil Dunyapur had not got approved their building plans from TMA and so the sale

the plots thereof was illegal. Further, the developers / owners of the housing schemes / land subdivisions were directed to contact the TMA authorities within 15 days. The matter was not pursued with the owners of the housing schemes / land subdivisions for recovery of Government fee of Rs6.300 million. **Annex-H**

Audit is of the view that due to weak management, unauthorized housing schemes / land subdivisions were constructed without submission of building plans and payment of prescribed fee.

Unauthorized construction of housing schemes / land subdivisions without submission of building plan and payment of prescribed fee resulted in loss amounting to Rs 6.300 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that fees of land sub division at Sr. No. 01 to 09 Rs 2.960 million had been recovered. Notice was issued to the developer. Revenue Department was requested to stop the sale / purchase which was implemented.

DAC, in its meeting, held in April 2017, directed the DDO to produce a certificate for stoppage of sale/ purchase of said colonies by Assistant Commissioner Dunyapur till approval of schemes. Outstanding dues from housing schemes/land subdivisions under the jurisdiction of TMA/MC be recovered. No progress was intimated till finalization of Report.

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

[AIR Para: 19]

1.3.3 Internal Control Weaknesses

1.3.3.1 Doubtful drawal of funds of POL - Rs 7.280 million

According to Schedule-I under Rule 3(2) of the Punjab Tehsil/Town Municipal Administration Rules of Business, 2002, different functions including sewage and sewage treatment and disposal, storm water drainage, sanitation and solid waste collection and sanitary disposal of solid, liquid, industrial and hospital wastes were allocated to Tehsil Officer Infrastructure and Services.

TMA Dunyapur, drew funds of Rs 7.280 million on accounts of POL for different machinery used for the purpose of sanitation, solid waste collection, disposal of water and supply of water etc. during the Financial Year 2015-16.

Annex-I

The following shortcomings were noticed during physical verification of sites:

- i. There were a lot of debris of garbage were found available in whole of the streets and roads of the city.
- ii. The disposal water was found flowing in most of the streets.
- iii. There were eleven turbines for supply of drinking water to the city out of which seven numbers of turbines were out of order whereas, the POL charges for generators were being drawn regularly. When the generators were physically inspected along with the deputed staff it was stated that the same were non-functional at the place of turbines and water works.

Audit is of the view that due to weak internal controls, funds were drawn for POL without proper functioning of sanitation, disposals of waste water and supply of drinking water.

Doubtful drawal of funds for POL amounting to Rs 7.280 million without proper functioning of sanitation, disposal of waste water and supply of drinking water resulted in loss to the TMA Fund.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that Log book for consumption of POL was prepared on actual basis for generator and sanitation machinery. The reply was not tenable as no approved schedule for utilization of heavy machinery on daily basis for cleaning roads was produced to Audit.

DAC, in its meeting, held in April, 2017, directed the DDO to provided log books duly signed by the TAO for verification of Audit. No progress was intimated till finalization of this Report.

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

[AIR Para: 06]

1.3.3.2 Unjustified payment of earth work without recording of levels and cross section area – Rs 4.242 million

According to Para No.4.7 (3) of B & R Department code, in all cases where payments of earth work are to be made from the longitudinal and cross section prepared before the work is started, the levels for such works should be recorded in a special level book. The levels on which the sections are plotted should be entered in ink and the quantities should be calculated from the above mentioned levels. Further, according to Technical Sanction of Chief Engineer (HQ) Punjab Local Government Board Lahore letter No. CE (HQ) PLGB-TS/2005 dated 04.09.2015, the exact quantity of earth work will be worked out after conducting leveling before executing of earth work in order to avoid possibility of any wrong payment besides preparation of lead chart of earth work showing borrowing areas specifying exact khasra and khatoni numbers.

TMA Dunyapur, made payment of earth work amounting to Rs 4.242 million without recording Cross Section (X-Section) and Natural Surface Levels (NSL). Further, lead charts showing borrowing areas specifying exact khasra and khatoni numbers were not available despite lead of earth was paid.

Audit is of the view that due to weak internal controls, unjustified payment of earth work was made to contractor.

Payment of earth work without cross section, NSL, and lead chart resulted in unauthorized payment amounting to Rs 4.242 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that earth work under soling or tuff pavers was given 6” to 9” cross section. The lead in the city area of Dunyapur was given one mile, outside the city lead was given ½ mile. The reply was not tenable as complete record was not produced in support of reply.

DAC, in its meeting, held in April, 2017, directed the DDO to provide complete record for verification of Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 4.242 million, under intimation to Audit.

[AIR Para: 21]

1.3.3.3 Uneconomical/ unauthorized repair of machinery and equipment—Rs 1.819 million

According to Rule 4 (ii)(a)(b) and (c) of the Punjab Delegation of Financial Powers Rules 2006, powers to sanction and incur expenditure on addition to or repairs / replacement of parts and overhauling, etc. of the machinery, tools and plants and motor vehicles subject to the restrictions that in absence of Department’s own Workshop, quotations and open tenders may be invited in the following manner , small order up to Rs 10,000, Limited tender

enquiry, up to Rs 0.150 million and open tender enquiry, when the estimate of repair exceeds the limit of Rs 0.150 million.

TMA Dunyapur, incurred expenditure of Rs1.819 million on repair of different vehicles and machinery without quotation process or limited tender enquiry in violation of above rules. Neither history sheets maintained nor old replaced parts were accounted for. Further, transformers were got repaired privately and not from authorized mechanic of WAPDA as required under law.

Annex-J

Audit is of the view that due to weak internal control, irregular and uneconomical expenditure on repair work was incurred without competition.

Uneconomical expenditure of Rs1.819 million resulted in violation of Government rules.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that expenditure was made as per the Punjab Procurement Rules. The reply was not tenable as Punjab Procurement Rules covers only procurement of goods not repair. Further, history sheets of machinery and vouchers were not produced to Audit.

DAC, in its meeting held in April, 2017, directed the DDO to get the expenditure regularized from the competent authority. No progress was intimated till finalization of Report.

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

[AIR Para: 9]

1.3.3.4 Doubtful consumption of POL- Rs 1.465 million

According to Government of the Punjab LG & RD letter No. SO.IV(LG)10-2/96 and No. SO.Admn-II (LG) 4-16/2003 dated 25.05.2005, Fire Brigade vehicles and related staff should not be used for purposes other than firefighting.

TMA Dunyapur, incurred an expenditure of Rs1.465 million on account of POL during the Financial Year 2015-16. **Annex-K**

The entire expenditure was doubtful on the following grounds:

- i. The Fire brigade was used for sprinkling of water and drainage during the whole year.
- ii. All sucker machines & sewer jetting machines were used for addressing the complaints of different sites regarding blockage of sewer lines.
- iii. No complaint register was maintained on record neither produced to audit in conformity of each visit of sucker nor jetting as recorded in the log books. In absence of complaint register, running of vehicles was unjustified and movement of the vehicles was doubtful.
- iv. Reports of sewer man, sub engineer and acknowledgements of complainants were also not available.

Audit is of the view that due to weak management, the expenditure on account of POL charges held doubtful.

Unjustified maintenance of log books of vehicles resulted in excess drawal of POL amounting to Rs1.465 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that expenditure incurred on sucker machine, fire brigade and office generator was actual. Log books were available for verification. The reply was not tenable as POL for generator was drawn from Fire bridge head. Further, Log books shown which had mostly entries for sprinkling water.

DAC, in its meeting, held in April, 2017, directed the DDO to get the expenditure regularized from the competent authority. No progress was intimated till finalization of this Report.

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

[AIR Para:10]

1.4 Tehsil Municipal Administration, Kehror Pacca

1.4.1 Irregularities and noncompliance

1.4.1.1 Non maintenance of record of vouchers and separate books of accounts by each DDO - Rs 93.345million

According to Rule 65 (1)(2) of the PDG & TMA (Budget) Rules, 2003 responsibility of relevant local government functionaries is the heads of offices shall be responsible for controlling and managing expenditure from the grants placed at their disposal and each Drawing and Disbursing Officer (DDO) shall be responsible for the expenditure actually incurred against the funds allotted to him. The expenditure shall be sanctioned in accordance with the delegation of Financial Power Rules.

DDOs of TMA Kehror Pacca, did not maintain books of accounts i.e. Cash Book, Contingent Register, and Budget Control Register, vouchers of pay, contingency or development expenditure etc. during the Financial Year 2015-16. Expenditure of Rs 93.345 million was incurred by the DDOs but neither proper books of accounts were maintained nor were reconciliations carried out with respective stakeholders. All the DDOs were allocated separate budget under specified head of accounts as prescribed under relevant rules. The detail of allocated budget and actual expenditures incurred. The detail is as under:

(Amount in Million)			
Name of Branch	Establishment	Non-Development	Total Expenditure
Administrated Branch	1.220	0.100	1.320
TMO	5.100	1.285	6.385
TOF	6.230	0.785	7.015
TO I&S	7.050	3.150	1.020
TO R	0.411	1.550	4.125
TO P&C	0.343	0.130	2.280
CO (Headquarter)	8.166	16.960	60.460
CO (Non Headquarter)	1.172	2.020	9.020
Total	31.391	26.000	93.345

Audit is of the view that due to weak internal controls, separate books of accounts of expenditure were not maintained.

Non-maintenance of separate books of accounts of expenditure amounting to Rs 93.345 million resulted in violation of the Government Rules.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that there was only one DDO of TMA for the year 2015-16 due to which only one cash book was maintained. However, separate budget of all branches was allocated and their books of accounts were separately maintained branch/head wise. The reply was not tenable as only one cash book for all DDOs was maintained. Further, branch wise accounts were also not produced to Audit. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides proper maintenance of books of accounts by each DDO, under intimation to Audit.

[AIR Para: 13]

1.4.1.2 Non obtaining of additional performance securities-Rs9.334 million

According to Finance Department letter No.RO (Tech) FD 1-2/83 (VI) (P) dated 06.04.2005, in case the total tendered amount is less than 5 % of approved estimate (DNIT) amount the lowest bidder will have to deposit additional performance security from the scheduled bank within 15 days of issuance of notice or within expiry period of bid whenever is earlier.

TMA Kehror Pacca, awarded works during the Financial Year 2015-16 without obtaining of additional performance securities of Rs9.334 million from the contractors, who offered rates less than 5% from the TS estimates.

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

Non-obtaining of additional performance securities amounting to Rs 9.334 resulted in violation of the Government instructions.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that 5% Call Deposit Receipt and 10% additional performance security was obtained from contractors. The reply was not tenable as performance security up to below percentage of award of work, i.e. up to 30% of estimates rates quoted by contractors was not received. Despite various requests, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 03]

1.4.1.3 Unjustified payment of earth work without recording of levels and cross section area – Rs4.339 million

According to Para No.4.7 (3) of B & R Department Code, in all cases where payments of earth work are to be made from the longitudinal and cross section prepared before the work is started, the levels for such works should be recorded in a special level book. The levels on which the sections are plotted should be entered in ink and the quantities should be calculated from the above mentioned levels. Further according to Technical Sanction of Chief Engineer (HQ) Punjab Local Government Board Lahore letter No. CE (HQ) PLGB-TS/2005 dated 04.09.2015; the exact quantity of earth work will be worked out after conducting leveling before executing of earth work in order to avoid possibility of any wrong payment besides preparation of lead chart of earth work showing borrowing areas specifying exact khasra and khatoni numbers.

TMA Kehror Pacca, made payment of earth work amounting to Rs4.339 million during the Financial Year 2015-16 without recording Cross Section (X-Section) and Natural Surface Levels (NSL). It was further observed that lead charts showing borrowing areas specifying exact khasra and khatoni numbers were not available despite lead of earth was paid.

Audit is of the view that due to weak internal controls, irregular payment of earth work was made.

Non compliance of rules resulted in irregular payment of Rs 4.339 million to the contractors.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that TMA executed the works that include the lead. Cross section (x-section) and natural surface level (NSL) were prepared at the time of preparing estimates. The reply was not tenable as no record in support of reply was produced to Audit. Despite various requests, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 01]

1.4.1.4 Non imposition of penalty due to non completion of works within time limit - Rs3.557 million

According to Clause 39 (a) of Standard Contract Agreement, the contractor shall pay as compensation an amount up to 10 % of the estimated cost of work if the work is not completed within stipulated period of time. Moreover, Government of the Punjab, C&W Departments letter dated 20.04.2009 stipulates that a copy of the extension order shall be endorsed to the Superintending Engineer, Chief Engineer and Special Secretary C&W, for their information and record.

TMA Kehror Pacca, did not observe the time limits granted to the contractors. Contractors neither completed the work within time limit nor applied for time extension before the expiry period of works. Penalty @ 10% amounting

to Rs3.557 million was not imposed due to non-completion of work within time limit during the Financial Year 2015-16.

Audit is of the view that due to weak internal controls, penalty for non-completion of works within time limit was not imposed.

Non-imposition of penalty for non-completion of works within time limit resulted in loss to the Government amounting to Rs 3.557 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that as per the Works Rules, Administrator, Tehsil Municipal Officer and Tehsil Officer (I&S) were competent to extend the duration for completion of execution works. Moreover, in some cases, penalties were also imposed. The reply was not tenable as contractors did not apply for time extension within agreement period. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 3.557 million, under intimation to Audit.

[AIR Para: 02]

1.4.1.5 Irregular expenditure on purchase of durable goods – Rs 2.024 million

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

TMA Kehror Pacca, incurred expenditure of Rs2.024 million during 2015-16 on account of purchase of electric material, water filters, spare parts of machinery & equipment, and various durable goods without advertisement on

PPRA's website for open competition. Purchases were also not advertised in any newspaper. Purchases were split to avoid tender for open competition. **Annex-L**

Audit is of the view that due to weak internal control, uneconomical purchases were made.

Non compliance of rules resulted in uneconomical purchases amounting to Rs 2.024 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that purchases were made as per Rule 55 to 59 of the Punjab Procurement Rules. The reply was not tenable as demand for whole year was not consolidated and purchases were made through quotations. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 16]

1.4.1.6 Unauthorized repair of machinery and equipment-Rs1.891 million

According to Rule 4 (ii)(a)(b) and (c) and (iii) of the Punjab Delegation of Financial Powers Rules 2006, powers to sanction and incur expenditure on addition to or repairs / replacement of parts and overhauling, etc. of the machinery, tools and plants and motor vehicles subject to the restrictions that in absence of Department's own Workshop, quotations and open tenders may be invited in the following manner , small order up to Rs 10,000, Limited tender enquiry, up to Rs 0.150 million and open tender enquiry, when the estimate of repair exceeds the limit of Rs 0.150 million and the expenditure is economical with reference to the service period of the tools, plants, machinery, vehicle.

TMA Kehror Pacca, incurred expenditure of Rs1.891 million during the Financial Year 2015-16 on repair of different vehicles and machinery without quotation process or limited tender enquiry in violation of above rules. Neither history sheets maintained nor old replaced parts were accounted for. Further, no auction of sale of replaced parts was on the record. Furthermore, transformers were got repaired privately and not from authorized mechanic of WAPDA as required under law. **Annex-M**

Audit is of the view that due to weak internal controls, unauthorized expenditure on repair of machinery and equipment was incurred.

Non compliance of Government Rules resulted in unauthorized expenditure of Rs1.891 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that replaced materials were entered in repair / dead stock register. All codal formalities were fulfilled while processing the job. The reply was not tenable as no record in support of reply was produced to Audit. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 06]

1.4.1.7 Irregular payment without test reports of tufftiles-Rs1.415 million

According to Secretary Communication and Works (C&W) Department letter NO.B-II (C&W)2-2/2001/77 dated 01.02.2004, all tests for sub grade and base must be carried out/ got verified from laboratory. Gradation of crush for all levels must also be got carried out. Further, as per conditions of award contract, tests regarding sub-grade, sub base, base course and bitumen are mandatory

during execution. No next item can be executed until the production of satisfactory standard test report of last item.

TMA Kehror Pacca, made payment amounting to Rs1.415 million on account of execution of different development schemes of tuff tiles during the Financial Year 2015-16 without obtaining 7000 PSI test reports from laboratory.

Audit is of the view that due to weak internal controls, execution of works was made without obtaining test reports from laboratory.

Non-obtaining of test reports of 7000 PSI from laboratory resulted in irregular payments of Rs1.415 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that all the test reports of development works were got during the execution works. The reply was not tenable as tests reports of tuff tiles were received in April, 2017 after payment to contractors. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 20]

1.4.1.8 Unauthorized / irregular expenditure on Ramzan Bazar— Rs1.235 million

According to Rule 12(2) of the Punjab Procurement Rules, 2014, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu. Further, according to Government of the Punjab LG & CD Department clarification vide letter No. SO Estate (LG) 2-2/2011 (P) dated 20th October 2015 installation of

CCTVs does not fall under the purview of the municipal services, and therefore not a valid charge on the funds of TMA.

TMA Kehror Pacca, incurred expenditure of Rs1.235 million during the Financial Year 2015-16 on account of arrangements for Ramzan Bazar which includes installation of CCTV Cameras through calling simple quotations instead of tendering process. The advertisement was not made on PPRA's website as required under Punjab Procurement Rules. Moreover, items purchased i.e. green jal, green net and mirror was not available in the stock/store. **Annex-N**

Audit is of the view that due to weak internal controls, expenditure was incurred without observing the Punjab Procurement Rules.

Non compliance of procurement rules resulted in irregular expenditures of Rs1.235 million

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that as per letter No. 933-AC/ dated 20.05.2016, installation of CCTV cameras were made necessary at Ramdan Bazar. TMA Purchased CCTV cameras under Rule 55 of the Punjab Procurement Rules, by calling quotations. The reply was not tenable as purchases were made without adopting tender process. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 05]

1.4.2 Performance

1.4.2.1 Non-recovery of prescribed rate of conversion fee and map fee – Rs15.949 million

According to the Rule 60(1)(a)(b)(c)(d)(e) of the Notification No. SOR (LG)38-18/2009 dated 27th June, 2009, Punjab Land use (Classification, Reclassification and Redevelopment) Rules, 2009, and Notification No. SOR(LG) 38-18 /2009-P dated 6th June, 2012, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be 5% for land value less than one million according to scheduled rate, 10% for value from one million to ten million, and 20% for value exceeding ten million.

TMA Kehror Pacca, did not charge the prescribed rate of conversion fee and map fee amounting to Rs15.949 million during the Financial Year 2015-16 from the owners of housing colonies within the jurisdiction of the TMA Kehror Pacca. **Annex-O**

Audit is of view that due to weak internal controls, the prescribed rate of conversion fee and map fee was not charged.

Non-recovery of fee resulted in loss amounting to Rs 15.949 million.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that notices for recovery of fee were served to Haider Land Sub Division. A case was also in process in court of Magistrate (Class-I). FIR was also lodged. All outstanding dues of other cases had been recovered. The reply was not tenable as only Rs 0.200 million was recovered. Despite various efforts, DAC meeting was not convened. No progress was intimated till finalization of this Report.

Audit recommends inquiry, fixing of responsibility on the person(s) at fault besides recovery of Rs 15.949 million, under intimation to Audit.

[AIR Para: 19]

1.4.3 Internal Control Weaknesses

1.4.3.1 Irregular award of work through quotations - Rs 20.368 million

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

TMA Kehror Pacca, issued work orders of Rs 20.368 million during the Financial Year 2015-16 for execution of works through calling the short tenders/quotations. The officers of sub-division were competent to issued work orders for the works up to Rs 20,000 in each case but works of above the prescribed limits were awarded through quotations.

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

Unauthorized issuance of work orders of Rs20.368 million for the works executed through quotations instead of open tenders resulted in violation of Government rules.

The matter was reported to the Chief Officer / PAO in March, 2017. The Chief Officer replied that quotations were called at different time period round

the year purely on public demand and in case of emergency situations. The reply was not tenable as the Punjab Procurement Rules were violated. Despite various requests, DAC meeting was not convened. No progress was intimated till finalization of this Report.

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

[AIR Para: 15]

Annex

Annex-A**Part-I****Memorandum for Departmental Accounts Committee Paras
Pertaining to Audit Year 2016-17**

(Rupees in million)

Sr. No	AIR Para No.	Subject	Amount
		TMA Lodhran	
1	5	Loss to Government due to less calculation of covered area and applying wrong rate of off road instead of on road rate	0.809
2	10	Non payment of income tax on housing colonies	2.117
3	13	Non recovery of Miscellaneous arrear resulted into blockage of revenue	1.863
4	16	Less recovery of sewerage fee due to unrealistic survey & non serious attitude of finance branch	0
5	17	Less recovery of license fee without survey which resulted into expected loss	0.320
6	18	Poor recovery position of water rates which resulted into blockage of revenue	0.429
7	21	Non reconciliation of receipts figures of annual income account & bank statement receipt figures, difference	52.800
8	22	Down fall in the various receipts head	0.296
9	23	Non reconciliation of payment figures of annual expenditure account & bank statement payment figures, difference	182.650
10	24	Loss to government due to less recovery of enlistment fee & less deposit of fee in bank than actual realized amount	0.275
11	25	Fraudulent payments without execution of work at site against the work of paint on foot paths	0.083
12	26	Fraudulent payments without execution of work at site against the work of repair of children park Lodhran	0.056
13	27	Unjustified payment to contractors against substandard work	0.551
14	28	Excess payment to contractors by charging high rates of	0.095

Sr. No	AIR Para No.	Subject	Amount
		7sub base & base course material	
15	29	Excess payment to contractors by charging high quantities	0.080
16	30	Non imposition of penalty despite late completion of works	1.562
17	31	Excess payment to contractor due to non deduction of 5 K.M in lead for carriage of crush for Sub Base, Base and TST	0.334
18	34	Loss to the government due to purchase of electric items on higher rates than the schedule rates	0.164
19	35	Unjustified bogus consumption of POL of mechanical sweeper	0.217
20	36	Unjustified repeated expenditure on repair of sewer jetting machine	0.577
21	37	Unjustified repeated purchase of same items for Ramzan Bazar as previous years	0.398
22	38	Unjustified heavy expenditure on costly purchase of water filter	0.307
23	39	Unauthorized repair of transformer	0.258
24	40	Unjustified payment of CCTV cameras	0.094
25	41	Unjustified purchase of electric items in the absence of consumption record	0.426
26	42	Unjustified expensive repair of computer & AC of TMO office	0.057
27	43	Unjustified heavy expenditure of purchase of plants for children park	0.505
28	44	Unjustified expensive on lifting of heap of wastage recovery thereof	0.099
TMA Dunyapur			
29	02	Non reconciliation of mutation and registration fee with Revenue Department and short recovery	5.705
30	8	Non-obtaining of additional performance securities	0.689
31	13	Non-availability of record of receipt books	0.841
32	14	Loss to Government due to negligence and non-recovery of water rates	7.150
33	17	Unauthorized construction of buildings without submission and approval of maps and fee	0.660

Sr. No	AIR Para No.	Subject	Amount
34	20	Loss to Government due to non-deposit of professional tax	0.177
35	22	Unjustified delay in approval of maps and processing of applications	0.290
36	23	Improper pursuance the case of rent of shops in the court of law and blockade of revenue	0.789
37	24	Non-obtaining of security deposits of TMA shops	1.150
38	25	Deterioration of Government property due to non auctioning	1.304
39	26	Improper maintenance / non-maintenance of realistic survey of license / permit fee and misappropriation of revenue	0.193
TMA Kehror Pacca			
40	4	Unauthorized auctions of collection rights in absence of important external members of auction committee	4.738
41	7	Unauthorized hiring charges of CCTV cameras walk through gate – Rs 0.347 million	0.347
42	8	Non-production of deposit proof of sales tax	0.675
43	9	Doubtful use of POL in fire brigade, jetting and sucker machines	0.697
44	10	Doubtful direct drawal of funds for POL without verification of relevant Tehsil Officer	1.952
45	11	Shortfall in income during the year 2015-16	3.339
46	12	Misappropriation of Government receipts	2.259
47	14	Poor performance of recovery staff due to non-recovery of water charges	0.761
48	17	Doubtful expenditure	0.306
49	18	Deterioration of Government property due to non auction	0.270
50	21	Irregular payment due non availability of test reports / substandard use of bricks	0.463
51	22	Difference in maintenance of account	0
52	23	Less / Non realization of sanitation charges amounting to Rs 0.156 million	0.156

Part-II**[Para-1.1.3]****Memorandum for Departmental Accounts Committee Paras not attended in Accordance with the Directives of DAC Pertaining to Audit Year 2015-16**

(Rupees in million)

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

Sr. No	AIR Para No.	Subject	Amount
19	33	Irregular expenditures without sanction	59.972
20	34	Irregular payment of development project out of security account	8.249
21	36	Excess payment of earth due to defective earth calculation and short work	0.242
22	37	Illegal utilization land for commercial purpose without approval of map and payment of conversion fee	0.311
23	38	Unjustified purchase of 1,254 bamboos having length 40 feet each	0.479
24	41	Loss to the TMA due to poor performance in achievements of planned income	91.519
		TMA Dunyapur	
25	1	Non conducting of post completion evaluation of ADP schemes	43.480
26	3	Irregular payment to contractors	9.296
27	6	Excess payment to contractors by approving excess rate	0.218
28	7	Overpayment to contractor due to excess rate on earth work	0.191
29	8	Excess payment due to excessive measurement	0.162
30	9	Non deduction of income tax from the installments of CCB	0.078
31	11	Unauthorized repair of machinery and equipment's	0.679
32	13	Less collection of conversion fee from the owner of commercial buildings	0.623
33	14	Loss to Government due to illegal construction of buildings without payment of map and conversion fee	0.358
34	15	Illegal establishment of unapproved housing colony without payment of dues	0.18
35	18	Irregular collection of revenue through use of A-V receipt books due to Government ban	3.832
36	19	Unauthorized auction of collection rights without the involvement of media and through incomplete auction committee	1.011
37	20	Poor performance due to short fall of income than targets	3.467
38	21	Loss to the Government due to reduction in income from general bus stand	0.879
39	22	Loss to the Government due to non preparation of	0.45

Sr. No	AIR Para No.	Subject	Amount
		survey registers for license fee	
40	23	Irregular auction of collection rights of advertisement fee and loss to the Government	0.25
		TMA Kehror Pacca	
41	1	Non conducting of post completion evaluation of development projects	14.033
42	11	Non production of deposit proof of sales tax	0.602
43	13	Unauthorized construction of buildings without submission and approval of maps and fee	0.442
44	14	Less recovery of buildings fee	0.234
45	16	Loss to the Government due to non-deposit of professional tax	0.129
46	17	Less charging of conversion fee due to less valuation of land	0.082
47	18	Unauthorized approval of map of petrol pumps without scrutiny and less recovery of fee	0.041
48	19	Less obtaining of enlistment and renewal	0.033

Annex-B

TMA wise summary of budget and expenditure Financial Year 2015-16

(Rupees in million)

Description	Budget	Actual	Excess (+) Saving (-)	% Excess (+) Saving (-)
TMA Lodhran				
Salary	84.618	69.158	-15.46	-18%
Non-Salary	99.745	58.045	-41.7	-42%
Development	127.352	141.438	14.086	11%
Sub Total	311.715	268.641	-43.074	-14%
Revenue	269.476	205.31	-64.166	-24%
TMA Dunyapur				
Salary	48.23	46.741	-1.489	-3%
Non-Salary	29.16	25.173	-3.987	-14%
Development	37.032	27.678	-9.354	-25%
Sub Total	114.422	99.592	-14.83	-13%
Revenue	107.834	94.738	-13.096	-12%
TMA Kehror pacca				
Salary	84.225	88.915	4.69	6%
Non-Salary	35.965	22.224	-13.741	-38%
Development	89.345	62.396	-26.949	-30%
Sub Total	209.535	173.535	-36	-17%
Revenue	183.839	149.071	-34.768	-19%
Consolidated Position of Budget and Expenditure				
Salary	217.073	204.814	-12.259	-6%
Non-salary	164.870	105.442	-59.428	-36%
Development	253.729	231.512	-22.217	-9%
Sub Total	635.672	541.768	-93.904	-15%
Receipts	561.149	449.119	-112.030	-20%

Annex-C

[Para No. 1.2.2.1]

Uneconomical expenditure on civil works by splitting voucher - Rs 21.424 million

(Rupees in million)

Sr. No.	Name Scheme	Below bid	Amount
1	Repair Color and painting Children Park TMA Lodhran	0.19%	0.100
2	Special Repair Children Park TMA Lodhran	0.05%	0.100
3	Improvement Special repair road divider Thana Saddar morr to Thadda mionr	0.65%	0.100
4	Improvement Special repair road divider Thana Saddar Morr to General Bus stand	0.65%	0.100
5	Improvement Special repair road divider from general bus stand to old hospital	0.65%	0.100
6	Improvement Special repair road divider from old hospital to jalalpur morr	0.65%	0.100
7	Improvement Special repair road divider from jalalpur morr to meelad chowk road	0.65%	0.100
8	Improvement Special repair foot path / green belt Divider north side	0.60%	0.100
9	Improvement Special repair foot path / green belt LPS School and nursing school complete	0.69%	0.100
10	Improvement Special repair foot path / green belt / divider old hospital south side shell pump to entry gate	0.60%	0.100
11	Construction of main hole muhabbat wala Lodhran city	At par	0.160
12	Special repair soling resoling 94/M	0.15%	0.100
13	Improvement / special repair soling resoling street disposal wali	0.09%	0.100
14	Improvement / pavement masjid sherwala Gogran	At per	0.100
15	Improvement / sewerage near Muhabbatwala Lodhran	0.10%	0.500
16	Improvement / construction of Tuff Tiles from Meelad chowk to Dhamraya House	At par	0.100
17	Improvement of sewerage street Zulafqar wali	0.25%	0.360
18	Improvement RCC Slab Hozian west side LPS Lodhran	At par	0.880
19	Improvement of sewerage street Al-Farooq Public School Lodhran Thakker wala	At par	0.100
20	Improvement of soling etc.Chak No. 100/M near Railway line	0.20%	0.100
21	Improvement of soling BastiDhoray union council Sagwan	0.13%	0.100
22	Special repair manhole covers, main holes, supply, fixing etc. Lodhran	At par	0.990
23	Improvement flooring street PCC to House Ijaz Shah MuhallaUsman Abad	0.25%	0.100
24	Improvement JanazaGah / EidGahAbadiBastiMehram Lodhran	At par	0.750
25	Improvement Taff Tile from Jalal PurMorr to Sukhera House	At par	0.750
26	Improvement of flooring street Haji Luqmanwali Gangywala	At par	0.500
27	Improvement of sewerage line front east side LPS Lodhran	0.05%	0.880
28	Special repair soling, resoling 96/M	0.12%	0.100
29	Improvement soling / pavement street Allah Ditta Bjawah 100/M		0.100
30	Improvement of sewerage street Akram Saeedi Gulab Pura	0.10%	0.990
31	Improvement flooring near Noor surgical center Lodhran	At par	0.600
32	Special repair soling, resoling Chak No. 100/M	At par	0.480
33	Improvement soling, resoling street saddique Gangy wala	At par	0.100
34	Improvement of flooring Street Jameelwali Muhalla Jeewnaywala	0.05%	0.790

Sr. No.	Name Scheme	Below bid	Amount
35	Improvement metal, flooring near Lari Adda Lodhran	0.25%	0.810
36	Improvement pavement, drain etc. street near Thalla Imam Bargah Street Zafar Phuluwali	0.25%	0.990
37	Improvement drains, pavement, street near house Mujeeb-u-Rehman, Muharram route Adam wahin	0.25%	0.100
38	Improvement pavement from super highway road to Pul high school and repair streets Adam wahin	At par	0.100
39	Improvement drain, cross pipe, pavement etc Muuhharam route Gogran	0.29%	0.990
40	Improvement metal road near street Muhammadia Faridia perlal Multan road	At par	0.880
41	Improvement sewer street Khalid warraichwali younuswala Lodhran	0.10%	0.100
42	Improvement salujj carrier Abadi Shoukat ali TMA Lodhran	0.10%	0.100
43	Improvement of sewer line Street Mejorwali Muhala Sufi nazar	0.15%	0.100
44	Improvement of sewer hozian, curb stone, green belt near Jamia Masjid Mehbob Subhani Lodhran	At par	0.010
45	Supply, fixing, main hole covers Lodhran city	0.10%	0.100
46	Improvement / constriction of main hole sewer line adjoining street Dr. Ameerwali	0.15%	0.470
47	Improvement sewer line street SadiqZaferwaligangaywala	0.26%	0.100
48	Improvement sewer line Street widow Ghulam sakina UC Gulabpura	0.35%	0.100
49	Improvement of sewer line street langahwali U Gulab Pura	0.29%	0.100
50	Improvement of sewer line street Shah Geehotalwali	0.27%	0.100
51	Construction main hole street hafiz Altaf Nabbinawali Basti Thakkerwala	0.02%	0.380
52	Supply / fixing main hole covers , repair of main hole Lodhran city	At par	0.100
53	Supply / fixing main hole covers , repair of main hole Lodhran city	0.03%	0.100
54	Improvement soling sewerage street Munirwali Chak 100/M east	0.10%	0.100
55	Improvement sewerage street Haji Per Bakshwali and shafeewali	0.05%	0.100
56	Repair / fixing main hole covers, Lodhran city	At par	0.010
57	Improvement special repair color and paint boundary wall near children Park north side	At par	0.100
58	Special repair color and painting boundary wall north side model street LPS UsmanAbad	At par	0.100
59	improvement special repair boundary wall children park south side	At par	0.100
60	Special repair color and paint boundary wall south side LPS	At par	0.100
61	Improvement sewer street from house Mirza Muhammad Aslam to AbdulAziz Muhalla Mughal wala	at par	0.100
62	Improvement flooring pavement street Malik AftabWali	15%	0.100
63	Improvement pavement from house LiaqatAli to Mubarak Ali near Super Chowk	0.10%	0.100
64	Improvement sludge carrier Basti sham lot	At par	0.310
65	Special repair, improvement slaughter house	0.15%	0.300
66	Repair main hole, ring cover etc. urban area Lodhran	0.30%	0.997
67	Improvement of sewer line street Tareenwali near house Ghulam Husain	0.28%	0.100
68	Improvement flooring sewer line from house Habib-ur-Rehman Muhammad Iqbal etc.	0.25%	0.100
69	Improvement soling resoling street masjid wali 99/M	0.10%	0.999
70	Improvement soling, resoling near raily crossing Muhabbatwala	At par	0.100
71	Improvement soling from house Muhammad Shakir to Muhammad Fiaz new abadi thadda thaheem	0.10%	0.998
72	Improvement of drain slab earth filling etc. near Derbar Adam wahin	0.05%	0.050
73	Improvement of soling sewer street Munirwali Lodhran city	At par	0.100
Total			21.424

Annex-D**[Para No. 1.2.2.2]****Unjustified payment of earth without recording of cross section area - Rs 3.685 million**

(Rupees in million)

Sr. No.	Name of Scheme	Estimated Cost	Qty Cft	Rates	Amount
1	Construction of mettled Road and pavement Street Fuel Mart	2	33,630	5,847.9%	0.196
2	Construction of mettled Road Khror Road to Basti Qasaiwala with sludge carrier slab etc. Mouza Mujaldiwala	2.500	37,200	5,394.75	0.201
3	Construction of mettled Road from Sahib Zada Road to BastiJalat Khan U C Bhutteji	2	112,792	3,564.25%	0.402
4	Construction of Soling Basti Duerhatta	0.200	9,437	5,986 %	0.056
5	Construction of Soling Basti LoharWala	0.300	16,119	4,336%	0.070
6	Construction of Soling BastiJat Wala	0.200	9,762	4,457.90%	0.044
7	Construction of Soling Road Arat Wala Basti Wahin	1	113,159	3,416.30 %	0.381
8	Construction of Soling from Jalal Pur Road Basti Mahar Manzoor UC Bhutteji	0.100	5,057	5,058 %	0.026
9	Construction of Sludge Carries Drains Pavement Basti Julyar Wala Mouza Sandhi Wala	2	56,865	5,695 %	0.323
10	Construction of Pavement Sewerage Basti Konki 95/M Abadi Muhammad Sajid	1.400	97,968	3,416.30%	0.335
11	Construction of Pavement Basti Gagan Hatta Mouza Gagan Hatta UC Bhutteji	0.250	10,193	5,058%	0.052
12	Construction of Soling Basti Rang Pur Basti Faiz Bakhsh Chak 99/M	1.800	187,677	3,416.30%	0.641
13	Construction of Soling Basti Faqeran Mouza Havely Naseer Khan	0.500	35,603	4,336%	0.154
14	Construction of Soling Havely Naser Khan to Basti Pehlwan Shah Wala	1.500	41,985	5,058% C	0.212
15	Construction of Pavement Drains Basti Murshid Wali Mouza Depay Wala	2	40,573	43,360%	0.176
16	Construction of Soling Sewerage treet Sardar Khan Walai Muhallah Kamran Wala	0.200	5,927	5,695%	0.034
17	Construction of Pavement Drains Basti Faiz Colony 100/M	1.500	72,974	3,416.30 %	0.249
18	Construction of Soling from Metalled Road to Basti Kalanch Wala	0.600	26,273	5,058%	0.133
Total					3.685

Annex-E

[Para No. 1.2.3.1]

Non recovery of rent of shops- Rs 59.411 million

Table – A

(Rupees in million)

Name of Shopping Center	Number Of Shops	Total Arrear of Previous Years	New Current Demand	Total Demand of 2015-16	Recovery During The Year	Balance	Recovery Percentage
Quid-e-Azam Road	25	4.624	1.879	6.502	0.689	5.814	11
Link Road	12	1.711	0.855	2.566	0.244	2.322	9
Railway Road	23	5.701	1.481	7.182	0.994	6.188	14
Railway Road North	25	2.638	0.694	3.332	0.152	3.180	5
Adjacent to Mandi Movashian	39	2.125	0.762	2.887	0.019	2.867	1
Opposite to Hospital	16	3.980	0.664	4.644	0.000	4.644	0
Library Market	22	2.877	1.115	3.993	0.165	3.828	4
Old Jalal Pur Road	25	1.637	0.449	2.085	0.347	1.738	17
Railway Road Link	35	2.847	0.641	3.487	0.471	3.017	13
Inside TMA	19	3.158	1.057	4.215	0.591	3.623	14
BWP Road	79	4.541	1.123	5.664	0.804	4.861	14
Main Bazar	54	1.901	0.425	2.325	0.297	2.028	13
Opposite Lorry Adda	35	2.305	0.504	2.809	0.227	2.582	8
Behind Railway Road	18	2.228	0.357	2.587	0.059	2.528	2
Old Sabzi Mundi	35	2.483	0.468	2.951	0.263	2.688	9
Lorry Adda	43	3.374	0.913	4.288	0.285	4.003	7
Grand Total	505	48.130	13.387	61.517	5.607	55.911	9

Table – B

(Rupees in million)

Number of Shops / Plots	Number of Shops	Shops with double stories	Extra per month Rate	Amount
Quid-e-Azam Road	25	4	0.003	0.137
Link Road	12	4	0.003	0.129
Railway Road	23	4	0.002	0.117
Railway Road North	25	2	0.001	0.025
Adjacent to Mandi Movashian	39	25	0.001	0.222
Opposite to Hospital	16	16	0.002	0.302
Library Market	22	3	0.002	0.069

Number of Shops / Plots	Number of Shops	Shops with double stories	Extra per month Rate	Amount
Old Jalal Pur Road	25	4	0.001	0.033
Railway Road Link	35	12	0.001	0.100
Inside TMA	19	10	0.002	0.253
BWP Road	79	26	0.001	0.168
Main Bazar	54	32	0.000	0.114
Opposite Lari Adda	35	5	0.001	0.033
Behind Railway Road	18	4	0.001	0.036
Old Sabzi Mundi	35	2	0.001	0.012
Grand Total				1.750
Grand Total of Two Years 2014-16				3.500

Annex-F

[Para No. 1.2.4.2]

Illegal construction of commercial buildings without payment of commercialization fee – Rs 10.378 million

Table-A Hotel buildings

(Rupees in million)

Business	Name	Address	Area In Marlas	Av. Sale Rate	Total Value of Land	Conversion fee	Building Fee	FBR Income Tax	Total
Hotel	Yummy Fresco Hotel	Lodhran Multan Road	60	0.300	18.000	1.800	0.037	0.171	2.008
Balochistan Camp Hotel	Shakeel Ahmad Tarbela	Near Milat Hospital BWP Road Chak No.100	15	0.120	1.800	0.180	0.020	0.043	0.243
Hotel	Bell & Tell	Multan BWP Road Near Goremay Bakers Lodhran	10	0.225	2.250	0.225	0.020	0.029	0.274
Total									2.525

Table-B Hospital buildings

(Rupees in million)

Business	Name	Address	Area In Marlas	Av. Sale Rate	Total Value of Land	Conversion fee	Building Fee	FBR Income Tax	Total	Remarks
Hospital	Dr. Samina Matloob	Near DHQ Hospital Jewen Wala	20	0.220	4.400	0.440	0.007	0.057	0.504	Extension in Hospital area
Hospital	Dr. Shams-un-Nisa Hospital	Near Sports Complex Masood Abad Mouza Sandi Wala	10	0.215	2.150	0.215	0.004	0.029	0.248	-
Hospital	Apna Hospital	Ghalla Mandi Road Lodhran	15	0.300	4.500	0.450	0.007	0.043	0.499	-
Total									1.251	
Business	Name	Address	Area In Marlas	Av. Sale Rate	Total Value of Land	Conversion fee	Building Fee	FBR Income Tax	Total	Remarks
School	Allied School	Al-Noor Colony Milad Chowk	26	0.220	5.720	0.572	0.008	0.074	0.654	-
School	Fatima Girls High School	Farooq Town Near Telephone Exchange	30	0.210	6.300	0.630	0.011	0.086	0.727	-
School	Zavia School	Opposite of DCO Office Lodhran	25	0.225	5.625	0.563	0.022	0.071	0.656	-
College	Elizium Girls College	Khanewal Road Near Jewene Wala Chowk Lodhran	15	0.225	3.375	0.338	0.007	0.043	0.387	-
Total									2.424	
Grand Total									3.674	

Table-C Commercial buildings

(Rupees in million)

Business	Name	Address	Area In Marlas	Av. Sale Rate	Total Value of Land	Conversion fee	Building Fee	FBR Income Tax	Total
Show Room	Umer Traders	Chak 100m Multan BWP Road	10	0.120	1.200	0.120	0.008	0.029	0.157
Godown	PEPSI Godown	Super Chowk, Khanewal Road Lodhran	40	0.225	9.000	0.900	0.008	0.114	1.022
Grand Total									1.179

Annex-G

[Para No.1.3.1.4]

Unauthorized purchases on quotations – Rs 1.987 million

(Rupees in million)

Name of Branch	Head of Account	Description of Head of Account	Date of Expenditure	Description	Amount
Tehsil Nazim / Administrator			28.07.2015		0.052
			17.12.2015		0.099
TMO	A03940	Others / Unforeseen expenditure etc.	13.07.2015	Expenditure Incurred in Connection With Ramazan Bazar / Sasta Bazar etc.	0.084
			13.07.2015		0.096
			28.08.2015		0.009
			29.10.2015		0.076
			29.12.2015		0.050
			27.01.2016		0.013
			27.02.2016		0.012
			09.03.2016		0.013
			08.04.2016		0.031
			30.04.2016		0.099
			14.06.2016		0.090
			14.06.2016		0.100
			28.06.2016		0.050
			TO (I&S)		A03940
23.11.2015	0.030				
20.01.2016	0.046				
09.03.2016	0.049				
10.03.2016	0.025				
28.03.2016	0.023				
09.04.2016	0.023				
27.05.2016	0.032				
TO (P&C)	A03918	City beautification, plants, flowers, etc. Jashn-e-Baharan / Jashn-e-Azadi	18.08.2015	Expenditure Incurred in Connection with City Beautification, Plants, Flowers, etc. Jashn-e-Baharan / Jashn-e-Azadi	0.020
			18.08.2015		0.098
			21.03.2016		0.098
			08.04.2016		0.047
TO (I&S)	A13199	Others	30.04.2016	Expenditure Incurred in Connection with Filtration Plant	0.098
TO (I&S)	A03922	Insecticides	05.02.2016	Expenditure Incurred in Connection with Purchase	0.100

Name of Branch	Head of Account	Description of Head of Account	Date of Expenditure	Description	Amount
				of Insecticides	
TMO	A09470	Others	19.01.2016		0.016
			30.04.2016		0.028
TO (I&S)	A09470		05.08.2015		0.035
			05.08.2015		0.100
			08.01.2016		0.100
			16.06.2016		0.039
			07.10.2015		0.021
			07.05.2016		0.018
Total					1.987

Annex-H

[Para No.1.3.2.2]

Unauthorized construction of housing schemes/land subdivisions – Rs 6.300 million

(Rupees in million)

Sr. No	Name of Housing scheme / landsubdivision	Name of Owner / Developer / Sponsor	Location / Address	Minimum Approximate Government Fee
1	Gulshan Mehdi Phase-I	Ch. Ali Hassan etc.	Mailsi Road Dunyapur	0.500
2	Gulshan Mehdi Phase-II	Ch. Ali Hassan etc.	Super Highway Khanewal Road Dunyapur	0.500
3	Jawad Housing Scheme	Muhammad Ramzan Khan S/o Noor Muhammad Etc.	Super Highway Khanewal Road Dunyapur	0.500
4	Alkaram City Land Subdivision	Muhammad Asifetc.	Dokota Road Dunyapur	0.400
5	Rehman City Land Subdivision	Muhammad Riaz S/o Hassan Deenetc.	Adda Zakhira Chak No.231/WB Dunyapur	0.400
6	Joiya Land Subdivision Dunyapur	Falak Sher S/o Dillawar Khan Etc.	Kehror Pacca Road Super Chowk Dunyapur	0.400
7	Hamad Land Subdivision Dunyapur	Muhammad Shafique, Muhammad Tariq etc.	By Pass Multan Road Dunyapur	0.400
8	Jawad Park Land Subdivision Dunyapur	Muhammad Khalil, Muhammad Wakeel S/o Muhammad Jamiletc.	Bahawalpur Road Dunyapur	0.400
9	Modern Land Subdivision Dunyapur	Javaid Iqbal, Ghulam Shabbir	Bodla Road Dunyapur	0.400
10	Peoples Land Subdivision Dunyapur	Muhammad Shaukat Jutt	Bastti Akbar Abad	0.400
11	Alshamas Land Subdivision Dunyapur	Muhammad Ansar Khan s/o Hafiz Muhammad Hashim Khan	Near Adda Zakhira Dunyapur	0.400
12	Muhammadia Land Subdivision Dunyapur	Muhammad Sajid S/o Haji Muhammad	Jallah Arian Tehsil Dunyapur	0.400
13	Mubarak Land Subdivision Dunyapur	Muhammad Mubarak	Jallah Arian Tehsil Dunyapur	0.400
14	Almadina Defence City Land Subdivision Dunyapur	RaoKashif	Basti Malook Dunyapur	0.400
15	Gulshan Aysha Land Subdivision Dunyapur	Sohail Ahmad Qamar	Maoza Dasy Wala Dunyapur	0.400
Total				6.300

Annex-I

[Para No.1.3.3.1]

Doubtful drawal of funds of POL - Rs 7.280 million

(Rupees in million)

Sr. No .	Name of Branch	Head of Account	Description of Head of Account	Date of Expenditure	Amount
1	TO (I&S)	A03807	POL Charges Sanitation Branch Tractor etc.	14.07.2015	0.440
2				04.08.2015	0.496
3				03.09.2015	0.269
4				10.09.2015	0.500
5				01.10.2015	0.509
6				02.11.2015	0.500
7				10.11.2015	0.117
8				23.11.2015	0.538
9				10.12.2015	0.610
10				12.01.2016	0.632
11				12.01.2016	0.429
12				02.02.2016	0.341
13				02.02.2016	0.748
14				14.03.2016	0.151
15				21.03.2016	0.126
16				16.04.2016	0.188
17				20.04.2016	0.021
18				13.05.2016	0.279
19				13.06.2016	0.367
Total					6.819
1	TO (I&S)	A03807	POL for Generator Water Supply	13.07.2015	0.017
2				10.08.2015	0.042
3				03.09.2015	0.055
4				16.10.2015	0.102
5				02.12.2015	0.054
6				30.12.2015	0.043
7				02.02.2016	0.028
8				16.02.2016	0.030
9				16.03.2016	0.020
10				08.04.2016	0.023
11				16.05.2016	0.019
12				13.06.2016	0.029
Total					0.461
Grand Total					7.280

Annex-J

[Para No.1.3.3.3]

Uneconomical/ unauthorized repair of machinery and equipment–Rs 1.819 million

(Rupees in million)

Sr. No.	Name of Branch	Head of Account	Description of Head of Account	Date of Expenditure	Description	Amount
1	TO (I&S)	A13101	Repair of M & E	13.07.2015	Expenditure incurred for the repair of tractor	0.016
2		A13101		19.01.2016		0.017
3		A13101		19.01.2016		0.025
4		A13101		19.01.2016		0.100
5		A13101		09.05.2016		0.049
6		A13101		09.05.2016		0.022
7		A13101		13.07.2015	Expenditure incurred for the repair of machinery & equipment	0.063
8		A13101		27.07.2015		0.037
9		A13101		05.08.2015		0.048
10		A13101		26.08.2015		0.066
11		A13101		01.09.2015		0.015
12		A13101		03.09.2015		0.052
13		A13101		07.10.2015		0.018
14		A13101		22.06.2016		0.099
15		A13101		22.06.2016		0.048
16		A13101		06.10.2015		expenditure incurred for the repair for generator
17		A03970	Others	27.05.2016	expenditure incurred for the repair for generator	0.048
18		A13199	Others	30.04.2016	Expenditure incurred for repair of filtration Plant	0.098
19		A13103	Repair of Disposal etc.	10.11.2015	Expenditure incurred for the repair of disposal etc.	0.078
20		A13103		03.12.2015		0.016
21		A13103		03.12.2015		0.039
22		A13103		03.12.2015		0.039

Sr. No.	Name of Branch	Head of Account	Description of Head of Account	Date of Expenditure	Description	Amount
23		A13103		06.06.2016		0.099
24		A13103		06.06.2016		0.091
25		A13103		06.06.2016		0.049
26		A13803	Repair of water supply	27.07.2015	expenditure incurred for the repair PVC Pipe, GL Pipe of water supply	0.085
27		A13803		27.08.2015		0.085
28		A13803		02.12.2015		0.020
29		A13803		04.04.2016		0.098
30	TMO	A 13001	Repair of Transport	22.10.2015	Expenditure incurred for the repair of transport	0.007
31		A 13001		04.02.2016		0.076
32		A 13001		12.05.2016		0.033
33	Tehsil Nazim	A09501		20.01.2016		0.012
34	TO (P&C)	A03970		03.02.2016		0.004
35		A03970		06.04.2016		0.009
36		A03970		20.04.2016		0.007
37	TO (Regu)	A13001		02.12.2015		0.011
38		A 13001		05.04.2016		0.003
39	TO (I&S)	A13001		28.08.2015		0.010
40		A 13001		07.01.2016		0.010
41		A 13001		07.01.2016		0.009
42	TMO	A 13703		IT Equipment		31.12.2015
43	TO (P&C)	A09203		10.12.2015	0.010	
44	TO (F)	A 13703		27.07.2015	0.006	
45		A 13703		12.12.2015	0.018	
46	Tehsil Nazim	A13701	Hardware	15.10.2015	0.009	
47	Tehsil Naib Nazim	A13701		11.04.2016	0.008	
Total						1.819

Annex-K**[Para No.1.3.3.4]****Doubtful consumption of POL - Rs 1.465 million****Table-A**

(Rupees in million)

POL Charger for Sucker & Jetting Machine				
Sr. No.	Financial Year 2015-16	K M / Hours	POL Drawn (In Liters)	Amount
1	July	23		
		96	600	0.057
2	August	28		0.000
		98	620	0.058
3	September	28		0.000
		98	620	0.061
4	October	29		0.000
		108	680	0.056
5	November	28		0.000
		112	700	0.060
6	December	29		0.000
		112	700	0.070
7	January	29		0.000
		117	750	0.064
8	February	27		0.000
		93	560	0.058
9	March	27		0.000
		92	600	0.049
10	April	26		0.000
		96	600	0.045
11	May	28		0.000
		116	700	0.068
12	June	30		0.000
		120	720	0.070
Total			7850	0.718

Table-B

(Rupees in million)

Sr. No.	Name of Branch	Head of Account	Description of Head of Account	Date of Expenditure	Amount
1	TO (I&S)	A03807	POL Charges for Fire Brigade	13.07.2015	0.045
2				24.07.2015	0.018
3				10.08.2015	0.039
4				25.08.2015	0.041
5				03.09.2015	0.034
6				07.09.2015	0.018
7				07.10.2015	0.025
8				16.10.2015	0.049
9				12.11.2015	0.034
10				02.12.2015	0.029
11				30.12.2015	0.036
12				01.01.2016	0.073
13				02.02.2016	0.026
14				16.02.2016	0.034
15				16.02.2016	0.030
16				16.02.2016	0.025
17				16.03.2016	0.016
18				16.03.2016	0.024
19				08.04.2016	0.013
20				12.04.2016	0.022
21				09.05.2016	0.062
22				13.05.2016	0.016
23				13.05.2016	0.036
Total					0.746
Grand Total					1.464

Annex-L**[Para No.1.4.1.5]****Uneconomical expenditure in violation of Punjab Procurement Rules – Rs 2.024 million**

(Rupees in million)

Date	Vr No.	Cheque No.	Description	Expenditure
21.09.2015	150	802330794	purchase of tar 7/64	0.021
16.10.2015	56	802330800	purchase of material for peter engine	0.036
17.10.2015	61	802798403	payment for general overhauling for filtration plant	0.045
02.12.2015	50	802798420	purchase of battery for jetting machine	0.029
08.12.2015	65	802798422	Purchase of miscellaneous Material for sewer man	0.355
07.01.2016	55	802798429	Farm for dewatering set	0.023
11.01.2016	57	802798430	purchase of tar 7/64	0.127
11.01.2016	61	802798430	Purchase of miscellaneous Material for CO unit Dhanote	0.021
25.01.2016	96	802798434	purchase of crockery	0.032
23.02.2016	79	802798440	Purchase of spare parts for sucker machine	0.133
26.03.2016	93	802798462	Purchase of sludge Pump KSB 5"*6"	0.260
17.11.2015	71	802798413	Payment for fitting pump for abshar Qasim park	0.046
06.04.2016	46	802798474	purchase of tyre tube for trolley	0.088
06.04.2016	50	802798474	Purchase of material for street lights	0.323
14.04.2016	56	802798475	purchase of tyre tube for Cultus LDA-5555	0.024
19.05.2016	75	802798496	purchase of tar 7/64	0.021
22.08.2015	93	802330785	Purchase of CD 70 motor cycle two No	0.127
23.06.2016	136	804712024	Purchase of color wire	0.076
23.06.2016	137	804712024	Purchase of tyre tube for water carrier	0.046
03.09.2015	70	802330790	purchase of ups	0.044
03.09.2015	74	802330790	purchase of ups	0.032
14.04.2016	55	802798475	Purchase of UPS with battery	0.031
29.04.2016	94	802798476	Purchase of UPS with battery	0.014
14.06.2016	93	804712013	Purchase of UPS with battery	0.032
21.06.2016	115	804712019	Purchase of UPS with battery	0.037
Total				2.024

Annex-M**[Para No.1.4.1.6]****Unauthorized repair of machinery and equipment - Rs 1.891 million**

(Rupees in million)

Date	Vr.No	Cheque No	Description	Expenditure
11.07.2015	51	802330775	Rewinding transformer disposal	0.024
11.07.2015	52	802330775	Repair Turbine social school	0.045
22.08.2015	95	802330785	Payment for gate wall and Nalka fitting	0.068
03.09.2015	50	802330788	Repair of disposal works	0.040
03.09.2015	71	802330790	Repair of disposal works	0.046
03.09.2015	80	802330790	repair of tractor 6371	0.038
03.09.2015	81	802330790	Repair of disposal works	0.024
15.09.2015	109	802330792	Rewinding of motor water works	0.023
21.09.2015	148	802330794	Repair of ups	0.007
21.09.2015	149	802330794	Rewinding of motor	0.004
22.09.2015	159	802330795	Repair of printer+computer	0.032
22.09.2015	160	802330795	Repair of AC TMO office	0.014
16.10.2015	54	802330800	Repair of tractor 6372	0.031
16.10.2015	55	802330800	Repair of tractor 1005	0.024
17.10.2015	61	802798403	Payment for general overhauling for filtration plant	0.045
17.10.2015	62	802798410	Repair of Hino fire brigade	0.923
02.12.2015	49	802798420	Repair of tractor 1005	0.012
02.12.2015	51	802798420	Repair of Cultus LDA 5555	0.007
02.12.2015	52	802798420	purchase of table & chair	0.008
08.12.2015	60	802798422	Rewinding of transformer	0.033
07.01.2016	55	802798429	Frame for dewatering set	0.023
11.01.2016	65	802798430	Repair of turbine of Qasim Bag	0.028
19.01.2016	75	802798432	Repair of Cultus LDA 5555	0.006
25.01.2016	97	802798434	Repair of disposal works	0.022
10.02.2016	51	802798437	Repair of Tractor No.6371	0.019

Date	Vr.No	Cheque No	Description	Expenditure
10.02.2016	52	802798437	Repair of Water carrier	0.042
17.02.2016	60	802798438	Repair of cultus LDA 5555	0.069
17.02.2016	61	802798438	Repair of jetting machine	0.023
06.04.2016	47	802798474	Repair of disposal works	0.017
14.04.2016	59	802798475	Repair of turbine water supply	0.065
19.05.2016	71	802798496	Repair of cultus LDA 5555	0.011
19.05.2016	76	802798496	Repair of Dewatering set	0.035
02.06.2016	30	802798500	Repair of Water carrier	0.021
14.06.2016	95	804712013	Repair of hand cart	0.010
14.06.2016	97	804712013	Repair of Air condition	0.020
21.06.2016	117	804712019	Rewinding motor disposal	0.016
30.06.2016	287	804712059	Repair of cultus LDA 5555	0.017
Total				1.891

Annex-N**[Para No.1.4.1.8]****Unauthorized / irregular expenditure on Ramzan Bazar - Rs 1.235 million**

(Rupees in million)

Date	Vr No.	Cheque No	Description	Expenditure
11.07.2015	54	802330775	Purchase of mirror and plastic shaper Ramzan bazar	0.046
11.07.2015	55	802330775	Purchase of mirror and plastic shaper Ramzan bazar	0.046
11.07.2015	56	802330775	Purchase of green jal for Ramzan bazar	0.073
11.07.2015	57	802330775	Purchase of green jal for Ramzan bazar	0.066
11.07.2015	58	802330775	Purchase of green jal for Ramzan bazar	0.012
16.07.2015	68	802330777	Purchase of shaper for sugar for stall Ramzan bazar	0.035
16.07.2015	69	802330777	Purchase of shaper for sugar for stall Ramzan bazar	0.035
03.09.2015	52	802330788	Payment for generator Ramzan bazar	0.059
02.06.2016	29	802798500	Purchase of chona for Ramzan bazar	0.018
17.06.2016	114	804712015	Purchase of misc. items for Ramzan Bazar	0.666
21.06.2016	116	804712019	Purchase of DVR for Ramzan bazar	0.016
30.06.2016	288	804712059	Purchase of Green net for Ramzan bazar	0.063
30.06.2016	289	804712059	Purchase of LED Lights for Ramzan Bazar	0.057
30.06.2016	297	804712059	Rent of walk through gate	0.045
Total				1.235

Annex-O**[Para No.1.4.2.1]****Non-recovery of prescribed rate of conversion fee and map fee – Rs15.949 million****Table-A**

(Rupees in million)

Name of land sub division	Area	Area in marlas	Rate	Value of Land	Conv. @ 1%	NOC 4000 Per acre	map fee 300 per marla	Total dues
Haider land subdivision Mailsi Road Kehror Pacca	46 K 6 M	926	0.225	208.350	2.084	0.023	0.278	2.385
Bakhtawar land subdivision Dunyapur road Kehror Pacca	70 K	1400	0.225	315.000	3.150	0.023	0.420	3.593
Canal view Dunyapur road Kehror Pacca	90K	1800	0.225	405.000	4.050	0.023	0.540	4.613
Defense garden land sub division Bahawalpur Road Kehror Pacca	64 k	1280	0.125	160.000	1.600	0.640	0.384	2.624
Total						0.710	1.622	13.215

Table-B

Description	Location	Area in marlas	Rate per marla	Value of Land	Conversion fee	Map Fee 300 Per marla	Total
Askar Petrol Pump	Kehrorpacca Dunyapur Raod	320	0.050	16.000	1.600	0.096	1.696
Floor Mill	Kehrorpacca Dunyapur Raod	160	0.050	8.000	0.800	0.048	0.848
Commercial shops	Chokimasti kehror Dunyapur Road	20	0.050	1.000	0.100	0.006	0.106
Commercial shops (Liaqat Hussain Khan)	Chokimasti kehror Dunyapur Road	5	0.050	0.250	0.013	0.002	0.014
Commercial shops	Chokimasti kehror Dunyapur Road	5	0.050	0.250	0.013	0.002	0.014
Commercial shops	Chokimasti kehror Dunyapur Road	20	0.050	1.000	0.050	0.006	0.056
Total							2.734
Grand Total							15.949