



**AUDIT REPORT
ON THE ACCOUNTS OF
LOCAL GOVERNMENT & HOUSING TOWN
PLANNING DEPARTMENT AND PUBLIC
HEALTH ENGINEERING & RURAL
DEVELOPMENT DEPARTMENT SINDH
AUDIT YEAR 2019-20**

AUDITOR-GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

A.A	Administrative Approval
ABL	Allied Bank Limited
ABAD	Association of builders & Developers
AIR	Audit & Inspection Report
APT	Appointment Promotion & Transfer
APPM	Accounting Policies & Procedure Manual
BPS	Basic Pay Scale
BOQ	Bill of Quantity
CDWP	Central Development Working Party
CE	Chief Engineer
Cft	Cubic feet
CPWA Code	Central Public Works Accounts Code
CPWD Code	Central Public Works Department Code
CTR	Central Treasury Rules
CSR	Composite Schedule of Rates
CMO	Chief Municipal Officer
CODC	Chief Officer District Council
CNIC	Computerized National Identity Card
DAC	Departmental Accounts Committee
DDO	Drawing & Disbursing Officer
DO	District Officer
DG	Director General
DC	Deputy Commissioner
DMD	Deputy Managing Director
DMC	District Municipal Corporation
DDWP	Departmental Development Working Party
DDWC	District Development Working Committee
DLFA	Director Local Fund Audit
DPC	Departmental Promotion Committee
DAO	District Accounts Office / Officer
E&M	Electrical & Mechanical
EOI	Expression of Interest
ECNEC	Executive Committee for National Economic Council
F.A	Financial Advisor
FAO	Field Audit Office
F&A	Finance & Accounts
FBR	Federal Board of Revenue
FD	Finance Division / Department
F&P	Finance and Planning

FY	Financial Year
FTN	Free Tax Number
GoS	Government of Sindh
GPF	General Provident Fund
GST	General Sales Tax
HBA	House Building Advance
HRD&A	Human Resource Development and Administration
HRA	House Rent Allowance
HRM	Human Resource Management
HS&TO	Hydrant Service & Tanker Operation
HMC	Hyderabad Municipal Corporation
HESCO	Hyderabad Electric Supply Corporation
HBL	Habib Bank Limited
HDA	Hyderabad Development Authority
HTP	Housing & Town Planning
ICB	International Competitive Bidding
IPC	Interim Payment Certificate
IPSAS	International Public Sector Accounting Standards
ITO	Income Tax Officer
ID	Identifier
KIHD	Karachi Institute of Heart Diseases
KMC	Karachi Municipal Corporation
KMDC	Karachi Medical & Dental College
KW&SB	Karachi Water & Sewerage Board
KIBOR	Karachi Interbank Offered Rate
KDA	Karachi Development Authority
LG	Local Government
LGB	Local Government Board
LGD	Local Government Department
LG&HTP	Local Government & Housing Town Planning Department
LPR	Leave Preparatory to Retirement
LPC	Last Pay Certificate
LMC	Larkana Municipal Corporation
LERP	Lyari Expressway Resettlement Project
MC	Municipal Committee
MDA	Malir Development Authority
MD	Managing Director
MFDAC	Memorandum for Departmental Accounts Committee
M&I	Monitoring & Inspection
MS	Medical Superintendent/Services
MT&RI	Municipal Training & Research Institute
NAM	New Accounting Model

NBP	National Bank of Pakistan
NCB	National Competitive Bidding
NEK	North East Karachi
NSUSC	North Sindh Urban Services Corporation
NADRA	National Database and Registration Authority
NTN	National Tax Number
NIT	Notice Inviting Tender
NOC	No Objection Certificate
OPS	Own Pay Scale
OZT	Octroi Zila Tax
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PDWP	Provincial Development Working Party
PS	Personal Secretary
PC-I	Planning Commission Performa-I
PCSIR	Pakistan Council of Scientific and Industrial Research
PD	Project Director
P&F	Pumping & Filter
P/F	Providing & Fixing
P/L	Providing & Laying
PLGC	Provincial Local Government Commission
POL	Petroleum, Oil & Lubricants
PWD	Public Works Department
PA	Procuring Agency
PHE	Public Health Engineering
PEC	Pakistan Engineering Council
PHED	Public Health Engineering Department
RA	Running Account
R.E	Resident Engineer
Rft	Running feet
RO&DP	Reverse Osmosis & Desalination Plant
RRG	Revenue Resource Generation
R&T	Road & Transport
RCC	Reinforced Cement Concrete
RDD	Rural Development Department
R&M	Repair & maintenance
RO	Reverse Osmosis
RTS	Revised Technical Sanction
RTO	Regional Tax Office
SBCA	Sindh Building Control Authority
SCUG	Sindh Council Unified Grade
SDA	Sehwan Development Authority

SE	Superintendent Engineer
SEPCO	Sukkur Electric Power Company
S/F	Supplying & Fitting
SFR	Sindh Financial Rules
Sft	Square Feet
SID	Special Initiative Department
SLG	Secretary Local Government
SLGA	Sindh Local Government Act
SLGB	Sindh Local Government Board
SMH	Sobhraj Maternity Hospital
SNE	Schedule of new entry
SO	Section Officer
SPPR	Sindh Public Procurement Rules
SPPRA	Sindh Public Procurement Regularity Authority
SR	Supplementary Rule
SRC	Standing Rates Committee
SRB	Sindh Revenue Board
STRN	Standard Tax Register Number
SSWMB	Sindh Solid Waste Management Board
T&C	Transport & Communication
TDS	Total dissolved solids
TMA	Town Municipal Administration
TR	Treasury Rules
TS	Technical Sanction/Services
TO	Town Officer
TC	Town Committee
UF	Ultra Filtration
VOL	Volume
WD	Water Distribution
XEN	Executive Engineer

PREFACE

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan, 1973, read with Sections 8 and 12 of the Auditor General (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, require the Auditor General of Pakistan to conduct audit of the receipts and expenditure of the Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department of Sindh.

This report is based on audit of the accounts of various offices of the Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department for the financial years 2017-18 and 2018-19. The Directorate General Audit, Local Councils Sindh, Karachi conducted during audit year 2019-20 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings having value of Rs 1 million or more. Relatively less significant issues are listed in the MFDAC of the Audit Report. The audit observations listed in MFDAC shall be pursued with the Principal Accounting Officers at the Departmental Accounts Committee level and in all other cases where the PAO does not initiate appropriate action, the audit observation 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.

Most of the observations included in this Report have been finalized in the light of written responses and discussion with the managements. PAO, Secretary, Public Health Engineering and Rural Development Department convened DAC meetings for the audit years 2017-18 and 2018-19 during November and December 2019, whereas PAO, Secretary, Local Government Housing Town Planning Department convened DAC meetings on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

The Audit Report is submitted to Governor of Sindh in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 116 of the Sindh Local Government Act 2013, for causing it to be laid before the Provincial Assembly of Sindh.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Director General Audit, Local Councils, Sindh, Karachi is responsible to carry out the audit of 2,187 entities under the administrative control of Secretary, Local Government & Housing Town Planning Department and Secretary Public Health Engineering & Rural Development Department. This Directorate General has a human resource of 40 officers and staff for the purpose of conducting audit, which comprises of 9,462 mandays. The office has a mandate to conduct regularity audit (compliance with authority audit) on test check basis with a view to reporting significant findings to the stakeholders. This office also conducts performance audit of programmes / projects and Special studies/Special Audits.

The Province of Sindh consists of six Divisions namely, Karachi, Hyderabad, Shaheed Benazirabad, Sukkur, Mirpurkhas, and Larkana.

Sr.	Divisions	Name of Districts
1	Karachi	East, West, South, Central, Korangi, Malir
2	Hyderabad	Hyderabad, Badin, Dadu, Thatta, Jamshoro, Sujawal, Matiari, Tando Allahyar, Tando Muhammad Khan
3	Shaheed Benazirabad	Shaheed Benazirabad, Sanghar, Naushahro Feroze
4	Sukkur	Sukkur, Ghotki, Khairpur
5	Mirpurkhas	Mirpurkhas, Umerkot, Tharparkar
6	Larkana	Larkana, Shikarpur, Jacobabad, Kamber, Kashmore

a. Scope of Audit

This office has mandate to conduct audit of 561 formations, working under, two PAOs namely Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department. Total expenditure and receipt of these formations were Rs 217,666.861 million and Rs 154,082.591 million respectively for the financial year 2018-19.

Audit coverage relating to expenditure for the current audit year comprises 200 formations of two PAOs namely Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department having a total expenditure of Rs 122,149.140 million for the financial year 2018-19. In terms of percentage, the audit coverage for expenditure is 56% of auditable expenditure.

Audit coverage relating to revenue / receipt for the current audit year comprises 200 formations of two PAOs namely Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department having a total revenue / receipt of Rs 154,082.591 million for the financial year 2018-19. In terms of percentage, the audit coverage for revenue / receipts are Rs 94,196.895 million which is 61% of auditable receipt.

This audit report also includes audit observations resulting from the audit of:

1. Expenditure of Rs 122,149.140 million and receipt of Rs 94,196.895 and million for the financial year 2018-19 pertaining to 200 formations of PAOs.
2. Expenditure of Rs 14,781.247 million and receipts of Rs 13,054.698 million pertaining to previous financial years.

In addition to compliance audit report, DGA, Local Councils, Sindh, Karachi conducted performance audits and special study audits. Reports of these audits are being published separately.

b. Recoveries at the Instance of Audit

As a result of audit, a recovery of Rs 62,285.371 million was pointed out in this report. Recovery effected from January to December 2019 was Rs 75.195 million which was verified by audit.

c. Audit Methodology

Audit of Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department was conducted. Before starting the field activity, desk review was undertaken to gain understanding of the system, procedures and control environment of audit entities. The permanent files of the entities maintained in the Directorate General were utilized for understanding the business and legal / institutional framework of the entities.

The evidence was primarily gathered by applying procedures, like enquiries from the management, review of monitoring and progress reports and examination of payment vouchers.

Audit tests and analytical procedures were performed to evaluate that the expenditure was completely recorded and receipts were timely deposited into government treasury. The review of payments was made to ensure that these were validated by proper supporting documents and approval of competent authority as per applicable rules and regulations. Budget comparison with actual expenditure was made to confirm that the expenditure was incurred in accordance with the approved budget, including the revision made therein.

d. Audit Impact

On the pointation of audit:

- i) KW&SB has stopped the disbursement of leave encashment equal to one basic pay (BPS-16 and above) on annual basis. Furthermore, Municipal / Town Committees have increased revenues by upward revision of rent of their properties.
- ii) MCs/TCs have started to post NITs / Bid Evaluation on SPPRA website.
- iii) MCs / TCs have taken steps to maintain record such as cashbook, stock registers, monthly vouchers and bank reconciliation statements etc as per required criteria.
- iv) KW&SB has stopped the sanction of Petroleum, Oil and Lubricants (POL) to the employees for their private vehicles.
- v) KW&SB authority has started deduction of house rent and electricity charges on fixed rates from the salaries of employees residing in official accommodations.
- vi) KW&SB has issued directives for preparation of Log Books, History Sheets, and Petrol Consumption Accounts of each vehicle to justify the expenditure.

e. Comment on Internal Controls and Internal Audit Department

The audit observations included in the audit report clearly indicates that the system of internal controls within the organization is very weak. In all departments audited by DG Audit, Local Councils Sindh, internal audit departments exist, but is not functioning effectively, whereas, pre-audit of KMC, KW&SB & TMA are being

conducted by Local Fund Audit, Government of Sindh. The system of pre-audit is almost non-functional resulting in a flagrant violation of even clear and categorical government instructions. The more alarming fact is that the similar nature of internal control violations were reported by Audit year after year, and yet the management had not taken any serious action.

Several loopholes in the internal control system noticed during the course of audit, have been included in the audit report for the year 2018-19. However, other less significant observations regarding internal control weaknesses have been incorporated in MFDAC.

f. The key audit findings of the report

- i. Embezzlement was pointed out in 16 cases amounting to Rs 548.323 million.
- ii. Non-production of record was pointed out in 13 cases amounting to Rs 2,380.169 million.
- iii. Non-recovery was pointed out in 60 cases amounting to Rs 62,285.371 million.
- iv. Irregularities were pointed out in 424 cases amounting to Rs 108,953.224 million

g. Recommendations

- i. Disciplinary action be taken against the officials involved in cases of embezzlement of public money, violation of rules and regulations and recovery should be expediting from the officials involved.
- ii. Fixing of responsibility on the managements for non-provision of record in accordance with rules and regulations and same be produced to audit for verification as per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. April 19, 2010 and Rule 116(2) of Sindh Local Government Act 2013.
- iii. Recovery of longstanding dues and Government revenue should be expedite without any further delay.
- iv. Inquiries should be held to fix responsibility for losses and wasteful expenditure.

- v. There is need to strengthen internal controls to ensure that reported lapses may not be repeated in future and fair value for money is obtained from public spending.
- vi. The formations under Local Government & Housing Town Planning Department and Public Health Engineering & Rural Development Department, should comply with the SPPRA Rules 2010 for procurement of goods and services.
- vii. Pre-audit function must be fully operationalized and strengthened before releasing / processing financial transaction in the Local Government & Housing Town Planning Department. Moreover, there is need of uniform guidelines for a sound and efficient pre-audit and certification of accounts.
- viii. According to Rule 109 (6) of SLGA 2013, chart of account of Auditor General of Pakistan should be adopted; however, there is no standard of such reporting followed by Local Council in Sindh.

CHAPTER-I

LOCAL GOVERNMENT & HOUSING TOWN PLANNING DEPARTMENT

1.1 INTRODUCTION/PROFILE OF THE ENTITIES

Local Government

Local Government system is the most basic level under democracy and serves as nursery for provincial and federal level. It helps achieve the narrow and technocratic aim of increasing efficiency and effective government service, as well as broader political goal of enhancing equity and egalitarianism by restructuring the state in favour of marginalized classes, and reduce conflict among different ethnic groups living together. Sindh Local Government is governed by the Sindh Local Government Act 2013 which is an initiative taken towards enhancing service delivery of Local Government in Sindh.

LG System for Rural Areas

LG system in rural areas under SLGA 2013 comprises of Union Councils and District Councils. Union Councils consist of chairperson and vice chairperson to be elected as joint candidates; four general members elected from respective boards; two women members, one labor or peasant, one youth and one non-Muslim member. Chairperson, Vice chairperson and four general members are elected on the basis of adult franchise while the others are elected indirectly on reserves seats.

All rural areas in district are brought together for joint management under a District Council excluding urban areas. Each Union Council within the district elects one councilor directly on the basis of adult franchises and rest of seats in a district council are reserved for women 33%, 5% youth members, 5% non-Muslim and 5% for labour / peasant members. District council thus constituted then elect the chairperson and vice chairperson as joint candidates among the members by the secret ballot.

LG System for Urban Areas

There are four types of LG structure in the urban areas of Sindh. For small towns with population ranging 10,000 to 15,000 Town Committees are constituted. Municipal Committee is constituted for population ranging 15,000 to 0.3 million. The election framework is the same as explained for the rural areas. Cities having population having above 0.3 million namely Hyderabad, Sukkur and Larkana have Union Committees and a Municipal Corporation.

Structure of LG system in Karachi is unique; six districts of Karachi have been maintained, while also providing Karachi within a joint Metropolitan Corporation

covering all six districts. Thus, Karachi has a three tiers LG system comprising of Union Committees, District Municipal Corporation and Karachi Metropolitan Corporation. District Municipal Corporation and Metropolitan Corporation are two Karachi specific institutions in SLGA 2013; however, KMC is similar on structure to that of the Municipal Corporations of Hyderabad, Sukkur and Larkana.

1.1.1 Secretary Local Government

Secretary, Local Government & Housing Town Planning Department (LGD), Sindh, being the PAO is the overall administrative head of all development authorities, KMC / Municipal Corporations, KW&SB, defunct Town / Taluka Municipal Administrations (TMAs) and Union Councils (UCs) etc.

1.1.2 Karachi Metropolitan Corporation

Activities of KMC are managed through offices of Mayor and Senior Directors under Sindh Local Government Act, 2013. Each group of Office consists of a Senior Director. The Senior Director, by means of a standing order, distributes the work among the officers, branches, or sections of each office. Following is the list of departments which manage the activities of KMC.

- | | |
|-------------------------------------|-------------------------------|
| 1. Mayor | 2. Senior Director (F&P) |
| 3. Senior Director (Law) | 4. Senior Director (IT) |
| 5. Directors (Education, LBW) | 6. Senior Director (Literacy) |
| 7. Senior Director (E&IP) | 8. Senior Director (MS) |
| 9. Senior Director, Health Services | 10. Director General (KMTC) |
| 11. Director General (P&H) | 12. Senior Director (T&C) |

1.1.3 Karachi Water & Sewerage Board

The office of Chairman / Managing Director, Water & Sewerage Board, Karachi, comprises of five departments i.e. Planning, Technical Services, Finance, Revenue Resources Generation and Human Resources Development & Administration headed by Deputy Managing Directors.

1.1.4 Comments on Budget and Accounts (Variance Analysis)

i. Budget of 2018-19 of Entities of Secretary, Local Government

[Rupees in million]

Sr.	Formation	Particulars	Budget	Expenditure	Excess (+)
					Savings (-)
1	Local Government & Housing Town Planning Department 2018-19	Salary	276.022	195.429	-80.593
		Non-Salary	6,589.355	6,398.053	-191.302
		Development	16,284.576	8,193.351	-8,091.225
2	Hyderabad Development Authority	Salary	1,688.090	939.403	-748.687
		Non-Salary	249.381	81.280	-168.101
		Development	6,678.040	2,451.054	-4,226.986
		Revenue	4,643.750	1,103.800	-3,539.950
3	Sindh Building Control Authority	Salary	2,419.067	1,594.927	-824.140
		Non-Salary	1,535.187	211.504	-1,323.683
		Development	0.000	0.000	0.000
		Revenue	4,564.852	3,069.486	-1,495.366
4	Karachi Development Authority	Salary	299.834	106.151	-193.683
		Non-Salary	191.275	81.948	-109.327
		Development	812.233	809.022	-3.211
		Revenue	2,121.880	1,052.870	-1,069.010
5	Zulfiqarabad Development Authority	Salary	53.345	53.248	-0.097
		Non-Salary	31.654	31.362	-0.292
		Development	0.000	0.000	0.000
		Revenue	0.000	0.000	0.000
6	Malir Development Authority	Salary	1,142.038	446.061	-695.977
		Non-Salary	456.400	92.246	-364.154
		Development	4,945.800	16.596	-4,929.204
		Revenue	6,544.418	581.055	-5,963.363
7	Sehwan Development Authority	Salary	285.950	56.233	-229.717
		Non-Salary	45.039	6.562	-38.477
		Development	1,023.210	0.000	-1,023.210
		Revenue	1,158.000	20.956	-1,137.044
		Salary	6,164.346	3,391.452	-2,772.894
		Non-Salary	9,098.291	6,902.955	-2,195.336
		Development	29,743.859	11,470.023	-18,273.836
		Grand Total	45,006.496	21,764.430	-23,242.066
		Revenue	19,032.900	5,828.167	-13,204.733

The original budget of Local Government & Housing Town Planning Department and development authorities, during financial year 2018-19, was Rs 45,006.496 million, against which the total expenditure incurred was Rs 21,764.43 million, resulting in overall savings of Rs 23,242.066 million.

ii. Budget of Karachi Metropolitan Corporation

[Rupees in million]

Formation	Head of receipt	Budget	Head of expenditure	Expenditure / Revenue
Karachi Metropolitan Corporation	Current Receipt	19,218.475	Establishment	13,312.286
	Capital Receipt	1,892.400	Contingent	2,110.210
	Provincial ADP & District ADP	6,059.222	Repair & Maintenance	217.165
			Dev. projects / works	5,461.585
			Provincial &, District ADPs	6,059.222
Total Receipt		27,170.097	Total Expenditure	27,160.468
Excess (+) / Savings (-)		+9.629		

The original budget of Karachi Metropolitan Corporation, during financial year 2018-19 was Rs 27,170.0.097 million. The total expenditure incurred was Rs 27,160.468 million, resulting into overall savings of Rs 9.629 million.

iii. Budget of Karachi Water & Sewerage Board

[Rupees in million]

Formation	Particulars	Budget	Expenditure	Excess (+) Savings (-)
Karachi Water & Sewerage Board	Salary	6,755.438	6,755.438	0.000
	Non-Salary	811.291	811.291	0.000
	Development	28,508.985	28,508.985	0.000
	Total	36,075.714	36,075.714	0.000
	Revenue	36,075.714	36,075.714	0.000

The total budget of Karachi Water & Sewerage Board, during financial year 2018-19 was Rs 36,075.714 million, against which expenditure incurred was Rs 36,075.714 million.

1.1.5 Sectoral Analysis

Local Government & Housing Town Planning Department

In terms of devolution of power SLGA 2013, which succeeded SLGO 2001, is in many ways a step backward. Many key functions such as Police, Buildings Control and Local Development which were devolved in the previous frame work, have been reassigned to the province and development authorities such as KDA, LDA, SDA and others have also been placed under the provincial government. Karachi Metropolitan Corporation, keeping in view its size, has limited responsibility. Principal Local Government functions, such as health, education, security, environment and development have not been placed under its ambit. Trivial functions such as cattle colonies, control of stray animals and brick kilns which should have been under UCs have been given under its control.

The District Municipal Corporations in Karachi are autonomous and are controlled by the provincial government for direction and funds, having no linkage with KMC. Local councilors have not been provided with TORs regarding their job description and have no formal training for execution of the jobs. Communities in Sindh are largely unaware of the functions and domains of the local government.

The local bodies by and large have failed to achieve their targeted receipts as laid down in the budget. They are largely dependent on Octri Zila Tax (OZT) share disbursed by the provincial government and seem unable to perform the functions assigned in SLGA 2013. This is in stark contradiction to the problem of over staffing and irregular / fake appointments. This lack of capacity leads to less recovery and in some cases even non imposition of taxes by council.

Even though the councils have specialized sanitary workers at their disposal, there is a tendency of outsourcing sanitation services throughout Sindh. Local government have failed to remove encroachments, and also did not revise lease agreements of its shops and other properties.

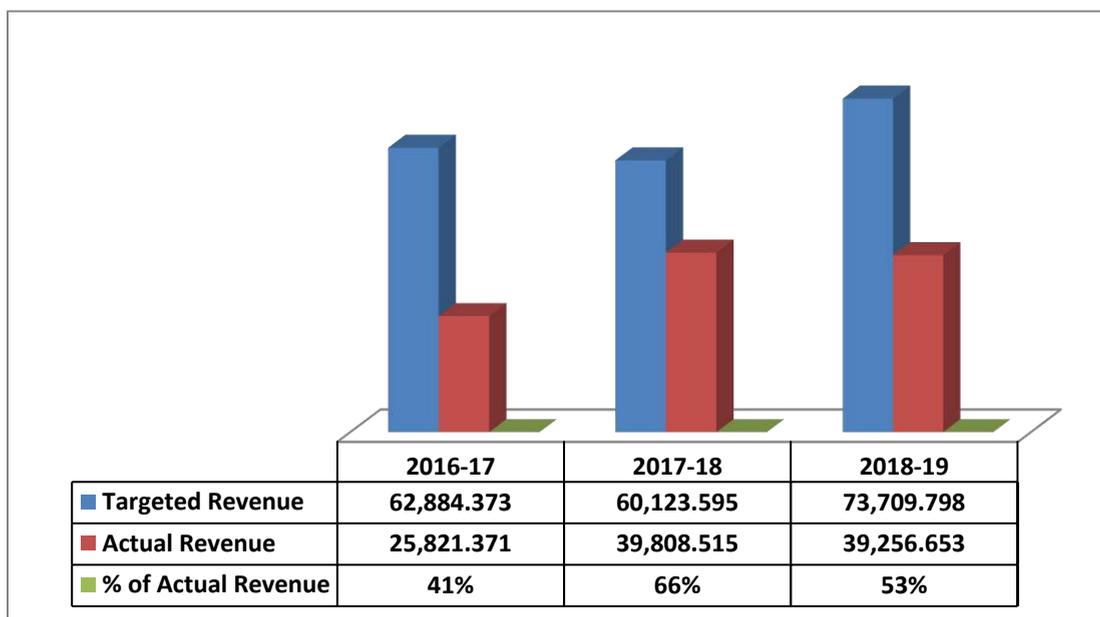
Revenue Achievements, LGD

The table below shows that the achieved revenue targets were miniscule, in comparison to the targets that were set in the budget. There were two major reasons for that, firstly the capacity of finance related staff in the local government and the lack of

resources with regards to service delivery, in accordance with the relevant schedule of SLGA 2013. This lopsided planning resulted in revenue generation which was far below the viability requirement of the councils. Low revenue generation also meant that the services that were required to be delivered remained undelivered to the public at large. This made the councils dysfunctional to a large extent and extensively dependent on funding from provincial government.

[Rupees in million]

Components	2016-17	2017-18	2018-19
Targeted Revenue	62,884.373	60,123.595	73,709.798
Actual Revenue	25,821.371	39,808.515	39,256.653
% of Actual Revenue	41%	66%	53%

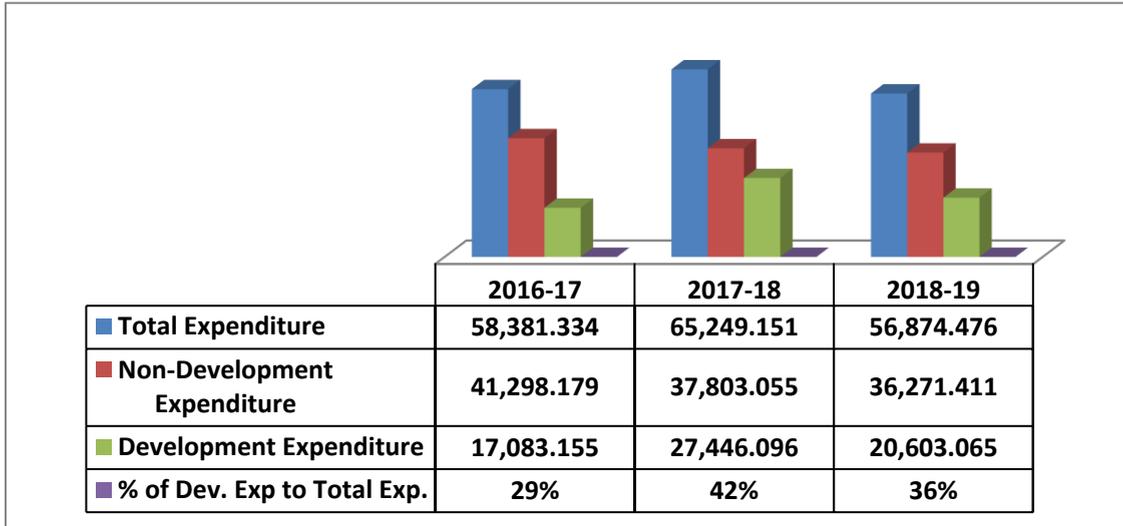


Development Expenditure, LGD

Government spending on development declined from 42 to 36 in percentage % terms, when compared to the total expenditure, during the last three financial years. In absolute terms also it declined from Rs 27.45 billion in 2017-18 to Rs 20.60 billion in 2018-19. This drastic decrease in development expenditure by the local government of Sindh, reflected adversely, the planning and implementation of development activities, especially with reference to the dilapidated condition of the infrastructure in the province. The figures from 2016 to 2019 are detailed below:

[Rupees in million]

Components	2016-17	2017-18	2018-19
Total Expenditure	58,381.334	65,249.151	56,874.476
Non-Development Expenditure	41,298.179	37,803.055	36,271.411
Development Expenditure	17,083.155	27,446.096	20,603.065
% of Dev. Exp to Total Exp.	29%	42%	36%



Budget & Account Preparation

In contravention to Para 110(1) of SLGA 2013, Councils in Sindh failed to prepare and sanction budget before the commencement of financial year. Modification in Schedule for New Expenditure (SNE) and re-appropriations in the budgetary allocations, were made without the approval of competent authority. Furthermore, according to SLGA 2013, budget of local councils in Sindh should be made in accordance with the charts of accounts provided by the Auditor General of Pakistan. Furthermore, provincial government shall, sufficiently before the beginning of each financial year, notify the provisional share of each council and credit to its fund from the provincial allocable amount, however, these rules were not complied with.

The Provincial Director, Local Fund audit is responsible for pre-audit of local fund, however, the organizations failed to maintain back end data of pre-audit bills. There is no database for maintenance of accounts of the local councils, which severely compromises the internal controls leading to absence of reconciliation of expenditure between the councils and DLFA. Furthermore, DLFA doesn't prepare accounts nor does it generate any kind of financial report to line departments.

Provincial Finance Commission

According to chapter 12 of SLGA 2013, the Provincial Finance Commission shall make recommendation to the government on a formula for resource distribution, however, the commission met only once. Distribution of OZT share to the local councils is being made on provisional basis by getting summary approved from the Chief Minister, instead of recommendation of Provincial Finance Commission. Provincial Local Government Commission (PLGC) which is mandated to conduct of special inspection of LG council and conduct inquiries, is also not functional.

Karachi Metropolitan Corporation

KMC could not remove land encroachments in contravention of the direction of Supreme Court of Pakistan, vide CP No. 815-k of 2016 dated 20-02-2019. It was allocated a sum of Rs 500 million for the cleaning of storm water drains (nallah) by the provincial government; however, rains in Karachi resulted in over flowing nallahs inundating even thoroughfares of Karachi. There is a long-standing problem of hiring & recruitment in KMC, and staff of KMC has been appointed in an unauthorized manner. Furthermore, management failed to identify ghost / fake employees and recruited 1,232 city wardens, without observing codal formalities, like recruitments through advertisements.

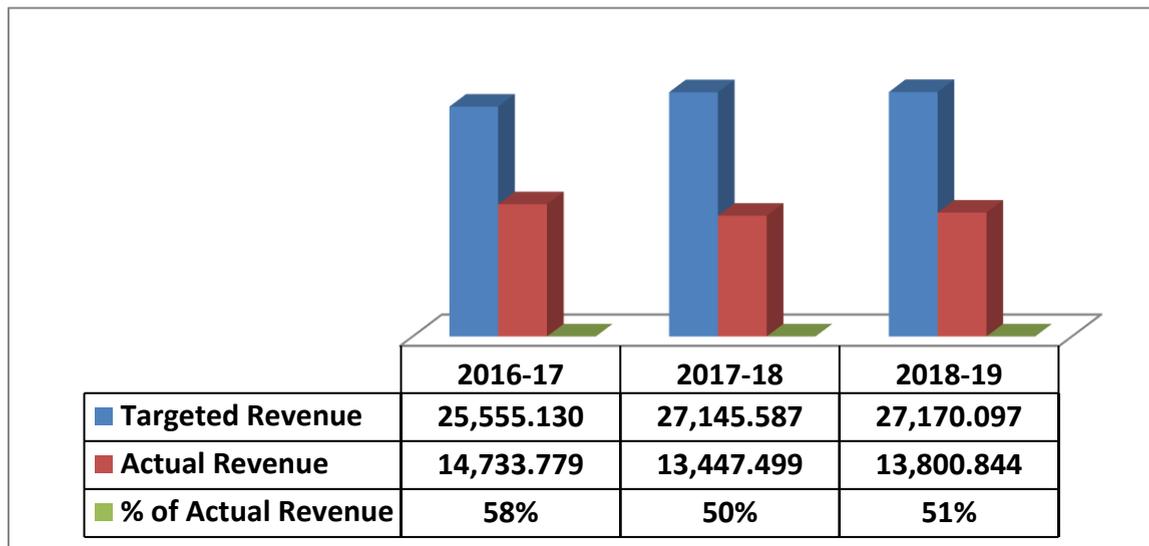
Similarly, KMC failed to perform its regulatory responsibility in Katchi Abadis under its jurisdiction and could not prevent illegal construction. Similarly, it failed to prevent unregistered slaughtering of animals in the city and parks remained undeveloped. It struggled to plant trees on central islands of roads. It also did not perform fumigation which led to increase in diseases.

Revenue Achievements, KMC

The table below shows that the revenue targets that were set in the budget could not be achieved. The major reason for the shortfall in the revenue target was the lack of will and capacity of the staff responsible for collection. Rental collection, particularly suffered because of litigation on the part of the tenants when increase rent was demanded. Capacity of staff of Finance Department, K.M.C., and the lack of resources with regards to service delivery, in accordance with the relevant schedule of SLGA 2013 resulted in lower generation of revenue. This made the councils dysfunctional to a large extent and extensively dependent on funding from provincial government.

[Rupees in million]

Components	2016-17	2017-18	2018-19
Targeted Revenue	25,555.130	27,145.587	27,170.097
Actual Revenue	14,733.779	13,447.499	13,800.844
% of Actual Revenue	58%	50%	51%

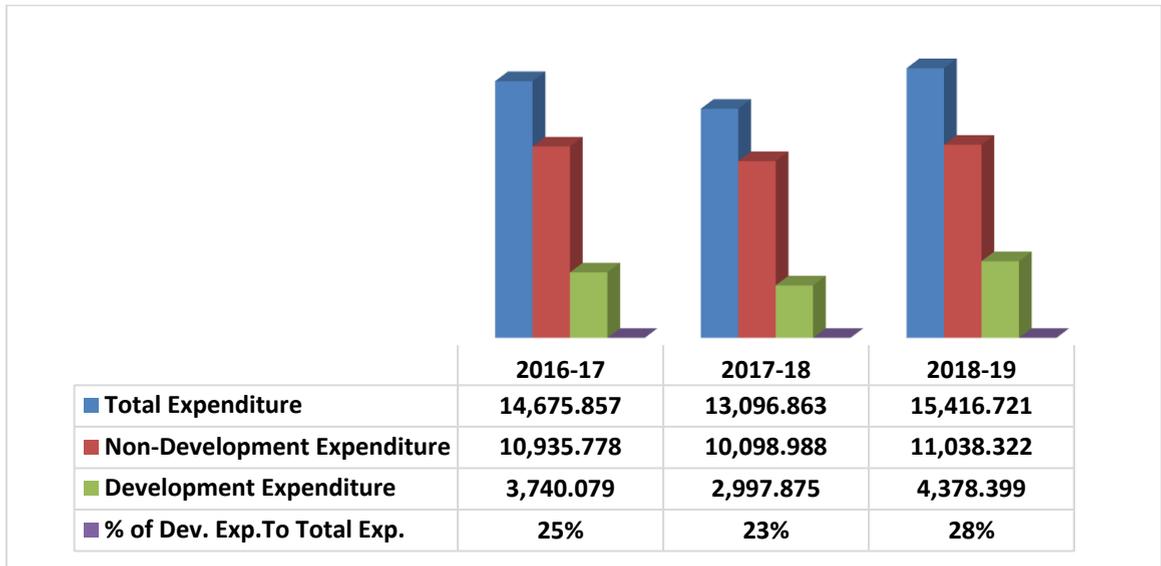


Development Expenditure, KMC

Government spending on development remained 28% of the total expenditure in 2018-19, increasing from 23% in 2017-18 and 25% in 2016-17. In absolute terms also it increased from Rs 2,997.875 million in 2017-18 to Rs 4,378.399 million in 2018-19. Both budget and expenditure of K.M.C. remained stable with reasonable annual increments, 2017-18 however showing a slight decrease. Figures from 2016 to 2019 are detailed below:

[Rupees in million]

Components	2016-17	2017-18	2018-19
Total Expenditure	14,675.857	13,096.863	15,416.721
Non-Development Expenditure	10,935.778	10,098.988	11,038.322
Development Expenditure	3,740.079	2,997.875	4,378.399
% of Dev. Exp. To Total Exp.	25%	23%	28%



Karachi Water & Sewerage Board

KW&SB is responsible for production, transmission and distribution of potable water and management of sewerage system in the city, created under KW&SB Act, 1996. Water requirement of Karachi is 1,188 MGD whereas KW&SB has the capacity of supplying only 650 MGD which comes to 55% water requirement of the city. Greater Karachi Bulk Water Supply Scheme, K-IV project was sponsored by the Government of Sindh with matching grant from Government of Pakistan. The executing agency was KW&SB with the objective to provide 260 MGD drinkable water to city. Project was commenced in June 2016 with the completion date of June 2018, however, project was delayed and since November 2018 work on site has been stopped by Government of Sindh, for carrying out third party design review.

The Deputy Managing Director, Revenue Resource Generation increased water charges annually @ 9% but failed to achieve receipts targets of Rs 11,088 million, and collected only Rs 7,543 million. KW&SB failed to disconnect supply to defaulters and was not able to collect arrears of Rs 66.663 billion which further weakened the financial condition of the department.

There are 3 sewerage treatment plants in Karachi of which 2 are under rehabilitation and one is not functional due to encroachment. Government of Sindh sponsored project S-III was geared at improving environmental and sanitation conditions of Karachi through a well-integrated system collection and treatment of sewerage. PC-I

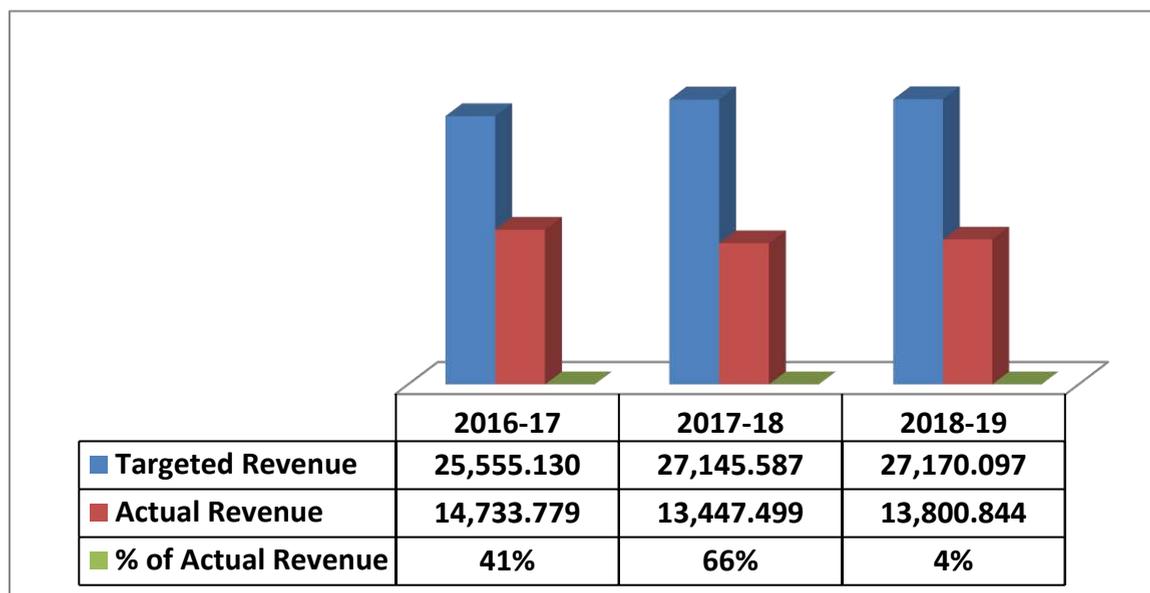
of the project was approved at a cost of Rs 7.982 billion on September 2007 on cost sharing basis of 50% GOS – 50% GOP. However, project was revised at the cost of Rs 36.117 billion by ECNEC on February 2018 and could not be complete even after 12 years.

Revenue Achievements, KW&SB

The table below shows that the revenue targets that were set in the budget were miniscule. There were two major reasons for that, the capacity of finance related staff in the local government and the lack of resources with regards to service delivery, in accordance with the relevant schedule of SLGA 2013. This lopsided planning resulted in decrease in revenue generation which was far below the viability requirement of the councils. Low revenue generation also meant that the services that were required to be delivered remained undelivered to the public at large. This made the councils dysfunctional to a large extent extensively dependent on funding from provincial government.

[Rupees in million]

Components	2016-17	2017-18	2018-19
Targeted Revenue	25,555.130	27,145.587	27,170.097
Actual Revenue	14,733.779	13,447.499	13,800.844
% of Actual Revenue	41%	66%	4%

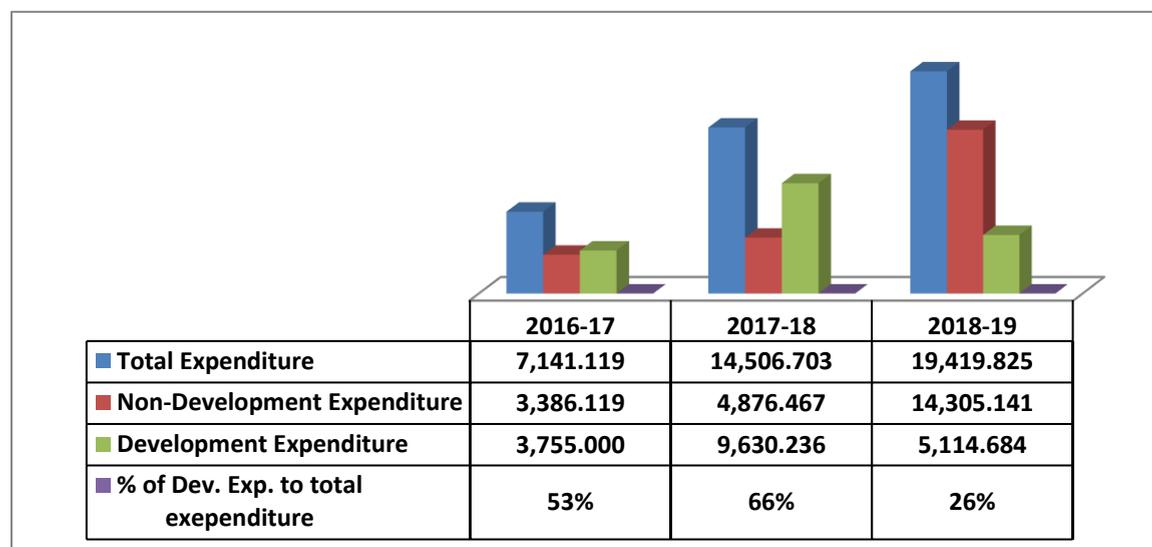


Development Expenditure, KW&SB

KW&SB spending on development declined from 66 to 26 in % terms, with comparison to the total expenditure, during the last three years. In absolute terms also it dropped from Rs 9,630.236 million in 2017-18 to Rs 5,114.684 million in 2018-19. This extreme reduction in development expenditure is due to non-release of matching grant from Government of Pakistan (GoP) in K-IV and S-III projects. This suspension in grant from GoP, is due to third party evaluation by NESPAK, which reports that there are structural design problems. NESPAK has been hired to give a way forward, for which Government of Sindh has constituted a committee, to make necessary amendments in the route of K-IV, to go forward, in light of the report submitted by NESPAK. The expenditure figures from 2016 to 2019 are detailed below:

[Rupees in million]

	2016-17	2017-18	2018-19
Total Expenditure	7,141.119	14,506.703	19,419.825
Non-Development Expenditure	3,386.119	4,876.467	14,305.141
Development Expenditure	3,755.000	9,630.236	5,114.684
% of Dev. Exp. to total expenditure	53%	66%	26%



Sindh Solid Waste Management Board (SSWMB)

Sindh Solid Waste Management Board (SSWMB) is responsible to provide pollution free environment, recycle solid waste and implement solid waste management system.

Even though SSWMB has mandate to cover whole province of Sindh, its operations are restricted to two districts of Karachi only. Board failed to meet on regular basis and did not make rules and regulations for its operation. Non-establishment of sufficient land fill sites, non-lifting of industrial and hospital waste and insufficient garbage transfer station for disposal of waste has led to serious solid waste management issues in Karachi. The DMCs were required to shift 2830 sanitary workers to SSWMB, however, they remained un-transferred. Board also failed to prepare schedule of tariff for solid waste.

Sindh Building Control Authority (SBCA)

SBCA is a regulatory and supervisory body whose prime function is to ensure that the approval of building plans and NOCs are in conformity with the existing Building & Town Planning Regulations. Approval of structural design of the buildings and issuance of NOCs for sale and advertisement of housing societies is also under its jurisdiction.

SBCA, however, failed to implement the Master plan and was directed by Supreme Court to prepare a new Master Plan. Sale of housing schemes in Sindh is unauthorized, without approval of SBCA, and in violation of the approved rules, regulations and bye-laws. NOCs for sale of plots, shops and private housing schemes, are issued by SBCA without obtaining licensing from Association of builders and Developers (ABAD). Furthermore, schemes are executed without obtaining mandatory NOCs from utility organizations such as SSGC, KW&SB and K Electric but interestingly these schemes are provided with electricity, gas and water. There is frequent time over run in case of execution of building plan. In almost all cases Initial Environmental Examination (IEE), Environmental Impact Assessment (EIA) from Sindh Environment Protection Agency (SEPA) and mandatory NOC from Civil Aviation Authority (CAA) are not attached. Many building plans got approved without verification of ownership documents and building plans fail to meet time lines.

Authorities under Local Government Department

There are eight development authorities under Local Government. These development authorities are responsible for planning, coordination, housing, including public housing schemes, low cost housing schemes and management of land record. They are responsible for development and beautification of urban areas within the jurisdiction.

These development authorities could not complete housing schemes, after lapse of stipulated time period. Development failed to execute approved housing schemes and where the schemes have been executed, these were implemented without feasibility report and revision of PC-I. Development authorities have been unable to recover outstanding dues and have made wasteful expenditure on pay & allowances due to non-execution of development schemes. Similarly, serious violation of rules was observed in the human resource department of these authorities such as unauthorized recruitments, up-gradation of posts and change of cadre of employees without complying with codal formalities.

Table-: Audit Profile of Local Government & Housing Town Planning Department

[Rupees in million]

Sr.	Description	Formations		Financial Year 2018-2019	
		Total Nos	Audited	Expenditure audited	Revenue / Receipts audited
1.	Formations	366	179	114,198.041	95,820.377
2.	<ul style="list-style-type: none"> • Assignment Account • SDAs • Etc. (excluding FAP) 	0	0	0	0
3.	Authorities / Autonomous Bodies etc under the PAO	8	6	6,977.597	5,828.167
4.	Foreign Aided Projects (FAP)	0	0	0	0

1.1.6 Classified Summary of Audit Observations

Audit observations amounting to Rs 106,734.569 million were raised in this report during the current audit of LG&HTPD, KMC and KW&SB. The amount also includes recoveries of Rs 58,353.517 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]

Sr. No.	Classification	Amount
1.	Non-Production of Record	45.255
2.	Reported cases of fraud, embezzlement and misappropriation	0.000
3.	Irregularities	-
	A) HR / Employees related irregularities	620.105
	B) Procurement related irregularities	2.914
	C) Management of Accounts with Commercial Bank	65.400
4.	Value of money and service delivery issues	682.300
5.	Recoveries	58,353.517
6.	Others	46,965.078

1.1.7 Brief comments on the status of compliance with PAC Directives

The audit report pertaining to following year has been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Sr.	Audit Year	No. of Paras	Status of PAC Meetings
1.	2011-12	44	1 - Partial
2.	2012-13	39	1 - Partial
3.	2013-14	43	1 - Partial
4.	2014-15	58	Nil
5.	2015-16	59	Nil
6.	2016-17	75	Nil
7.	2017-18	95	Nil
8.	2018-19	111	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit report of SLGD, KMC and KW&SB of last five years.

1.2 AUDIT PARAS

1.2.1 Non-production of record

1.2.1.1 Non-production of record – Rs 45.255 million

As per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. April 19, 2010 “The officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Further, according to Rule 116(2) of Sindh Local Government Act 2013, “The Audit Authority shall have access to all books, records and other documents pertaining to accounts and may also examine the Mayor, Deputy Mayor, Chairman, or Vice-Chairman, or any Member or Employees of the Council”.

During audit, it was observed that various offices working under Secretary, Local Government Department (LGD), KMC & KW&SB incurred an expenditure of Rs 45.255 million, during financial years 2016-2019, but failed to provide record to audit. Detail is at provided at Annex-SLG1.

Audit is of the view that non-provision of record reflects total disregard to rules, regulations and system of internal controls. Due to non-provision of record authenticity of expenditure and receipts cannot be ascertained by audit.

The matter was reported to the managements during April 2019 to December 2019 and it was replied by DMD, Finance, KW&SB that record is ready for scrutiny and will be provided to audit for verification, however, the office failed to provide original record along with attested copies to audit. Other offices failed to reply. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-production of record, besides the record may be produced to audit for verification.

[AIR Paras: 1,1, 1, 1, 14, 1,1, 1, 1, 1, 1, 1,1,1,1,1,1,1, 1,1,1,1, 1, 1,1,1,1, 1,1,1, 1,1,1,1,1]
[Performance Audit on Malir-15 Flyover DG, Technical Services KMC ML # 4.1.1 Audit Year 2016-17]
[Special Study on Review of Leases & Transfers in Katchi Abadis Senior Director Katchi Abadis KMC ML # 5.1.11 Audit Year 2017-18]

1.2.2 Irregularities

A. Recoveries/Outstanding dues

1.2.2.1 Non-recovery of water charges - Rs 31,771.461 million

According to Section 7 (Chapter-V, “Powers & Functions of the Board”) of the Karachi Water & Sewerage Board Act, 1996, the board shall; (ii) Levy, collect or recover rates, charges of fees for water supply and sewerage services, including arrears thereof.

As per existing practice in KW&SB, Karachi, “Water supply will be allowed by the department to the contractors. The contractors shall pay the cost of water to the department @ 1% of the total cost of work”.

During audit, it was observed that Deputy Managing Director (RRG) and Project Director, S-III Project, KW&SB, did not collect water charges amounting to Rs 31,770.397 million, during financial year 2018-19, from defaulters, and undue favor was extended to defaulter and their connections were not disconnected. Detail is as under:

[Rupees in million]

S.No.	Name of defaulter	Amount
1	CDGK/KMC	1,252.924
2	Government of Pakistan / Federal government	20,691.321
3	Government of Sindh	9,826.152
4	M/s Pak Oasis Industries (Pvt) Ltd @1%	1.064
Total		31,771.461

Audit is of the view that government sustained loss which constituted weak financial and administrative management, controls.

The matter was reported to the management during October and December 2019 but failed to provide department’s point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that immediate recovery of the dues may be made, besides imposition of fines on the defaulters, and fixing of responsibility on person(s) at fault, under intimation to audit.

[AIR Paras: 02, 19]

1.2.2.2 Non-realization of expected revenue from un-authorized occupants Rs 21,366.282 million

According to Section 41 (a) of Sindh Financial Rules Volume-1, “The departmental controlling officer should see that all sums due to Government are regularly received and checked against demands and that they are paid into treasury claiming credit for so much paid into the treasury and compare with the figures in the statements supplied by the Comptroller”.

During special study report on “Review on lease and transfer in Katchi Abadis in Karachi”, management failed to lease 91,495 units / plots of different categories. These units were encroached upon by unauthorized occupants. Hence Government was deprived of Rs 21,366.282 million expected revenue from leasing procedure from un-authorized occupants. Detail is as under:

[Amount in rupees]

Summary showing expected recoveries through new lease rate from October 2014						
Total No. of Units	Leased out units	Remaini ng Units	Expected Recovery from RRU	Expected Recovery from CRU	Expected Recovery through Land Rent	Total Recovery Expected from leasing procedure
200,907	109,412	91,495	19,768,982,549	1,514,263,320	83,126,574	21,366,372,443

Audit is of the view that due to non-realization of expected revenue from un-authorized occupants by managements, KMC, was deprived of targeted revenue which constituted weak financial management, controls.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view.

Audit recommends that responsibility may be fixed on person(s) at fault for non-regularization of expected revenue from unauthorized occupants under intimation to audit.

[Senior Director Katchi Abadis KMC ML # 5.1.5]

1.2.2.3 Non-recovery of utility charges and occupancy value Rs 2,612.148 million

According to Section 41 (a) of Sindh Financial Rules Volume-1, “The departmental controlling officer should see that all sums due to Government are regularly received and checked against demands and that they are paid into treasury claiming credit

for so much paid into the treasury and compare with the figures in the statements supplied by the Comptroller”.

During audit, it was observed that Director General, Malir Development Authority allotted 58,391 plots of different categories in 2005 to General public and Govt. employees, but failed to recover Rs 2,612.148 million of utility and occupancy charges from defaulters of Taiser Town Housing Scheme. Detail is provided at Annex-SLG2.

Audit is of the view that non-recovery of utility and occupancy charges from allottee affected overall development works of the scheme, which constituted weak financial management.

The matter was reported to the management during October, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-recovery of utility and occupancy charges from allottee, besides, recovery of the amount in question from defaulters, under intimation to audit.

[AIR Para: 03]

1.2.2.4 Non-recovery of outstanding dues – Rs 1,481.577 million

According to para 1 & 3 of vide letter No. DC/JAMSHORO (DEV)/267/2017 dated 05/04/2017 issued by Deputy Commissioner to the Secretary Finance, Finance Department, Government of Sindh regarding outstanding of Sehwan Development Authority (SDA), “the said land 25 acres was allotted to defunct District Government Jamshoro in compliance of directives of Honourable Chief Minister, Sindh conveyed vide letter No. SO(Coord)CMS/10-01/2007 dated 19-05-2007. The request of SDA for payment of cost of land was fixed @ Rs. 900/- per sq. yard may kindly be considered as per Government policy”.

Further, as per Rule 41 (a) of Sindh Financial Rules, “The departmental Controlling Officer should see that all sums due to Government are regularly received and checked again demands and that they are paid into the treasury”.

During audit, it was observed that following offices working under LGD, KMC & KW&SB, failed to recover various outstanding dues amounting to Rs 1,481.577 million during financial year 2018-19. Detail is as under:

[Rupees in million]

S.No.	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	SE, Local Government Project, Hyderabad	6	1.720
2	LGD	2018-19	DG, MDA (USD 3.897 x Rs. 155)	17	604.035
3	LGD	2018-19	MD, WASA, H.D.A	12	3.227
4	LGD	2018-19	EE, SDP Engineering Department, KDA	6	0.167
5	KMC	2018-19	DG, Technical Services	19	0.061
6	KMC	2018-19	Director, Land Management	8	560.000
7	KMC	2018-19	Principal, Karachi Medical Dental College	3	12.775
8	KMC	2017-18	MS, Gizri Maternity Hospital	4	0.293
9	LGD	2018-19	Sehwan Development Authority	3	108.900
10	LGD	2018-19	Director, Recoveries, KDA	3	7.725
Performance Audit on "Construction of Drigh road underpass along Shahrah-e-Faisal with restoration of existing right turn bridge" Karachi					
11	LGD	2018-19	PD, Local Government Department, Karachi	4.2.1	0.417
Special Study on "Review of Lease & Transfer in Katchi Abadis in Karachi					
12	KMC	2017-18	Senior Director, Katchi Abadis	5.1.8	152.202
13	KMC	2017-18	-do-	5.1.9	30.055
Total					1,481.577

Audit is of the view that non-realization of outstanding revenue resulted into weak financial management, controls.

The matter was reported to the managements during August 2019 to December 2019 and KMDC replied that Rs 3.930 million has been recovered, but failed to produce original and attested copies of challans. Other offices remained unable to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Paras: 6, 17, 12, 6, 19, 8, 3, 4, 3, 3]

[Performance Audit on Drigh Road underpass ML # 4.2.1 Audit Year 2018-19]

[Special Study on Review of Lease & Transfer in Katchi Abadis ML # 5.1.8, 5.1.9, Audit Year 2017-18]

1.2.2.5 Un-authorized payment of various allowances-Rs 437.552 million

According to FD/(SR-III)5-145/2012 dated 26-02-2015, “the benefit of Utility Allowance is extended to all regular employees of Secretariat side, who are posted by SGA&CD in CM’s Inspection, Enquiries & Implementation Team.” Further, according to Rule 88 of Sindh Financial Rules, “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that various offices working under LGD, KMC & KW&SB, paid an amount of Rs 383.976 million, financial years 2017-19, to staff on account of various allowance without authorization & entitlement. Detail is at provided at Annex-SLG3.

Audit is of the view that payment of allowances without entitlement & authorization resulted into loss to public exchequer which constituted weak administrative and financial management, controls.

The matter was reported to management during February 2019 to December 2019 and Principal KMDC replied that Professors of KMDC (BS-20) are entitled to avail the facility of government/official car along with POL quota but due to non-availability of official cars in KMDC, Governing body accorded approval in its xix meeting held on 6th September 2006 as an alternative incentive of car maintenance allowance in lieu of car and petrol quota. The reply is not convincing as no approval was taken from Finance Department, Government of Sindh. The other offices failed to respond. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that recovery may be made, and further payment be stopped till having approval from Finance Department, GoS, under intimation to audit.

[AIR Paras: 2, 11, 6, 2, 5, 5, 3, 2, 3, 5, 13, 7, 5, 9, 4, 3, 11, 2, 2, 12, 17, 4]

1.2.2.6 Non-deduction of income tax - Rs 28.710 million

According to Section 153 of the Income Tax Ordinance 2001 and Income Tax Rules 2002 payment on account of supply of goods and rendering of services are subject to deduction of income tax at source @ 4.5% and 7.5% respectively.

During audit, it was observed that following offices working under LGD, KMC and KW&SB, failed to deduct / deposit income tax amounting to Rs 28.710 million, during financial years 2017-19, into Government treasury.

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2017-18	DG, SBCA	18	3.797
2	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	2	6.035
3	KMC	2018-19	Senior Director, Municipal Services	7	3.750
4	KMC	2018-19	Senior Director, Finance & Accounts, KMC	8	6.221
5	KMC	2018-19	Senior Director, Transport & Communication	3	4.688
6	KW&SB	2018-19	DMD, HRD&A	19	0.069
7	KW&SB	2018-19	DMD, RRG	11	4.150
Total					28.710

Audit is of the view that non-deduction and deposit of Government revenue resulted into loss to public exchequer which constituted weak financial management, controls.

The matter was reported to the management during January 2019 to December 2019 but departments failed to provide evidence regarding deduction and deposit of income tax till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides the amount of taxes may be recovered and be deposited into government treasury, under intimation to audit.

1.2.2.7 Irregular payment of leave encashment - Rs 141.105 million

As per Rule 18-A of Revised Leave Rules 1980, duly adopted by GoS, "A civil servant may fifteen months before the date of superannuation or thirty years qualifying service on or after the 1st July, 1983, at his option, be allowed to en-cash his leave preparatory to retirement if he undertakes in writing to perform duty in lieu of the whole period of three hundred and sixty-five days or lesser period which is due and admissible".

During audit, it was observed that various offices working under KW&SB, paid an amount of Rs 141.105 million, during financial years 2017-19, to officials on account of leave encashment on yearly basis. Detail is at Annex-SLG4.

Audit is of the view that by deviating from prescribed procedures rules, undue benefit was extended to employees on account of leave encashment on yearly basis.

The matter was reported to that managements during January 2019 to December 2019 and department replied that Leave Encashment was given vide No.KW&SB/HRD&A/LWO/2017/114/L dated 12-12-2017 as per agreement between CBA and KW&SB. The reply is not convincing as there is no provision in rules for payment of leave encashment every year. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that immediate steps should be taken for stoppage of leave encashment on yearly basis, besides fixing of responsibility on person(s) at fault, under intimation to audit.

[AIR Para: 4, 13, 1, 1, 1, 3, 3, 2, 3, 2, 2, 3, 2, 3, 2, 3, 2, 2, 2, 2, 3, 3, 4, 1, 1, 8, 8, 2, 2, 3, 3, 5, 4, 2, 3, 2, 3, 2, 5, 5, 2, 5, 4, 5, 5, 4,5, 7, 8, 8, 5]

1.2.2.8 Overpayment of house rent allowance – Rs 126.070 million

According to Government of Sindh, Finance Department, Notification No. FD(SR-III)5/20-2008 dated 15.07.2008 “All employees not provided with Government accommodation shall continue to be entitled to house rent allowance @ 45% of the minimum basic pay scale, 2008 in Big cities of Sindh under jurisdiction of metropolitan/ municipal corporations and 30% of minimum of basic pay scale, 2008 in other cities.

During audit, it was observed that various offices working under LGD, KMC & KW&SB, paid excess house rent allowance to their employees amounting to Rs 126.070 million, during financial years 2017-19. Detail is at provided at Annex-SLG5.

Audit is of the view that over payment of house rent allowance to employees of LGD, KMC & KW&SB is a clear violation of the prescribed rules and procedures, which resulted into loss to public exchequer.

The matter was reported to management during January 2019 to December 2019 and it was replied that overpayment of house rent was allowed by the competent authorities vide council resolution No 59 dated 26-6-2006. The reply is not convincing as no approval was taken from Finance Department, Government of Sindh. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that immediate recovery of overpayment of house rent allowance may be made and steps be taken for stoppage of such payments in future, under intimation to audit.

[AIR Paras: 5,6,10,6,4,2,5,4,7,5,4,1,2,3,2,8,4,1,5,6,1,9,7,1,1,1,7,4,4,4,1,1,4,6,1,7,6,6,7,3,6,6,8,9,9,6, 16]

1.2.2.9 Loss to Government due to non-recovery on account of auctioned plots - Rs 117.658 million

According to notification issued from Government of Sindh, Local Government Department, Karachi vide no. SOA/LG/1(102)/2010, dated 24/5/2012, Para No. 5, that the rents / rates & other recoveries may be reviewed / revised to improve the resources of the local councils.

During audit, it was observed that Director, Land Management, KMC, auctioned 25 of plots valuing Rs 171.080 million, but made recovery of Rs 53.422 million, resultantly failed to recover remaining amount of Rs 117.658 million, during financial year 2018-19.

Audit is of the view that due to less recovery of the auctioned plots, Government sustained loss.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-recovery of revenue, under intimation to audit.

[AIR Para: 2]

1.2.2.10 Unauthorized payment over and above schedule rates Rs 106.758 million

As per Composite Schedule of Rates 2012, Government of Sindh, “The rate of below mentioned item:

Item of work	Schedule rate 2012 [c]
Earth Work Embankment from borrow pits including allaying in 6” layers cold breaking ramming dressing complete , including all lead and lifts (allowed 95%)	78

During audit, it was observed that Project Director, KW&SB, Greater Karachi Water Supply Scheme, K-IV, Phase-I, 260 MGD, made undue payment of Rs 106.758 million, during financial year 2018-19, to the contractor, over and above scheduled rates. Detail is at provided at Annex-SLG6.

Audit is of the view that estimate was not prepared correctly and undue favor was extended to the contractor, which constituted weak administrative and financial management.

The matter was reported to the management during October 2019 and it was replied that estimate was prepared after rate analysis. The reply is not convincing because rate analysis is not applicable on schedule items. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for excess payment over and above the schedule rates, under intimation to audit.

[AIR Para: 5]

1.2.2.11 Non-transfer of KW&SB dues - Rs 94.382 million

According to the approval of Local Government Department, Government of Sindh vide letter No.SOA/LG/4/(99)/2012 dated 11-07-2012, KMC has imposed the levy of 20% additional charge for change of land use fees w.e.f 11-07-2012 to be collected by Master Plan Department, SBCA, and be remitted to KW&SB.

During audit, it was observed that Senior Director, Master Plan, SBCA, collected an amount of Rs 94.382 million, during financial year 2018-19, from different applicants on account of 20% KW&SB share, however office failed to remit the same to concerned authority i.e. KW&SB.

Audit is of the view that due to non-remittance of collected KW&SB charges to concerned authority, chances of misappropriation of receipts could not be ruled out.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-remittance of collected KW&SB share to concerned authority, under intimation to audit.

[AIR Para: 10]

1.2.2.12 Non-deduction of Sindh Sales Tax on Services - Rs 33.899 million

According to Sindh Sales Tax on Services Act, 2011 Amended upto 1st July, 2014, as sales tax on the value of a taxable service at the rate specified in the Schedule in which the taxable service is listed below:

Tariff Heading	Description	Rate of Tax
9818.1000	Security services	10%
9809.0000	Construction services	13%
9809.0000	Services provided or rendered by persons engaged in contractual execution of work or furnishing supplies	14%
98013.8000	services provided as bank to an issue	16%
9815.2000	Legal Practitioners & Consultants	15%

SST net w.e.f. 01.07.2015 vide No.SRB-3-4/TP/01/2015/86554 Dated: 13th June 2015

During audit, it was observed that various offices working under LGD, KMC & KW&SB, made payments to service providers, but failed to deduct sales tax on service amounting to Rs 33.899 million, during financial years 2017-19. Detail is at provided at Annex-SLG7.

Audit is of the view that non-deduction of sales tax on services resulted into weak administrative and financial management.

The matter was reported to the management during May 2019 to December 2019, however, only KMDC replied that sales tax was deducted and 1/5th of the sales tax was withheld and deposited into government account, but no documentary evidence was provided to audit. Other offices failed to respond and DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that immediate recovery of sales tax on services, and its deposit, besides fixing of responsibility on person(s) at fault, under intimation to audit.

1.2.2.13 Unjustified over payment of medical facility bills – Rs 17.188 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Chief Medical Officer, Medical Department, Poly Clinic, KDA, paid an amount of Rs 17.188 million to various hospitals/ consultants on panel over and above the agreed upon rates / agreements, during financial year 2017-18. Hospital charged patients of KDA on follow up visits with charges of first visit and irrelevant laboratory charges were paid which were not included in the agreement. Detail is give below:

[Rupees in million]

S. No.	Name of Hospital/ Consultant	Amount	
		Total Paid	Over/ Irregular Paid
1.	Ashfaq Memorial Hospital	13.483	9.068
2.	Dow University of Health Sciences	12.564	6.203
3.	Subhan Eye Hospital / Dr. Wasif A. Jalali	2.939	1.917
Total		28.986	17.188

Audit is of the view that payment of medical facility bills over and above agreement resulted loss to public exchequer which was due to weak administrative & financial management.

The matter was reported to the management during February 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for over payment, besides taking measures for stoppage of such payments, under intimation to audit.

[AIR Para: 12]

1.2.2.14 Non-recovery of rent - Rs 9.684 million

According to notification issued from Government of Sindh, Local Government Department, Karachi vide no. SOA/LG/1(102)/2010, dated 24/5/2012, Para

No. 5, that the rents / rates & other recoveries may be reviewed / revised to improve the resources of the local councils.

During audit, it was observed that Director, Land Management, KMC, failed to recover lease rent of KMC petrol pumps sites and rent from Hawksbay Huts amounting to Rs 9.684 million, during financial year 2018-19, on account of rental lease. Details are as under:

[Amount in rupees]

Sr.	Present Tenant	Area in Sq. yrds	Due Date of Rent	Current Rent
1.	Macca Petrol Pump (PSO)	1508	1 st August Every year	1,207,693
2.	Karimi Automobile Services (PSO)	400	30 th June Every year	350,955
3.	Medina Petrol Pump (PSO)	802.32	1 st August Every year	742,521
4.	Raja Service Station (TOTAL)	274	31 st December Every year	360,198
5.	Marine Service (Pvt) Ltd. (PSO)	532	30 th September Every year	388,234
6.	M/s Chevron (Total Parco Caltex) Sana Petroleum Station	600	31 st March Every year	1,042,200
7.	Salsahbil Petroleum Services (Total)	256	31 st March Every year	746,752
8.	Delight Auto Service Station (Caltex)	210	16 th July Every year	327,615
9.	Modern Petroleum Services (PSO)	375	2 nd September Every year	321,427
10.	Pakistan State Oil Company (PSO)	308	1 st August Every year	228,768
11	Hawsbay Huts	No. 248	-	3,968,000
Total				9,684,363

Audit is of the view that non-recovery of annual rents from the defaulters constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-recovery of the rents besides, recovery of the same from defaulters, under intimation to audit.

[AIR Paras: 3, 6]

1.2.2.15 Non-recovery of house rent allowance and maintenance charges Rs 5.323 million

As per Revised Pay Scales, 1987, vide Finance Department Office Memorandum No. FD (SR-IV) 1/43/87 dated 17th May, 1987, "All employees not provided with government accommodation and posted at Karachi, Hyderabad including

Kotri and Jamshoro are entitled to house rent allowance @ 45% of the minimum of basic pay scale. For all other places, this allowance will be allowed @ 30%”.

Further, according to Para 11 of Government of Sindh, Finance Department Notification No.FD (SR-IV)1(12)/77 dated 03-05-1977, states: “5% recovery from pay is required to be made from the Government Servants who have been provided with Government accommodation and no house rent allowance was admissible to them”.

During audit, it was observed that various offices working under KW&SB, paid house rent allowance (HRA) who had been provided government accommodation and failed to deduct maintenance charges, amounting to Rs 5.323 million, during financial years 2017-19, from employees allotted government residence. Detail is at provided at Annex-SLG8.

Audit is of the view that overpayment of house rent allowance and maintenance charges resulted into weak financial management.

The matter was reported to the management during January 2019 to December 2019 and the management replied that house rent allowance and accommodation was allowed as per KW&SB agreement with CBA. This reply was not convincing, because the agreement between KW&SB and CBA was in violation of the rule quoted above. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that recovery on account of house rent allowance and maintenance charges may be made, under intimation to audit.

[AIR Paras: 6, 6, 6, 2, 3, 5, 2, 2, 3, 1, 2, 2, 2, 5, 2]

1.2.2.16 Less deduction of income tax from salaries - Rs 3.442 million

According to Section 149 of Income Tax Ordinance amended from time to time “Income tax rates for salaried individuals have been revised”. The revised rates are as per the ‘TABLE’ below:

S #	Taxable Income	Rate of Tax
1.	taxable income does not exceed Rs.400,000	0%
2.	taxable income does not exceed Rs.400,000 but does not exceed Rs. 800,000	Rs. 1000
3.	taxable income does not exceed Rs.800,000 but does not exceed Rs. 1200,000	Rs. 2000

S #	Taxable Income	Rate of Tax
3.	Where the taxable income exceeds Rs.1,200,000 but does not exceed Rs. 2,400,000	5% of the amount exceeding Rs. 1,200,000
4.	Where the taxable income exceeds Rs. 2,400,000 but does not exceed Rs. 4,800,000	Rs.60,000 +10% of the amount exceeding Rs.2,400,000
5.	Where the taxable income exceeds Rs. 4,800,000	Rs. 180,000 + 15% of the amount exceeding Rs. 4,800,000

During audit, it was observed that various offices working under LGD and KMC, deducted less Income Tax amounting to Rs 3.422 million, during financial years 2017-19, in contradiction to tax rate given above. Detail is at provided at Annex-SLG9.

Audit is of the view that due to less deduction of Income Tax Government resulted weak financial management, controls.

The matter was reported to the management during January 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making less deduction of income tax. Besides, recovery of income tax be made and deposited into public exchequer, under intimation to audit.

[AIR Paras: 11, 3, 6, 5, 1, 2]

1.2.2.17 Non-recovery of General Sales Tax - Rs 1.342 million

According to Rule-2(3) of Sales Tax Special Procedure (Withholding) Rules 2007, “A withholding Agent, having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub-rule (2) of rule 1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%) of the value of taxable supplies made to him from the payment due to the supplier”.

During audit, it was observed that following offices under KMC & KW&SB failed to deduct GST amounting to Rs 1.342 million, during financial years 2017-19, on account of purchase of various items. Detail is as under:

[Rupees in million]					
S.No.	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KMC	2018-19	ED, KIHD	11	1.152
2	KW&SB		Deputy MD, RRG	12	0.090
3	KW&SB	2017-18	Resident Engineer, Pipri (P&F)	5	0.100
Total					1.342

Audit is of the view that due to non-recovery of GST government sustained loss, which constituted weak financial management, controls.

The matter was reported to the management during May 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that immediate recovery be made, under intimation to audit.

[AIR Paras: 11, 12, 5]

B. Violation of rules

1.2.2.18 Non-achievement of targeted receipt – Rs 9,364.747 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that various offices working under LGD, KMC & KW&SB, failed to achieve the targeted receipts amounting to Rs 9,364.747 million, during financial years 2017-19. Detail is at provided at Annex-SLG10.

Audit is of the view that local councils failed to provide services mandated under SLGA 2013, due to which they could not achieve the target of receipts provided in budget.

The matter was reported to the management during April 2019 to December 2019 DG, SDA, replied that department tried at their best to achieve target but allottee are not giving positive response due to encroachment. The reply is not convincing because the department failed to provide their services. Other offices failed to respond. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that effective measures be taken for realization of revenue, under intimation to audit.

[AIR Paras: 1,7,5,14, 4, 2,2,3,13,6,11,5,4]

[Special Study on Review of Leases & Transfers in Katchi Abadis Senior Director Katchi Abadis KMC
ML # 5.1.6 Audit Year 2017-18]

1.2.2.19 Unjustified execution of work without preparation of feasibility report (PC-II) and technical survey – Rs 8,199.682 million

According to Para 3.3 of Planning Commission Manual for Development Projects, “PC-II is prepared for undertaking a feasibility study in respect of a major project estimated to cost Rs 300.00 million or more. This is mandatory”.

During audit, it was observed that following offices of LGD executed the development works and incurred expenditure of Rs 8,199.682 million, during financial year 2018-19 without preparing feasibility studies (PC-II) and technical surveys. Detail is as under:

[Rupees in million]

S.No.	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	PD, Local Government Project, Karachi	2	5,480.412
2	LGD	2018-19	MD WASA, H.D.A	1	2,719.270
Total					8,199.682

Audit is of the view that PC-II was pre-requisite for a large project consisting of the technical, financial and economic viability of a project would have resulted into saving of public funds by better utilizing the resources which constituted weak financial and administrative management, controls.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-preparation of feasibility reports and incurring of expenditure, under intimation to audit.

[AIR Paras: 2, 1]

1.2.2.20 Non-approval of ADP schemes – Rs 7,127.500 million

As per SPPRA Guideline for original works 2010 Rule, 2.22; PC-I/PC-II of schemes/projects prepared by the administrative department is required to be placed before the Development Working Party/committee according to the cost / competency of the forum as enumerate below:

S #	Competent Forum	Cost of Scheme up to
1	District Development Working Committee (DDWC)	Rs 20 million
2	Departmental Development Working Party (DDWP)	Rs 40.00 million
3	Provincial Development Working Party (PDWP)	Rs 5.00 billion
4	Central Development Working Party (CDWP)	Rs One billion
5	Executive Committee of the National Economic Council (ECNEC). After clearance from CDWP	Above Rs 3 billion

During audit, it was observed that Director, Planning, Monitoring & Evaluation, Local Government Department, Karachi, awarded 12 schemes with estimated cost of Rs 7,127.500 million, during financial year 2017-18. Funds amounting to Rs 351.718 million were released and an expenditure of Rs 96.617 million was incurred on 3 schemes, even though the schemes were not approved from the competent fora. Detail is provided at Annex-SLG11.

Audit is of the view that execution of schemes without obtaining approval from competent forum constituted weak financial management.

The matter was reported to the management during June 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for execution of schemes without obtaining approval from competent forum, under intimation to audit.

[AIR Para: 02]

1.2.2.21 Irregular expenditure without supporting vouchers Rs 6,184.439 million

As per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that various offices of LGD & KW&SB, incurred expenditure of Rs 6,184.439 million, during financial years 2017-19, without supporting vouchers/documents. Detail is provided at Annex-SLG12.

Audit is of the view that due to non-availability of relevant supporting vouchers/details, audit could not verify the authenticity of the expenditure.

The matter was reported to the management during August to December 2019. PD, S-III and DMD, Finance, KW&SB replied that payments were made after completing codal formalities. Secretary, LG&HTP incurred expenditure amounting to Rs 5,977.745 million without supporting vouchers, did not reply. The offices which furnished replies to the observation did not provide documentary evidence. Therefore, replies were not found tenable. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment without vouchers, under intimation to audit.

[AIR Paras: 4, 15, 19, 8, 5, 13]

1.2.2.22 Non-adjustment for payment against acquisition of land worth Rs 3,750.000 million

According to Rule 668 of Treasury Rules, “Advances granted under special order of the competent authority to Government Officers for departmental or allied purpose may be drawn on the responsibility and receipt of the officers for whom they are sanctioned, subject to adjustment by submission of detailed accounts supported by vouchers or by refund, as may be necessary”.

During audit, it was observed that Project Director, K-IV Karachi Water & Sewerage Board, made payment in advance to Assistant Commissioner Shah Mureed and Land Acquisition Office, District Malir, amounting to Rs 3,750.000 million (although amount for acquisition of land kept in PC-I was Rs 1,500 million), during financial year 2018-19, for acquisition of land for K-IV Project. However, neither adjustment of the funds was made, nor transfer of the land to K-IV project was shown to the audit.

[Rupees in million]

S.No	Cheque No & Date	Amount
1	Chq# 286210 dated 12-06-2017	2500.000
2	Chq# 256317 dated 29-05-2018	1250.000
Total		3,750.000

Audit is of the view that non-adjustment of land acquisition constitutes weak financial management.

The matter was reported to the management during October 2019 and it was replied that Land acquisition officer has submitted the reports regarding utilization of funds. The reply is not convincing as PD failed to provide ownership of land in favour of K-IV. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends expeditious adjustment of land acquisition money as well as transfer of land to K-IV Project, besides fixing of responsibility on person(s) at fault, under intimation to audit.

[AIR Para: 2]

1.2.2.23 Undue favor to contractor – Rs 2,544.616 million

According to Rule-17(1) of SPPRA Rules 2010, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely

notifications on the Authority’s website and in print media in the manner and format prescribed in these rules”.

Further, according to per Rule 5.4(2)(i) & (iii)(a) of SPPRA Guidelines 2010 Procurement Regulation Works, “Repeat order is related with enhancement of scope of original work and same should not exceed 15% of the bid price.” and variations in quantities up to 15% of total contract price are to be executed by the contractor at the original contract rates.

During audit, it was observed that Project Director, Local Government Project, awarded following works at sanctioned cost amounting to Rs 967.324 million. However, sanctioned cost of the work was revised upto Rs 1,545.437 million, during financial year 2018-19, cost of tender was increased upto 60%, which resulted in unauthorized expenditure of Rs 967.324 million since this increase was due to addition for another work, which was got done in the same contract. Detail is as under:

[Rupees in million]

Sr.	ADP #	Name of Work	Actual Cost	Cost of work awarded	Revised Cost	Cost of work awarded
1	1482	Widening and Re-Construction of stadium road from University road to Rashid Minhas road Karachi. (M/s Mir Ahmed Jan Bangulzai)	462.200	379.898	693.505	661.991 (143%)
2	1486	Construction / Improvement of Road Fuwara to Garden via Abdullah Harron Road back to Fuwara Chowk via Zaibunnisa Raod (M/s Sher Jan Moosa Khail & Sons)	643.675	587.426	1,004.589	883.446 (137%)
Total			1,105.875	967.324	1,698.094	1545.437

Similarly, during performance audit on “construction of three-lane flyover at Malir-15, Shahrah-e-Faisal, Karachi, it was observed that initial cost of the project was Rs 532.00 million and NIT was published in Newspaper. The cost of the scheme was revised up-to Rs 999.179 million (87.74%) over and above the original estimate, but the management allowed contractors to continue works without calling fresh tender.

Audit is of the view that execution of work without retendering shows total disregard to government rules which resulted into weak administrative and financial management, controls.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for excess execution of work beyond permissible limit, under intimation to audit.

[AIR Para: 3 and DG, Technical Services KMC ML # 4.1.2 Audit Year 2016-17]

1.2.2.24 Irregular award of contracts without acquiring list of major equipment-related items – Rs 2,372.807 million

As per BG-1&2 of Appendix to Bid of Bill of Quantities of contract agreement, “The bidder will provide on sheet 2 of this Appendix a list of all major equipment and related items, under separate heading for items owned, to be procured or to be arranged on lease by him to carry out the works. The information shall include make, type, capacity and anticipated period of utilization for all equipment which shall be in sufficient detail to demonstrate fully that the equipment will meet all requirements of the specifications.”

During audit, it was observed that Project Director, S-III Project, KW&SB, Karachi, awarded contracts of Rs 2,372.807 million, during financial year 2018-19, without acquiring list of equipment-related items from contractor. Detail is as under:

[Rupees in million]

Sr.	Name of work	Contractor	Contract Amount	Amount Paid
1	LS-01 Construction of new RCC pipe sewer and other allied works along Lyari river from Saba Cinema to Surjani	M/s Haji Syed Ameer & Brothers	716,419,419	71,641,950
2	LS-02 Construction of RCC conduit interception & other allied works along Lyari river from Metroville to Saba Cinema	M/s Haji Syed Ameer & Brothers	1,024,841,889	168,710,571
3	LS-03 Construction of RCC conduit interception & other allied works along Lyari river from Al-Syed Apartments to Metroville	M/s Haji Syed Ameer & Brothers	631,546,005	136,440,461
Total			2,372,807,313	376,792,982

Audit is of the view that undue favor was extended to contractor by not demanding/ fulfilling conditions of contract which constituted weak financial management, controls.

The matter was reported to the management during October, 2019. Management replied that bids were invited from successful contractor's firms of pre-qualification process i.e. having specified financial, personnel and equipment capabilities along with experience. The department's reply is not convincing as it failed to produce required documentary evidences. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of contracts without acquiring the details/ list of equipment from contractor, besides, the same may be produced to audit for verification.

[AIR Para: 16]

1.2.2.25 Irregular expenditure without inviting open tenders Rs 831.013 million

As per Rule-17(1) of SPPRA Rules 2010, "Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority's website and in print media in the manner and format prescribed in these rules".

During audit, it was observed that various offices of LGD & KW&SB, incurred expenditure amounting to Rs 831.013 million, during financial years 2017-19, without inviting open tender, or uploading on SPPRA website. Detail is provided at Annex-SLG13.

Audit is of the view that the management was deprived of competitive rates by not inviting tender, or uploading on SPPRA website which resulted into weak financial management, controls.

The matter was reported to the management during April to December 2019. PD, S-III replied that tender was invited as per rule. The reply is not convincing as management failed to provide documents in support of reply. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not calling open tender, under intimation to audit.

[AIR Paras: 21, 5, 13, 2, 11, 2, 2, 1, 4, 4]

1.2.2.26 Irregular addition of works - Rs 824.934 million

According to Modified PC-I of the project, “Construction of Drigh road underpass along Shahreh-e-Faisal with restoration of existing right turn bridge”, the total cost of construction for the project was estimated Rs 755.853 million. Further, as per revised PC-I of the project “Construction of Drigh road underpass along Shahreh-e-Faisal with restoration of existing right turn bridge” the total cost of construction for the project was estimated Rs 1,654.999 million.

Furthermore, as per Rule-17(1) of SPPRA Rules 2010, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and in print media in the manner and format prescribed in these rules”.

During the course of the performance audit of the project “Construction of Drigh road underpass along Shahrah-e-Faisal with restoration of existing right turn bridge” Karachi, it was observed that the management had got modified approval for construction of underpass and restoration of the right turn bridge at Drigh road, however, scope of work was again revised and additional items of works of Rs 824.934 million, having beautification components were incorporated in the same project without calling a separate tender. Detail is as under:

Detail of Project					Detail of additional work / items	
Name of Contractor	Estimated amount as per Modified PC-I (million)	Estimated amount as per revised PC-I (million)	Amount Added through revised PC-I (million)	% of additional amount	Items description	Amount
Name of work: Construction of Drigh road underpass along with restoration of existing right turn bridge						
M/s Sherjan Moosakhail & Sons	755.853	1,654.999	899.146	118.96	Traffic Diversion	56.172
					Architecture	5.024
					Concrete wall screen	53.774
					M.S wall screen	526.107
					land scarping works	80.316
					Electrical works	103.541
Total						824.934

Audit is of the view that this revision / addition of work without calling a separate tender resulted into undue favour extended to the same contractor.

The matter was reported to the management during March 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not calling a separate tender, under intimation to audit.

[PD Local Government Department ML # 4.3.2 Audit Year 2018-19]

1.2.2.27 Irregular payment without executing contract agreement Rs 742.023 million

According to Para 89(c) of CPWD Code, the agreement with the contractors selected must be in writing and should be precisely and definitely expressed; it should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completed.

During audit, it was observed that following offices of LGD & KW&SB, paid Rs 742.023 million, during financial year 2018-19, to various vendors without executing contract agreements. Detail is as under:

[Rupees in million]					
S.No.	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG. Malir Development Authority	23	9.544
2	LGD	2018-19	SE, Local Government Project, Hyderabad	3	105.104
3	KW&SB	2017-18	PD, RO Water Desalination Plants	7	627.375
Total					742.023

Audit is of the view that payment without execution of contract agreement resulted into weak financial management.

The matter was reported to the management during April 2019 to December 2019, PD, RO Plants replied that work was extended on direction of water commission. The department reply is not convincing as it failed to provide contract agreement. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-execution of contract agreement for extended work, under intimation to audit.

1.2.2.28 Non-clearance of outstanding liabilities – Rs 714.830 million

According Para 289 of Treasury Rules (TR) Vol-I & II, “all charges incurred must be paid and drawn at once and under no circumstances may be allowed to stand

over to be paid from grant of another financial year”. Further, as per FD, GoSO.MNo.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

During audit, it was observed that various offices of LGD & KMC, incurred expenditure on account of various heads of account, but failed to clear outstanding liabilities amounting to Rs 714.830 million, during financial year 2018-19.

Audit is of the view that management failure to clear outstanding liabilities resulted into weak financial management, controls.

The matter was reported to the management during September to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-clearance of outstanding liabilities, besides the authority should take corrective measures so that no liability creates in future.

[AIR Para: 2, 12]

1.2.2.29 Non-completion of the project within stipulated time Rs 683.422 million

As per revised work order no. EE/LGD/GOS/94 / 2018 dated 09-04-18 for Construction of Drigh road underpass along with restoration of existing right turn bridge, extension of time was awarded upto 30-06-2018.

During the course of the performance audit of the project “Construction of Drigh road underpass along Shahrah-e-Faisal with restoration of existing right turn bridge” Karachi, it was observed that the management failed to complete various components amounting to Rs 683.422 million of the project within the stipulated time in contradiction of above order. Details are as under:

[Rupees in million]

Sr #	Items description	Amount
01	Concrete wall screen	53.774
02	M.S wall screen	526.107
03	Electrical works	103.541
Total		683.422

Audit is of the view that non-completion of the project is against public interest which constituted weak administrative management.

The matter was reported to the management during March, 2019 but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault, besides taking measures for stoppage such practices in future, under intimation to audit.

[PD, Local Government Department ML # 4.6.3 Audit Year 2018-19]

1.2.2.30 Irregular payment of mobilization advance - Rs 641.800 million

According to para 9.3.2(b) of SPPRA Guidelines, states, “(v) Mobilization advance including the interest shall be recovered in 5 equal installments from the 5 running account bills and in case the number of bills is less than five (5), then 1/5 of the advance inclusive of the interest thereon shall be recovered from each bill and the balance together with interest be recovered from the final bill”.

During audit, it was observed that Managing Director, Zulfikarabad Development Authority, allowed mobilization advance of Rs 641.799 million, during financial year 2018-19 to M/s FWO on 2 works, for which no work had been executed since long, even completion period of works was completed. The amount of mobilization advance was not recovered/adjusted till date and same is retained by M/s FWO as no work has been performed. This resulted into unauthorized retention of money by the contractor for more than 5 years. Detail is as under:

[Amount in rupees]

S #	Contractor Details/work order	Scheme Details	Sanctioned Cost	Mobilization advance	Mobilization %
1	FWO 547 dated: 26.3.2013	Construction of Shaheed Zulfiqar Ali Bhutto expressway from Garho to Shah Bandar	4,078,455,839	407,845,584	10%
2	FWO 193 dated: 11.6.2014	Design and build RCC post tensioned bridge, approach road, J-spurs over indus river at Dhandhari, Thatta	4,679,084,176	233,954,209	5%
Total			8,757,540,015	641,799,793	

Audit is of the view that non-recovery of mobilization advance resulted into weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides recovery of mobilization advance from M/s FWO and its deposit to Government Treasury, under intimation to audit.

[AIR Para: 2]

1.2.2.31 Un-authorized creation of liabilities - Rs 633.450 million

According to DD (Finance)/PLGC/2010/167, Dated: 04/02/2010 issued from Government of Sindh, Provincial Local Government Commission (Inspection, Monitoring & Evaluation Cell) Karachi, "local governments, across the province, make commitments beyond their budgetary allocations/ funds by initiating new development schemes, inviting tenders, creating new employment opportunities & miscellaneous expenditure. Thus create liabilities for next financial year".

During audit, it was observed that following offices of LGD, failed to pay dues amounting to Rs 633.450 million and created liabilities, during financial years 2017-19.

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	Secretary, Local Government Board, Sindh	4	70.150
2	LGD	2018-19	Director, Finance & Accounts	3	6.022
3	LGD	2018-19	Director, Finance & Accounts	8	2032.562
4	LGD	2017-18	PD, Lyari Expressway Resettlement Project	3	563.300
Total					633.450

Audit is of the view that creation of liabilities constituted weak financial management.

The matter was reported to the management during June 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

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

1.2.2.32 Irregular award of development works – Rs 428.468 million

According to SPPRA Regulation for Procurement of Works 2013, Regulation No.6.5 Bid validity (Rule 38), Procuring agency, keeping in view the nature of the procurement, shall specify a bid validity period which shall be stated in the bidding document and shall not be more than 90 days in case of National Competitive Bid and 120 days in case of International Competitive Bid (c) Procuring agency shall complete evaluation of the bids and award the contract within the initial period of bid validity so that extensions are not required.

During audit, it was observed that following formations working under LGD, KMC & KW&SB, awarded works amounting to Rs 428.468 million, during financial years 2017-19, after expiry of bid validity of notice inviting tender. Detail is as under:

[Rupees in million]					
S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	EE SDP Engineering Department, KDA	3	243.814
2	KMC	2018-19	DG, Technical Services	9	183.016
3	KW&SB	2017-18	EE, Water Gulshan e Iqbal Town	1	1.638
Total					428.468

Audit is of the view that award of works after expiry of bid validity period resulted into weak administrative management.

The matter was reported to the management during May 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for delay in bid evaluation and award of contract within bid validity period, under intimation to audit.

[AIR Paras: 3, 9, 1]

1.2.2.33 Non-maintenance of log books – Rs 336.492 million

Rule 20 of the Staff Car Rules 1980, as amended in 2001, duly adopted by GoS, states that, “The log book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

During audit, it was observed that various offices of LGD, KMC & KW&SB, incurred an expenditure of Rs 336.492 million, during financial years 2017-19, on

account of purchase of POL for official vehicles but failed to justify the expenditure by preparation of log books, history sheet and petrol account register of official vehicles. Detail is provided at Annex-SLG14.

Audit is of the view that non-maintenance of log books of official vehicles resulted into irregular expenditure which constituted weak financial management.

The matter was reported to the management during February 2019 to December 2019. The DG, SDA, replied that log books are maintained but failed to provide original and attested copies to audit. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure on account of POL without maintenance of log books, under intimation to audit.

[AIR Paras: 6, 6, 8, 10, 4, 11, 17, 3, 2, 15, 5, 2, 10, 6, 8, 6, 7, 5, 10, 6, 10, 5, 1, 3, 5, 13, 3, 5, 5, 16, 6, 2, 4, 4, 4, 3, 9, 4, 3, 4, 3, 3, 4, 4, 2, 6]

1.2.2.34 Non-maintaining transparency in award of contracts Rs 275.761 million

According to Rule 46 of Sindh Public Procurement Rules 2010, “Procedures of open competitive bidding-Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding (1) Single Stage – One Envelope Procedure (a) Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable);

During audit, it was observed that Director General, Technical Services, KMC, Karachi, awarded different works amounting to Rs 275.761 million, during financial year 2018-19 to different contractors, but failed to provide documentary evidence of contractor’s eligibility criteria of contractors who were evaluated as eligible for participation in bidding process including certificates showing mandatory registration with tax authorities i.e NTN, GST, SRB, PEC Registration certificate, required relevant experience and turnover of at least three years.

Audit is of the view that award of contracts without obtaining mandatory certificates and required documentary evidence showing experience resulted into weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-maintaining transparency in ward of works, under intimation to audit.

[AIR Para: 8]

1.2.2.35 Unauthorized appointments – Rs 280.650 million

According to Government of Sindh, Local Government Department's directives vide letter No. SO-V(LG)5(69)/2009 Dated: 29/06/2010, states that "the Honorable Supreme Court of Pakistan in Human Rights case No. 104/92 had already held that even an appointment on adhoc basis cannot be made without publication and proper advertisement". Further, as per Government of Sindh, Local Govt. Department's Letter No. SOA/(LG)1(27)/2011, dated: 06/06/2011, states that "no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of the Government, approval, if any, earlier issued in this regard may be treated cancelled/withdrawn".

During audit, it was observed that various offices of LGD, KMC & KW&SB, made unauthorized appointments without following prescribed formalities required for appointment, during financial years 2017-19. Detail is provided at Annex-SLG15.

Audit is of the view that appointment of contractual staff despite of restrictions resulted into weak administrative management & weak internal control system.

The matter was reported to the management during February 2019 to December 2019, DMD, Finance replied that their services are stopped in financial year 2018-19. The reply is not convincing as department failed to provide any documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that inquiry may be initiated against person(s) on account of unauthorized appointment of contractual staff & payment made thereof under, intimation to audit.

[AIR Paras: 10, 18, 19, 21, 22, 8, 9, 4, 7, 6, 9, 2, 11, 11]

1.2.2.36 Unjustified excess payment - Rs 240.475 million

According to Rule 5.4(2)(i) & (iii)(a) of SPPRA Guidelines 2010 Procurement Regulation Works, “Repeat order is related with enhancement of scope of original work and same should not exceed 15% of the bid price.” and variations in quantities up to 15% of total contract price are to be executed by the contractor at the original contract rates.

During performance audit of following projects, it was observed that an excess payment of Rs 240.475 million was made to contractors. Detailed is as under:

[Amount in Rupees]						
Sr.	Name of work	Name of Item	Estimate amount	Expenditure	Difference	%
1	Construction of three-lane flyover at Malir-15, Shahrah-e-Faisal	Bridge Structure	595.917	707.004	111.087	18.64
2	Madar-e-Jamhuriat, Nusrat Bhutto underpass, Karachi	-	377.297	506.685	129.388	34
Total			973.214	1213.689	240.475	-

Audit is of the view that excess payment made to contractor constituted weak financial management.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault for making excess payment to contractors, under intimation to audit.

[DG, Technical Services KMC ML # 4.4.1 Audit Year 2016-17 and ML # 4.2.1 Audit Year 2017-18]

1.2.2.37 Un-authorized award of contracts in violation of SPPRA Rs 184.800 million

According to Rule 13 (1) of SPPRA, “specifications shall allow the widest possible competition and shall not favour any single contractor or supplier nor put others at a disadvantage. Specifications shall be generic and shall not include references to

brand names, model numbers, catalogue numbers or similar classifications. However, if the procuring agency is convinced that the use of a reference to a brand name or a catalogue number is essential to complete an otherwise incomplete specification, such use or reference shall be qualified with the words “or equivalent”.”

During audit, it was observed that following offices of KMC, awarded contracts of Rs 184.800 million, during financial year 2018-19, for the purchase of medical equipment to different contractors.

[Rupees in million]					
S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KMC	2018-19	Metropolitan Commissioner	2	119.800
2	KMC	2018-19	Senior Director, Transport & Communication	2	65.000
Total					184.800

However, irregularities were noted, such as, newspapers clipping of NIT was not uploaded on SPPRA website, procuring agency used specific of origin of the equipment without mentioning the words “or - equivalent” and procurement committee did not have certified members from the prescribed institutes.

Audit is of the view that award of contract without complying with SPPRA rules resulted into mis-procurement which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-compliance with SPPRA codal formalities, under intimation to audit.

[AIR Paras: 2, 2]

1.2.2.38 Un-justified expenditure incurred on account of pension payment Rs 171.819 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Deputy Managing Director (Finance), KW&SB, Karachi, incurred an expenditure amounting to Rs 171.819 million, during financial year 2018-19, on account of pension payments without observing codal formalities, such as, direct credit system, alive certificate, no marriage certificate, pension bill on prescribed format and death certificate for family pension cases.

Audit is of the view that pension payments made without observing codal formalities constituted weak internal controls.

The matter was reported to the management during December 2019, DMD, Finance replied that payments of pension bills are duly checked and verify in pension section with due diligence and all mention requirements are completed in all respect. The reply is not convincing as department failed to provide any document regarding payment of pension in support of its reply. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-observing codal formalities while making pension payment, under intimation to audit.

[AIR Para: 13]

1.2.2.39 Irregular use of college income for payment of salaries to staff Rs 139.293 million

As per Section 4-2 (d) of Sindh Financial Management and Accountability Act, 2011, “all financial transactions shall be carried out for a proper purpose”.

During audit, it was observed that Principal, Karachi Medical & Dental College, KMC, Karachi, during financial year 2018-19, used college income of Rs.139.293 million for making payment of salaries to staff, without approval of competent authority.

Audit is of the view that college income used for making payment of salaries to staff constituted weak financial management.

The matter was reported to the management during October, 2019 and it was replied that Rs.139.293 was transferred after approval of competent authority. The reply is not convincing as approval of Mayor, KMC and Governing body was not obtained. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019,

but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for misuse of college income, under intimation to audit.

[AIR Para: 5]

1.2.2.40 Non-maintaining transparency in award of development work to joint venture firm – Rs 112.450 million

According to SPPRA Procurement regulations (Works) Para 6.4 Bid Security “The security for a bid submitted by a joint venture should be in the name of the joint venture”.

During audit, it was observed that Director General, Technical Services, KMC, awarded work “Rehabilitation / reconstruction of roads / street including foot paths at surroundings areas of SZABIST Institute & Karachi Grammar College, Block-05, Clifton, Karachi to M/s S.K Construction and M/s Hani Traders (JV), at sanctioned cost of Rs 112.450 million, during financial year 2018-19.

However, relevant record/details to evaluate the eligibility criteria of bidder as a Joint Venture for award of contract was not available. Furthermore, all payments were made to M/s S.K Construction individually.

Audit is of the view that management failed to comply with rules set out by the government, which reflects the absence of systematic control and financial discipline prevalent in the department.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-maintaining transparency in award of work, under intimation to audit.

[AIR Para: 17]

1.2.2.41 Unjustified withheld amount from contractors bills Rs 105.126 million

According to Para-638 of PWD manual Vol-I, “All the charges incurred must be paid and drawn at once and under no circumstances they may be allowed to stand over to be paid from the budget grant of next financial year, if the work of an important nature the efforts should be made for obtaining the supplementary budget.”

During audit, it was observed that Metropolitan Commissioner, KMC, withheld an amount of Rs 105.126 million from the contractors’ bills, during financial year 2018-19, as the work was not executed in accordance with the specifications.

Audit is of the view that withheld amount from the contractor’s bills without justification which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for withheld of amount from the bills of contractors, under intimation to audit.

[AIR Para: 4]

1.2.2.42 Irregular expenditure on account of execution of non-schedule items Rs 103.046 million

According to Sr # 4 of the Schedule of Rate (Composite) for finished items of works, 2012, the non-schedule item costing up-to Rs 1,000 should be got sanctioned by the concerned Superintending Engineer and the items exceeding Rs 1,000 must be got approved and sanctioned by the Chief Engineer.

During audit, it was observed that Director General Technical Services, KMC, Karachi, incurred an expenditure of Rs 103.046 million, during financial year 2018-19, on account of payment of non-scheduled items without obtaining market rate analysis and sanction of competent authority. The rate analysis duly sanctioned by the competent authority in support of the above expenditure and supporting vouchers/invoices was not provided to audit. Detail is provided at Annex-SLG16.

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KMC	2018-19	DG, Technical Services	13	103.046
2	KW&SB	2017-18	Resident Engineer, Pipri (P&F)	1	0.987
Total					104.033

Audit is of the view expenditure on account of payment of non-schedule items without prior approval and sanction of competent forum and rate analysis resulted into irregular expenditure which constituted financial management, controls.

The matter was reported to the management during May 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring irregular expenditure on account of non-schedule items, under intimation to audit.

1.2.2.43 Irregular award of contracts to unregistered contractors Rs 99.392 million

According to SGA&CD, Government of Sindh Notification No. SORI(SGA&CD)2-30/2010 dated 23rd October, 2014, amendment in Rule 46, Sub-rule(1), for clause (iii) “registration with the Federal Board of Revenue (FBR), for Income Tax, Sales Tax in case of procurement of goods, registration with the Sindh Revenue Board (SRB) in case of procurement of works and services and registration with Pakistan Engineering Council where applicable”.

Further, as per Pakistan Engineering Council letter No. PEC/Consult/EF/1900017 dated: 01-09-2005, “No engineering work shall be constructed except by a constructor or operated except by an operator licensed as such by the Council (PEC). All consulting engineering services in Pakistan shall be entrusted only to consulting engineering duly registered as such with the Council (PEC)”.

During audit, it was observed that various offices of KMC & KW&SB awarded work amounting to Rs 99.392 million, during financial years 2017-19, to the contractors without having valid registration with PEC, SRB and Excise & Taxation Department, Government of Sindh. Detail is provided at Annex-SLG17.

Audit is of the view that award of work without having valid registration certificates constituted weak financial management.

The matter was reported to the management during May 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work to contractor without having valid registration, under intimation to audit.

1.2.2.44 Transfer of funds without justification – Rs 65.400 million

According to Section(I) of Appendix 18-A of SFR Vol-I, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Director General, Malir Development Authority, Karachi, transferred an amount of Rs 65.400 million, during financial year 2018-19, between its own bank accounts without justification. Detail is provided at Annex-SLG18.

Audit is of the view that transfer of funds without justification constituted weak financial management.

The matter was reported to the management during October, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for transfer of funds without justification, under intimation to audit.

[AIR Para: 24]

1.2.2.45 Award of works without obtaining technical sanction of estimates Rs 57.893 million

According to Regulation for Procurement of Works as notified vide letter No. No.Dir(A&F)SPPRA/BoD/12-13/9316 Dated: 22-03-2013, Guideline No.11.2.3 starting the work in Anticipation of Technical Sanction “No work can be started until and unless technical sanction is accorded by the competent authority”.

In pursuance of the provisions contained in Article 119 of the constitution of the Islamic Republic of Pakistan, the Governor of Sindh is pleased to make following amendments in the Sindh Delegation of Powers under the Financial Rules and the Powers of Re-appropriation Rules, 1962, vide Notification No.B&E-I/2(18)/75-94/Pt-IX Dated 5th January, 2009, that:-

S.No.	Nature of Power	To whom delegated	Extent
01	“Technical Sanction: In the case of original works	(iv) Superintending Engineer	In Building Department Works upto Rs.5,000,000/-
		(v) Executive Engineers	In Building Department Works upto Rs.1,200,000/-

During audit, it was observed that Executive Engineer, Special Development Packages (SDP), Engineering department, KDA, awarded work amounting to Rs 57.893 million, during financial years 2017-19, but technical sanctions of rates was not approved from competent engineer as per delegation of financial powers.

Audit is of the view that advertisement of tender prior to obtaining technical sanction of estimates by competent engineer resulted into weak financial management.

The matter was reported to the management during October, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of works without obtaining technical sanction of estimated rates by competent engineer, under intimation to audit.

[AIR Para: 2]

1.2.2.46 Irregular award of works to second lowest bidders-Rs 56.020 million

According to Rule 49 of Sindh Public Procurement Rules, 2010 (amended 2013), Award of Contract:- The bidder with the lowest evaluated cost, but not necessarily

the lowest submitted price, shall be awarded the procurement contract, within the original or extended period of bid validity.

During audit, it was observed that Director General, Technical Services, KMC, awarded different development works amounting to Rs 56.020 million, during financial year 2018-19, to different contractors / bidders other than those contractor / bidders who were evaluated as first lowest bidders, but failed to provide reasons / valid justifications deemed appropriate for rejection of bids of lowest evaluated bidders and award of development works to contractors / bidders other than those who were evaluated as lowest bidders.

Audit is of the view award of works to contractors other than those who were evaluated as lowest without provision of any valid justification / reasons deemed appropriate for rejection of bids of lowest bidders resulted into weak financial management, controls.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of works to contractors other than those who were evaluated as lowest one, under intimation to audit.

[AIR Para: 5]

1.2.2.47 Irregular payment of escalation on consultancy services Rs 55.447 million

As per contract agreement of work, providing engineering service (consultancy service) to M/s Techno Consult International (Pvt) Ltd, executed on 08-05-2008 by Employer PD, S-III, “the period of design stage is 12 months and the period of completion of construction supervision services is 36 months.”

During audit, it was observed that Project Director, S-III Project, KW&SB, Karachi, paid Rs 55.447 million, during financial year 2018-19, from July 2018 to June 2019, on account of escalation, to consultant, after expiry of contract.

Audit is of the view that undue favor was extended to consultant by paying escalation without renewal of contract which constituted weak administrative and financial management.

The matter was reported to the management during October 2019. The department replied that as per Clause 6.2(a) of the condition of consultancy agreement, the escalation will be paid to the consultant at the end of every financial year in accordance to the index of price announced by the Government of Pakistan through statics of bulletin for the financial year. The department failed to provide extended/revised agreement and statistical bulletin to justify the payment of escalation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for paying escalation to consultant after expiry of contract agreement, besides, the amount in question may be recovered, under intimation to audit.

[AIR Para: 7]

1.2.2.48 Irregular payment on expired agreement - Rs 55.346 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Director General, Sindh Building Control Authority and its subordinate offices, incurred an expenditure amounting to Rs 55.346 million, during financial year 2018-19, on account of medical facilities and made payments to various hospitals, whose contracts had already been expired.

Audit is of the view that management failed to observe government interest and ignored rules and procedures set forth by the government.

The matter was reported to the management during Nov 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-providing such contract agreements (fresh/renewed) with hospitals, the same may be provided to verify the authenticity of expenditure.

[AIR Para: 18]

1.2.2.49 Irregular expenditure by way of splitting - Rs 54.386 million

According to Rule 12 (1) of SPPRA 2010, “Save as otherwise provided and subject to the regulations made by the Authority a procuring agency shall prepare in accordance with Rule 11 above all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped allocated and scheduled in the Procurement Plan”.

During audit, it was observed that various offices of LGD, KMC and KW&SB, awarded works valuing Rs 54.386 million, during financial years 2017-19, to contractors / suppliers by splitting work orders to avoid calling tender. Detail is provided at Annex-SLG19.

Audit is of the view that by splitting the works, management was deprived of competitive rates which constituted weak financial management, controls.

The matter was reported to the management during February 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides taking measures for stoppage of such practices, under intimation to audit.

1.2.2.50 Irregular scrutiny of cases without preparation of master plan Rs 48.175 million

As per Para 01 of Regional Interim Building & Town Planning Regulations 2018, “In super session of the earlier order of this Authority where in the KB&TPR 2002 were enforced for the regional offices other than Larkana region and whereas the Master

Plan of all districts falling in regions except Karachi is under preparation, therefore the following regulations shall hold well within the jurisdiction of regions in terms of approval of Building Plans / Work Permits and NOCs except Karachi. These regulations are notified under Section 21-A of the Sindh Building Control Ordinance 1979 as amended up to date for all concern.”

During audit, it was observed that Director, Housing & Town Planning Hyderabad, scrutinized cases amounting to Rs 48.175 million, during financial year 2018-19, regarding NOCs of layout plans of housing schemes and change of land use without preparation of master plan and failed to prepare/draw up of master plan in all districts of Sindh.

Audit is of the view that management scrutinized cases of NOCs of housing schemes and change of land use without having any master plan irregularly resulted into willful deviation from prescribed rules & procedures.

The matter was reported to the management during September-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for approval and issuance of lay out plans for housing schemes without preparation of master plan, under intimation to audit.

[AIR Para: 2]

1.2.2.51 Irregular expenditure on hiring of machinery for removal of encroachment - Rs 48.085 million

According to Rule-88 of SFR Volume-I, “every government officer is expected to exercise same vigilance in respect of expenditure incurred from public money, as a person of ordinary prudence would exercise in respect of expenditure of his own money”.

During audit, it was observed that Senior Director, Municipal Service, KMC, incurred an expenditure amounting to Rs 48.085 million, during financial year 2018-19 on hiring of machinery for removal of encroachment, however, the expenditure was incurred without inviting tender and no contract agreement was made. Furthermore, the contractor was not registered with either FBR or SRB.

Audit is of the view that the expenditure incurred on removal of encroachment and purchased of machinery without following codal formalities.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without inviting tender and awarding of contract to unregistered contractor, under intimation to audit.

[AIR Para: 2]

1.2.2.52 Un-authorized clearance of liabilities – Rs 43.608 million

As per Para 289 of Treasury Rules (TR) Vol-I & II, “all charges incurred must be paid and drawn at once and under no circumstances may be allowed to stand over to be paid from grant of another financial year”. Further, as per FD, GoS O.M No.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

During audit, it was observed that various offices of LGD, KMC & KW&SB, paid an amount of Rs 43.608 million, during financial years 2017-19, on account of clearance of various liabilities pertaining to previous years without approval from competent authority. Detail is provided at Annex-SLG20.

Audit is of the view that clearance of liabilities without approval of competent authority resulted into weak financial management.

The matter was reported to the management during April 2019 to December 2019. The PD, RO Plants, replied that payment was made to K-Electric but department failed to provide K.E bills as mentioned in statement of May-2017 & June-2017. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payment of previous year liabilities, under intimation to audit.

[AIR Paras: 7, 3, 14, 6, 13, 3, 3, 1, 6, 3]

1.2.2.53 Irregular expenditure without recording reasons of emergency Rs 43.310 million

According to Rule 16 (1) (b) (viii) SPPRA Rules 2010 “In cases of emergency; Provided that the Head of the Department or any other officer not below BS-20 to whom such powers have been delegated by the Head of the Department, declares that a situation of emergency has arisen and reasons for making such a declaration shall be recorded in writing”.

During audit, it was observed that various offices of KW&SB, incurred an expenditure amounting to Rs 43.310 million, during financial year 2018-19, on various works executed on emergency basis, but head of the department, did not declare emergency. Detail is provided at Annex-SLG21.

Audit is of the view that declaration of emergency without reasons constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized expenditure incurred on emergency without recording written reasons and approval of board, under intimation to audit.

[AIR Paras: 5, 5, 5, 2, 2, 1]

1.2.2.54 Loss to Government due to contract with National Institute of Facilitation Technology (NIFT) in presence of their own Information Technology Department – Rs 40.500 million

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that Deputy Managing Director (Finance), KW&SB, Karachi, made a contract of Rs 40.500 million, during financial year 2018-19, with National Institute of Facilitation Technology (NIFT) for collection, automation, processing & reconciliation of KW&SB bills. KW&SB has an Information Technology department, for which an annual budget of Rs 68.051 million was allocated.

Therefore, outsourcing automation of billing department in the presence of its own IT department, resulted to loss.

The matter was reported to the management during December, 2019. The department replied that they deposited data of 1.2 million bills in shape of hard & soft copies and their reconciliation is a technical job with well-equipped and trained staff of I.T. These facilities are not available in KW&SB, that's why the services of NIFT were hired for the purpose of automation of billing system. Reply is not convincing because KW&SB possesses its own IT department with technical / trained staff. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for outsourcing automation of billing department in the presence of its own IT department, under intimation to audit.

[AIR Para: 7]

1.2.2.55 Unjustified payment against incomplete works - Rs 35.669 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During performance audit on construction of three-lane flyover at Malir-15, Shahrah-e-Faisal, Karachi, it was observed that an amount of Rs 35.669 million was made to contractor against following incomplete works. Besides, chances of mis-appropriation of funds could not be ruled out. Detail is as under:

[Rupees in million]			
Sr.	Name of work	Description	Amount
1	construction of three-lane flyover at Malir-15, Shahrah-e-Faisal, Karachi	ancillary work	24.843
2		Drainage work	7.586
3		Foot path / island / median work	3.240
Total			35.669

Audit is of the view that excess payment made to contractor despite incomplete works constituted weak financial management.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault for making excess payment to contractors despite incomplete works, under intimation to audit.

[DG, Technical Services KMC ML # 4.2.2, 4.4.2, 4.4.3, Audit Year 2016-17]

1.2.2.56 Unauthorized extension of auctions - Rs 28.939 million

As per Rule 3 (1) of the Sindh Local Councils (Auctioning of Collection Rights) Rules, 2016 “Subject to sub-rule (2), a Local Council may collect an income through a contractor by awarding contract for collection rights for a period not exceeding one year”.

During audit, it was observed that Director General, Parks & Horticulture, KMC, Karachi, extended collection rights of auction amounting to Rs 28.939 million, during financial year 2018-2019, through contractor beyond permissible limit of one year. Detail is as under:

[Amount in rupees]

Sr.	Name of Auction	Name of Firm	Current Auction Amount	Date of Agreements	Extension
01	Amusement park/ fund land in the middle of Bagh-e-ibn-e-Qasim, Clifton, Karachi for the period w.e.f. 01-12-2015 to 30-11-2025	M/s Jabees Fun Land (Pvt.) Ltd	8,939,025	18-06-1997	02 Years
				01-07-1999	05 Years
				01-12-2005	10 Years
				13-04-2015	10 Years
02	Licence to provide, establish and run amusement park and recreational facilities on two (02) acres Korangi Model Park, CDGK for the period of 10 years	M/s Jannat Associates	20,000,000	06-04-2010	10 Years
Total			28,939,025	-	-

Audit is of the view that extension over collection rights of auctions through contractor beyond permissible limit of one year constituted weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for extension over collection rights of auction through contractor beyond permissible limit of one year, under intimation to audit.

[AIR Para: 4]

1.2.2.57 Irregular expenditure on POL without entitlement-Rs 28.686 million

According to S&GAD, GoS, O.M No.CTC (S&GAD)5(238)/97 dated 05-04-1997, “(ii) All officers in BPS: 19 and 20 like Head of attached Departments/Regional Heads or equivalent in Autonomous Bodies/Corporations and Deputy Commissioners to use 1000 cc locally manufactured car.(iii)All officers pertaining to field duties in BPS:17 and 18 not included in above said categories who are otherwise entitled to Government vehicles to use 800 cc cars/Suzuki Jeep”.

During audit, it was observed that various offices working under LGD allotted official vehicle to non-entitled officers & officials along with monthly POL quota, over and above their entitlement amounting to Rs 28.686 million, during financial years 2017-19. Detail is provided at Annex-SLG22.

Audit is of the view that allotment of vehicles to officers/officials not entitled and expenditure on POL resulted into weak administrative & financial management.

The matter was reported to the management during February to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for allotment of official vehicles to unauthorized officers/officials along with POL facility and above their entitlement, under intimation to audit.

[AIR Paras: 18, 7, 6, 6, 4, 4]

1.2.2.58 Irregular security deposit paid to Nazir, Sindh High Court Rs 26.225 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to

the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Managing Director, KW&SB, paid to Nazir, High Court of Sindh, Karachi of Rs 26.225 million, during financial year 2017-18, as security against execution of case No. 22/2017.

Audit is of the view that above payment is recoverable / un-authorized because payment was made from irrelevant head of account 4024-90 “Payment for Works of Previous Year”, without re-appropriation and involvement of DDO, and no justification was given for this payment.

The matter was reported to the management during February 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that relevant record/ justification regarding irregular payment be provided to audit for verification.

[AIR Para: 4]

1.2.2.59 Irregular expenditure on bitumen - Rs 23.850 million

According to Notification No. H/MIS/295-(i) dated 13-04-2009 issued by Chief Engineer Highway Department Government of Sindh, Hyderabad, “The contractor would only use bitumen from the National Refinery Ltd and that the invoice from National Refinery Ltd would be provided to the department in support of procurement of bitumen”.

During performance audit on construction of three-lane flyover at malir-15, Shahrah-e-Faisal, Karachi, it was observed that expenditure of Rs 23.850 million on account of bitumen, was incurred without obtaining invoices from National Refinery.

Audit is of the view that payment was made on account of bitumen without obtaining invoices from National Refinery constituted weak financial management.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view.

Audit recommends that responsibility may be fixed on person(s) at fault for making irregular expenditure without supporting invoices, under intimation to audit.

[DG, Technical Services, KMC ML # 4.2.5 Audit Year 2016-17]

1.2.2.60 Un-justified hiring of legal consultant / advisor – Rs 22.137 million

According to Rule 65 of SPPRA, “rights and obligation of the procuring agency and consultant shall be governed by General and Special condition of contracts signed between the procuring agency and the consultant”.

During audit, it was observed that following offices of LGD & KW&SB, made payment of Rs 22.137 million, during financial years 2017-19, relating to hiring of legal advisors without fulfillment of prescribed formalities. Detail is as under:

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG KDA	17	14.514
2	LGD	2018-19	DG SBCA	16	7.233
3	LGD	2017-18	DG, SBCA (STS included)	4	0.390
4	KW&SB	2017-18	MD, KW&SB	2	-
Total					22.137

Audit is of the view that hiring on contract without following codal formalities, resulted into weak administrative management.

The matter was reported to the management during February 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that inquiry may be initiated against person(s) at fault for making payment on account of illegal appointment, under intimation to audit.

[AIR Para: 17, 16, 4, 2]

1.2.2.61 Irregular payment of salaries without sanctioned posts Rs 21.078 million

According to SFR, Rule 68, “When the entertainment of a new establishment or a change, temporary or permanent, is proposed in an office, a letter fully explaining the

proposal and the conditions which have given rise to them, together with the proposition statement, if necessary under Para-III, should be submitted to the competent authority. In this letter it should be set out inter alia, “details of the pay of the post or posts and the number of posts which it is proposed to add or modify.”

During audit, it was observed that following offices of LGD, KMC & KW&SB, appointed employees on contractual basis without any sanctioned strength and observing codal formalities, and paid Rs 21.078 million, during financial years 2017-19. Detail is as under:

[Rupees in million]					
S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG KDA	12	-
2	KMC	2018-19	ED, KIHD	7	8.542
3	KMC	2017-18	MS, Landhi Medical Complex	3	11.984
4	KMC	2017-18	MS, Gizri Maternity Hospital	10	-
5	KW&SB	2017-18	EE, SPD-I	7	0.552
Total					21.078

Audit is of the view that posting and appointment of officials over & above approved sanctioned strength resulted into weak financial management.

The matter was reported to the management during January to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making unauthorized appointments of contractual staff without sanctioned strength and observing codal formalities, under intimation to audit.

[AIR Paras: 12, 7, 3, 10,7]

1.2.2.62 Non-adjustment of medical advances - Rs 19.203 million

According to Rule 668 of Treasury Rules, —Advances granted under special order of the competent authority to Government Officers for departmental or allied purpose may be drawn on the responsibility and receipt of the officers for whom they are sanctioned, subject to adjustment by submission of detailed accounts supported by vouchers or by refund, as may be necessary. Further, as per Rule-23 of Sindh Financial Rules, Every Payment including repayment of money previously lodged with

Government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim.

During audit, it was observed that Chief Medical Officer, Medical Department, Poly Clinic, KDA, paid an amount of Rs 19.203 million, during financial year 2017-18, to employees/ex-employees in advance, but failed to adjust the advances. Detail is as under:

[Rupees in million]

S. No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA (Medical Advance)	8	13.316
2	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA (Multiple Medical Advance)	9	5.887
Total					19.203

Audit is of the view that due to non-adjustment of advances granted to officials resulted into loss to government exchequer.

The matter was reported to the management during February 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making unauthorized payment and record of adjustment of medical advance be provided to audit for further verification.

[AIR Paras: 8, 9]

1.2.2.63 Un-authorized award of work on withheld SPPRA ID Rs 18.501 million

As per SPPRA Notification No. Dir (A&F)/SPPRA/1-3(GEN)/13-14/087 dated 03-07-2013 "IDs of the NIT/EOI are released after receipt of the Bid Evaluation Report in terms of Rule-45 of SPP Rules, 2010.

2. SPPRA will release 'SPPRA-ID' to the procuring agencies (Pas), once PAs submit the following documents, complete in all respect, as required under the rules: -

- i. Annual Procurement Plan as required under Rule-11 of SPP Rules, 2010;
- ii. Notice Inviting Tender, Expression of Interest (EOI) and Pre-Qualification Notice (Requirement of Rule 17);
- iii. Bid Evaluation Reports (Prescribed by Rule 45);

- iv. Contract Evaluation Form along with Letter of Award, Form of Contract (Agreement) and Bill of Quantities (Requirement of Rule 50); and
- v. Integrity Pact (where applicable) (Requirement of Rule 89).

During audit, it was observed that following offices of LGD & KW&SB uploaded / posted their tenders on SPPRA website of Rs 18.501 million, during financial years 2017-19, but due to certain deficiencies, the SPPRA withheld the IDs of tender. However, the management still awarded the works, against withheld IDs. Details are as under:

[Rupees in million]

S.No.	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KW&SB	2017-18	EE, Hub Filter Plant	4	7.213
2	KW&SB	2017-18	EE, Hub Pumping Station	4	11.288
Total					18.501

Audit is of the view that works were awarded without release of withheld tender IDs by SPPRA, resulting in violation of prescribed rules and unauthorized award of contracts as well as deviation from prescribed rules on the part of management which was due to weak internal controls.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of works against withheld ID, under intimation to audit.

1.2.2.64 Execution of contract agreement after completion of work Rs 11.964 million

According to para 514 PWD manual; “No work should be permitted to be start unless the contractor tender value for it in one of prescribed form is sanctioned by the competent authority.”

During audit, it was observed that following offices, paid an amount of Rs 611.964 million, during financial year 2017-18, without execution of contract agreement in due course of time. The agreement was executed after completion of work. Detail is as under:

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KW&SB	2017-18	EE, Water Orangi Town	1	1.651
2	KW&SB	2017-18	EE Water Site Town	1	1.844
3	KW&SB	2017-18	EE, E&M SITE Town	1	2.248
4	KW&SB	2017-18	EE Water Lyari Town	4	2.345
5	KW&SB	2017-18	EE Sewerage Lyari Town	4	3.876
Total					11.964

Audit is of the view that execution of agreement after completion of works and incurrence of expenditure stood unauthorized which constituted weak financial and administrative management, controls.

The matter was reported to the management during January, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not executing agreement in due course of time, under intimation to audit.

1.2.2.65 Un-authorized refund of security deposit – Rs 9.913 million

According to as per serial No. 7.12.3 (i) (a) (b) of SPPRA Guidelines for procurement, on completion of the works; half the total amount retained is refunded to the contractor and half when the defects liability period has passed and the engineer has certified that all defects notified to the contractor before the end of this period have been attended to his satisfaction. Full amount be released after completion of defect liability period.

During performance audit on construction of three-lane flyover at malir-15, Shahrah-e-Faisal, Karachi, it was observed that security deposit of Rs 9.913 million was refunded to the contractor without obtaining completion certificate.

Audit is of the view that payment of security deposit to the contractor without obtaining completion certificate resulted into un-authorized refund of security deposit which constituted financial management system failure.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view.

Audit recommends that responsibility may be fixed on person(s) at fault for premature refund of security deposit without obtaining completion certificate, under intimation to audit.

[DG, Technical Services KMC ML # 4.2.8 Audit Year 2016-17]

1.2.2.66 Violation in sanction of new water connections – Rs 9.716 million

According to 42 A(b) of delegation of power of KW&SB, “sanction of water connection for domestic / commercial purpose on residential / commercial plot /house/high-rise building as well as for Industrial plot/factory subject to the recommendation of the Broad Based Committee. Deputy Managing Directors, KW&SB has power to sanction new connection of 1.5” dia to 2” dia.”

During audit, it was observed that Deputy Managing Director (RRG), KW&SB, sanctioned water connections to under construction building amounting Rs 9.716 million, during financial year 2018-19, without fulfilling the codal formalities, such as, status of applicant, area of plot, No. of stories, purpose for which water connection required and No. and size for existing water connection in the premises, map and lease documents.

Audit is of the view that provision of water connection without codal formalities is unauthorized.

The matter was reported to the management during December 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-observing codal formalities for sanction of water connection, under intimation to audit.

[AIR Para: 5]

1.2.2.67 Un-authorized payment to Pakistan Railway – Rs 9.000 million

As per and PC-I and revised PC-I, “there is no provision of payment to Pakistan Railway”.

During performance audit on construction of three-lane flyover at malir-15, Shahrah-e-Faisal, Karachi, it was observed that payment of Rs 9.000 million, made to Pakistan Railways without any budgetary provision in PC-I or in revised PC-I for obtaining NOC of shifting crossing gate.

Audit is of the view that payment made to Pakistan Railway on account of obtaining NOC without budgetary provision in PC-I or revised PC-I constituted weak financial management.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view.

Audit recommends that responsibility may be fixed on person(s) at fault for un-authorized payment without budgetary provisions in PC-I of the project, under intimation to audit.

[DG, Technical Services KMC ML # 4.2.4 Audit Year 2016-17]

1.2.2.68 Irregular expenditure on janitorial & washing services Rs 8.552 million

As per Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit of office of the Executive Director, Karachi Institute of Heart Diseases, KMC, for the financial year 2018-19, it was observed that expenditure of Rs 8.552 million was incurred on account of payment janitorial & washing services without obtaining approval from competent authority, in violation of above rules.

Audit was of the view of that expenditure on account of janitorial & washing services without obtaining approval from competent authority resulted into irregular expenditure which constituted weak financial management.

The matter was reported to the management during December 2019, but the failed to provide departmental point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed

to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibly on officer(s) for irregular expenditure, under intimation to audit.

[AIR Para: 2]

1.2.2.69 Wastage of funds on hiring office building in Clifton Rs 8.367 million

According to Section 8 (1) of the Zulfikarabad Development Authority Act, 2010, states that, “the Authority shall establish its Headquarter within the Specified Area of Zulfikarabad City; (2) Until the Authority establishes its Headquarter within the Specified Area, temporarily its Headquarter may be situated at Karachi”.

During audit, it was observed that Managing Director, Zulfikarabad Development Authority, established office in Clifton on rent basis by hiring private bungalow on high rates, but failed to establish its permanent headquarter within jurisdiction of the authority since 2010 and incurred huge expenditure of Rs 8.367 million, during financial year 2018-19, on account of rent of office building. Further, if it was need of the authority to keep its head quarter at Karachi, then, office may be hired in any other area at economical rent charges for saving authority/Govt. funds. Detail is as under:

[Amount in rupees]

Cheque	Date	Particulars	Net Amount	Income tax	SST	Gross Amount
249468	11.6.19	Rent of office building, Jan-19	599,247	24,281	19,284	642,812
242412	31.1.19	Rent of office building 1.7.18 to 31.12.18	3,159,792	581,374	115,706	3,856,872
-	17.6.19	Rent of office building, Feb-19 to June-19	3,214,060	557,093	96,422	3,867,575
Total			6,973,099	1,162,748	231,412	8,367,259

Audit is of the view that wasteful expenditure on hiring of office building in private bungalow in posh area of Clifton on high rates was resulted into wasteful expenditure. Besides, the funds used on payment of rent could have been used for establishment of headquarter/ office of ZDA.

The matter was reported to the management during December 2019, but the failed to provide departmental point of view till finalization of this report. DAC meetings

were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payment on account of wasteful expenditure on hiring of office building on rent of private bungalow in posh area of Clifton. Besides, office may be shifted at any other area at economical rent and establishing of permanent office within jurisdiction of the authority without further delay, under intimation to audit.

[AIR Para: 4]

1.2.2.70 Irregular award of tender to contractor not registered in specialized category by PEC – Rs 7.605 million

As per Notice Inviting Tender by Executive Engineer, Meter Workshop Division, KW&SB, Karachi, through press and SPPRA website, the eligibility of contractor is that, “All eligible contractor/bidder should be enlisted with Pakistan Engineering Council in the relevant category for the year 2018 in C-6 and field of specialization of EE-07 and relevant experience at least three (03) years”.

During audit, it was observed that Executive Engineer, Meter Workshop Division, KW&SB, Karachi, awarded work to contractor registered in C-5 category instead of C-6 Category and who also not possess registration in specialized EE-07 category, during financial year 2017-18. Detail is as under:

			[Amount in rupees]
Name of Work	Name of Contractor	Work order No. & date	Tender awarding amount
Rehabilitation of insertion Type Electromagnetic water Flow Meters with the installation of data loggers at Bulk installations/ pumping stations of KW&SB.	M/s Arain Construction	No:KW&SB/EE/Work order/01/2018 13-06-2018	7,605,000

Audit is of the view that management awarded work to contractor who was not specialized in relevant category of EE-07, which constituted weak financial management.

The matter was reported to the management during May, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work and payment to contractor, under intimation to audit.

[AIR Para: 2]

1.2.2.71 Irregular expenditure on repair & maintenance – Rs 6.840 million

According to Rule-20 of Govt. staff vehicle (Use & Maintenance) Rule, it is necessarily required to maintain a History sheet of Motor Vehicle and a repair register to accounted for the old spare parts in relation to repair of the Govt. vehicle read with Rule 7(b) of Delegation of Powers Rules 1962, repairs is to be carried out to the maximum of prescribed limit and prescribed per cent of book value of vehicles whichever is less mentioned in Delegation of Powers Rules 1962 subject to following restriction that repair is to be carried out at Govt. Workshop or NOC obtained for getting the repairs done from local market.

During audit, it was observed that following offices, incurred an expenditure of Rs 6.840 million, during financial years 2017-19, on the repair & maintenance of vehicles & machineries without fulfilling codal formalities.

[Rupees in million]					
S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KMC	2018-19	Sr. Director, Finance & Accounts	4	1.428
2	KW&SB	2018-19	MD, KW&SB	2	0.567
3	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	3	4.845
Total					6.840

Following irregularities were noted:

- i. Expenditure was incurred on vehicles without calculating their Book Value / without maintaining their Depreciation Account of Asset so that it can be found whether the expenditure so incurred was justified.
- ii. In absence of Depreciation A/c of vehicle, book value / residual value of vehicle could not be calculated and the expenditure so incurred for repairing may be incurred on scrapped vehicle or condemned vehicle, could not be justified by the department.
- iii. That the replaced old spare parts and accessories were not taken into account of the government for ultimate dispersal and credited into government account.
- iv. Satisfactory Work Completion Certificate / Fitness Certificate of Vehicle after the repair were not obtained.

- v. Vehicle Delivery and Vehicle receiving report to and from the workshop was not available.
- vi. Repair register of each vehicle was not maintained in form-B.
- vii. Driver report about vehicle (out of order) was found without detail justification and bearing date.
- viii. Acknowledgment from concerned workshop was not obtained.

Audit is of the view that expenditure on repair and maintenance of vehicles without fulfilling codal formalities constituted weak financial & administrative management, controls.

The matter was reported to the management during April to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring of expenditure on account of irregular repair & maintenance of vehicles, under intimation to audit.

[AIR Paras: 4, 2, 3]

1.2.2.72 Irregular expenditure without revision of technical sanction Rs 5.957 million

According to Para 532 of P.W.D. Manual, “a revised estimate must be submitted when a sanctioned estimate is likely to be executed by more than 5% either from the rate being found insufficient or from any cause whatever, except as mentioned in the foregoing rules. It must be accompanied by a comparative statement (Public Works Department Form NO. 119) and by a report showing the progress made to date and explaining fully the cause of the revision”.

During audit, it was observed that following offices, incurred an expenditure on execution of schemes amounting to Rs 5.957 million, during financial year 2018-2019, against original cost of schemes over and above prescribed limit of 5% of Technical Sanction. Detail is as under:

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KW&SB	2018-19	EE, Hub Trunk Main Division	1	4.032
2	KW&SB	2018-19	EE, Sewerage Landhi Town	1	1.925
Total					5.957

Audit is of the view that management failed to properly estimate the works and also undue favor was extended to the contractors by not re-tendering the works which constituted weak financial and administrative management.

The matter was reported to the management during November-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular execution of schemes without revising technical sanction, under intimation to audit.

1.2.2.73 Un-authorized payment of consultancy - Rs 5.850 million

According to section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Senior Director, Master Plan, SBCA, incurred an expenditure amounting to Rs 5.850 million, during financial year 2018-19, on account of consultancy, however, authenticity of expenditure could not be verified due to non-availability of record/details of legal consultants including;

- i. Names and addresses of legal consultants hired,
- ii. Record/details regarding hiring of legal consultants,
- iii. Record/details showing the performance of legal consultants hired.

Audit is of the view that expenditure on account of law charges/retainer fee without availability of supporting vouchers resulted into unauthorized expenditure which constituted weak financial management.

The matter was reported to the management during December-2019, but failed to provide departmental point of view till finalization of report till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without supporting record/details, under intimation to audit.

[AIR Para: 7]

1.2.2.74 Unjustified expenditure incurred on POL by recording fictitious log books – Rs 5.043 million

As per Government of Sindh Notification # FD (B&E-IV) 2(55)/2002, Dated: 18th March 2002, “Check that effective check was exercised on speed meter / odometer reading, quality of fuel and consumption per gallon liter.”

During audit, it was observed that Chief Engineer, Malir District, KW&SB, failed to record meter reading in log book and drew fixed 40 liters of POL persistently for every vehicle, during financial year 2017-18.

[Amount in rupees]

B.G No.	Description	Expenditure
8213-04	POL for Vehicles/Machineries	5,042,675

Audit is of the view that management mentioned millage as defected in the log books to conceal the actual consumption of POL.

The matter was reported to the management during May, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not repairing the millage/Odometers of the vehicles, besides the odometer should be repaired at the earliest, under intimation to audit.

[AIR Para: 1]

1.2.2.75 Irregular payment of salaries without age relaxation Rs 3.637 million

According to Government orders, every Government servant must possess 28 Years of age for first time appointment in Government department & in few cases upper age relaxation is allowed/given by the Government when it deems fit and such directions are issued by the competent authority.

During audit, it was observed that Medical Superintendent, Gizri Maternity Hospital, KMC, paid salaries of Rs 3.637 million, during financial year 2017-18, to RMOs who were over age at the time of their appointment but passing huge period neither the age was relaxed on their upper age limit nor their salaries were got regularized by the competent authority. Detail is provided at Annex-SLG23.

Audit is of the view that recruitments were made without following the age limit & prescribed procedure resulting into non-transparency into recruitment.

The matter was reported to the management during January 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on the person(s) at fault for release of their salaries in violation of rules to over age employees, under intimation to audit.

[AIR Para: 9]

1.2.2.76 Un-authorized purchase of Toyota Corolla Grande-Rs 2.914 million

As per PC-I and revised PC-I, “there is no provision of procurement of Toyota Corolla Grande”.

During performance audit on construction of three-lane flyover at malir-15, Shahrah-e-Faisal, Karachi, it was observed that payment of Rs 2.914 million was made on account of purchase of new Toyota Corolla Grande MT-SR Car for the project without any budgetary provision in PC-I or Revised PC-I. Further registration documents were also not produced to audit for scrutiny.

Audit is of the view that purchase of Toyota Corolla Grand car without budgetary provision in PC-I, which constituted weak financial discipline.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view.

Audit recommends that responsibility may be fixed on person(s) at fault for un-authorized purchase of Toyota Corolla Grand without budgetary provisions in PC-I of the project, under intimation to audit

[DG, Technical Services KMC ML # 4.2.3 Audit Year 2016-17]

1.2.2.77 Unauthorized technical sanction in contradiction to financial powers - Rs 2.762 million

As per Delegation of Powers of KW&SB issued in 1991, states that Technical Sanction for Original works/repairs/maintenance, Dir. BT/WD/Sew/E&M: Upto Rs 1.0 million & D.M.D (Tech. Services): Upto Rs 2.0 million. In addition, Karachi Water & Sewerage Board Act, 1996 “APPENDIX “A” Financial Powers of the Managing Director of the Board, Technical Sanction in respect of all works, Managing Director has Full Powers.

During audit, it was observed that Executive Engineer, Canal Maintenance Division, KW&SB, the Chief Engineer (BT/WTM) issued technical sanctions of scheme/work valuing Rs 2.762 million, during financial year 2017-18, on Original estimate beyond financial powers according to the delegation of Powers of KW&SB Act, 1996. The power of technical sanction as per delegation of powers & act was MD KW&SB.

Audit is of the view that the unauthorized technical sanctions were passed by Chief Engineer, BT/WTM beyond financial powers, which constituted weak financial management.

The matter was reported to the management during May, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that fixing responsibility against person(s) at fault for issuing technical sanction beyond financial powers, under intimation to audit.

[AIR Para: 1]

1.2.2.78 Un-justified expenditure for construction of railway quarters & land acquisitions – Rs 2.250 million

According to PC-I, “there is no provision of construction of quarters and land acquisitions in BOQ”.

During performance audit on construction of three-lane flyover at malir-15, Shahrah-e-Faisal, Karachi, it was observed that expenditure of Rs2.250 million was

incurred on construction of railways quarter and purchase of land despite non-provision in BOQ of PC-I. Further, details of quarters, list of old material was not produced to audit for scrutiny.

Audit is of the view that expenditure incurred on construction of railway quarters & purchase of land which constituted weak financial discipline and administrative control.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring un-justified expenditure on construction of railway quarters and land acquisition without provision in BOQ and PC-I, under intimation to audit.

[DG, Technical Services ML # 4.4.5 Audit Year 2016-17]

1.2.2.79 Misuse of emergency clause of SPPRA 2010 and CPWD-Code Rs 2.194 million

As per Rule 16 (1) (b) (viii) SPPRA Rules 2010 “In cases of emergency; Provided that the Head of the Department or any other officer not below BS-20 to whom such powers have been delegated by the Head of the Department, declares that a situation of emergency has arisen and reasons for making such a declaration shall be recorded in writing”.

During audit, it was observed that Executive Engineer (Sewerage), Saddar Town, KW&SB, awarded work of Rs 2.194 million, during financial year 2018-19, to contractor on spot quotation basis. Detail is as under

Following observations were noted:

- Note sheet-2, para # 10, shows that request of work on emergent basis was forwarded, on 12-03-2019 but the spot tender & its provisional work order was issued on 01-04-2019 i.e 20 days after.
- Date of spot tender was 01-04-2019, but all three contractors paid their tender documents cost for spot tender on 03-04-2019 vide bank pay order dated 02-04-2019.

[Amount in rupees]

Name of Work	Name of Contractor	Work Order# and Date	Amount
1 st & final bill for the work of “Emergent replacement of 48” dia 15” dia old sunken down sewerage line portion at Nishter road in front of MCB Bank, Saddar, Dist. South	M/s Orange Star Executor	EE/Sew) Saddar /KW&SB/2019/07 dated 01-04-2019	2,194,185

Audit is of the view that work was presented to be emergent only to waive the condition of inviting tender, which constitutes weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of tender on spot tender /quotation basis against provision of para-58 which may be justified to audit.

[AIR Para: 4]

1.2.2.80 Irregular expenditure on emergent work - Rs 2.043 million

As per Rule 16 (1) (b) (viii) SPPRA Rules 2010 “In cases of emergency; Provided that the Head of the Department or any other officer not below BS-20 to whom such powers have been delegated by the Head of the Department, declares that a situation of emergency has arisen and reasons for making such a declaration shall be recorded in writing”.

During audit, it was observed that Executive Engineer, Civil, E&M (Sewerage), KW&SB, incurred an expenditure of Rs 2.043 million, during financial year 2017-18, on account of execution of work “Emergent repair of 33 dia PRCC rising main broken/damaged through MS collar & encasing at Jamila pumping station” awarded to M/S Haris & Khuram. In this regard it was noticed that bids were opened and evaluated on 30.11.2017 and work was started on 30.11.2017 and completed on dated 08.12.2017. However, receipt slips for issuance of bidding documents to participating contractors showing that bidding documents were issued on dated 18.12.2017 (after opening, evaluation and even after completion of work) which could not be justified to audit by the management.

Audit is of the view that variation in different statement and results of tendering process resulted into doubtful award of work and expenditure on account of execution of work which constituted weak financial management.

The matter was reported to the management during July 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that fixing of responsibility on person(s) fault for doubtful award of work, under intimation to audit.

[AIR Para: 2]

1.2.2.81 Failure to prepare annual procurement plan – Rs 1.963 million

Rule 11 (1) of SPPRA, Rules, 2010 states that “All procuring agencies shall devise a mechanism for planning in detail for all proposed procurements, determining the requirement of the procuring agency, within its available resources, and prepare annual or a longer term rolling plan, detailing the procurement methods applicable for specific procurements”.

During audit, it was observed that following offices of LGD and KW&SB, failed to prepare annual procurement plan for the financial year 2018-19.

[Rupees in million]					
S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG KDA	16	-
2	KW&SB	2018-19	EE, Sewerage Landhi Town	2	1.963
Total					1.963

Audit is of the view that expenditure incurred without procurement plan & mechanism and splitting up of works in groups resulted into non-transparency in public spending which constituted weak financial management.

The matter was reported to the management during November-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of non-preparation of procurement plan, under intimation to audit.

1.2.2.82 Irregular expenditure without calling quotation – Rs 1.962 million

As per Rule 16(1) (a)(i)(ii) of SPPRA-2010, (i) request for quotation is the method based on comparing price quotations obtained from at least three suppliers, contractors, and service providers, in the case of services other than consulting services, to assure competitive prices; (A) the cost of object of procurement is below the prescribed limit of one hundred thousand rupees and above the financial limit prescribed for petty purchase of rupees twenty five thousand.”

During audit, it was observed that Director General, Malir Development Authority, Karachi, incurred an expenditure amounting to Rs 1.962 million, during financial year 2018-19, without calling quotation.

Audit is of the view that expenditure incurred without calling quotation stood irregular, which constituted weak financial management.

The matter was reported to the management during October, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not calling quotations, under intimation to audit.

[AIR Para: 22]

1.2.2.83 Irregular payment of medical re-imburement charges Rs 1.552 million

According to Section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Director Medical Services, KMC, paid an amount of Rs 1.552 million, during financial year 2017-18, on account of medical re-imburement charges of KMC employees without fulfilling codal formalities. Detail is as under:

[Amount in rupees]

S.#	Name of Employees	Cheque No/date	Bill amount paid	Remarks
1	Dr. Iffat Hussain, ASH	7812526/6.9.2017	157,129	Referral/Emergency, Distance (delivery)
2	Ms. Babra W/O Jamil u Rehman, Malaria Suprvisor	2331537/9.6.18	545,180	Emergency certificate, Distance
3	Baby Shah Noor D/O Junaid Malik, SWM KMC	7812367/11.9.17	572,590	Emergency certificate, Distance
4	Hassan Imam Siddiqui	7813046/21.11.17	277,545	Emergency certificate, Distance
Total			1,552,444	

Following shortcomings were noted:

- i. Re-imburement of delivery bill of a private hospital was paid without emergency/without referral by Government hospital.
- ii. Distance certificate was not attached.
- iii. Emergency certificate and referral by Government Hospital was not available

Audit is of the view that payment of re-imburement charges without fulfilling codal formalities resulted into weak financial management.

The matter was reported to the management during June 2019, and it was replied that re-imburement was made to employees himself, his/her dependent having life threatening condition. The reply is not convincing as office failed to provide emergency and distance certificate. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of payment of medical charges without fulfilling codal formalities, under intimation to audit.

[AIR Para: 03]

1.2.2.84 Irregular payment of leave encashment without maintaining the leave record - Rs 1.017 million

According to Rule 18-A of Revised Leave Rules, 1980 “A civil servant may fifteen months before the date of superannuation or thirty year qualifying service on or after the 1st July, 1983, at his option, be allowed to encashment his leave preparatory to retirement if he undertakes to in writing to perform duty in lieu of the whole period of three hundred and sixty five days or lesser period which is due and admissible”.

During audit, it was observed that Managing Director, KW&SB, Karachi, paid an amount of Rs 1.017 million, during financial year 2017-18, on account of leave encashment to employees, but management failed to maintain the leave record of staff accordingly.

Audit is of the view that management did not maintain leave record of the employees & also failed to observe the prescribed procedure laid down for the financial discipline in the department that shows weak financial controls in the department.

The matter was reported to the management during February 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that record/ approval regarding amount under observation be produced to audit for verification/ recovery.

[AIR Para: 6]

1.2.2.85 Irregular award of contract without observing pre-qualification

As per SPPRA Rule 27 (2) Pre-qualification of bidders shall be based entirely upon the capability, competence and resources of the bidders relevant to performance in the particular assignment, taking into account the following:

- (a) Experience and past performance on similar assignments
- (b) Capabilities with respect to construction or manufacturing facilities
- (c) Financial capability
- (d) Capabilities with respect to personnel, equipment, and plant
- (e) Appropriate managerial capability
- (f) Any other factor that is relevant to the capability, competence and resources required for accomplishment of the assignment

Provided that pre-qualification may be carried out only for specific procurement contract and shall be applicable only to that particular assignment.

During the course of the performance audit of the project “Construction of Drigh road underpass along Shahrah-e-Faisal with restoration of existing right turn bridge” Karachi, it was observed that the contractor was prequalified against the work of Reconstruction of Drigh colony flyover only but the management issued work order for

the reconstruction of Drigh road underpass along Shahrah-e-Faisal including restoration of existing right turn bridge. Detail is as under:

Name of contractor	Name of work prequalified	Name of work awarded
M/s Sherjan Moosakhail & Sons	Reconstruction of Drigh colony flyover	Reconstruction of Drigh road underpass along shahrah-e-Faisal including restoration of existing right turn bridge

Audit is of the view that management awarded work order without complete prequalification of the bidder resulted into weak administrative control and weak financial management.

The matter was reported to the management during March, 2019 but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault for deviation from SPPRA rules, under intimation to audit.

[PD, Local Government Department, ML 4.6.2 Audit Year 2018-19]

1.2.2.86 Burden of unnecessary appointments due to non-functioning of authority

According to Notification Issued from Local Government Department Government of Sindh vide No.SOA/(LG)1(27)/2011 dated 6-6-2011, “no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of the Government. Approval, if any, earlier issued in this regard may be treated cancelled / withdrawn.”

During audit, it was observed that Managing Director, Zulfikarabad Development Authority, appointed 39 officers and officials on contract basis whereas 17 staff members on contingent/daily wages basis. However, authority was functioning without performing its basic function of development, and huge amount of Rs 53.248,800/- during financial year 2018-19 (total expenditure of salaries) was paid on account of salaries of staff.

Audit is of the view that appointment of huge number of staff members resulted into financial burden which constituted weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view till finalization of audit till finalization of this

report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making appointments of work charged establishment beside enough regular staff was available, matter may be justified to audit.

[AIR Para: 20]

1.2.2.87 Irregular sale of public housing schemes without approval of SBCA

According to Sindh Building & Town Planning Regulations , 2002 Rule 3-1.2 Revocation of Development Permits ”Where a development permit has been granted, if the authority which granted it, finds that any of the provisions of the regulations or any conditions of the development permit have been violated, the authority may issue and order revoking the permit”.

During audit, it was observed that Director General, Sindh Building Control Authority and its subordinate offices, advertised various housing schemes for sale of residential and commercial Plots without obtaining NOC from SBCA, during financial year 2018-19, but management failed to initiate any action against builders on account of sale and advertisement of public projects without obtaining approval/NOC from office. Detail is provided at Annex-SLG24.

Audit is of the view that management failed to initiate action against concerned builders on account of sale and advertisement of public projects without approval/NOC of authority which constituted weak administrative control.

The matter was reported to the management during Nov 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-initialing of action against persons responsible for sale of public projects without approval/NOC of authority.

[AIR Para: 17]

1.2.2.88 Non-approval of budget estimates before start of financial year

According to Sindh Local Government Act, 2013, section 109 (6) “A Council shall prepare the budget in the prescribed manner and in accordance with the chart of accounts notified by the Auditor-General of Pakistan. Further, according to section 110.(1) The Council shall, in the prescribed manner, prepare and sanction before the commencement of each financial year, a statement of its estimated receipts and expenditure for that year, hereinafter referred to as the budget, and forward a copy thereof to Government”.

During audit, it was observed that Secretary, Local Government, Housing & Town Planning Department, failed to approve the budget estimates of local councils of Sindh before start of the financial year, during financial year 2018-19. Further, office also failed to computerize the accounts records and receipts of local councils.

Audit is of the view that non-approval of budget estimates before start of financial year and non-computerization of accounts records record and receipts of the local councils of Sindh resulted into weak financial and administrative management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 11]

1.2.2.89 Irregular regularization of contractual staff

According to Government of Sindh, Local Government Department’s directives vide letter No. SO-V(LG)5(69)/2009 Dated: 29/06/2010, “the Honorable Supreme Court of Pakistan in Human Rights case No. 104/92 had already held that even an appointment on adhoc basis cannot be made without publication and proper advertisement”. As per Government of Sindh, Local Govt. Department’s Letter No. SOA/(LG)1(27)/2011, Dated: 06/06/2011, states that “no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of the Government, approval, if any, earlier issued in this regard may be treated cancelled/withdrawn”.

During audit, it was observed that Senior Director, Katchi Abadis, KMC, regularized the services of contractual staff who were appointed without observing codal formalities including advertisement of posts, written test and interview, during financial year 2018-19. Detail is provided at Annex-SLG25.

Audit is of the view that appointment of staff without following observing codal formalities and prescribed procedure resulted into irregular appointment which constituted weak financial management.

The matter was reported to the management during November, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for regularization of contractual staff without following codal formalities, under intimation to audit.

[AIR Para: 4]

1.2.2.90 Failure of authority to demolish dangerous buildings

According to Section 14 (1) of Sindh Building Control Ordinance, 1979, states that, "If it comes to the notice of the authority that a building is likely to collapse, the authority may, after such enquiry as it deems fit order for carrying out the specific repairs or demolition of the whole or part of the building."

During audit, it was observed that Director General, Sindh Building Control Authority and its subordinate offices, failed to demolish dangerous buildings declared by the Technical Committee as Hazardous for living within Karachi, Hyderabad, Mirpurkhas, Sukkur and Larkana, during financial years 2017-19. Detail is provided at Annex-SLG26.

Audit is of the view that management failed to demolish the dangerous buildings located in Seismic Zones duly declared by the Technical Committee which constituted risk to the life of the habitants & locality.

The matter was reported to the management during April to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-demolition of dangerous buildings in Seismic Zones duly declared by the Technical Committee, under intimation to audit.

[AIR Paras: 2, 2]

1.2.2.91 Irregular adjustment of staff posted on temporary / attachment basis

According to Govt. Of Sindh, Local Govt. Department, vide letter No.E&A(LG)4(2)/2012(Misci) dated: 26th July, 2013, Para-01 “In compliance to of Judgment dated 12-06-13passed by the Honorable Supreme Court of Pakistan in Criminal Petition No.89/2011 etc, has cancelled and withdrawn all absorption, out of turn promotion, OPS & deputation officers/officials. Further, Para-2 “You are, therefore, requested to relieve all such officers and officials immediately and furnish compliance report through special messenger/fax to this department otherwise, you personally will be held responsible for contempt of Honorable Supreme Court of Pakistan”.

During audit, it was observed that Senior Director, Financial Advisor (Finance & Accounts), KMC, allowed joining to staff posted from other department / councils / branch of KMC on temporary transfer / detainment basis, during financial year 2017-18. Thus, audit could not verify the authenticity of appointments of the staff adjusted from other department without service record and approval & intimation to Administrative Department. Detail is provided as under:

S.No	Deptt:	Year	Name of Office	AIR Para #
1	KMC	2018-19	Senior Director, Finance & Accounts, KMC	11
2	KMC	2018-19	Senior Director, Information Technology	4

Audit is of the view that chance of bogus appointment cannot be ruled out due adjustment of staff from one department to other department of KMC without verification which was due to weak administrative & financial management.

The matter was reported to the management during October, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that matter may be investigated and responsibility may be fixed against person(s) responsible for this lapse, under intimation to audit.

[AIR Para: 11]

1.2.2.92 Failure to ensure the maintenance of accounts of Local Councils in prescribed manner and format

According to Sindh Local Government Act, 2013, section 111(1) “The accounts of a Council shall be kept in such form and manner as may be prescribed (2) A/n annual statement of the accounts shall be prepared after the close of every financial year and shall be transmitted to Government and the Audit Authority separately within thirty days of the close of the financial year”.

During audit, it was observed that Secretary, Local Government, Housing & Town Planning Department, failed to ensure the maintenance of accounts of local councils in prescribed manner and format and annual statement of the accounts after the close of financial year and transmission of same to audit authority within thirty days of the close of financial year, during financial year 2018-19.

Audit is of the view that management failed to comply with rules set out by the government, which reflects the absence of systematic control and financial discipline prevalent in the department.

The matter was reported to the management during December, 2019, but failed to provide department’s point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 13]

1.2.2.93 Non-appointment of two Chief Engineers

As per PC-I, Annexure-D, Cost Estimate, Project Implementation/Project Management Unit S.No. 02, appointment of two Chief Engineers.

During audit, it was observed that Project Director K-IV, Karachi Water & Sewerage Board, failed to appoint two Chief Engineers, which affected the efficiency and effectiveness of the project, during financial year 2018-19.

Audit is of the view that expenditure without sanction appointment two chief engineers resulted into ineffective working of the Project which constituted weak administration.

The matter was reported to the management during October 2019, and it was replied that due to shortage of Chief Engineers in the department, position are vacant. The reply is not convincing as PD failed to appoint Chief Engineers. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that immediate appoint of chief engineers, besides, fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para: 09]

1.2.2.94 Un-authorized issuance of NOCs for sale of public projects in violation of orders of Honorable Supreme Court of Pakistan

According to office order No. SBCA/Secy to DG/2017/201 dated 21.09.2017 “In pursuance of Honorable Supreme Court’s order in CP No. 38/2016, the process of approval of building plans (up-to G+2 stories) in Karachi region shall be as follows “All proposal of multistoried & high rise buildings shall be scrutinized and processed under KB&TPR-2002 as amended up-to date and shall be place before the presentation committee. All the inter-departmental NOCs i.e. Town Planning NOC, Structure NOC, E&BS NOC and NOC for sale & advertisement shall also be processed in accordance with KB&TPR-2002 as amended up-to date. However no approval at any stage be issued beyond B+G+2 story’s. The concerned town/section shall keep the proposals beyond 2nd floor in abeyance as deleted.

During audit, it was observed that Director General, Sindh Building Control Authority and its subordinate offices, issued no objection certificates (NOCs) to different builders in violations of orders of honorable Supreme Court of Pakistan (beyond B+G+2 floors), during financial year 2018-19, Detail is provided at Annex-SLG27.

Audit is of the view that issuance of revised NOCs in violation of orders of honourable Supreme Court of Pakistan resulted into unauthorized issuance of NOC which constituted weak administration and deviation from prescribed rules and procedures.

The matter was reported to the management during Nov 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized issuance of NOC, under intimation to audit.

[AIR Para: 3]

1.2.2.95 Failure to extend the scope and operations of solid waste management

As per Section-1 (2) of the Sindh Solid Waste Management Board Act, 2014, “It shall extend to the whole of the province of Sindh.”

During audit, it was observed that Managing Director, Sindh Solid Waste Management Board, Karachi, failed to extend the scope and operational activities of the solid waste management to other districts of province, during financial year 2018-19.

Audit is of the view that due to non- extending of operational activity of Board to whole of Sindh Province after lapse of five years, the purpose of establishing the board for integrated solid waste was not served and non-cleaning of Sindh from solid waste resulted into more health issues to the people of the province.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-extending Board’s operations to whole of the Sindh and its operations should be extended to whole of the province as per law to make it effective without further delay, under intimation to audit.

[AIR Para: 04]

1.2.2.96 Failure to establish new garbage transfer stations in Sindh

As per Section-1 (2) of the Sindh Solid Waste Management Board Act, 2014, “It shall extend to the whole of the province of Sindh.”

During audit, it was observed that Managing Director, Sindh Solid Waste Management Board, Karachi, failed to establish new garbage transfer stations (GTS) in Sindh despite lapse of almost five years since inception of the Board, during financial Year 2018-19.

Audit is of the view that non-establishment of new garbage transfer stations in Sindh resulted into weak administrative and financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-establishment of new garbage transfer stations, under intimation to audit.

[AIR Para: 09]

1.2.2.97 Non-formulation of rules and regulations for Board's operations

As per Section 8(3) (g) of the Sindh Solid Waste Management Board Act, 2014, "The Board shall make rules and regulations for operational, administrative, human resource management and finance for regulating operation of solid waste management, from time to time in the province;"

During audit of office of the Managing Director, Sindh Solid Waste Management Board, Karachi, failed to make rules and regulations for operation, administrative, human resource management and finance regulating operation after lapsing 5 years of establishing of Board, during financial year 2018-19.

Audit is of the view that due to non-making rules and regulations, the board is working on adhoc basis and performance of the board is suffering badly in absence of rules for operation of solid waste, which constituted weak administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-formulation of rules & regulations of board, under intimation to audit.

[AIR Para: 13]

1.2.2.98 Irregular approvals of NOCs without preparation of policy

As per Para 18.4.2.1 of Regional Interim Building & Town Planning Regulations – 2018, “No residential plot shall be converted into any other use except with the approval of Authority (SBCA). The policy shall be notified separately for each of the region or as decided by the authority after the recommendation of the concerned authority / Planning Agency / Director Town Planning Sindh as the case may be

During audit, it was observed that Director, Housing & Town Planning Hyderabad, issued NOC’s for change of land use from agricultural to commercial without preparing policy as mentioned, during financial year 2018-19. Detail is as under:

Sr#	Name of Owner	Location	Area	Date of approval	Remarks
01.	Muhammad Usman S/O Daud Soomro	At Deh Wahler Tapo Kandiari, Taluka Faiz Ganj & District Khairpur Mir’s	666.66 Sq. Yards	01-08-2018	For installation of Petrol Pump (M/S Bismillah Filling Station) change of land from Agriculture to Commercial
02.	Mr. Ghulam Shabir S/O Ghulam Qadir Shar	At Deh Allah Warayo Channa, Taluka Faiz Ganj & District Khairpur Mir’s	1111 Sq. Yards	01-08-2018	For installation of Petrol Pump (M/S Madina Petroleum Services) change of land from Agriculture to Commercial
03.	Mr. Ghulam Qadir Shaikh S/O Abdullah Shaikh	Plot bearing survey no. 261 situated at Deh Phori Khuhra at Khuhra Pipri Road, Taluka Gambhat, District Khairpur Mir’s	11 Ghuntas	02-04-2019	For installation of GOPL Petrol Pump (M/S Khuhra Filling Station) change of land from Agriculture to Commercial

Audit is of the view that issuance of NOCs for change of land use from residential and agricultural land into commercial use without preparation of policy constituted weak administrative control.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for un-authorized issuance of NOCs for change of land use, under intimation to audit.

[AIR Para: 3]

1.2.2.99 Non-cancellation of NOCs of Layout Plan on account of non-completion of schemes within stipulated time period

As per Para 4.13.2.7 of Regional Interim Building & Town Planning Regulations-2018, “The builder / developer shall complete the construction / development work within specified time mentioned in sale & Advertisement NOC, handover possession of units and execute lease / sub-lease in favor of respective allottees on receiving agreed sale price, after obtaining completion plan / occupancy certificate from the Authority.”

During audit, it was observed that Director, Housing & Town Planning Hyderabad, failed to cancel the NOCs of layout plan of housing schemes on account of non-completion of schemes within stipulated time period of three years, during financial year 2018-19. Detail is provided at Annex-SLG28.

Audit is of the view that non-cancellation of NOC of layout plan of housing schemes on account of non-completion of schemes within stipulated time period resulted into undue favor extended to concerned persons, which constituted deliberate deviation from prescribed rules and procedures.

The matter was reported to the management during September-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-cancellation of NOC's of layout plans of housing schemes, under intimation to audit.

[AIR Para: 4]

1.2.2.100 Non-initiating of action against un-authorized operations of public projects without approval of layout plan for public housing schemes

According to Sindh Building & Town Planning Regulations , 2002 Rule 3-1.2 Revocation of Development Permits ”Where a development permit has been granted, if

the authority which granted it, finds that any of the provisions of the regulations or any conditions of the development permit have been violated, the authority may issue and order revoking the permit”

During audit, it was observed that Director, Housing & Town Planning Hyderabad, failed to initiate action against housing schemes pertaining to various Districts being developed without approval by Town Planning Department, during financial year 2018-19. Detail is provided at Annex-SLG29.

Audit is of the view that management failed to initiate action against concerned builders/developer on account of sale and advertisement of public projects without approval/NOC of authority which constituted weak administrative control.

The matter was reported to the management during September-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-initiating of action against persons responsible for sale of public projects without approval/NOC of authority, under intimation to audit.

[AIR Para: 5]

1.2.2.101 Non-blacklisting of contractor on account of submission of fake completion report

According to Rule 35(2) of SPPRA, “Procuring agency may, on its own motion, or information provided by any party, carry out an investigation to determine, whether there is sufficient cause for blacklisting a contractor, consultant or supplier. If the procuring agency is satisfied that such a cause exists, it shall initiate the process of blacklisting in accordance with the procedure laid down in regulations to be issued by the Authority”.

During audit, it was observed that Director General, Technical Services, KMC, failed to blacklist bidder M/S Mehran Shah Baber (JV) Gul Rehman & Sons on account of submission of fake completion report to receive award of work “removal of debris of demolished encroachment and rehabilitation of recovered area/space” amounting to Rs 79.994 million, during financial year 2018-19.

Audit is of the view that management failed to comply with rules set out by the government, which reflects the absence of systematic control and financial discipline prevalent in the department.

The matter was reported to the management during December-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-blacklisting of contractors on account of submission of fake completion report, under intimation to audit.

[AIR Para: 2]

1.2.2.102 Non-verification of degrees of staff working under the umbrella of MD (KW&SB) Karachi

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that Managing Director (KW&SB) Karachi, during Financial Year 2018-19, management of MD (KW&SB) Karachi did not observe “Sindh Civil Servants (Appointment, Promotion and Transfer) Rules 1974” as the staff appointed / working under the umbrella of MD (KW&SB) Karachi, kept following observation.:

- i) Verification of the credentials, degrees was not done from the concerned issuing universities.
- ii) Verification of the domicile and PRC was not done from the concerned offices/ agencies.
- iii) Medical Fitness Certificate was not obtained from civil surgeon.
- iv) Police verification of the character of the staff appointed was not done.

Audit is of the view that by non-observing the above cited codal formalities, appointments of employees could not be authenticate which constituted weak financial and administrative management.

The matter was reported to the management during December-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 1]

1.2.2.103 Poor planning due to non-construction of bridge on lake

As per Para-527 of PWD Manual Vol-I, “no work shall begin unless proper detailed design and estimate have been sanctioned, allotment of funds made and order for its commencement issued by the competent authority”.

During audit, it was observed that Project Director K-IV, Karachi Water & Sewerage Board, made no provision in the design for construction of pathways over the lake, thus, non-construction of bridge on lake indicated poor planning, during financial year 2018-19.

Audit is of the view that unplanned works executed without provision in detailed design which constituted weak administrative and financial management.

The matter was reported to the management during October 2019, and it is replied that provision of bridges were not made part of agreement. The reply is not convincing as bridges are necessary for project. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for poor planning of non-construction of bridge on lake under intimation to audit.

[AIR Para: 10]

1.2.2.104 Non-computerization of pay and pension of employees of local councils

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any

other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Secretary, Local Government, Housing & Town Planning Department, failed to computerize the pay of employees of local councils were getting without computerization of pay & allowances and without any notified sanctioned strength. Further, it was also observed that pension payments were also being made by councils without any computerized system, during financial year 2018-19.

Audit is of the view that due non-computerization of pay and pension and without approved sanctioned strength chances of double and fake payment of pay & pension which constituted weak administrative and financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-computerization of pay & pension of employees of local councils, under intimation to audit.

[AIR Para: 03]

1.2.2.105 Unjustified payment of salary / other benefits to abscond employees

According to Section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Deputy Managing Director (HRD&A), KW&SB, 110 employees were absent from the duty since long without any intimation to their offices, during financial year 2017-18. However, 26 absconder employees out of 110 were removed from service and neither any action, effective measures nor proceedings found taken for remaining 84 absconder employees by the management.

Further, no justification/record regarding payment of salary and other benefits for absent period of abscond employees was provided to audit for detailed verification.

Audit is of the view that due to non-initiating of proceeding against absconder employees & non-provision of record of last payment, audit could not check the authenticity of expenditure and possibility of misuse of government funds which constitutes weak financial management.

The matter was reported to the management during February 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that record of last salary / benefit paid to all abscond & removed employees along with their period of abscond, and record of proceedings underway against abscond employees be provided for further verification.

[AIR Para: 12]

1.2.2.106 Un-authorized promotions and change of cadres

According to Rule-15, Part III, Promotion and transfer of The Sindh Government Gazette, states that, "Appointment by promotion shall ordinarily be made on the basis of seniority-cum-fitness, that is the senior most employee in a cadre will be promoted subject to his being fit provided that in the case of a selection post the promotion will be made on the basis of merit, seniority playing its part only when all other things are equal".

During audit, it was observed that following offices of LGD allowed promotions and change of cadres to some officials without observing codal formalities, during financial year 2018-19. Detail is provided as under:

S.No	Deptt:	Year	Name of Office	AIR Para #
1	LGD	2018-19	DG KDA	3
2	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	14

Audit is of the view that management failed to comply with rules set out by the government, resulted into weak administrative management.

The matter was reported to the management during October 2019 but failed provided departmental point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to

issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized promotions and change of cadres, under intimation to audit.

[AIR Paras: 3, 14]

1.2.2.107 Non-preparation of feasibility report

As per Rule 3.4 of planning commission’s manual for development projects, “PC II is required to be prepared in large development projects”.

During audit, it was observed that following offices of LGD and KMC, did not prepared Feasibility Report / PC-II of the project of the project, during financial year 2018-19. The management should have given top priority to prepare feasibility report of the scheme i.e to carry out logical decisions, strategic planning objectively, rationally and uncover the strengths and weakness of the project. Also, opportunities and threats present in natural environment were to be focused and ultimately the prospects for the success of the project. Detail is as under:

S.No	Deptt:	Audit Year	Name of Office	ML #
Performance Audit on Construction of Drigh road underpass along Shahrah-e-Faisal with restoration of existing right turn bridge” Karachi				
1	LGD	2018-19	PD, Local Government Department	4.1.1
Performance Audit on “Three-Lane Flyover at Malir-15, Shahrah-e-Faisal, Karachi				
2	KMC	2016-17	DG, Technical Services	4.1.3
The performance audit on Madar-e-Jamhuriat, Nusrat Bhutto Underpass at Mehran Hotel, Karachi				
3	KMC	2017-18	DG, Technical Services	4.1.1

Audit is of the view that non-provision of the Feasibility Report / PC-II resulted into irregular work without proper planning which constituted weak financial management.

The matter was reported to the management during March, 2019 but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault for non-preparation of Feasibility Report of the project.

[ML # 4.1.1, 4.1.3,4.1.1]

1.2.2.108 Working of an officer on higher post without proper qualifications

According to Para 23 of the judgment of Honourable Supreme Court of Pakistan, against C.P. No. 78-K of 2015 states that “The net result of above discussion is that this petition fails. It is dismissed and leave refused, however with a note of caution that government shall not allow or permit any person to perform professional engineering work as defined in the PEC Act, who does not possess accredited engineering qualification from the accredited engineering institution and his name is not registered as a registered engineer or professional engineer under the PEC Act.

During the course of the performance audit of the project “Construction of Drigh road underpass along Shahrah-e-Faisal with restoration of existing right turn bridge” Karachi, it was observed that Syed Sami-ud-Din was working as Executive Engineer (XEN) but his qualifications were not appropriate to work as an officer of ccBPS-18. Detail is as under.

Name of Officials	Designation	Qualification	BPS	Remarks
Syed Sami ud din	XEN	B-Tech	18	In-appropriate qualification

Audit is of the view that working of employee on higher grades without appropriate qualification resulted into weak administrative controls and financial management.

The matter was reported to the management during March, 2019 but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault for appointing a person of low qualification on higher rank.

[PD, Local Government Department, ML # 4.1.2 Audit Year 2018-19]

1.2.2.109 Restoration of flyover without observing its life span

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During the course of the performance audit of the project “Construction of Drigh Road Underpass along Shahrah-e-Faisal with restoration of existing right turn bridge” Karachi, it was observed that the flyover was planned to be reconstructed

initially. However, the flyover was restored without keeping in view the life span of the structure in absence of original PC-I of the flyover. Furthermore, original PC-I of the project was also not produced to audit.

Audit is of the view that restoration of structure without assessing its life span resulted into weak management planning.

The matter was reported to the management during March 2019 but failed to provide departmental point of view till finalization of this report.

Audit recommends that the matter may be justified and responsibility may be fixed on person(s) at fault, under intimation to audit.

[PD, Local Government Department, ML # 4.3.1 Audit Year 2018-19]

1.2.2.110 Irregular process of leases

As per Chapter II (3) of The Sindh Katchi Abadis Authority (Regularization, improvement and development) Regulation, 1983. That the authority may ask the unauthorized occupants to submit following documents in order to prove their occupancy of land in Katchi Abadis prior to 23rd March, 1985:

1. NIC
2. Name in the voters list of the area pertaining to of 1985 or prior to that
3. Electricity, gas, telephone bills, if any
4. Ration card issued prior to 23rd March, 1985 on the present address
5. Area school certificate
6. Any type of license (arms, driving, etc) issued prior to 23rd, March, 1985 on the address of plot in Katchi Abadis
7. Death certificate showing the address of the deceased occupant
8. Birth certificate of the occupant born prior to date fixed by the act, with address of the Katchi Abadis
9. Any other document (s) as required by the authority

During special study report on “Review on lease and transfer in Katchi Abadis in Karachi” management approved cases of lease/mutation without obtaining mandatory evidence of occupancy prior 23/02/1985.

Audit is of the view that process of lease / mutation without observing codal formalities resulted into irregular process of leases which constituted weak financial management and internal control.

The matter was reported to the management during April, 2018, failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular approval of lease/mutation cases without obtaining necessary evidences, under intimation to audit.

[Senior Director Katchi Abadis KMC M.L # 5.1.1 Audit Year 2016-17]

1.2.2.111 Non-preparation of amelioration plan

According to The Sindh Katchi Abadis Authority (Regularization, Improvement and Development) Regulation, 1993”, “Amelioration Plan” means “to improve the existing services like water supply, sewerage, electricity, gas, telephone, health, education, roads and other necessary services”, of Katchi Abadis.

During special study report on “Review on lease and transfer in Katchi Abadis in Karachi”, management did not prepare Amelioration Plan to improve the existing services like water supply, sewerage, electricity, gas, telephone, health, education, roads and other necessary services.

Audit is of the view that non-preparation of amelioration plan resulted into unauthorized work which constituted weak financial management.

The matter was reported to the management during April, 2018, but failed to provide departmental point of view till finalization of this report.

Audit recommends that responsibility may be fixed against person(s) for non-preparation of amelioration plan, under intimation to audit.

[Senior Director Katchi Abadis KMC M.L # 5.1.2 Audit Year 2016-17 and AIR Para: 3, 14]

1.2.2.112 Non-removal of encroachment

According to Chapter VII Removal of encroachment (32)(3) of The Sindh Katchi Abadis Authority (Regularization, improvement and development) Regulation, 1983. The Divisional Officer shall be responsible to stop encroachment in the Katchi Abadis and shall take immediate action for their removal.

During audit, it was observed that following offices, failed to remove encroachment from different sectors of land encroached by different land grabbers by

establishing different illegal villages, shops, houses, boundary walls, mosque and graveyards, during financial year 2018-19. Further, they also failed to vacate government offices and accommodation from unauthorized persons. Detail is provided as under:

S.No	Deptt:	Year	Name of Office	AIR Para #
1	LGD	2018-19	DG Sehwan Development Authority	6
2	LGD	2018-19	DG Malir Development Authority	4
3	KW&SB	2017-18	DMD HRD&A	9
Special Study on Review of Lease & Transfer in Katchi Abadis in Karachi				
4	KMC	2017-18	Senior Director Katchi Abadis	5.1.3

Audit is of the view that non-removal of encroachment and resulted into occupation of Government offices and accommodation by unauthorized persons resulted into weak internal control and weak financial management.

The matter was reported to the management during October, 2019, but failed to provide department's point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that serious efforts should needs to be taken to vacate the land from land grabbers and plots be handed over to allottee by recovering occupancy value, under intimation to audit.

[AIR Paras: 6, 4, 9]

[Special Study on Review of Lease & Transfer in Katchi Abadis ML # 5.1.3 Audit Year 2017-18]

CHAPTER-II
DISTRICT MUNICIPAL CORPORATIONS
KARACHI DIVISION

2.1 KARACHI DIVISION

2.1.1 INTRODUCTION

Karachi Division has been divided into 6 District Municipal Corporations, namely, Karachi East, West, South, Central, Malir and Korangi. Each Municipal Corporation/ District Council headed by Municipal Commissioner/ Chief Officer who carries out operations as per Sindh Local Government Act 2013. The functions of Municipal Corporation are as following:

1. Prepare special plans for the Town including plans for land use, zoning and functions for which Municipal Corporation is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing Municipal Corporations functioning.
4. Prepare budget, long term and annual municipal development programs in collaboration with the Union Councils.
5. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Municipal Corporations.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

2.1.2 Comments on Budget and Accounts (Variance Analysis)

(Rupees in million)

Sr.	Formation	Particulars	Budget	Expenditure / Revenue	Excess (+) Savings (-)
1	District Council	Salary	1,022.491	878.286	144.205
		Non-Salary	366.678	316.766	49.911
		Development	1,076.500	815.452	261.047
		Revenue	2,469.974	2,014.840	-455.134
2	DMC Central Karachi	Salary	4,488.859	2,684.802	1,804.057
		Non-Salary	667.265	322.691	344.574
		Development	2,473.000	318.372	2,154.628
		Revenue	7,630.065	3,329.871	-4,300.194
3	DMC South Karachi	Salary	2,855.714	1,502.266	1,353.448
		Non-Salary	772.166	708.859	63.307
		Development	763.252	334.334	428.918
		Revenue	4,963.132	2,879.461	-2,083.671
4	DMC West Karachi	Salary	3,123.486	1,911.967	1,211.519
		Non-Salary	1,028.311	186.625	841.686
		Development	2,729.550	1,353.940	1,375.610
		Revenue	6,888.828	3,484.609	-3,404.219
5	DMC East Karachi	Salary	1,402.000	993.464	408.536
		Non-Salary	531.500	204.388	327.112
		Development	1,085.000	662.193	422.807
		Revenue	2,733.500	1,907.096	-826.404
6	DMC Malir Karachi	Salary	1,255.250	842.869	412.381
		Non-Salary	400.417	310.924	89.493
		Development	1,468.000	384.634	1,083.366
		Revenue	3,125.672	1,579.950	-1,545.722
7	DMC Korangi Karachi	Salary	2,970.000	1,663.961	1,306.039
		Non-Salary	1,266.979	589.666	677.313
		Development	653.624	41.548	612.076
		Revenue	4,890.701	2,279.831	-2,610.870
Salary			17,117.800	10,477.615	6,640.185
Non-Salary			5,033.316	2,639.919	2,393.396
Development			10,248.926	3,910.473	6,338.452
Grand Total			32,400.042	17,028.007	15,372.033
Revenue			32,701.872	13,100.457	8,825.207

The original budget of District Municipal Corporations, Karachi Division, during financial year 2018-19 was Rs 32,400.042 million. The total expenditure incurred was Rs 17,028.007 million, resulting into overall savings of Rs 15,372.033 million.

2.1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 4,678.085 million were raised in this report during the current audit of District Municipal Corporations of Karachi Division. The amount also includes recoveries of Rs 115.434 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]

Sr. No.	Classification	Amount
1.	Non-Production of Record	0.000
2.	Reported cases of fraud, embezzlement and misappropriation	0.000
3.	Irregularities	-
	A) HR / Employees related irregularities	83.646
	B) Procurement related irregularities	0.000
	C) Management of Accounts with Commercial Bank	0.000
4.	Value of money and service delivery issues	0.000
5.	Recoveries	115.434
6.	Others	4,479.005

2.1.4 Brief Comments on the Status of Compliance with PAC Directives

The audit reports pertaining to following years have been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2012-13	8	2 – Partial
2013-14	7	1 – Partial
2014-15	70	Nil
2015-16	30	Nil
2016-17	32	Nil
2017-18	54	Nil
2018-19	35	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit reports of DMCs and District Council Karachi of last five years.

2.2 AUDIT PARAS

2.2.1 Non-Production of Record

2.2.1.1 Non-production of record

As per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. 19-04-2010, “The officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Further, according to Rule 116(2) of Sindh Local Government Act 2013, “The Audit Authority shall have access to all books, records and other documents pertaining to accounts and may also examine the Mayor, Deputy Mayor, Chairman, or Vice-Chairman, or any Member or Employees of the Council”.

During audit, it was observed that following offices of Karachi Division, failed to produce auditable record to audit, during financial year 2018-19.

[Rupees in million]

Sr.	Year	Name of Office	AIR Para	Para Title
1	2018-19	DMC West	1	Non-production of record
2	2018-19	DMC Malir	1	Non-production of record

Audit is of the view that non-provision of record reflects total disregard to rules, regulations and system of internal controls. Due to non-provision of record, authenticity of expenditure cannot be ascertained by audit.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-production of record, besides making steps for production of record, under intimation to audit.

[AIR Paras: 1, 1]

2.2.2 Irregularity / Non-Compliance

3. Recovery/Outstanding dues

2.2.2.1 Non-deduction of Sindh Sales Tax on Service – Rs 88.819 million

According to Sindh Sales Tax on Services Act 2011, Section-3(1) “taxable services shall be charged, levied and collected a tax known as sales tax on the value of a taxable service at the rate specified in the Schedule in which the taxable service is listed.

Tariff Heading	Description	Rate of Tax
9809.0000	Services provided or rendered by persons engaged in contractual execution of work or furnishing supplies	13% (2017)

During audit, it was observed that following offices of Karachi Division made payments to service providers and suppliers/contractors on services, during financial year 2018-19, but failed to deduct Sindh sales tax on services amounting to Rs 88.819 million.

(Rupees in million)

Sr#	Year	Name of office	AIR Para No.	Total
1	2018-19	DMC Korangi	3	71.246
2	2018-19	DMC Central	5	4.909
3	2018-19	District Council	11	4.879
4	2018-19	DMC East	1	4.703
5	2018-19	DMC West	6	3.082
Total				88.819

Audit is of the view that non-deduction of taxes resulted into weak financial management controls.

The matter was reported to the management during October 2019 to December 2019, but the management at Sr # 1, 2, 4 &5 did not respond to audit observation. The management at Sr # 3 replied that the tax amount of Rs 4.879 million has been deposited vide CPR NO. SI-20190925-0023-1362850 on 25-09-2019. The departmental point of view is not convincing due to unavailability of documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery may be made, under intimation to audit.

[AIR Paras: 3,5,11,1,6]

2.2.2.2 Non-deduction of General Sales Tax – Rs 13.687 million

As per Rule-2(3) of Sales Tax Special Procedure (Withholding) Rules 2007, “A withholding Agent, having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub-rule (2) of rule 1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%) of the value of taxable supplies made to him from the payment due to the supplier”.

During audit, it was observed that following offices of Karachi Division made payments to suppliers/contractors on procurement of goods, but failed to deduct general sales tax amounting to Rs 13.687 million, during financial year 2018-19.

(Rupees in million)

Sr #	Year	Name of office	AIR Para No.	Total
1	2018-19	DMC West	9	5.495
2	2018-19	DMC Central	1	3.586
3	2018-19	DMC Korangi	5	2.372
4	2018-19	DMC East	5	2.234
Total				13.687

Audit is of the view that non-deduction of taxes resulted into weak financial management controls.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery be made, under intimation to audit.

[AIR Paras: 9, 1, 5, 5]

2.2.2.3 Non-deduction of income tax – Rs 11.063 million

According to Section 149 of Income Tax Ordinance amended from time to time “Income tax rates for salaried individuals have been revised”. The revised rates are as per the ‘TABLE’ below:

Sr.	Taxable income.	Rate of tax.
1	0 to Rs. 400,000	0%
2	Rs.400,000 to Rs.800,000	Rs.1000
3	Rs. 800,000 to Rs.1,200,000	Rs.2000
4	Rs.1,200,000 to Rs.2,500,000	5% of the amount exceeding Rs.1,200,000

Sr.	Taxable income.	Rate of tax.
5	Rs.2,500,000 to Rs.4,000,000	Rs.65000 +15% of the amount exceeding Rs.2,500,000
6	Rs.4,000,000 to Rs.8,000,000	Rs.290,000 +20% of the amount exceeding Rs.4,000,000
7	Above Rs.8,000,000	Rs.1,090,000 + 25% of the amount exceeding Rs.8,000,000

Further, according to section 236A of Income Tax Ordinance 2001, states that, Advance tax at the time of sale by auction, shall be 10% of the gross sale price of any property or goods sold by auction. Furthermore, Section 147 of Income Tax Ordinance 2001, states that, “a person who fails to pay advance tax shall be liable for additional tax at a rate equal to KIBOR plus three per cent per quarter”.

During audit, it was observed that following offices of Karachi Division made payments to contractor and employees on payment of sale of auction and salaries. But, failed to deduct income tax amounting to Rs 11.063 million, during financial year 2018-19.

(Rupees in million)

Sr #	Year	Name of office	AIR Para No.	Total
1	2018-19	District Council	10	8.593
2	2018-19	DMC South	12	2.081
3	2018-19	DMC East	7	0.389
Total				11.063

Audit is of the view that non-deduction of income tax resulted into weak financial management controls.

The matter was reported to the management during October 2019 to December 2019, but the management at Sr # 2 & 3 did not respond to audit observation. The management at Sr # 1 replied that contractor has deposited the Income Tax and the related documents shall be provided as received from the contractor. The departmental point of view is not convincing. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery be made, under intimation to audit.

[AIR Paras: 10,12,7]

2.2.2.4 Unauthorized payment of various allowances – Rs 1.865 million

According to Para (iv) of the Finance Division OM No. F.1/7/Imp-II/87 dated 01-07-87, states that, “The interim relief of Rs 20/- p.m. sanctioned vide this Division’s

Circular OM No. F.7(1)R/5/87 dated 24-03-87, to the low paid employees shall cease to be admissible with effect from 1st July, 1987”.

During audit, it was observed that Municipal Commissioner, DMC West, paid various allowances of Rs 1.865 million, during financial year 2018-19, to officials beyond entitlement. Detail is at provided at Annex-DMC1.

Audit is of the view that payment of different allowances without entitlement & authorization resulted into weak financial management controls.

The matter was reported to the management during November 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery be made, under intimation to audit.

[AIR Para: 23]

B. Violation of Rules

2.2.2.5 Non-achievement of receipts targets – Rs 1,527.575 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that following offices of Karachi Division estimated revenue receipts amounting to Rs 2,366.851 million in the budget, during financial year 2018-19, but failed to realize the targeted revenue, which resulted into non-achievement of targeted receipts amounting to Rs 1,527.575 million.

[Rupees in million]

Sr.	Para No.	Name of office	Description	Targeted	Achieved	Short realization
1	5	DMC South	Revenue for own resources	572.6	228.252	344.347
2	9	DMC East		230	49.296	180.703
3	12	DMC Korangi		229.751	124.306	105.445
4	4	DMC Central		1094.05	212.464	872.585
5	5	DMC Malir		114	34.595	79.404
6	6	District Council		126.45	75.914	50.536
Total				2366.851	724.827	1,527.575

Audit is of the view that management failed to achieve targeted receipts that resulted into weak financial management controls.

The matter was reported to the management during October 2019 to December 2019, but the management at Sr # 1, 2, 3, 4 & 5 did not respond to audit observation. The management at Sr # 6 replied that targeted receipts mentioned in budget book are estimates and it does not mean to recover 100%. The departmental point of view is not convincing. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery be made, under intimation to audit.

[AIR Paras: 5, 9,12,4,5,6]

2.2.2.6 Irregular expenditure on POL – Rs 620.315 million

As per Rule-20 of the Staff Car Rules 1980, as amended in 2001, duly adopted by GoS, “The Log Book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

During audit, it was observed that following offices of Karachi Division incurred an expenditure of Rs 620.315 million, during financial year 2018-19, on purchase of POL for official vehicles/machineries, but did not prepare log books, history sheets and petrol account registers.

[Rupees in million]

Sr.	Year	Name of office	AIR Para	Amount
1	2018-19	District Council	4	151.489
2	2018-19	DMC Korangi	1	150.905
3	2018-19	DMC Central	3	144.270
4	2018-19	DMC South	6	113.284
5	2018-19	DMC Malir	4	31.926
6	2018-19	DMC West	5	28.441
Total				620.315

Audit is of the view that expenditure on POL without preparation of log books, history sheets and petrol account register, resulted into weak financial controls.

The matter was reported to the management during October 2019 to December 2019, but the management at Sr # 2, 3, 4, 5 & 6 did not respond to audit observation. The management at Sr # 1 replied that logbooks shall not be maintained for those vehicles which were placed at disposal of officers with prescribed fuel entitlement. The departmental point of view is not convincing. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-maintenance of log book, under intimation to audit.

[AIR Paras: 4,1,3,6,4,5]

2.2.2.7 Non-maintaining transparency in award of contracts Rs 420.519 million

According to Sindh Public Procurement Rules, 2010, Rule 46. "Procedures of open competitive bidding-Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding (1) Single Stage – One Envelope Procedure (a) Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable);

During audit, it was observed that following offices of Karachi Division incurred an expenditure of Rs 420.519 million, during financial year 2018-19, on account of awarding different works to different contractors but failed to obtain documentary evidence of contractor's eligibility criteria of contractors who were evaluated as eligible for participation in bidding process including certificates showing mandatory registration with tax authorities i.e NTN, GST, SRB, PEC Registration certificate, required relevant experience and turnover of at least three years.

(Rupees in million)

Sr #	Year	Name of office	AIR Para No.	Total
1	2018-19	District Council	1	281.289
2	2018-19	DMC Malir	2	77.806
3	2018-19	DMC Korangi	6	25.583
4	2018-19	DMC West	3	21.867
5	2018-19	DMC Central	9	13.974
Total				420.519

Audit is of the view that award of contracts without obtaining mandatory certificates and required documentary evidence showing experience and turnover resulted into irregular award of works which constituted weak financial and administrative management.

The matter was reported to the management during October 2019 to December 2019, but the management at Sr # 2, 3, 4 & 5 did not respond to audit observation. The management at Sr # 1 replied that according to the instructions of PEC, Persons/firms undertaking construction work amounting to Rs 2.5 million are not required to obtain license from the council. The departmental point of view was not supported with documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining of eligibility criteria of contractors, under intimation to audit.

[AIR Paras: 1,2,6,3,9]

2.2.2.8 Irregular award of work without constituting procurement committee – Rs 407.889 million

As per Rule 7 of SPPRA 2010, "The procuring agency shall, with approval of its Head of the Department, constitute as many procuring committees, as it deems fit,

each comprising odd number of officials and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that Municipal Commissioner, DMC South, awarded different development works amounting to Rs 407.889 million, during financial year 2018-19, without recommendations of departmental procurement committee. Detail is provided as under.

(Rupees in million)

Sr.	NIT #	Works	Estimated Cost
1	T00623-18-0001	s SE/DMC/SOUTH/001/2018	2.680
2	T00623-18-0002	s EE/B&R/SD/DMC/South/002/2018 Dated: 31-10-2018	25.989
3	T00623-18-0004	s SE/DMC/SOUTH/003/2018 Dated: 05-11-2018	337.518
4	T00623-18-0005	s No: EE/B&R/SD/DMC/South/ 004 /2019 Dated: 10-01-20	20.807
5	T00623-18-0006	s No: EE/B&R/SD/DMC/South/ 005 /2019 Dated: 13-03-20	20.893
Total			407.887

Audit is of the view that award of work without evaluation and recommendations of procurement committee resulted into un-authorized award of work. Besides, the chance of misappropriation cannot be ruled out.

The matter was reported to the management during December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining of performance security from contractors, under intimation to audit.

[AIR Para: 8]

2.2.2.9 Non-publication of notice inviting tender in leading newspapers Rs 316.159 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Regulation-4.4 Cost of procurement over Rupees One Million: All procurements exceeding Rupees One Million must be advertised on the Authority’s website as well as in the newspapers having wide circulation. The advertisement shall appear at least in three national dailies (English, Urdu and Sindhi).

The advertisement in the newspapers shall appear in at least three widely circulated leading dailies of English, Urdu and Sindhi languages.

During audit, it was observed that following offices of Karachi Division incurred an expenditure of Rs 316.159 million, during financial year 2018-19, against the invitation of bids of different development works through tender notice published in non-leading newspapers / without publishing in newspapers.

(Rupees in million)

Sr.	Year	Name of office	AIR Para No.	Total
1	2018-19	DMC Korangi	7	190.46
2	2018-19	DMC Malir	3	85.750
3	2018-19	DMC West	4	23.9750
4	2018-19	DMC Malir	10	15.976
Total				316.159

Audit is of the view that non-publication of tender notice in three widely circulated and leading newspapers / in newspapers resulted into non-compliance of SPPRA rules which constituted weak financial management.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for inviting tender notice without publishing in three widely circulated leading dailies of English, Urdu and Sindhi languages, under intimation to audit.

[AIR Paras: 7,3,4,10]

2.2.2.10 Irregular payments without obtaining completion report Rs 222.13 million

As per Paragraph 10.5 Closing of Contract (Rule 57) SPPRA regulations works states that “Project/Scheme is not considered as complete without formulation of PC-IV, which is also termed as Completion Report/Completion Statement. Upon physical completion, such project/scheme is considered as complete, and is taken on the registers of the custodian department for the purpose of maintenance and upkeep. Once the PC-IV (Annexure L) is submitted, the project/scheme is transferred from the capital to revenue head.”

During audit, it was observed that Chief Officer, District Council, Karachi, made payment of Rs 222.13 million, during financial year 2018-19, to the different contractors without issuing completion report on prescribed certificate of PC-IV.

Audit is of the view that unjustified payments were made without completion certificate which constituted weak administrative and financial management. Moreover, payment against substandard quality or incomplete works cannot be ruled out.

The matter was reported to the management during October 2019. The management replied that in local councils completion reports are made as prescribed under the Sindh Local Councils (Accounts) rule 1983, but it failed to justify with documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment without obtaining completion report, under intimation to audit.

[AIR Para: 2]

2.2.2.11 Irregular payment on withheld SPPRA IDs – Rs 188.402 million

As per SPPRA Notification No.Dir (A&F)/SPPRA/1-3(GEN)/13-14/087 dated 03-07-2013 “IDs of the NIT/EOI are released after receipt of the Bid Evaluation Report in terms of Rule-45 of SPP Rules, 2010.

SPPRA will release ‘SPPRA-ID’ to the Procuring Agencies (Pas), once Pas submit the following documents, complete in all respect, as required under the rules: -

- i. Annual Procurement Plan as required under Rule-11 of SPPRA Rules, 2010;
- ii. Notice Inviting Tender, Expression of Interest (EOI) and Pre-Qualification Notice (Requirement of Rule 17);
- iii. Bid Evaluation Reports (Prescribed by Rule 45);
- iv. Contract Evaluation Form along with Letter of Award, Form of Contract (Agreement) and Bill of Quantities (Requirement of Rule 50); and
- v. Integrity Pact (where applicable) (Requirement of Rule 89).

During audit, it was observed that Chief Officer, District Council, Karachi, awarded / executed the works of Rs 188.402 million, during financial year 2018-19, without adhering to the deficiencies pointed out by SPPRA.

Audit is of the view that rendering the award of contract without adhering to the prescribed rules was un-authorized, which constituted weak financial management and complete disregard for government instructions.

The matter was reported to the management during October 2019. The management replied that as per SPPRA, payment cannot be linked with release of SPPRA-ID and is the internal matter of procuring agency. The departmental point of view is not convincing. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 3]

2.2.2.12 Unauthorized clearance of liabilities – Rs 167.066 million

According to Finance Department, GoS O.M No.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

Further, according to Local Government Department, Government of Sindh, vide Letter No.SOA/LG/Misc/4(13)/2016 Dated: 22nd August 2016 Ban on Payment of Liabilities “ban on payment of all kind of liabilities is hereby imposed with immediate effect till further order” “All the Councils shall strictly follow the above instruction failing which stern disciplinary action shall be taken against defaulters”.

During audit, it was observed that following offices of Karachi Division, paid an amount of Rs 167.066 million, during financial year 2018-19, on account of liabilities of previous years despite of ban and without approval by Finance and SLGD Sindh.

[Rupees in million]				
Sr.	Year	Name of Office	AIR Para No.	Amount
1	2018-19	DMC Korangi	11	66.997
2	2018-19	District Council	7	35.686
3	2018-19	DMC Central	20	44.964
4	2018-19	DMC East	4	19.419
Total				167.066

Audit is of the view that management failed to observe procedures of financial discipline to safeguard the public money.

The matter was reported to the management during October 2019 to December 2019, but the management at Sr # 1, 3, & 4 did not respond to audit observation. The management at Sr # 2 replied that liabilities are due to less receipt of share from Government of Sindh. The departmental point of view is not convincing and supported with documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed against person(s) at fault for payment of liabilities without approval by Finance and SLGD Sindh. A mechanism must be evolved to discharge the government liabilities as they occurred.

[AIR Paras: 11,7,20,4]

2.2.2.13 Outsourcing of work to private contractors – Rs 144.400 million

According to Section-72 Schedule-II (part-II) Rule 1-16 of Sindh Local Government Act 2013, A Corporation, Municipal Committee or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse.

During audit, it was observed that following offices of Karachi Division, paid an amount of Rs 144.400 million, during financial year 2018-19, against sanitation work, despite large number of its own staff.

[Rupees in million]

Sr.	Year	Name of Office	AIR Para No.	Amount
1	2018-19	DMC West	7	102.680
2	2018-19	DMC Central	7	33.076
3	2018-19	DMC Korangi	2	5.432
4	2018-19	DMC Malir	15	3.212
Total				144.400

Audit is of the view that in presence of large number of sanitary workers and machinery & equipment, the expenditure on outsourcing of sanitation work is unjustified.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed against person(s) at fault for outsourcing of work despite availability of own staff, under intimation to audit.

[AIR Paras: 7,7,2,15]

2.2.2.14 Award of contracts without tender – Rs 131.569 million

As per Rule-17(1) of SPPRA Rules 2010, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and in print media in the manner and format prescribed in these rules”.

During audit, it was observed that following offices of Karachi Division, incurred an expenditure of Rs 131.569 million, during financial year 2018-19, without calling open tender.

[Rupees in million]				
Sr.	Year	Name of office	AIR Para	Amount
1	2018-19	DMC East	2	40.802
2	2018-19	DMC East	3	12.390
3	2018-19	DMC West	11	39.610
4	2018-19	DMC South	4	26.574
5	2018-19	DMC Korangi	4	9.099
6	2018-19	DMC Central	6	3.094
Total				131.569

Audit is of the view that management award contracts without calling tenders resulted into administrative and financial indiscipline.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed against person(s) at fault for incurring of expenditure without calling tender, under intimation to audit.

[AIR Paras: 2, 3, 11, 4, 4, 6]

2.2.2.15 Irregular expenditure by way of splitting – Rs 102.355 million

As per Rule-17(1) of SPPRA Rules 2010, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications

on the Authority’s website and in print media in the manner and format prescribed in these rules”.

Further, according to Rule 12 (1) of SPPRA 2010, states that, “Save as otherwise provided and subject to the regulations made by the Authority a procuring agency shall prepare in accordance with Rule 11 above all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped allocated and scheduled in the Procurement Plan”.

During audit, it was observed that following offices of Karachi Division, incurred an expenditure of Rs 102.355 million, during financial year 2018-19, by way of splitting up different work orders to avoid tender.

[Rupees in million]				
Sr.	Year	Name of Office	AIR Para No.	Amount
1	2018-19	DMC Central	8	26.568
2	2018-19	DMC Central	2	5.120
3	2018-19	DMC East	6	25.380
4	2018-19	DMC Malir	9	19.705
5	2018-19	DMC Malir	6	17.354
6	2018-19	DMC Korangi	10	8.228
Total				102.355

Audit is of the view that by splitting the works, management was deprived of competitive rates.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed against person(s) at fault for incurring of expenditure by splitting up of bills to avoid tender, under intimation to audit.

[AIR Paras: 8, 2, 6, 9, 6, 10]

2.2.2.16 Irregular expenditure on non-schedule items – Rs 61.477 million

According to Schedule of rates serial No.8(3) 2012 “The superintending engineers shall sanction rate analysis for non-schedule items up to Rs 1,000 per standard unit and the rates exceeding this amount shall be sanctioned by the Chief Engineer/officers exercising the powers of Chief Engineer”.

During audit, it was observed that following offices of Karachi Division, incurred an expenditure of Rs 61.477 million, during financial year 2018-19, on account of payment of non-scheduled items made to contractors without obtaining rate analysis from market by competent authority.

[Rupees in million]				
Sr.	Year	Name of Office	AIR Para No.	Amount
1	2018-19	DMC Korangi	9	48.532
2	2018-19	DMC West	21	10.916
3	2018-19	DMC South	7	2.029
Total				61.477

Audit is of the view that expenditure without sanction of rate analysis from competent authority resulted into irregular expenditure which constituted weak financial management.

The matter was reported to the management during November 2019 and December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making expenditure without obtaining sanction of rate analysis from competent authority, under intimation to audit.

[AIR Paras: 9, 21, 7]

2.2.2.17 Irregular appointment of contract/daily wages staff Rs 57.336 million

According to Notification Issued from Local Government Department Government of Sindh vide No.SOA/(LG)1(27)/2011 dated 6-6-2011, “no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of the Government. Approval, if any, earlier issued in this regard may be treated cancelled / withdrawn.”

Further, according to Govt. of Sindh, Appointment, Promotion & Transfer Rules 1974 (11) “Initial appointment to the post in BPS-3 to 15 shall be made on the recommendation of the Departmental Selection Committee after the vacancies in these BPSs have been advertised in the newspaper. (16) Posts in BPS-1 and 2 shall ordinarily be filled on local basis”.

During audit, it was observed that Municipal Commissioner, DMC South, incurred an expenditure of Rs 57.336 million, during financial year 2018-19, on appointment of contract/daily wages employees without obtaining approval of competent authority, in contradiction to the above rule. Detail is at provided at Annex-DMC2.

Audit is of the view that appointments and expenditure incurred on these employees were irregular and constituted weak financial management.

The matter was reported to the management during December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that the irregularity may be justified and responsibility may be fixed against the person (s) at fault, under intimation to audit. Steps should be taken to avoid such irregularities in future.

[AIR Para: 15]

2.2.2.18 Un-authorized payment on 1ST and final bill to contractors Rs 51.280 million

According to Clause-2 of the Contract Agreement, “the quantity of the work is to be done within particular time as specified within the proportionate limit of time, such as ¼th work in ¼th of the time.

During audit, it was observed that Municipal Commissioner, DMC South, incurred an expenditure of Rs 51.280 million, during financial year 2018-19, through First & Final bill. Detail is at provided at Annex-DMC3.

Further following observations are noted.

- Chances of very poor quality of work cannot be ruled out.
- Payment was made without completion certificate.
- Proof of Call deposits & Security deposited into Government account was not shown to Audit.
- Physically proof of work done (photographs) was not shown to audit.
- Registration certificate of PEC, SRB and FBR of contractor not shown to audit.

Audit is of the view undue favor was extended to contractor and the management failed to observe Government rules and procedures, which reflects the absence of systematic control and financial discipline in the department.

The matter was reported to the management during December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed against person(s) at fault, under intimation to audit.

[AIR Para: 02]

2.2.2.19 Un-authorized execution of works without technical sanction Rs 47.449 million

As per Para 56 of CPW Departmental Code, “For each individual work proposed to be carried out, except petty works petty repairs and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for sanction of competent authority this sanction is known as the technical sanction to the estimate”.

During audit, it was observed that Municipal Commissioner, DMC South, executed various works amounting to Rs 47.449 million, during financial year 2018-19, without obtaining technical sanction from competent authority. Detail is provided as under.

[Amount in rupees]

SR.#	Name of work	Name of agency	Estimated cost	Sanctioned Cost	Expenditure
1	Repair & Maintenance of Girls & Boys Primary & Lower Secondary School # 20, 21, 22 & 23 Pankha Lane & Narain Pura School # 19 Ranchore lane Saddar Division DMC South	M/s Ha`ni Traders	2,963,730	2,899,640	2,955,854

[Amount in rupees]

SR.#	Name of work	Name of agency	Estimated cost	Sanctioned Cost	Expenditure
2	Improvement / Repair & Maintenance of roads & streets at Old City area, Garden, Saddar, Civil Line, Clifton and other areas of Saddar Division DMC South.	M/s Faisal & Co.	19,986,000	13,643,098	7,351,588
3	Replacement / removal 18'' dia, 15'' dia to UC-15, Lyari Division DMC south	M/s Adil Khan Shirani & Brothers	7,000,000	4,620,000	4,618,718
4	improvement of street by paver blocks in different areas of Lyari Division DMC South	M/s Niaz Muhammad Const. Contractors	17,499,870	10,412,423	10,411,061
TOTAL			47,449,600	31,575,161	25,337,221

Audit is of the view that unauthorized works executed without sanction of detailed design and estimate from competent authority constituted weak administrative and financial management.

The matter was reported to the management during December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed against person(s) at fault, under intimation to audit.

[AIR Para: 01]

2.2.2.20 Irregular award of work without obtaining performance security from contractors – Rs 40.788 million

According to Sindh Public Procurement Rules, 2010 Rule 39-Performance security “(1) Procuring Agency shall, in all procurement of goods, works and services, carried out through open competitive bidding, require security in the form of pay order or demand draft or bank guarantee, an amount sufficient to protect the procuring agency in case of breach of contract by the contractor or supplier or consultant provided that the amount shall not be more than 10% of contract price”.

During audit, it was observed that Municipal Commissioner, DMC South, awarded works amounting to Rs 407.889 million, during financial year 2018-19, to various contractors without obtaining performance security @ 10% of the awarded works. Detail is provided as under.

[Rupees in million]				
Sr.	NIT #	Works	Estimated Cost	Performance Security
1	T00623-18-0001	s SE/DMC/SOUTH/001/2018	2.68	0.268
2	T00623-18-0002	s EE/B&R/SD/DMC/South/002/2018 Dated: 31-10-2018	25.989	2.598
3	T00623-18-0004	s SE/DMC/SOUTH/003/2018 Dated: 05-11-2018	337.518	33.751
4	T00623-18-0005	s No: EE/B&R/SD/DMC/South/ 004 /2019 Dated: 10-01-20	20.807	2.08
5	T00623-18-0006	s No: EE/B&R/SD/DMC/South/ 005 /2019 Dated: 13-03-20	20.893	2.089
Total			407.889	40.788

Audit is of the view that non-obtaining of performance security resulted into weak financial management.

The matter was reported to the management during December 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining of performance security, under intimation to audit.

[AIR Para: 10]

2.2.2.21 Irregular expenditure on account of payment of leave encashment and financial assistance – Rs 26.310 million

According to Rule 18-A of Revised Leave Rules 1980, duly adopted by GoS, “A civil servant may fifteen months before the date of superannuation or thirty years qualifying service on or after the 1st July, 1983, at his option, be allowed to en-cash his leave preparatory to retirement if he undertakes in writing to perform duty in lieu of the whole period of three hundred and sixty-five days or lesser period which is due and admissible”.

During audit, it was observed that Municipal Commissioner, DMC Malir, incurred an expenditure of Rs 26.310 million, during financial year 2018-19, on account of payment of leave encashment and financial assistance without supporting record/details including leave accounts of concerned employees, death certificates and heir-ship certificates. Detail is at provided at Annex-DMC4.

Audit is of the view that expenditure without availability of supporting vouchers, record and details resulting into irregular expenditure which constituted weak financial management.

The matter was reported to the management during November 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment of leave encashment without supporting document, under intimation to audit.

[AIR Para: 11]

2.2.2.22 Unauthorized advance payment without obtaining adjustment of bills – Rs 16.684 million

As per rule 668 of central treasury rules, “advances granted under the special orders of the competent authority to officers / officials for department or allied persons needs to be drawn on the responsibility and receipt of the officers for whom they are sanctioned subject to adjustment by submission of detailed account supported by vouchers or by refund as needs to be necessary”.

During audit, it was observed that Chief Officer, District Council, Karachi, incurred an expenditure of Rs 16.684 million, during financial year 2018-19, as advance without obtaining adjustments of bills.

Audit is of the view that expenditure on account of un-authorized withdrawal of advances and non-adjustment of advances resulted into un-authorized expenditure, which constituted weak financial management.

The matter was reported to the management during October 2019. The management replied that temporary advances are drawn and adjustments thereof are made by submitting vouched account. However, instructions are being issued to drawer of advances to furnish vouched accounts / detailed bills of all outstanding temporary

advances. The departmental reply is not convincing. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 9]

2.2.2.23 Non-hoisting of contract evaluation report, form of contract, letter of award and bill of quantities on SPPRA website – Rs 9.993 million

According to Rule 45 of SPPRA 2010, —Procuring agencies shall announce the results of bid evaluation in the form of a report giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the procuring agency if its website exists and intimated to all the bidders at least seven (07) days prior to the award of contractl.

During audit, it was observed that Municipal Commissioner, DMC Central, awarded different works amounting to Rs 9.993 million to contractors/suppliers, during financial year 2018-19, but failed to hoist contract evaluation report, form of contract, letter of award and bill of quantities on the website of SPPRA.

Audit is of the view that non-hoisting of contract evaluation form, award of contract and bill of quantities on SPPRA website resulted into non-compliance of SPPRA rules which constituted weak financial management.

The matter was reported to the management during November 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-hoisting of contract document on SPPRA website, under intimation to audit.

[AIR Para: 10]

2.2.2.24 Irregular payment of premium on non-schedule items Rs 2.595 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules, Volume I & II “Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Municipal Commissioner, DMC West, incurred an expenditure of Rs 2.595 million, during financial year 2018-19, on account of premium on non-scheduled items. Detail is provided as under:

[Amount in rupees]				
Bill No & Date	Name of Work	Contractor	Amount	Item of work
754,9-4-2019	P/L RCC block CC other work in Hussainabad and other streets Orangi zone Khi	M/s C 4 Construction	2,988,857	Providing & fixing of cement block flooring
				11,644 sft 19,977
Add 11.60 above				269,760
Total				2,595,283

Audit is of the view that management failed to comply prescribed Government rules /procedures which constituted weak financial management.

The matter was reported to the management during November 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for premium on non-scheduled items, under intimation to audit.

[AIR Para: 13]

2.2.2.25 Un-authorized retention of council vehicle beyond entitlement

According to GOS, S&GAD, Karachi, No.CTC(S&GAD)5(238)/97 dated 05-04-1997, All officers in BPS 19 ad 20 like head of attached dept / Regional Head or

equivalent in autonomous bodies / corporations and Deputy Commissioners to use 1000cc locally manufactured car”. Further, according to GOS, S&GAD, Karachi, No.CTC(S&GAD)5(238)/97 Dated: 05-04-1997, “All officers performing field duties in BPS-17 and 18 are entitled to Government vehicles to use 800cc cars / Suzuki jeeps”.

During audit, it was observed that Municipal Commissioner, DMC West, did not recover Council vehicles retented of persons / officials beyond their entitlement, during financial year 2018-19. Detail is provided as under.

Sr.	Name of Occupier	Capacity	Department	Name of Vehicle	Registration No.
01	Mr. Salman Mujahid Baloch	Ex-MNA	-	Corolla	AYQ-240
02	Mr. Nazir Ahmed Khalifo	Ex-Administrator	LGD	Corolla	GL-4390
03	Mr. Mubeen Shaikh	Ex-S.E	LGD	Suzuki Cultus	GS-6545
04	Mr. Yasir	-	KDA	Suzuki Mehran	GL-0326

Audit is of the view that unauthorized retention of the Council vehicle beyond official capacity resulted into misuse of Govt. vehicle, which constituted weak administrative and financial management.

The matter was reported to the management during November 2019, but they did not respond to audit observation. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that illegally retained vehicle may be recovered from the possession of unauthorized persons and fix responsibility on of illegal retention of Govt. vehicle. Besides, financial impact of retention of vehicle may be worked out from the date of illegal retention and recovery may be affected, under intimation to audit.

[AIR Para: 22]

CHAPTER-III
HYDERABAD DIVISION

3.1 HYDERABAD DIVISION

3.1.1 INTRODUCTION

Hyderabad Division consists of 09 Districts namely Hyderabad, Badin, Dadu, Thatta, Matiari, Jamshoro, Sujawal, Tando Allahyar and Tando Muhammad Khan. Each Corporation / District Council / Municipal Committee / Town Committee in Hyderabad Division is headed by a Chairman/ MC /Chief Officer / Chief Municipal Officer/ Town officer who carries out operations as per Sindh Local Government Act, 2013.

The functions of Municipal Corporation/Committees are as following:

1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which Municipal Corporation/Committees are responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by the public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing Municipal Corporation/Committees functioning.
4. Prepare budget, long-term and annual municipal development programs in collaboration with the Union Councils.
5. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Municipal Corporation/Committees.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for the commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

3.1.2 Comments on Budget and Accounts (Variance Analysis)

[Rupees in million]

Sr.	District	Head	Budget	Expenditure	Excess (+) / Saving (-)
1	Hyderabad	Salary	2,112.462	1,731.620	-380.842
		Non-salary	559.045	525.731	-33.314
		Development	637.164	152.252	-484.912
		Revenue	3,145.552	2,602.146	-543.406
2	Matiari	Salary	1,451.992	411.406	-1,040.586
		Non-salary	385.634	144.283	-241.351
		Development	876.631	316.670	-559.961
		Revenue	1,273.089	713.356	-559.733
3	Thatta	Salary	474.658	256.124	-218.535
		Non-salary	214.799	89.369	-125.430
		Development	463.385	205.766	-257.620
		Revenue	794.473	565.472	-229.001
4	Jamshoro	Salary	770.146	309.583	-460.563
		Non-salary	346.056	117.092	-228.965
		Development	659.056	116.665	-542.391
		Revenue	1,428.314	513.270	-915.043
5	Badin	Salary	352.766	465.451	112.684
		Non-salary	730.478	91.117	-639.361
		Development	424.180	328.084	-96.096
		Revenue	235.492	204.912	-30.580
6	Tando Allahyar	Salary	466.732	272.272	-194.460
		Non-salary	252.132	127.204	-124.928
		Development	517.739	284.914	-232.825
		Revenue	929.536	635.893	-293.642
7	Tando Muhammad Khan	Salary	526.574	369.696	-156.878
		Non-salary	350.920	111.063	-239.857
		Development	864.305	126.418	-737.887
		Revenue	1,102.042	444.292	-657.750
8	District Dadu	Salary	431.094	383.109	-47.984
		Non-salary	148.898	101.654	-47.245
		Development	373.157	255.449	-117.708
		Revenue	394.493	22.362	-372.131
Total Hyderabad Division		Salary	6,586.425	4,199.262	-2,387.164
		Non-salary	2,987.962	1,307.512	-1,680.450
		Development	4,815.618	1,786.218	-3,029.399
		Total	14,390.005	7,292.992	-7,097.013
		Revenue	9,302.990	5,701.702	-3,601.288

The original budget of Hyderabad Division, during financial year 2018-19 was Rs 14,390.005 million. The total expenditure incurred was Rs 7,292.992 million, resulting into overall savings of Rs 7,097.013million.

3.1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 7,423.807 million were raised in this report during the current audit of Hyderabad Division. The amount also includes recoveries of Rs 229.676 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]		
Sr. No.	Classification	Amount
1.	Non-Production of Record	252.002
2.	Reported cases of fraud, embezzlement and misappropriation	32.484
3.	Irregularities	-
	A) HR / Employees related irregularities	1,455.810
	B) Procurement related irregularities	195.914
	C) Management of Accounts with Commercial Bank	0.000
4.	Value of money and service delivery issues	4.388
5.	Recoveries	229.676
6.	Others	5,253.533

3.1.4 Brief Comments on the Status of Compliance with PAC Directives

The audit reports pertaining to following years have been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2012-13	81	2 - Partial
2013-14	39	3 - Partial
2014-15	80	Nil
2015-16	38	Nil
2016-17	67	Nil
2017-18	38	Nil
2018-19	51	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit report of Hyderabad Division of last five years.

3.2 AUDIT PARAS

3.2.1 Non-Production of Record

3.2.1.1 Non-production of record – Rs 252.002 million

As per Section 14 (1) (b) of the Auditor General (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 require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

During audit, it was observed that various offices of Hyderabad Division, incurred an expenditure of Rs 252.002 million, during financial years 2017-19, but failed to produce record to audit. Detail is provided at Annex-HYD1.

Audit is of the view that non-provision of record reflects total disregard to rules, regulations and system of internal controls. Due to non-provision of record authenticity of expenditure cannot be ascertained by audit.

The matter was reported to the management during May 2019 to November 2019, Town Committee Kadhan replied that record of employees was maintained by Municipal Committee Badin. MC Matli replied that the record could not be verified due to unavoidable circumstances and was available now. TC Jati replied that no auction of any recovery rights was made and according to SPPRA rules 2010, in which registration of the contractor was not necessary. TC Khyber replied that required records like bank statements were maintained. However, no disciplinary cases were available. TC Old Hala replied that, all the required record details requested by audit team were not furnished due to some unavoidable circumstances. However, replies were not tenable as no record in original was produced till finalization of the report. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that fixing of responsibility on person(s) at fault for non-production of record.

[AIR Paras: 1, 1, 1,1, 1, 1, 1,1, 1, 1, 10, 3, 13,1, 1, 1, 1, 8,1, 13, 1, 1, 12, 1, 1, 1, 11, 1, 1,1,1]

3.2.2 Fraud / Embezzlement / Misappropriation

3.2.2.1 Collusive practices in award of contracts – Rs 18.500 million

As per SPPRA 2010. Rule-2 (1) (q) “Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, awarded two works of 18.500 million, during financial year 2018-19, to contractors for construction of compound wall around water supply well of MC Matli. Rs 4.500 million was awarded on 05-04-2018 and a similar nature of work of construction of 3000 RFT compound wall with main gate around water supply scheme of Rs 14.000 million was also awarded vide work order No. MCM/451/2018 date 12.12.2018. The repetition and split up of work is unjustified.

[Amount in rupees]

S.No	Name of Scheme	NIT	Name of Contractor	Amount
1	Construction of compound wall around the water supply walls, MC Matli	2018-19	Alhafeez Construction Company	4,500,000
2	Construction of 3000 RFT compound wall with main gate around the water supply schemes	2018-19	Campaigner Associate	14,000,000
Total				18,500,000

Audit is of the view that repetition of the same work was collusive practice and mis-use of public money resulted into miss-procurement which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for collusive practice and repetition of same work, under intimation to audit.

[AIR Para: 16]

3.2.2.2 Doubtful execution of development works - Rs 11.875 million

According to Rule 2 (1) (d) of SPPR 2010, “Bid: means a tender, or an offer by a person, consultant, firm, company or an organization expressing willingness to undertake a specified task at a price, in response to an invitation by a Procuring Agency;” Further, according to Rule 45 of SPPR 2010, “Announcement of evaluation reports - Procuring agencies shall announce the results of bid evaluation in the form of a report giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the procuring agency if its website exists and intimated to all the bidders at least seven (07) days prior to the award of contract.”

During audit, it was observed that Chairman/Town Officer, Town Committee, Jamshoro, made payment of Rs 11.875 million, during financial year 2016-18, to contractors/suppliers but on scrutiny of relevant record by audit. Following irregularities were pointed out:

- i. Unsealed envelopes were used for calling/invitation of quotations
- ii. Same hand writing found in almost all cases
- iii. No rate was given by the contractor/supplier, but comparative Statement (CS) was approved & Work Order (WO) was issued
- iv. Work orders were issued by splitting up of works
- v. Computer Generated invoices were used instead of using prescribed or authenticated cash memo
- vi. Physical verification certificate of executed schemes was not found available on the record
- vii. Estimate was prepared in the office instead of visiting the sites
- viii. Technical Sanctions were accorded by the different officers, e.g XEN, RDD Jamshoro, XEN RDD Hyderabad, XEN RDD Thatta, XEN RDD Badin etc on their sweet will for getting undue favor.
- ix. Variation in signatures of contractors/others on different locations
- x. Over writing & Cutting in rate /premium given by the contractor
- xi. Unjustified supervision of all development schemes by Municipal Engineer Municipal Committee, Bulhari.
- xii. MBs were not produced to audit hence it is assumed that no measurement has been recorded in MBs
- xiii. Cheques of development works/ contractors were issued from the head of POL & Sanitation material instead of relevant head of A/c in few cases.

Audit is of the view that such execution of development works of supplies is suspicious / doubtful due to weak administrative management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payments on doubtful execution of works, under intimation to audit.

[AIR Para: 05]

3.2.2.3 Fraudulent withdrawal of public money through fake documents Rs 2.109 million

According to Rule 2 (1) (d) of SPPR 2010, “Bid: means a tender, or an offer by a person, consultant, firm, company or an organization expressing willingness to undertake a specified task at a price, in response to an invitation by a Procuring Agency;”

During audit, it was observed that Chairman/Town Officer, Town Committee, Jamshoro, made payment of Rs 2.109 million, during financial years 2016-18, to contractors but work orders were issued to contractors on blank rate/premium quoted documents without observing lowest rate submitted by the contractors. Comparative statement was also approved / signed by the relevant officers without observing rate given by all the contractors. Hence, work orders were issued on blank, fake & handmade computerized documents. It was assumed that fake MBs were maintained & no works were executed physically.

Audit is of the view that such execution of development works of supplies is suspicious / doubtful which constituted weak financial and administrative management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of suspected misappropriation of public money through fake documents, under intimation to audit.

[AIR Para: 01]

3.2.2.4 Alteration in the date of birth in service record

As per Rule 12-A of the Civil Servants (Appointment, Promotion and Transfer) Rules, 1973 “The date of birth once recorded at the time of joining government service shall be final and thereafter no alteration in the date of birth of a civil servant shall be permissible”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, Hyderabad Division, the date of birth of employees detailed under were found in contravention of CNIC and service book, during financial year 2017-18. Detail is as under:

[Amount in rupees]

Name of Employee	Father's Name	Date of Birth		D. O. A	Pay
		As per Service Book	As per CNIC		
Mr. Atta Rasool	Mr. Ghulam Khaliq	06-01-1970	08-06-1969	10-12-1997	17,760
Mr. Ghulam Mustafa	Mr. A. Ghaffar Khan Rajput	21-05-1970	21-02-1970	27-02-1989	29,290
Mr. Qadir Bux	Mr. M. Usman Rahmoon	01-07-1959	01-07-1960	02-12-1979	48,000

Audit is of the view that alteration in the date of birth was made to gain extra financial benefits which constituted weak financial management.

The matter was reported to the management during June 2019; MC Matli replied that alteration was made on the basis of record and within prescribed time frame. Reply was not tenable as it is not supported with original record for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that inquiry may be initiated against person (s) at fault on account of alteration in the date of birth, under intimation to audit.

[AIR Para: 18]

3.2.3 Irregularity / Non-Compliance

A. Recovery, Targeted receipts/Outstanding dues

3.2.3.1 Non-recovery of outstanding dues – Rs 153.637 million

According to SLGA 2013 100(2) All arrears of taxes, rates, tolls and fees and other moneys claimable by a Council under this Act shall be recoverable as arrears of land revenue through Government agency or by the Council authorized by Government for such recovery through such employees or class of employees of the Council as may be prescribed.

During audit, it was observed that various offices of Hyderabad Division, failed to recover the outstanding dues from various contractors, tenants and consumers amounting to Rs 153.637 million, during financial years 2017-19. Detail is at provided at Annex-HYD2.

Audit is of the view that non-recovery of outstanding dues from defaulters resulted into weak financial management.

The matter was reported to the management during June 2019 to November 2019, TC Jamshoro replied that notices were issued and departmental proceedings as per law were under way to recover the amount. MC Tando Muhammad Khan replied that it initiated efforts to recover the all demands & arrears on account of shops rent and water charges notices were issued to defaulters. TC Bhan Saeedabad submitted reply that allottees had expired as such agreements have not been renewed, notices issued to vacate property. TC Thana Bola Khan replied that up to the month of October 2019, the office recovered an amount of Rs 801,536 being 12% of total outstanding amount. MC Sehwan Sharif replied that dues of rents of shops and houses of the committee had been recovered. TC Old Hala replied that this office has left no stone unturned & made strenuous efforts to recover the outstanding dues of rented shops. However, replies were not convincing as no proof of recovery was produced for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expediting the recovery, besides, fixing the responsibility on person at fault. PAO, must put in place a mechanism to ensure that all government dues are promptly received/recovered.

[AIR Paras: 11,12,15,06,17,19,28,10,2,4,13,7,1,11,1,3,6,1,10,14,7,9]

3.2.3.2 Non-recovery of taxes – Rs 49.471 million

According to Sindh Sales Tax on Services Act 2011, Section-3(1) “taxable services shall be charged, levied and collected a tax known as sales tax on the value of a taxable service at the rate specified in the Schedule in which the taxable service is listed.

Tariff Heading	Description	Rate of Tax
9829.0000	Construction Services	8%
9809.000	Services provided or rendered by persons engaged in contractual execution of work or furnishing supplies	13%
9822.4000	Dredging or Desilting Service	10%
9819.9100	Auctioneer	10%

Sindh Revenue Board GoS, Working Tariff SToS (Amended upto 4th December, 2017)

Further, as per Rule-2(3) of Sales Tax Special Procedure (Withholding) Rules 2007, “A withholding Agent, having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub-rule (2) of rule 1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%) of the value of taxable supplies made to him from the payment due to the supplier”.

Furthermore, as per Section 153 of the Income Tax Ordinance 2001 and Income Tax Rules 2002 payment on account of supply of goods and rendering of services are subject to deduction of income tax at source @ 4.5% and 7.5% respectively.

Moreover, according to Seventh Schedule of Sindh Finance Act, 1964 amended vide Schedule-II of Sindh Finance Ordinance, 2000, Professional tax is required to be deducted from the payments made to contractors engaged in construction work or providing services and labour.

During audit, it was observed that various offices of Hyderabad Division, made payments to contractors/suppliers on different accounts but failed to deduct / recover government taxes amounting to Rs 49.471 million, during financial years 2017-19. Detail is provided at Annex-HYD3.

Audit is of the view that due to non-deduction of sales tax on service Government was deprived of revenue, which constituted weak financial management.

The matter was reported to the management during June 2019 to November 2019, TC Kadhan replied that it issued a letter to the contractor to deposit sales tax. MC Matli stated that the reconciliation of taxes was carried out in collaboration with concerned department & all dues had been paid. TC Jati replied that it is clarified that office was not aware of actual rate of SRB. TC Chamber submitted reply that all of applicable taxes were being deducted at applicable rates and deposited into relevant

account. TC Sita Road replied that the services were rendered by the council; however, it was not aware of sales tax on de-silting. TC Radhan replied that finance department Government of Sindh had declared ADLFA as withholding. Replies were not convincing as they were not verified with documentary proof. TC chamber replied that all applicable taxes were deducted at prescribed rates and deposited into relevant account. MC Sehwan Sharif stated that GST had been deducted. TC Kadhan stated that income tax had been deducted at source and deposited to FBR. TC Jati replied that the contractors were filers hence income tax was deducted at prescribed rates. TC Radhan replied that, requisite compliance of the observation has been made by deducting & depositing of income tax due against each employee. Replies were not supported with production of original record of tax deducted for verification. Town Committee Jati replied that contractors were working with other departments and professional tax had been deducted from their bills. TC Chamber submitted that all applicable taxes were being deducted at prescribed rates and deposited into relevant account. Town Committee Chamber had replied that all applicable taxes were deducted at prescribed rates and deposited into relevant accounts. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery may be made, besides fixing of responsibility on person(s) at fault, under intimation to audit.

[AIR Paras: 2, 3, 5, 2, 8, 13, 3, 11, 3, 7, 10, 1, 3, 10, 35, 5, 3, 10, 8, 2, 14, 16, 14, 13, 4, 2, 8, 3, 5, 36, 8, 15, 14, 9, 41, 17, 4, 12, 16, 4, 5, 7, 15]

3.2.3.3 Recovery of overtime paid to unskilled employees - Rs 9.876 million

According to Section 45 (1) of SLG Act 2013, “Public Safety: Fire Fighting; for the prevention and extinction of fire a Corporation, Municipal corporation or Town Committee may, and if so required by Government, shall maintain a fire brigade, consisting of such staff and such number of fire stations, and such implements, machinery, equipment and means of communicating intelligence as may be prescribed.”

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, posted various staff from other branches to fire brigade department who were not skilled in firefighting; however, the staffs was towards adjusted for overtime only and were paid overtime payment of Rs 9.876 million, during financial year 2018-19.

Audit is of the view that posting of unskilled staff in fire brigade staff may cause unforeseen incident. Besides, staff was paid overtime against rules which constitute weak financial & administrative management.

The matter was reported to the management during November-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that fixing of responsibility against the person(s) at fault for posting of unskilled staff, under intimation to audit.

[AIR Para: 26]

3.2.3.4 Loss due to use of council property without rent– Rs 6.692 million

As per Rule 14 (1) of the Sindh Local Councils (Property) Rules, 2017 “A Council may specify: The properties, movable or immovable, the use whereof may be permitted to the public or which may be let on hire; and the terms and conditions including the charge to be levied for such use on hire”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, council property was occupied by different tenants without rent or agreement since long due to which council sustained loss of Rs 6.692 million, during financial year 2017-18.

[Amount in rupees]

Sr.	Name of Tenant	Area (Sq. Ft.)	Date of Allotment	Rate per Sq. Ft.	Amount
1	Press Club, Matli	2,000	1985	1	5,893,428
2	City Press Club, Matli	1,500	2017	1	798,336
Total					6,691,764

Audit is of the view that use of council property without rent constituted loss of public revenue and constituted weak financial management.

The matter was reported to the management during June 2019, MC Matli replied that no property of council had been let out rent, and the arrears had accumulated due to court cases. However, an amount of Rs 1.136 million was recovered up to June 2019. Reply was not tenable as no proof was provided that property was vacated and rent is being recovered. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing responsibility over chief executive and chairman for use of property without rent since long, besides recovery of the amount remained outstanding may be made, under intimation to audit.

[AIR Para: 02]

3.2.3.5 Recovery on account of excess payment of overtime to fire brigade employees – Rs 4.063 million

According to Rule 4 of HMC Fire Brigade overtime rules 1974, “out of 12 hours duty eight hours shall be normal duty hours and the remaining 4 hours shall be treated as overtime duty for which overtime allowance at rate of 50% of pay of the fire brigade shall be payable”.

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, paid excess overtime over and above the maximum admissible limit of employees of firefighting department of Rs 4.063 million, during financial year 2018-19.

Audit is of the view that management paid and allowed excess payment of overtime over and above maximum admissible limit, which was irregular and resulted into loss to Government, which constitutes weak financial management.

The matter was reported to the management during November-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for excess payment of overtime over and above the admissible limit, beside this over paid amount should be recovered from concerned employees immediately, under intimation to audit.

[AIR Para: 33]

3.2.3.6 Irregular expenditure on account of arrears of pay & allowances of staff - Rs 2.883 million

As per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that Town Officer, Town Committee Piyaro Lund, District Tando Allahyar, incurred expenditure of Rs 2.883 million, during financial year 2018-19, on account of payment of arrears of pay & allowances different officials. However relevant supporting record/details including due/drawn statement, certificate regarding non-payment of claim before this and approval of competent forum were found not available in relevant files to justify the expenditure. Audit is of the view that expenditure without availability of supporting vouchers, record and details resulted into irregular expenditure which constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular making expenditure without supporting record/details, under intimation to audit.

[AIR Para: 04]

3.2.3.7 Loss due to non-affixing of Stamp Duty – Rs 1.866 million

According to Schedule of prescribed Stamp Duties in Stamp Act, 1899 as amended vide Stamp (Sindh Amendment) Ordinance, 2002 & Sindh Finance Act, 2009, notified vide No. PAS/Legis-B10/2009, dated 08.07.2009 and published in the Sindh Government Gazette on 09.07.2009, “the rate of proper Stamp Duty is thirty Five paisa for every hundred rupees of the amount of the contract”.

During audit, it was observed that following offices of Hyderabad Division, awarded various development works to various contractors. However, stamp duty at the rate of 0.30% & 0.35% of contract value was not recovered by affixing stamps on contract agreement resulting into loss of Rs 1.866 million, during financial years 2017-19.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Bhit Shah	8	2017-18	0.036
2	Chairman/TO, TC Jati	10	2017-18	0.022
3	Chairman/ CMO MC Tando Jam	6	2018-19	0.853
4	Chairman/ CODC Hyderabad	4	2018-19	0.152
5	Chairman/ TO, TC, Sultanabad	9	2018-19	0.739
6	Chairman/TO, TC, Tando Ghulam Hyder	8	2018-19	0.059
7	Chairman/ TO, TC, Gharo	12	2018-19	0.005
Total				1.866

Audit is of the view that non-affixing stamps on contract agreements resulted in failure of management to comply with the set rules and procedures, which constituted weak financial management.

The matter was reported to the management during August 2019 to November 2019, TC Jati replied that the maintenance works were executed through quotations and as per practice in vogue. TC Chamber replied that after execution of contract agreement, recovery of stamp duty amounting to Rs 0.028 million was made. However, replies were not convincing due to non-production of original record for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that recovery of stamp duty may be made, under intimation to audit.

3.2.3.8 Recovery on account of special conveyance allowance to Chief Fire Officer– Rs 1.188 million

As per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, allowed and paid “Special Conveyance Allowance” amounting to Rs 1.188 million, during the financial year 2018-19, on the basis of discrimination vide order ADM/TMA/(L)/82/2011 Dated 23-05-2011 with effect from July 2010 without approval of competent authority, whereas, chief fire officer of other districts are not getting this allowance. Detail of is as under:

[Rupees in million]						
Sr.	Name of Employee	Designation / BPS	Sanction/effective date Date	P/M Amount	Total Months	Amount (e x f)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Muhammad Yuonus Qureshi	CFO/17	SD 23-05-2011 ED 01-07-2010	12,000	99	1,188,000
Amount in million (calculation made upto September 2018)						1.188

Audit is of the view that payment made on account of Special Conveyance Allowance to employee is unauthorized which constitutes weak financial and administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that fixing of responsibility against person(s) at fault, besides, recovery of special conveyance allowance from concerned officer, under intimation to audit.

[AIR Para: 37]

B. Violation of Rules

3.2.3.9 Irregular payment of salary without Biometric Verification Rs 1,235.204 million

As per Notification Issued from Director Local Government Department Government of Sindh vide No. DLG/HYD/NAB-CASE/2142/2016 dated 29-11-2016, “Install Biometric system to ensure attendance of employees in your council.”

During audit, it was observed that following offices of Hyderabad Division, made payment of Rs 1,235.204 million, during financial years 2017-19, on account of salary to employees without implementing biometric system as directed by the Director Local Government Hyderabad Division. Moreover, salary payment could not be authenticated without implementation of biometric verification and supported by attendance sheet.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Chambar	3	2017-18	32.050
2	Mayor/ MC, Hyderabad Municipal Corporation	5	2018-19	1,092.498
3	Chairman/ TO, TC Mirpur Sakroa	1	2018-19	65.388
4	Chairman / TO, TC Makli	1	2018-19	26.086
5	Chairman/ TO, TC Gharo	1	2018-19	19.182
Total				1,235.204

Audit is of the view that management failed to implement govt. policies and procedures which constitutes weak financial & administrative management.

The matter was reported to the management during September 2019 to November 2019, Town Committee Chamber replied that the installation of biometric verification system in office has been taken up. But no documentary proof was attached to substantiate their reply. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that fixing of responsibility on person(s) at fault for non-installation of biometric verification machine, under intimation to audit.

3.2.3.10 Unauthorized award of works against withheld IDs Rs 559.447 million

As per SPPRA rules, the authority will release ‘SPPRA-ID’ to the procuring agencies (Pas), once PAs submit the following documents, complete in all respect, as required under the rules: -

- i. Annual Procurement Plan as required under Rule-11 of SPP Rules, 2010,
- ii. Notice Inviting Tender, Expression of Interest (EOI) and Pre-Qualification Notice (Requirement of Rule 17);
- iii. Bid Evaluation Reports (Prescribed by Rule 45);
- iv. Contract Evaluation Form along with Letter of Award, Form of Contract (Agreement) and Bill of Quantities (Requirement of Rule 50); and
- v. Integrity Pact (where applicable) (Requirement of Rule 89).

During audit, it was observed that following offices of Hyderabad Division, awarded works amounting to Rs 559.447 million, during financial years 2017-19, without release of withheld IDs of Notice Inviting Tenders. However, SPPRA withheld IDs of tenders due to non-uploading of mandatory documentary proof on SPPRA website.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Sehwan Sharif	5	2017-18	126.366
2	Chairman/CMO, MC Matli	12	2017-18	86.602
3	Chairman/TO, TC Bulari	5	2017-18	30.000
4	Chairman/TO, TC Tando Bagho	10	2017-18	143.553
5	Chairman/TO, TC Husri District Hyderabad	5	2017-18	26.552
6	Chairman/TO, TC Shaheed Fazil Rahu	7	2017-18	1.374
7	Chairman/ CMO/ MC, Tando Muhammad Khan	5	2018-19	145.000
Total				559.447

Audit is of the view that rendering the award of contract without adhering to the prescribed rules was un-authorized, which constituted weak financial management.

The matter was reported to the management during June 2019 to October 2019, Municipal Committee Tando Muhammad Khan replied that compliance as required by SPPRA was made but the same could not be updated by the Authority on website. MC Sehwan Sharif stated that the withheld IDs in question had been withdrawn by SPPRA and now restored. MC Matli replied that it is clarified that said IDs were issued under number 1044/2018 and never withheld. Replies were not tenable as no documentary proof was furnished for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to

05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

3.2.3.11 Non-achievement of targeted receipts - Rs 528.807 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that various offices of Hyderabad Division, fixed target of revenue amounting to Rs 9,962.508 million, during financial years 2017-19, but failed to achieve revenue collection targets and realized short of Rs 528.807 million. Detail is at provided at Annex-HYD4.

Audit is of the view that management failed to make all out efforts to achieve the targeted receipts, which constituted financial indiscipline.

The matter was reported to management during June 2019 to November 2019, TC Jati replied that amount of shortfall related to other misc. income and was estimated. DC Jamshoro replied that measured amount of recovery under this head pertained to recovery of fees on BTS tower. MC Tando Muhammad Khan submitted reply that it had initiated efforts to recover all arrears on account of rent of and water charges and notices are issued to the defaulters. TC Khyber replied that, mentioned amount pertains to "MPA" grant & fees of certificates etc. TC Old Hala replied that, this office had left no stone unturned & made strenuous efforts to generate revenue from own source. TC Thana Bola Khan replied that it had taken effective measures for recovery. TC Manjhand replied that the realization of amount was co-related to circumstantial conditions. However, replies were not convincing, as no proof of recovery was produced for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for laxity in realization of targeted revenues, under intimation to audit.

[AIR Paras: 12, 3, 3, 6, 6, 12, 3, 5, 2,6, 12, 3, 2, 8, 1, 4, 7, 6, 2, 1, 2, 6, 12, 2, 8, 12, 11, 6]

3.2.3.12 Over-estimation of grant in the budget estimates without confirmation – Rs 479.200 million

As per Rule 36 of the Sindh Councils (Budget) Rules, 2017 “No fresh receipt on account of Government grant contribution by any other authority shall be shown in the estimates on the revenue side unless a definite communication in writing or undertaking the payment of such amount has been received from Government or the authority concerned, as the case may be”.

During audit, it was observed that following offices of Hyderabad Division, reserved grant of Rs 479.200 million, during financial years 2017-19, in the budget estimates without written undertaking for payment of such grant by the government.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Husri	10	2017-18	90.000
2	Chairman/ TO, TC Thana Bula Khan	4	2018-19	30.000
3	Chairman/ TC, Bhan Saeedabad	7	2018-19	359.200
Total				479.200

Audit is of the view that over-estimation of grant in the budget estimates without confirmation constituted weak financial management.

The matter was reported to the management during September 2019 to October 2019, Town Committee Bhan Saeedabad replied that the amount mentioned in budget was estimated, as the committee did not receive any grant, therefore no expenditure was booked. TC Thana Bola Khan replied that allocation was earmarked by the Council and Rs 30.000 million had been adjusted during preparation of revised budget 2018-19. However, replies were not convincing as these were not supported with relevant original record for verification till finalization of report Moreover, TC Husri failed to provide departmental point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for over-estimation of grant in the budget estimates, under intimation to audit.

3.2.3.13 Irregular expenditure without approved budget - Rs 477.299 million

As per Section 110 (1) of Sindh Local Government Act 2013, the council shall in prescribed manner, prepare and sanction before the commencement of each financial

year a statement of its estimated receipts and expenditure for that year, hereinafter referred to as budget, and forward a copy thereof to the Government.

During audit, it was observed that following offices of Hyderabad Division, incurred an expenditure amounting to Rs 477.229 million, during financial years 2017-19, under various head of accounts without approval of budget by the respective council,

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Jamshoro	11	2017-18	18.373
2	Chairman/ CMO, MC, Matli	13	2018-19	325.428
3	Chairman/ TO,TC Piyaro Lund	11	2018-19	79.098
4	Chairman/ TO, TC, Sann	3	2018-19	54.400
Total				477.299

Audit is of the view that the management failed to prepare submit and approve budget within stipulated time period and, consequently made unauthorized payments.

The matter was reported to the management during September 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) at fault for incurring of expenditure without budget approval, under intimation to audit.

3.2.3.14 Award of work without fulfilment of pre-requisite condition of NIT Rs 360.411 million

According to the Rule 46 (1) (a) of SPPR 2010, Procedures of open competitive bidding - Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding; Single Stage – One Envelope Procedure: Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable); (iv) any other factor deemed to be relevant by the procuring agency subject to provision of Rule 44.

During audit, it was observed that various offices of Hyderabad Division, awarded development schemes worth Rs 360.411 million, during financial years

2017-19, to contractors without obtaining documentary evidence to ascertain profile of the contractor i.e. Past Experience, Turnover for last three years, Undertaking for no litigation against contractor affidavit for not blacklisted along with registration with FBR/SRB & PEC for works upto 4 million.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/ CODC, Dadu	4	2018-19	183.100
2	Chairman/ CODC, Badi	2	2018-19	48.968
3	Chairman/ CODC Tando Allahyar	6	2018-19	11.917
4	Mayor/ MC, Hyderabad Municipal Corporation	15	2018-19	57.281
5	Chairman/CMO/ MC Sehwan Sharif	4	2017-18	6.238
6	Chairman/ CMO,MCTando Allahyar	6	2018-19	1.960
7	Chairman/ CMO, MC, Matli	15	2018-19	29.000
8	Chairman/TO/ TC, Sita Road	3	2017-18	6.944
9	Chairman / TO, TC, Makli	3	2018-19	15.003
Total				360.411

Audit is of the view that undue favor was extended towards contractor by not following prescribed procedure regarding prequalification and eligibility of the contractor, which resulted into irregular award of work and constituted weak financial management.

The matter was reported to the management during July 2019 to November 2019, Town Committee Sita Road replied that pre-qualification was made by notified procurement committee as per credentials required for each work. But no relevant record was produced for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work without procurement committee (PC), under intimation to audit.

3.2.3.15 Irregular execution of work without approval of PC-I Rs 346.271 million

According to Para 1 & 2 of Notification No.SOI/LG/10-7/2013 dated 07-01-2014, permission for development works with the approval of local Government department, "I am directed to refer to the subject noted above and to state that all the development works various local councils and other subordinate offices of local

Government department, shall be carried out after the approval / permission of this department. In this regard PC-I of all development works should be prepared according to the procedure / policy and be forwarded to this department for approval / permission and thereafter necessary action be taken for execution of such works after completion of required codal formalities”.

During audit, it was observed that various offices of Hyderabad Division, executed development schemes valuing Rs 346.271 million, during financial years 2017-19 without preparation of PC-I and obtaining approval from competent forum.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Sehwan Sharif	1	2017-18	126.366
2	Chairman/CMO, MC Matli	11	2017-18	86.602
3	Chairman/CMO, MC, Badin	6	2017-18	7.500
4	Chairman/TO, TC Tando Bagho	8	2017-18	86.003
5	Chairman/TO, TC Husri District Hyderabad	2	2017-18	30.000
6	Chairman/TO, TC Pyaro Lund	3	2018-19	9.800
Total				346.271

Audit is of the view that award of development works without preparation and approval of PC-I constituted weak administrative and financial management.

The matter was reported to the management during June 2019 to September 2019, Municipal Committee Sehwan Sharif replied that Rs 126.366 million pertained to the committee and preparation of PC-I for execution of development was not required under SLG Act, 2013. M.C Matli stated that it had sought government approval in this regard, and technical approval was granted by DG RDD. However, no documentary proof was attached to justify their point of view for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award and execution of works, under intimation to audit.

3.2.3.16 Irregular award of contract – Rs 319.791 million

As per rule 50 of SPPR 2010 states that “Publication of the Award of Contract within seven days of the award of contract, procuring agency shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process, identifying the bid through procurement identifying number, if any, and

the following information:

- (1) Evaluation Report;
- (2) Form of Contract and Letter of Award;
- (3) Bill of Quantities or Schedule of Requirement.”

During audit, it was observed that various offices of Hyderabad Division, management called various NITs (detail is as under) for different works/schemes during the year and made payments of Rs 319.791 million, during financial years 2017-19 to different contractors against those works/schemes their awards of contracts were not hoisted on websites.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman, TO TC, Naserpur	4	2017-18	38.203
2	Chairman, TO TC, Chamber	2	2017-18	38.136
3	Chairman, HMC Hyderabad	11	2018-19	119.600
4	Chairman, CODC Thatta	2+4	2018-19	109.235
5	Chairman, TO TC, Gharo	9	2018-19	1.623
6	Chairman/ CODC, Badin	4	2018-19	12.994
Total				319.791

Audit is of the view that management made payments against award of works by avoiding compliance of Rule 50 of SPPRA 2010 is irregular, which constitutes weak financial and administrative management.

The matter was reported to the management during August 2019 to November 2019, Town Committee Chamber replied that all the contracts were awarded after compliance of all codal formalities including SPPRA rules 2010. However, no documentary proof was furnished in this regard for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payments against awarded works not hoisting on website, under intimation to audit.

3.2.3.17 Non-constitution of procurement committee - Rs 307.170 million

According to Rule 7 of SPPRA, 2010, “The procuring agency shall, with approval of its Head of the Department, constitute as many procuring committees, as it

deems fit, each comprising odd number of persons and headed by a gazetted officer not below the rank of BS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that various offices of Hyderabad Division, paid an amount of Rs 307.170 million, during financial years 2017-19, against procurement of development works but failed ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Tando Bagho	14	2017-18	57.550
2	Chairman/TO, TC Nasarpur	2	2017-18	49.000
3	Chairman/TO, TC Jati	15	2017-18	22.005
4	Chairman/TO, TC Jamshoro	14	2017-18	28.719
5	Chairman/ CODC Thatta	1	2018-19	145.106
6	Chairman/TO, TC, Sanjer Chang	9	2018-19	4.790
Total				307.170

Audit is of the view that purchases were made without constitution of procurement committee which resulted into non-transparency in public spending which is deviation from prescribed rules on the part of management

The matter was reported to the management during June 2019 to November 2019, T.C Jati stated that, the procurement committee was constituted with government approval. However, reply was not tenable as no documentary proof was submitted for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed against person(s) at fault on account of expenditure without constitution of procurement committee, under intimation to audit.

3.2.3.18 Non-maintenance of log book -Rs 275.068 million

According to Rule-20 of the Staff Car Rules 1980, as amended in 2001, duly adopted by GoS, “The Log Book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

During audit, it was observed that various offices of Hyderabad Division, allocated and reserved funds of Rs 275.068 million, during financial years 2017-19, on consumption of Petrol, Oil & Lubricant for official vehicles, but the Log Book (s) and Petrol, Oil & Lubricant account (s) were not maintained to justify the expenditure. Detail is provided at Annex-HYD5.

Audit is of the view that expenditure incurred on consumption of Petrol & Lubricant without maintenance of Log Book (s) and Petrol, Oil & Lubricant account (s) resulted into non-transparency in spending from public funds which constituted weak financial management.

The matter was reported to the management during June 2019 to November 2019, Municipal Committee Sehwan Sharif replied that the log book was being maintained by the office. Town Committee Jati replied that information which was required by audit in the shape of performa was provided and no demand for production of log book was made. M.C Matli replied that contention of audit was not correct. Besides, no bill was entertained by audit without log book. TC Chamber replied that expenditure on account of payment of POL was made after compliance of all codal formalities. TC Khyber replied that, expenditure of Rs 2.375 million incurred under the head of POL. TC Manjhand replied that the log book was maintained. TC Old Hala replied that it submitted log book & petrol consumption. TC Kadhan replied that log book was being maintained. However, replies were not convincing due to non-production of original record for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without supporting record and the same may be prepared to justify the expenditure, under intimation to audit.

[AIR Paras: 13,9,7,8,13,9,13,9,6,7,14,3,6,4,3,5,6,2,5,4,2,4,7,5,2,2,8,2,8,3,4,5]

3.2.3.19 Unauthorized inclusion of development schemes into budget estimates without approval - Rs 228.000 million

As per Section 110 (1) of Sindh Local Government Act 2013, the council shall in prescribed manner, prepare and sanction before the commencement of each financial year a statement of its estimated receipts and expenditure for that year, hereinafter referred to as budget, and forward a copy thereof to the Government.

During audit, it was observed that following offices of Hyderabad Division, made expenditure of Rs 228.000 million, during financial year 2017-18, without approval of budget from Competent Authority i.e Local Government Department.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Matli	13	2017-18	90.000
2	Chairman/TO, TC Tando Bagho	9	2017-18	120.000
3	Chairman/TO, TC, Kadhan	7	2017-18	18.000
Total				228.000

Audit is of the view that expenditure without obtaining approval from competent authority resulted into unauthorized & irregular expenditure. Violation of prescribed rules was due to weak internal controls.

The matter was reported to the management during May 2019 to June 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without obtaining budget approval from competent authority, under intimation to audit.

3.2.3.20 Un-authorized publication of NIT – Rs 162.486 million

As per Section 7 (1) of the Sindh Local Government Act, 2013 “A Council shall be a body corporate, having perpetual succession and a common seal with power, subject to the provisions of this Act and the rules, to acquire, hold and alienate property, both movable and immovable and shall by its name sue and be sued. (2) The seal shall be in accordance with the description approved by the Council and shall remain in the custody of the Chief Executive who shall be responsible for its proper use.

During audit, it was observed that following offices of Hyderabad Division, published NIT of Rs 162.486 million, during financial years 2017-19, under the common seal of the chairman by utilizing financial & administrative powers of the chief executive without forwarding the case through Director, Local Government, Hyderabad.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO/ TC Husri	4	2017-18	13.351
2	Chairman/ CODC, Jamshoro	2	2018-19	104.135
3	Chairman/ TC, Bhan Saeedabad	2	2018-19	45.000
Total				162.486

Audit is of the view that financial and administrative powers of the chief executive were utilized by the chairman without using proper channel of official correspondence through Director, Local Government Hyderabad, which constituted weak management.

The matter was reported to the management during September to November 2019; D.C Jamshoro stated that, administrative and financial powers were regulated in case of council in the light of Sindh Local Councils Rules 2016. T.C Bhan Saeedabad replied that, NIT was signed by chairman in exercise of power conferred upon him under section 80 SLG Act. However, the reply was not tenable as no documentary proof was submitted for verification. Moreover, TC Husri failed to provides departmental point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for utilizing financial & administrative powers of the chief executive without using proper channel of official correspondence, under intimation to audit.

3.2.3.21 Unauthorized appointment of staff on contract basis Rs 156.670 million

As per Chapter V rule 15 (3) of Sindh Local Councils employees (services) Rules 2017, “Temporary posts falling within the preview of the promotion or selection committee and occurring as a result of creation of temporary posts for a period not exceed twelve months may be filled by the appointing authority otherwise than through the promotion committee on the purely temporary basis after advertising the posts.”

During audit, it was observed that following offices of Hyderabad Division,

appointed sanitary workers on contract basis without proper authority, which was an overburden on public exchequer amounting to Rs 156.670 million, during financial year 2018-19.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Mayor/ MC, Hyderabad Municipal Corporation	10+20	2018-19	141.542
2	Chairman/ TO, TC, Old Hala	3	2018-19	10.170
3	Chairman/ TO, TC, Mirpur Sakro	5	2018-19	3.941
4	Chairman/ TO, TC, Gharo	11	2018-19	1.017
Total				156.67

Following observations were noted:

- i. Sanctioned schedule of establishment as per Local Government Act 2013 was not provided (for actual sanction of staff).
- ii. Unauthorized continuing permission of 450 daily wages SWs, obtained on May 2017 without obtaining fresh permission for appointments.
- iii. Appointments were made without fulfilling codal formalities.

Audit is of the view that management was appointed contract staff and paid salaries to them without fulfilling all codal formalities, which resulted into lack of financial discipline prevalent in the department.

The matter was reported to the management during October 2019 to November 2019, Town Committee Old Hala replied that as per requirements, the office issued letter to GOS for appointment of sanitary workers and the permission was granted by the government. T.C Chamber stated that, expenditure was incurred in the best of public interest. But no documentary proof was submitted for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault and conducting inquiry in this regard, under intimation to audit.

3.2.3.22 Irregular advertisement in non-leading print media Rs 153.600 million

According to Regulation for Procurement of Works, SPPRA Notification No. Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Regulation-4.4 Cost of procurement over Rupees One Million: All procurements exceeding Rupees One Million

must be advertised on the Authority’s website as well as in the newspapers having wide circulation. The advertisement shall appear at least in three national dailies (English, Urdu and Sindhi).

During audit, it was observed that following offices of Hyderabad Division, floated Notice Inviting Tenders for different works worth of Rs 153.600 million, during financial year 2018-19, on SPPRA website, but failed to print in leading newspapers.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/ CODC Dadu	2	2018-19	119.600
2	Chairman/ TO, TC Pyaro Lund	6	2018-19	34.000
Total				153.600

Audit is of the view that non-advertisement NIT in leading newspapers resulted into weak financial and administrative management.

The matter was reported to the management during September 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular advertisement of NITs in non-leading newspapers, under intimation to audit.

3.2.3.23 Irregular expenditure by splitting - Rs 152.936 million

As per Rule 12(1) of SPPRA Rules 2010 “Save as otherwise provided and subject to the regulations made by the Authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan”.

Further as per Rule 17(1) of SPPRA Rules 2010 “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and may in print media in the manner and format prescribed in these rules”.

During audit, it was observed that various offices of Hyderabad Division, incurred expenditure of Rs 152.936 million, during financial year 2018-19, by way of splitting up of work in parts to avoid calling open tender. Detail is at provided at Annex-HYD6.

Audit is of the view that management split up work orders to avoid tenders resulted into non-achievement of competitive rates and constituted weak financial management.

The matter was reported to the management during June 2019 to November 2019, Municipal Committee Sehwan Sharif replied that no splitting or regrouping of works had been done and for such minor works tender was not required. MC Tando Muhammad Khan replied that to meet the emergency needs, works were performed through quotation. Town Committee Sita Road replied that expenditure under observation was neither planned nor included in annual procurement plan, therefore, it was managed through quotation locally. TC Kadhan replied that different work done on different dates, but cheque was issued on one date. However, replies were not tenable as no documentary proof was furnished for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for splitting up of work orders to avoid tender, under intimation to this office.

[AIR Paras: 9,3,5,7,3,4,5,7,5,6,1,5,8,11,6,9,7,3,2,5]

3.2.3.24 Provision of development budget without approval of development plan – Rs 140.000 million

As per Rule 47 (2) of the Sindh Council (Budget) Rules, 2017 “Where a Development Plan has been sanctioned development expenditure shall be provided in accordance with the provisions of the Development Plan and no development expenditure shall be provided in the Budget which is not provided in the Development Plan”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, included development budget of Rs 140.000 million, during financial year 2017-18, in budget prior to approval of Development Plan from competent authority. Detail is as under:

(Amount in rupees)

Head of Account	Date of approval of Budget	Date of Approval of Development Plan	Proposed Development Budget
Development Budget	31 st October 2017	Nil	140,000,000
Total			140,000,000

Audit is of the view that department failed to obtain approval of development plan from the competent forum resulting into non-transparency and weak financial management.

The matter was reported during June 2019, Municipal Committee Matli replied that in budget for the financial year 2017-18 a sum of Rs 140.00 million was provided for ADP schemes and development plan. MC Matli replied that, the budget of 2017-18 block allocation on of Rs 111,000,000 subsequently NIT for Rs 86,602,000. However, replies were not convincing due to non-production of original record for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not obtaining approval of development plan from competent authority prior to approval of budget, under intimation to audit.

[AIR Para: 15]

3.2.3.25 Non-clearance of liabilities – Rs 112.148 million

According to Finance Department, GoS O.M No.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

Further, according to Local Government Department, Government of Sindh, vide Letter No.SOA/LG/Misc/4(13)/2016 Dated: 22nd August 2016 Ban on Payment of Liabilities “ban on payment of all kind of liabilities is hereby imposed with immediate effect till further order” “All the Councils shall strictly follow the above instruction failing which stern disciplinary action shall be taken against defaulters”.

As per Honourable Judicial Commission (Water Commission) judgment dated 15-08-2018 “That all Local Government Municipal Corporation, Municipalities, Town Committees shall not engage contingency employees from now on. The OZT received by them shall be distributed to the regular employees and to all the pensioners, the remaining amount shall be utilized for water supply sewerage and fire brigade or for maintenance work wherever necessary”.

During audit, it was observed that following offices of Hyderabad Division failed to clear liabilities of Rs 112.148 million, during financial year 2018-19.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Mayor/ MC, Hyderabad Municipal Corporation	17	2018-19	52.000
2	Chairman/ CMO, MC Kotri	4	2018-19	15.688
3	Chairman/ CODC, Jamshoro	5	2018-19	5.972
4	Chairman/ TO, TC Thana Bula Khan	5	2018-19	2.334
5	Chairman/ TC, Bhan Sayedabad	5	2018-19	6.634
6	Chairman/ TO, TC, Mirpur Sakro	2	2018-19	29.520
Total				112.148

Audit is of the view that non-clearance of liabilities constituted weak financial management.

The matter was reported to the management during September 2019 to November 2019, Town Committee Bhan Saheedabad replied that salary & pension had been paid by defunct TMA Sehwan & TC Bhan received share of OZT only. District Council Jamshoro had replied that it had reserved an amount of Rs 7.900 million in the budget 2018-19. TC Thana Bola Khan replied that the amount had been settled in the revised budget 2018-19 Rs 0.906 million as it was kept budget estimate. However, replies were not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-clearance of liabilities, besides the same may be cleared, under intimation to audit.

3.2.3.26 Award of works without contract agreements – Rs 110.003 million

According to Para 89(c) of CPWD Code, The agreement with the contractors selected must be in writing and should be precisely and definitely expressed; it should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completed.

During audit, it was observed that following offices of Hyderabad Division, were awarded different development works amounting to Rs 110.003 million but failed to execute contract agreements, during financial years 2017-19.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Sehwan Sharif	8	2017-18	34.629
2	Chairman/TO, TC Bhit Shah	3	2017-18	10.400
3	Chairman/TO, TC Chambar	5	2017-18	8.000

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
4	Chairman/TO, TC Husri	2	2017-18	1.494
5	Chairman/ CODC, Dadu	5	2018-19	27.925
6	Chairman/ TO, TC Bhitshah	2	2018-19	22.455
7	Chairman/ TO, TC, Sultanabad	2	2018-19	1.100
8	Chairman/TO, TC, Sanjer Chang	2	2018-19	4.000
Total				110.003

Audit is of the view that execution of works without contract agreement resulted in non-safeguarding of Government interest was un-authorized, which constituted weak financial management.

The matter was reported to the management during August 2019 to November 2019, Municipal Committee Sehwan Sharif replied that the works been executed as per rules and after proper sanction the contract from the competent authority. However, replies were not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends to hold an inquiry for execution of work without contract agreement and fix responsibility, take appropriate action against person (s) at fault, under intimation to audit.

3.2.3.27 Unauthorized award of contract prior to seven days after hoisting of BERs – Rs 100.120 million

According to Rule 45 of SPP Rules, 2010, states that, “Procuring agencies shall announce the results of bid evaluation in the form of a report giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the procuring agency if its website exists and intimated to all the bidders at least seven (07) days prior to the award of contract”.

During audit, it was observed that following offices of Hyderabad Division, awarded work of Rs 100.120 million, during financial years 2017-19, to contractors on account of development schemes prior to counting of seven days after hoisting of BERs on SPPRA website.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Matli	6	2017-18	86.602
2	Chairman/TO, TC Shaheed Fazil Rahu	10	2017-18	1.374

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
3	Chairman/TO, TC Husri District Hyderabad	3	2017-18	1.144
4	Chairman/ TO, TC Thana Bula Khan	3	2018-19	11.000
Total				100.12

Audit is of the view that award of work prior to seven days after hoisting of BERs on SPPRA website constituted weak financial management and weak internal control.

The matter was reported to the management during June 2019 to September 2019, TC Thana Bola Khan replied that SPPRA Rule No. 45 had been amended and had been reduced to 3 days. M.C Matli stated that required procedure was followed properly there no visible variation. However, replies were not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work prior to seven days after hoisting of BERs on SPPRA website, under intimation to audit.

[AIR Paras: 6, 10, 3, 3]

3.2.3.28 Un-authorized expenditure with-out approval by the council Rs 96.043 million

As per Section 110 (1) of Sindh Local Government Act 2013, the council shall in prescribed manner, prepare and sanction before the commencement of each financial year a statement of its estimated receipts and expenditure for that year, hereinafter referred to as budget, and forward a copy thereof to the Government.

During audit, it was observed that Chairman/ Town Officer, Town Committee, Jati, District Sujawal, incurred an expenditure of Rs 96.043 million, during financial year 2017-18, on account of procurement of goods & services through quotations. However, management failed to show the minutes book, copy of approved decisions passed by the council with majority of votes& evidence of its reporting to government within prescribed time period, despite of requisition by the audit: contrary to the above rules. Detail provided as under:

[Amount in rupees]

Heads of account	Budget allocation	Expenditure	Excess / saving
Salary (Pay & Allowances)	60,000,000	59,533,250	466,750
Non-Salary (Contingency)	34,450,000	14,504,330	19,945,670
Development Expenditure	162,500,000	22,005,619	140,494,381
Other / Capital Purchase	4,900,000	-	-
Total	261,850,000	96,043,199	160,906,801

Audit is of the view that incurrence of expenditure without approval of the council stands un-authorized and unjustified, which constitutes weak administrative & financial management

The matter was reported to the management during August 2019, Town Committee Jati replied that the expenditure was approved in budget and was within budget allocation. However, no documentary proof was furnished for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized expenditure beyond competency, under intimation to audit.

[AIR Para: 11]

3.2.3.29 Non-lodging of FIR against theft record by Municipal Engineer Rs 86.602 million

As per Section 80 (1) (d) of the Sindh Local Government Act, 2013 “The Mayor or Chairman, as the case may be, shall have power in cases of emergency to direct the execution or stoppage of any work or the doing of any act which requires the sanction of Government or the Council, and the immediate execution or stoppage or doing of which is, in his opinion, necessary for the service or safety of the public and the action so taken shall forthwith be reported to Government or, as the case may be, to the Council at its next meeting; provided that he shall not act under this clause in contravention of any provision of this Act or order of the Council or Government”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, failed to lodge FIR against theft of NIT & MB files of development expenditure amounting to Rs 86.602 million, during financial year 2017-18, by the Assistant Executive Engineer. Further, the matter was not brought into the notice

of the Chief Executive of the council and entire process was between Chairman and Municipal Engineer that shows conflict of interest & raise questions over transparency. Detail is as under: -

(Amount in Rupees)

Sr.	Name of Certificates	Letter No.	Date	Amount
01	NIT & MB files of development schemes	M.CM.NO:72/2019	05-03-2019	86,602,409
Total				86,602,409

Audit is of the view that non-lodging of FIR against theft of record and conflict of interest between employee & public office holder constituted weak financial management & non-transparency over the expenditure.

The matter was reported to the management during June 2019, M.C Matli replied that, all record pertaining to NIT No.66 is available hence lodging of FIR is unwarranted. However, reply was not supported with documentary proof for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides inquiry may be conducted, under intimation to audit.

[AIR Para: 04]

3.2.3.30 Unauthorized award of auctions – Rs 55.631 million

According to Para XII of the Auction Guidelines Local Government Department, Government of Sindh, Notification Dated 3rd May, 2016 Possession: a). no council shall hand over the possession of Collection Rights to the contractor without approval / confirmation of the Government Competent Authority, b) Any violation of (a) shall render the Chief Executive of the concerned Council liable for strict disciplinary action under the relevant disciplinary rules as well as the Sindh Enquiries and Anti-Corruption Rules.

During audit, it was observed that following offices of Hyderabad Division, awarded different auctions of Rs 55.631 million, during financial years 2017-19, to different auctioneers without getting approval from Local Government Department.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Chambar	4	2017-18	20.009
2	Mayor/ MC, Hyderabad Municipal Corporation	21	2018-19	24.000

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
3	Chairman/ CMO, MC, Badin	3	2018-19	5.333
4	Chairman/ CMO, MC Hala	8	2018-19	6.027
5	Chairman/ TO, TC, Sann	5	2018-19	0.262
Total				55.631

Audit is of the view that award of auctions without obtaining approval from competent authority constituted weak administrative management controls.

The matter was reported to the management during September 2019 to November 2019, T.C chamber stated that, all the contracts were awarded after compliance of all codal formalities. However, replies were not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining of approval, under intimation to audit.

[AIR Paras: 4, 21, 3, 8, 5]

3.2.3.31 Irregular expenditure without inviting open tenders Rs 44.999 million

As per Rule-17(1) of SPPRA Rules 2010, "Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority's website and in print media in the manner and format prescribed in these rules".

During audit, it was observed that various offices of Hyderabad Division, incurred expenditure of Rs 44.999 million, during financial years 2017-19, without calling open tender. Detail is provided at Annex-HYD7.

Audit is of the view that by not calling tender management deprived the Government from achieving best competitive & economical rates.

The matter was reported to the management during 2019 to November 2019, T.C Chamber stated that no expenditure on account of any procurement incurred without observance of codal formalities. M.C Sehwan Sharif replied that the vehicles in question had been purchased directly from the company and there is no need for inviting tender as

per SPPRA rules. T.C Thari Muhabat stated that, this office had bifurcated from M.C Mehar on sept-2016 after that people were pressurizing to facilitate. T.C Radhan replied that, after separation of this T.C to M.C Mehar whole responsibility laid on sitting management. However, replies were not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not inviting open tender, under intimation to audit.

[AIR Paras: 13,7,6,2,13,4,1,7,12,7,3,4,11,7,9]

3.2.3.32 Unjustified outsourcing of sanitation work – Rs 43.631 million

According to Schedule-II, Part-II, (3) of Sindh Local Government Act 2013, “A Corporation, Municipal corporation or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse”.

During audit, it was observed that various offices of Hyderabad Division, incurred expenditure amounting to Rs 43.631 million, during financial years 2017-19, on hiring of sanitation staff & private machinery/vehicles instead of utilizing own staff, machinery & vehicles alongwith service of own sanitation staff for which they were employed and paid salaries.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Nasarpur	13	2017-18	1.733
2	Mayor/ MC, Hyderabad Municipal Corporation	25	2018-19	10.442
3	Chairman/ CMO/ MC, Dadu	1	2018-19	6.563
4	Chairman/ CMO, MC Johi	4	2018-19	3.452
5	Chairman/ CMO, TC Bhit shah	8	2018-19	2.225
6	Chairman/ CMO/ MC, Tando Muhammad Khan	4	2018-19	0.971
7	Chairman/ TO, TC Saeedabad District Matiari	6	2018-19	14.258
8	Chairman/ TO, TC, Bulri Shah Kaream	7	2018-19	2.176
9	Chairman/ TO, TC Saeedabad	5	2018-19	1.811
Total				43.631

Audit is of the view that management failed to utilize services of own staff &

machinery resulted into wastage of public money which constitutes weak administrative and financial management.

The matter was reported to the management during August 2019 to November 2019, M.C Tando M. Khan stated that, the sanitation staff is deployed to sweep/clean local streets & roads to collect waste. However, replies were not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified outsourcing of sanitation works instead of utilizing services of own staff & vehicles, under intimation to audit.

3.2.3.33 Irregular award of work in violation of government instructions Rs 42.100 million

As per notification No: SO (C-IV) SGA&CD/4-12/18(ii) with the approval of competent authority i.e Chief Secretary Sindh “Regional Level Transition Committees” is hereby constituted for the period of three months, in order to execute, facilitate and coordinate the smooth handing over/taking over if all the water supply, drainage schemes and RO/UF plants from local Government Department and/ or contractor(s) to public Health Engineering & Rural Development Department for implementation of judgment of supreme Court of Pakistan with the of Pakistan.

During audit, it was observed that Chief Municipal Officer, Municipal Committee Matli District Badin, awarded work valuing Rs 42.100 million, during financial year 2018-19, for all water supply drainage scheme. RO/UF plants had to be handed over to Public Health Engineering Department within 3 months (1st October to 30th December as per notification), but NIT called on 15 October 2018 work and awarded on 12-12-2018.

Audit is of the view that works were awarded in clear violation of government orders/ instructions which showed management clear disregard of government instructions and orders which constituted weak financial and administrative management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular expenditure, under intimation to audit.

[AIR Para: 18]

3.2.3.34 Irregular purchase of vehicles during ban period – Rs 40.651 million

According to Notification issued by Finance Department, Government of Sindh with the directives of Chief Minister, Sindh vide no. FD/B&E-1/2(360)/Ban/2012-13 dated 17-5-2013 that the ban was imposed by the Chief Minister for a. Procurement of vehicles of all categories & luxury items like air conditioners, furniture, computer etc from non-development budget.

During audit, it was observed that following offices of Hyderabad Division, purchased physical assets and vehicles amounting to Rs 40.651 million, financial year 2017-18, during ban period without approval of competent authority. Moreover, Rickshaws were purchased without calling tender and the same are not registered with Excise & Taxation Department.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Bulari	1	2017-18	29.018
2	Chairman/TO, TC Jamshoro	6	2017-18	10.500
3	MC, Municipal Committee, Bolhari	10	2017-18	1.133
Total				40.651

Audit is of the view that expenditure incurred on vehicles/rickshaws without approval from competent forum during ban period was irregular which constituted weak administrative and financial management.

The matter was reported to the management during May 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure on purchase of vehicles/rickshaws without obtaining approval from competent forum and without inviting open tender, under intimation to audit.

3.2.3.35 Un-authorized appointments of daily wages staff – Rs 39.099 million

According to Govt. of Sindh, Appointment, Promotion & Transfer Rules 1974 (11) “Initial appointment to the post in BPS-3 to 15 shall be made on the recommendation of the Departmental Selection Committee after the vacancies in these BPSs have been advertised in the newspaper. (16) Posts in BPS-1 and 2 shall ordinarily be filled on local basis”.

During audit, it was observed that following offices of Hyderabad Division, paid an amount of Rs 39.099 million, during financial years 2017-19, on appointment of daily wages employees without approval of competent authority, in contradiction to the above rule.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Matli	8	2017-18	2.880
2	Chairman/ CMO, MC Tando Allahyar	9	2018-19	0
3	Chairman/ CMO, MC Kotri	3	2018-19	3.645
4	Chairman/TO, TC, Kadhan	4	2017-18	1.620
5	Chairman/TO, TC Tando Bagho	13+16	2017-18	10.800
6	Chairman/TO, TC Jati	16	2017-18	9.120
7	Chairman/TO, TC Oderolal Station	7	2017-18	0
8	Chairman/TO, TC Bhit Shah	5	2017-18	4.245
9	Chairman/TO, TC Jamshoro	8	2017-18	3.324
10	Chairman/TO, TC Husri	8	2017-18	0.936
11	Chairman/ TO, TC Bhitshah	7	2018-19	5.220
12	Chairman/TO, TC, Tando Ghulam Hyder	4+12	2018-19	10.476
13	Chairman/ TO, TC, Sann	6	2018-19	29.808
Total				39.099

Audit is of the view that these appointments and expenditure incurred on these employees were irregular and constituted weak financial management.

The matter was reported to the management during June 2019 to October 2019, T.C Jati stated that, it had sanctioned strength of 120 sanitary workers viz 60 permanent & 60 daily wages. M.C Matli replied that, the labour was hired on local basis after seeking approval from government which was communicated. TC Kadhan replied that they have received approval letter from government. But no documentary proof was submitted for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

3.2.3.36 Unauthorized clearance of liabilities – Rs 35.568 million

According to Finance Department, GoS O.M No.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

Further, according to Local Government Department, Government of Sindh, vide Letter No.SOA/LG/Misc/4(13)/2016 Dated: 22nd August 2016 Ban on Payment of Liabilities “ban on payment of all kind of liabilities is hereby imposed with immediate effect till further order” “All the Councils shall strictly follow the above instruction failing which stern disciplinary action shall be taken against defaulters”.

During audit, it was observed that following offices of Hyderabad Division, paid an amount of Rs 35.568 million, during financial year 2018-19, on account of liabilities of previous year despite of ban and without approval by SLGD Sindh.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Mayor/ MC, Hyderabad Municipal Corporation	29	2018-19	4.716
2	Chairman/ CMO/ MC, Tando Muhammad Khan	7	2018-19	1.035
3	Chairman/ CODC, Badin	8	2018-19	22.199
4	Chairman/ TO, TC, Old Hala, District Matiari	1	2018-19	7.618
Total				35.568

Audit is of the view that management failed to observe procedures of financial discipline to safeguard the public money which constituted weak financial management.

The matter was reported to the management during September 2019 to November 2019, M.C Tando Muhammad Khan stated that, this office was getting OZT share from finance Department on monthly basis. T.C Old Hala replied that, office has got appropriate measures to pay all the liabilities of pay of previous year. However, replies were not supported with documentary proof to justify for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment of liabilities without approval by SLGD Sindh, under intimation to audit.

3.2.3.37 Unjustified approval of technical sanction of development works Rs 28.371 million

According to CPW Departmental Code Rules-56 “for each individual work proposed to be carried out, except petty works petty repairs and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for sanction of competent authority this sanction is known as the technical sanction to the estimate”.

During audit, it was observed that following offices of Hyderabad Division, advertised (NIT)Notice Inviting Tender of Rs 28.371 million, during financial years 2017-19, but technical sanction of detailed Estimate found unjustified.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO/TC Radhan Station	2	2017-18	24.995
2	Chairman/TO, TC Jamshoro District Jamshoro	10	2017-18	2.622
3	Chairman/ TO, TC, Mirpur Sakro	6	2018-19	0.754
Total				28.371

Audit is of the view that detailed estimates of works were prepared by Assistant Executive Engineer (BS-17) without delegated powers of Technical Works and the same was approved by D.G RDD Hyderabad resulted into weak financial management.

The matter was reported to the management during August 2019 to November 2019, T.C Radhan replied that, technical sanction was considered by RDD department on the special request of chairman of this council. However, reply was not supported with documentary proof for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified approval of Technical Sanction of rates within same date instead of evaluation/examination of rates as per prevailing market rates, under intimation to audit.

3.2.3.38 Irregular award of work to contractors not registered with Sindh Revenue Board – Rs 26.709 million

According to the Sindh Sales Tax on Services Act 2011 Section 24. Registration.— (1) Registration will be required for all persons who: (a) are residents; (b) provide any of the services listed in the Second Schedule from their registered office or place of business in Sindh; and (c) fulfill any other criteria or requirements which the Board may prescribe under sub-section (2).

During audit, it was observed that following offices of Hyderabad Division, awarded works/contracts amounting to Rs 26.709 million, during financial year 2017-18, to various contractors/suppliers not registered with Sindh Revenue Board (SRB).

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO/ MC Sehwan Sharif	4	2017-18	6.238
2	Chairman/ CMO, Bolhari	3	2017-18	20.471
Total				26.709

Audit is of the view that undue favor was extended to contractors not registered with SRB which constituted weak financial management.

The matter was reported to the management during May 2019, MC Sehwan Sharif replied that the contractors had got themselves registered with SRB. But no documentary proof of registration was submitted for verification. Moreover, CMO, Bolhari failed to provide departmental point of view till finalization of this report. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for awarding works/contracts to unregistered contractors/suppliers with SRB under intimation to audit.

3.2.3.39 Un-justified award of works - Rs 23.999 million

As per Section 116(7) of Sindh Local Government act-2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability

of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Chairman/Chief Municipal Officer, Municipal Committee, Tando Allahyar District Tando Allahyar, awarded different development works amounting to Rs 23.990 million, during financial year 2018-19, to different contractors. In this regard it was observed that bids were invited through tender notice No.MC/TDR/GEN/1901/2019 according to which bid opening date was scheduled on date d 21.03.2019 and second date will be as 08.04.2019. However, two different corrigendum's were issued mentioning two different dates of bid opening as 23.04.2019 (as mentioned in corrigendum published in daily Jang dated 19.03.2019) and as 08.04.2019 (as published corrigendum in daily Ibrat 19.03.2019). Detail is as under;

[Rupees in million]

Sr.	Name of Work	Name of Contractor/Supplier	Work Order	Sanctioned Cost
1	Supply of tractor towed mechanical sweeper machine 1	M/S Kissan Engineering	MC/GEN/TDR/400/2019 dated 20.05.2019	1.780
2	Supply of multifunction trolley	M/S Kissan Engineering	MC/GEN/TDR/399/2019 dated 20.05.2019	2.000
3	Supply of liveries to employees of grade 01 to 04	M/S Akhtar Hussain	MC/GEN/TDR/402/2019 dated 20.05.2019	1.960
4	Supply of Arm Roll Refusal Van 02	M/S Meraj Limited	MC/GEN/TDR/388/2019 dated 15.05.2019	12.000
5	Supply of 25 Nos garbage container for aram roll 05 tons	M/S Meraj Limited	MC/GEN/TDR/388/2019 dated 15.05.2019	6.250
Total				23.990

Audit is of the view that variation in date of bid opening meeting resulted into un-justified award of works which constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for un-justified award of works, under intimation to audit.

[AIR Para: 2]

3.2.3.40 Irregular expenditure on salary of establishment - Rs 23.797 million

According to SFR, Rule 68, “When the entertainment of a new establishment or a change, temporary or permanent, is proposed in an office, a letter fully explaining the proposal and the conditions which have given rise to them, together with the proposition statement, if necessary, under Para-III, should be submitted to the competent authority. In this letter should be set out inter alia, details of the pay of the post or posts and the number of posts which it is proposed to add or modify.”

During audit, it was observed that Chairman/Town Officer, Town Committee Jamshoro, incurred expenditure of Rs 23.797 million, during financial years 2016-18, on salary of establishment. Details are as under:

[Amount in rupees]			
S.N.	Head of A/c	FY	Expenditure
1	Salary of Staff	2016-17	5,378,661
2	Salary of Staff	2017-18	18,418,685
Total			23,797,346

Following irregularities were noticed

- Approved Sanctioned strength of staff was not found available
- Establishment Check Register (ECR) was improperly maintained
- Proper posting & distribution of staff was not found in the office
- Over Writing, Cutting found in the service Books of the staff
- Over-age officials were appointed without age relaxation.
- Doubtful Mandatory documents (eg. Medical fitness Certificate, NIC, Appointment order, posting order etc) were attached in personal files & service Books
- Excess appointment was made beyond the need of Town committee (e.g 24 Junior Clerks were drawing salary from TC Pay roll)

Audit is of the view that payment of salary to the staff without following prescribed procedure resulting into non-transparency in recruitment. Further, audit cannot authenticate the veracity of bonafide government officials in the absence of valid documents/justification.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed on the person(s) at fault, besides inquiry may be initiated at the earliest, under intimation to audit.

[AIR Para: 16]

3.2.3.41 Irregular expenditure without supporting vouchers Rs 20.593 million

As per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with government for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that following offices of Hyderabad Division, incurred expenditure of Rs 20.593 million, during financial years 2017-19, but supporting vouchers i.e record/details were not found available in relevant files to justify the expenditure.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Bhit Shah	7	2017-18	1.330
2	Chairman/ CMO, MC Tando Allahyar	8	2018-19	18.267
3	Chairman/ CMO, MC, Badin	4	2018-19	0.296
4	Chairman/ CMO, MC, Matli	14	2018-19	0.700
Total				20.593

Audit is of the view that expenditure without availability of supporting vouchers, record and details resulting into irregular expenditure which constituted weak financial management.

The matter was reported to the management during September 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault responsible for irregular expenditure without supporting record/details, under intimation to audit.

3.2.3.42 Non-imposition of penalty on delayed works- Rs 16.176 million

According to agreement made between contractor and Government, “the time frame given for the completion of work is required to be observed and in case of failure/ delay, the penalty at the rate of 10% of sanctioned cost may be imposed and deducted from the bill of contractor”.

During audit, it was observed that following offices of Hyderabad Division,

executed development works, but the contractors did not complete the said works within stipulated time period. Further, penalty/liquidated damages amounting to Rs 16.176 million, during financial year 2018-19, was not imposed/recovered from the contractors.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/ CMO MC Dadu	2	2018-19	3.922
2	Chairman/ CMO MC Johi	2	2018-19	2.214
3	Chairman/ CODC Thatta	9	2018-19	5.690
4	Chairman/ CODC Dadu	10	2018-19	4.100
5	Chairman/ TO TC Sultanabad	4	2018-19	0.250
Total				16.176

Audit is of the view that undue favor was extended to contractors by not imposing penalty which constituted weak financial and administrative management.

The matter was reported to the managements during September 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not imposing penalty on late execution and completion of work.

3.2.3.43 Execution of works without availability of funds – Rs 14.529 million

According to SPPRA, procurement regulations (works) rule 2.21 (iv) states that “Procuring Agency/ Committee shall not invite bids for development works, unless funds are either released or anticipated to be released before award of contract”.

During audit, it was observed that Town Officer, Town Committee, Bulri Shah Karim District Tando Muhammad Khan, invited bids of Rs 19.116 million, during financial year 2018-19, against several development works but failed to initiate / complete several woks of Rs 14.529 million due to non-availability of funds.

Audit is of the view that the management failed to observe prescribed procedure set forth by Government, which constitutes weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of

meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for inviting bid of works without availability of funds, under intimation to audit.

[AIR Para: 10]

3.2.3.44 Unjustified refund of security deposit – Rs 14.041 million

According to Section 39 (3) of SPPRA Rules 2010, Validity of performance security shall extend at least ninety days beyond the date of completion of contract to cover defects liability period or maintenance period subject to final acceptance by the procuring agency.

During audit, it was observed that following offices of Hyderabad Division, refunded security deposit amounting to Rs 14.041 million, during financial years 2017-19, from Octori Zila Tax (OZT) share without availability of balance. Further, no separate deposit fund account was maintained for security deposit and call deposit from which genuine payment cannot be ascertained.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Tando Bagho	12	2017-18	11.029
2	Chairman/TO, TC Chambar	11	2017-18	1.966
3	Chairman/ TO, TC, Sann	8	2018-19	1.046
Total				14.041

Audit is of the view that payment of security deposit from OZT share without balance and availability of budget constituted weak financial management.

The matter was reported to the management during June 2019 to November 2019, T.C chamber stated that, all payments on account of refund of security deposits were made after compliance with all codal formalities. However, no documentary proof was furnished for verification. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment of security deposit from OZT share without availability of balance and budget, besides reconciliation of entire amount, under intimation to audit.

3.2.3.45 Irregular award and execution of work in violation of SPPRA rules Rs 12.350 million

According to Sindh Public Procurement Rules, 2010 Rule 2(x) “Mis-procurement” means public procurement in contravention of any provision of Sindh Public Procurement Act, 2010, any rule, regulation, order or instruction made there under or any other law in respect thereof, or relating to, public procurement”.

During audit, it was observed that Chairman/Chief officer, District Council, Tando Allahyar, awarded work of Rs 12.350 million, during financial year 2018-19, “sanitation work from the limits of district council Tando Allahyar (rural areas) 26 UCs w.e.f 15.09.2018 to 30.06.3019” to M/S S.M Labour Constructor. In this regard following observations were noted;

- i. NIT was not published in at least three widely circulated leading dailies of English, Urdu & Sindhi language in terms of Rule-17(1A) & (2) of SPP Rules, 2010 (amended 2017).
- ii. Legible copy of eligibility criteria in the bidding documents was not attached
- iii. Performance security in terms of Rule-39 was not maintained.
- iv. Observations generated by the system were not rectified.
- v. The Procuring agency is required to pay web-hosting charges as per revised rates notified vide letter dated 18th May, 2018 in shape of pay order / demand draft / cheque in the name of Director, Sindh Public Procurement Regulatory Authority.

Audit is of the view that award of works in violation of SPPRA rules resulted into irregular and unauthorized award of work which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of work, in violation of SPPRA rules, under intimation to audit.

[AIR Para: 09]

3.2.3.46 Unauthorized procurement of materials – Rs 10.096 million

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that following offices of Hyderabad Division, incurred expenditure of Rs 10.096 million, during financial years 2017-19, on procurement of various items.

[Rupees in million]					
Sr.	Description	Office	Year	Para	Amount
1	Electric equipment	T/C Jamshoro	2016-18	12	7.081
2	Hand Trolleys for sanitation purpose	T/C New Saeedabad	2018-19	4	0.104
3	Sanitation material	MC Hala	2018-19	4	1.222
4	Street light material	MC Hala	2018-19	3	1.689
Total					10.096

Following irregularities were pointed out.

- Proper detail Planning map was not provided
- Indent/demand and distribution was not available.
- Purchase made without constitution of procurement committee.
- Purchases were made on quotation basis
- Number of purchased Lights, Savors, Bulbs, Wires etc was not provided
- Location for installation of purchased electric material was not indicated
- Officer was not deputed to monitor the installation / usage of electric material
- Purchases of hand trolleys for sanitation purpose were made without issuing work orders
- Consumption of hand trolleys/electric material and sanitation materials not provided
- Inspection of street lights/sanitation material for ascertaining their quality and quantity was not carried out by inspection committee.
- Hand trolleys, manhole covers and groomer with required material and electric material was frequently purchased after short intervals without requisition and indent.
- Electric material was purchased from suppliers without electric license.
- Purchases were made on exaggerated rates.
- Warranty cards of savers and lights were not available thus the genuineness of purchase cannot be authenticated.
- Purchased material was not accounted for in relevant stock register as per Government instructions
- Material purchased without company rate list, without showing disposal of old material and guarantee/warranty cards

- Street lights were not purchased from competitive distributors and whole sellers but these were supplied in paper by government contractors.

Audit is of the view that expenditure incurred on account of purchase of street light material without codal formalities unjustified and resulted into non-transparency in public spending which constitutes weak financial management.

The matter was reported during September 2019 and October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) for unjustified purchases without codal formalities, under intimation to audit.

3.2.3.47 Non-execution of works by the contractors - Rs 5.000 million

As per Clause II of the contract agreement, “The time frame given for completion of the work is required to be observed and in case of failure/delay, penalty at the rate of 10% may be imposed on the total cost of the work”.

During audit, it was observed that Chairman/Town Officer, Town Committee, Odero Lal Station, District Matiari, invited tenders for works/ schemes costing to Rs 5.000 million, during financial year 2018-19, and works were awarded to various contractors in February 2019, but said schemes/works were not executed till close of financial year. Detail is as under.

[Amount in rupees]

S #	Name of Scheme / Work	Est Cost	W # & Date	Paid up to 30.06.2019	Balance
1	Construction of CC paver from Jamia Masjid to Maghwar Muhalla, Oderolal Station	1,000,000	223/ 06.02.2019	0	1,000,000
2	Construction of CC paver from Abdullah Hotel to Makrani Muhalla, Oderolal Station	1,000,000	224/ 06.02.2019	0	1,000,000
3	Construction of CC paver from Otaq Mitha Khan to Channa Muhalla, Oderolal Station	1,000,000	225/ 06.02.2019	0	1,000,000
4	Construction of CC paver from Old Otaq Raees Peerano Chhutto to Otaq Mitha Khan, Oderolal Station	1,000,000	228/ 06.02.2019	0	1,000,000
5	Construction of C.C block & Surface drains at village Kareemdad Ghanghlo Ward # 01.	1,000,000	233/ 06.02.2019	0	1,000,000
		5,000,000	-	-	5,000,000

Audit is of the view that due to non-execution of works public was deprived of benefits of development schemes which constitute weak internal control.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends investigation of the matter and fixing of responsibility against the official(s) at fault, under intimation to audit.

[AIR Para: 03]

3.2.3.48 Unjustified expenditure incurred on POL by recording fictitious log books of fire brigade and without reported fire cases Rs 4.388 million

As per Government of Sindh Notification # FD (B&E-IV) 2(55)/2002, Dated: 18th March 2002, “Check that effective check was exercised on speed meter / odometer reading, quality of fuel and consumption per gallon liter.”

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, failed to record meter reading in Log Book and drew fixed liters of POL persistently and incurred expenditure of Rs 4.388 million, during financial year 2018-19, on POL of Fire Brigade vehicles but failed to justify the expenditure by providing record of reported fire emergency cases. Detail is as under:

Sr.	Name of Payee	Cheque No:	Date	Amount	Remarks
1	M/s Uneek Service Station Hyd	24459121	17.08.2018	939,157	Fire Brigade (June 18 to July 18)
2	-do-	24459125	05.09.2018	528,517	Fire Brigade (Aug 18)
3	-do-	24459206	29.10.2018	459,930	Fire Brigade (Sep 18)
4	-do-	25473397	31.12.2018	566,615	Fire Brigade (Oct 18 to Nov 18)
5	-do-	26530153	21.03.2019	795,406	Fire Brigade (Dec 18 to Feb 19)
6	-do-	26610365	09.04.2019	273,410	Fire Brigade (Mar 19)
7	-do-	26610450	09.05.2019	457,114	Fire Brigade (April 19)
8	-do-	25967135	21.06.2019	367,665	Fire Brigade (May 19)
Total				4,387,814	
Amount in million				4.388	

Audit is of the view that management mentioned millage as defected in the log books to conceal the actual consumption of POL and expenditure on POL of Fire Brigade without reported emergency cases resulted into misappropriation of public funds which

constitutes weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of unjustified & doubtful expenditure on POL of fire brigade without record meter reading in Log Book of the vehicles and reported fire/emergency cases under intimation to audit.

[AIR Para: 30]

3.2.3.49 Unjustified award of development works without signatures on contract agreements - Rs 3.826 million

According to Para 89(c) of CPWD Code, “The agreement with the contractors selected must be in writing and should be precisely and definitely expressed; it should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completed”.

During audit, it was observed that Chairman/ Town Officer, Town Committee, Jati District Sujawal, awarded different development works of Rs 3.826 million, during financial year 2017-18, without signature of Chief Municipal Officer and contractor on contract agreements on prescribed format i.e. judicial stamp paper before execution of works.

Audit is of the view that award of works without signatures of competent authority and contractor on contract agreement resulted into un-justified and irregular award of work which constituted weak financial management.

The matter was reported to the management during November 2019, T.C Jati stated that, all agreements contain signatures of contractor & were signed by the chairman. However, replies were not supported with documentary proof for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified and irregular award of works, under intimation to audit.

[AIR Para: 3]

3.2.3.50 Irregular distribution of sewing machines & hand pumps – Rs 3.735 million

According to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that following offices of Hyderabad Division, incurred expenditure of Rs 3.735 million, during financial years 2017-19, on purchase of sewing machines and hand pumps for distribution to poor & needy persons.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Jamshoro	13	2017-18	1.199
2	Chairman/ TO, TC Saeedabad	2	2018-19	2.536
Total				3.735

Following irregularities were noted:

- i. Application or request performa was not found for the authenticity of demand
- ii. NIC copy of the applicant not found on the record
- iii. Non-verification / genuineness of the claim from the Influential / Notable / Revenue department of the area was attached.
- iv. Neither any list of the poor persons was approved /discussed with higher authorities nor in council meetings
- v. Receipt was not taken from the applicant while handing over the Hand Pumps
- vi. Documentary proof was not taken from the applicant for proper usage of the machinery
- vii. Non-verification by the concerned officer/officials of TC for proper use of the Sewing Machines
- viii. All machines were purchased on quotation basis
- ix. Quality & physical inspection was not observed by inspection committee

Audit is of the view that management failed to comply with the rules set forth by the government, which reflects the absence of systematic internal prevalent in the department.

The matter was reported to the management during October 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular & unauthorized distribution of sewing machines, under intimation to audit.

3.2.3.51 Irregular award of works without obtaining performance security from contractors – Rs 2.399 million

According to Sindh Public Procurement Rules, 2010 Rule 39, Performance security, “(1) Procuring Agency shall, in all procurement of goods works and services, carried out through open competitive bidding, require security in the form of pay order or demand draft or bank guarantee, an amount sufficient to protect the procuring agency in case of breach of contract by the contractor or supplier or consultant provided that the amount shall not be more than 10% of contract price”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Tando Allahyar, awarded different works of Rs 23.990 million, during financial year 2018-19, without obtaining performance security of Rs 2.399 million from contractors. Detail is as under:

[Amount in rupees]

Sr.	Name of Work	Name of Contractor/Supplier	Work Order	Sanctioned Cost
1	Supply of tractor towed mechanical sweeper machine 1	M/S Kissan Engineering	MC/GEN/TDR/400/2019 dated 20.05.2019	1,780,000
2	Supply of multifunction trolley	M/S Kissan Engineering	MC/GEN/TDR/399/2019 dated 20.05.2019	2,000,000
3	Supply of liveries to employees of grade 01 to 04	M/S Akhtar Hussain	MC/GEN/TDR/402/2019 dated 20.05.2019	1,960,000
4	Supply of Arm Roll Refusal Van 02	M/S Meraj Limited	MC/GEN/TDR/388/2019 dated 15.05.2019	12,000,000
5	Supply of 25 Nos garbage container for aram roll 05 tons	M/S Meraj Limited	MC/GEN/TDR/388/2019 dated 15.05.2019	6,250,000
Total				23,990,000
Performance security				2,399,000

Audit is of the view that management failed to safe guard public interest and extended undue favour to contractors which constituted weak financial management

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining of performance security from contractors, under intimation to audit.

[AIR Para: 11]

3.2.3.52 Irregular award of work earth filling/level - Rs 2.001 million

According to Sindh Local Councils (Accounts) Rules, 1983, Rule-108, stated that “The estimate in form 83 shall consist of all papers to be submitted in respect of work more specifically including a report a specification and a detailed estimate of measurement, quantities and rates with an abstract showing the total estimated cost of each item. The estimate shall always be prepared in detail. No lump sum provision shall be made in the estimate. No work shall begin unless proper detailed design and estimate have been sanctioned”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, awarded various works of Rs 2.001 million, during financial year 2018-19, to contractor of Earth Filling/ Leveling at various places through quotations, without estimation of work in detail which includes a report of specification and detailed estimate of measurement, quantities and rates with an abstract showing the total estimated cost of each item.

Audit is of the view that without preparation of detailed estimate the chance of utilization of untested/substandard earth cannot be ignored which constituted weak financial management.

The matter was reported during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of work without estimation of work in detail, under intimation to audit.

[AIR Para: 09]

3.2.3.53 Unjustified payment against un-tested material - Rs 1.996 million

According to Order No.DB/General/1355/of 2016 Hyderabad, dated: 26-09-2016, regarding Testing of various Component i/e Execution of Water Supply & Drainage Schemes, Para-01, states that “It has been observed that Monitoring & Evaluation Cell of Planning & Development Department often raises observations regarding non-testing of following components: (1) R.C.C. Works, (2) C.C. Works, (3) Pipes, (4) P. Machinery (verification & testing). Further, ibid Para-02 stats that “You are therefore requested to instruct field offices to get tested above items from recognized

laboratories to assure quality of works executed before making payment”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee, Matli, District Badin, awarded work of Rs 1.996 million, during financial year 2018-19, but failed to get tested of Pipes from recognized laboratory to ensure quality of work executed before making payment to contractors.

Audit is of the view that without testing of material used resulted into irregular payment to contractor and weak financial management. Besides, chance of substandard material cannot be ruled out.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular payment to contractors without testing report of material, under intimation to audit.

[AIR Para: 11]

3.2.3.54 Irregular expenditure without comparing market rates Rs 1.775 million

According to Rule-16. Alternate Methods of Procurements (1) A procuring agency may utilize following alternative methods of procurement of goods, services and works, namely: (a) Request for Quotations (i) request for quotation is the method based on comparing price quotations obtained from at least three suppliers, contractors, and service providers.

During audit, it was observed that Chief Municipal Officer, Municipal Committee Dadu, incurred an expenditure of Rs 1.775 million, during financial year 2018-19, on account of purchase of parts of R.O Plant without obtaining at least three quotations to compare market rates.

Audit is of the view that non-observance of the SPPRA rules resulted into undue favor extended towards selected supplier/contractor which constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular procurement without obtaining at least three quotations to compare rates, under intimation to audit.

[AIR Para: 11]

3.2.3.55 Purchase of vehicle tyres without approval of chairman Rs 1.432 million

According to rule 2(q)(2) of SPPRA, “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain”. Further, according to Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that Chairman / Chief Municipal Officer, Municipal Committee, Hala, incurred an expenditure of Rs 1.432 million, during financial year 2018-19, on account of purchase of various vehicle tyres without approval of chairman of the Municipal Committee. Following observations were noted:

- i. Indent/demand and distribution was not available.
- ii. Tyres Purchases were made through quotations by splitting into parts
- iii. Disposal of old scrape was not shown.
- iv. Purchase made without constitution of procurement committee.
- v. Warranty cards of tyres were not available thus the genuineness of purchase cannot be authenticated.
- vi. Consumption of the same were not produced which cause suspected embezzlement of Govt. funds.
- vii. Inspection of tyres for ascertaining their specification, quality and quantity was not carried out by inspection committee.
- viii. Tyres were frequently purchased for same vehicle after short intervals.
- ix. Tyres purchased without company rate list, without showing disposal of tyres.

- x. Tyres were not purchased from competitive distributors and whole sellers but these were supplied in paper by government contractors without valid registered license from SRB.

Audit is of the view that expenditure incurred on account of purchase of tyres is unjustified and resulted into non-transparency in public spending which constitutes weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) for purchase of vehicles tyre without approval from competent form, under intimation to audit.

[AIR Para: 09]

3.2.3.56 Wasteful expenditure on de-silting, encroachment, garbage and excavator – Rs 1.294 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Chief Municipal Officer, Municipal Committee Matli, District Badin, executed work of Rs 1.294 million, during financial year 2018-19, to contractor of silt clearance of khad/drainage, encroachment, garbage and excavator by outsourcing instead of utilization of own staff for which they are appointed and paid.

Audit is of the view that management failed to utilize services of own staff resulted into wastage of public money on outsourcing of sanitation to contractor which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of

meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified expenditure on outsourcing of sanitation work in spite of utilization of own sources/staff, under intimation to audit.

[AIR Para: 10]

3.2.3.57 Excess consumption of POL beyond entitlement - Rs 1.143 million

According to Government of Sindh, S&GAD No.CTC(S&GAD)5(238)/97 dated: 05-04-1997 (ii) All officers in BPS: 19 and 20 like Head of attached Departments/Regional Heads or equivalent in Autonomous Bodies/Corporations and Deputy Commissioners to use 1000 cc locally manufactured car.(iii)All officers pertaining to field duties in BPS:17 and 18 not included in above said categories who are otherwise entitled to Government vehicles to use 800 cc cars/Suzuki Jeep.

During audit, it was observed that following offices of Hyderabad Division, incurred expenditure of Rs 1.143 million, during financial year 2018-19, on account of POL charges beyond official entitlement of officers.

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/ CODC, Tando Muhammad Khan	6	2018-19	0.423
2	Chairman/ CODC Tando Allahyar	3	2018-19	0.720
Total				1.143

Audit is of the view that consumption of POL beyond the admissible entitlement resulted into mis-utilization of public resources which constituted weak financial management.

The matter was reported to the management during September 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for excess consumption of POL beyond their admissible entitlement, beside, excess payment of POL may be recovered from the concerned, under intimation to audit.

3.2.3.58 Un-authorized hiring of Legal Advisor – Rs 1.040 million

Para 01 (1) of the Law Department, Government of Sindh Notification No.S.GENL:5-217/78 (N) 33 dated 26-07-1980, states that, “Whenever any vacancy in the legal Adviser’s post is required to be filled, the concerned Department/Council or organization shall send such requisition to the Law Department specifying therein the relevant data as to nature of assignment, financial and other fringe benefits it carries and the tenure for which the appointment is to be made” and in continuation of above letter No.S.GENL:5-22/2011/712 dated 18-04-2011.

During audit, it was observed that following offices of Hyderabad Division, incurred expenditure of Rs 1.040 million, during financial years 2017-19, on hiring of Legal Advisor without consultation of Law Department, GoS, Publishing of NITs and Pre-qualification.

[Rupees in million]				
Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC, Badin	14	2017-18	0.640
2	Chairman/ TO, TC, Sann	9	2018-19	0.400
Total				1.040

Audit is of the view that hiring of Legal Advisor without consultation of Law Department, GoS, Publishing of NITs and Pre-qualification, constituted weak financial management.

The matter was reported to the management during June 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for hiring of Legal Advisor without consultation of Law Department, GoS, Publishing of NITs and Pre-qualification, under intimation to audit.

3.2.3.59 Irregular out of turn promotion and posting/absorbing against non-cadre post in violation of Honourable Supreme Court orders

According to Government of Sindh, Local Government Department, Karachi vide Circular No.SOV/(LG)/9-45/2015 Dated: 4th February, 2016 “Compliance of Honourable Supreme Court of Pakistan order in Criminal Petition No.89/2011 Dated: 12-

06-2013 and Civil Petition No.913/2013” Para-1 “ In continuation to this department’s letter of even number dated 05-02-2016 and 31-01-2016 on the subject mentioned and to state that the Honorable Supreme Court of Pakistan at Islamabad has taken strict cognizance on dated 02-02-2016 for non-compliance of its judgment in Criminal Original Petition No.89/2011 dated: 12-06-2013 and Civil Review Petition No.193/2013. Para-2 “In view of emerging position, all Deputy Commissioner/Controlling Authority of District Councils / Municipal corporations are directed to ensure that no officer/official is working on OPS/Ex-cadre post(SCUG/Non-SCUG)/Out of Turn Promotion/Deputation and Absorption basis in any Council of the Province of Sindh. If any officer/official found working in violation of the Judgment of the Honorable Supreme Court should immediately be relieved under intimation to this department.

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, failed to discontinue and revert against non-cadre/out of turn promotions of various employees in light of Judgment of Honorable Supreme Court as management discontinued non-cadre promotions by reverting only 11-Employees keeping in view of orders of Government of Sindh, Local Government Department vide Letter No.SO-III(LG)/1-32/2018 dated 5th September 2018 instead of taking same action against other employees who were also promoted in HMC, in violation of Honorable Supreme Court of Pakistan orders passed in criminal petition No.89/2011 dated 12-06-2013. Moreover, it was also observed that management failed to submit comprehensible scrutiny report to Government of Sindh relating to the case of promotions, up-gradation and absorption without any discrimination/concealing.

Audit is of the view that HMC management violated Honorable Supreme Court Orders and allowed promotion to non-cadre and absorption against cadre on nepotism basis, which constitutes weak administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-compliance of orders of honorable Supreme Court of Pakistan, under intimation to audit.

[AIR Para: 02]

3.2.3.60 Irregular promotions of employees in out of cadre without recommendation of promotion committee

As per rule 13 (1) of Sindh Local Councils employees (services) Rules 2017 that “Promotion to all posts shall be made on the recommendations of promotion committee.” Further, as per Rule 13 (2) of Sindh Local Councils employees (services) Rules 2017 that “Appointment by promotion shall be made on the basis of seniority-cum-fitness, but in the case of selection post the promotion will be made on the basis of merit.”

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, promoted seven (07) employees out of cadre/absorbed without recommendations of promotion committee on the basis for better services benefits i-e pension and gratuity to the benefit of particular persons, in the financial year 2018-19. Detail is as under:

Sr.	Name of Employee	Working in Grade & design	Promoted in Grade & design	Office order No. & date	Remarks
1	Kareem Khan Ghori S/O Muhammad Ramzan	Assistant (BS-16)	Planning Officer (BS-17)	G/371/2018 10/08/2018	Promoted in out of cadre without DPC and as per rule
2	Muhammad Iqbal Khan S/O Abdul Ghafoor	Work Mistary (BS-05)	Senior Clerk (BS-14)	G/180/2019 08/04/2019	-do-
3	Arif Jani S/O Boota Masih	Muccadam (BS-03)	Sanitary Inspector (BS-05)	G/54/2019 21/02/2019	-do-
4	Saeed Ahmed Qureshi	Fireman BS-03	Supervisor BS-07	G/117/2019 29/03/2019	Promoted without DPC and as per rule
5	Umardraz S/O Ghos Muhammad	Naib Qasid BS-02	Muccadam (BS-03)	G/194/2019 10/05/2019	-do-
6	Shujauddin Rajput S/O Naseeruddin Rajput	Junior Clerk (BS-11)	Senior Clerk (BS-14)	G/195/2019 10/05/2019	-do-
7	Muhammad Abrar Khan S/O Muhammad Ibrahim Khan	Senior Clerk (BS-14)	Assistant (BS-16)	G/193/2019 10/05/2019	-do-

Audit is of the view that management promoted illegally seven (07) employees without following Government rules and procedures resulted into loss to Government on account of huge payment made on illegal promotions for the benefit of personal benefit of particular persons which constitutes weak financial as well as administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of

meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that prompt enquiry may be initiated and fixing of responsibility on person (s) at fault, under intimation to audit.

[AIR Para: 03]

3.2.3.61 Irregular rented & allotment of staff quarters to outside the fire brigade department

As per Para 11 of Finance Department, Government of Sindh's O. M. No. FD (SR-IV)-I (12)/77 dated 13-05-1977, "The H.R.A. is not admissible to whom accommodation is provided by government and house rent maintenance charges shall be recovered @ 5% of the basic pay of an employee".

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, staff quarters of Fire Brigade Department were illegally rented to the outsiders / non-employed of HMC. Unauthorized allotment to the employees outside the fire brigade department and also possessed by the retired employees since along without proper justification, during financial year 2018-19.

Audit is of the view that management failed to take of serious notice against illegal rented, unauthorized allotment and possession/control of staff quarters of fire Brigade department which constitutes weak administrative and financial management.

The matter was reported during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that serious actions may immediately be taken to remove illegal occupancy / possession of staff quarters of Fire Brigade department, under intimation to audit.

[AIR Para: 04]

3.2.3.62 Non-availability of proper disposal of solid waste in Hyderabad

As per Part - II Compulsory Functions; functions to be performed by corporations, other than metropolitan corporation municipal committees and town committees; Rule 3 of the Local Government Act 2013, "Removal, Collection and Disposal of Refuse:- A Corporation, Municipal Committee or Town Committee shall

make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse.

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, lifted and dumped solid waste without availability of land for Landfill site (LFS) and also failed to establish / obtain permission for LFS and Garbage Transfer Stations (GTS) in Hyderabad for proper disposal of solid waste, in the financial year 2018-19.

Audit is of the view that the management lifted and dumped solid waste without availability of LFS and GTS and expenditure on account of POL on sanitation purpose were unjustified and suspicious, which constitutes weak financial and administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that prompt action should be taken to establishment LFS & GTSs in Hyderabad for efficient operations and core function of department for the safety and health of general public under intimation to audit.

[AIR Para: 12]

3.2.3.63 Non-compliance of Government orders for conducting DPC in HMC

According to the Notification issued by Local Government Department, Government of Sindh vide No. SO-III(LG)/1-32/2018 Karachi, dated the 8th September 2018 on subject matter; “Illegal / out of turn promotions of cadre etc in HMC Hyderabad”, directed that in compliance of Honorable Supreme Court of Pakistan order and Civil Petition No.913/2013 and on the recommendation of enquiry report submitted by Additional Secretary (Admn), irrigation department received through Registrar Judicial Commission (Water Commission) and in light of minutes of meeting held on 29-08-2018 under the Chairmanship of Commissioner, Hyderabad Division, promotions of various officers / officials of HMC Hyderabad made in violation of rules have been cancelled / repatriated on their original posts vide this department’s notification of even number dated 05th September 2018.

During audit, it was observed that Mayor / Municipal Commissioner, Hyderabad Municipal Corporation, failed to comply Government orders to constitute a Departmental Promotion Committee (DPC) within the period of one month. Again and again Government also issued letters on the same subject vide of even number dated 8th November 2018, 18th January 2019 & 23rd May 2019 but HMC management failed to comply Government Orders time to time by showing non-serious attitude on the subject matter resulted into non-compliance of Government orders, in the financial year 2018-19.

Audit is of the view that HMC management violated Government Orders in light of non-compliance Honorable Supreme Court Orders resulted into contempt of Honorable Supreme Court Orders which constitutes weak administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that prompt enquiry may be initiated and fixing of responsibility on person (s) at fault for non-constitution of DPC, under intimation to audit.

[AIR Paras: 13]

3.2.3.64 Unjustified expenditure on account of repair & maintenance of vehicles

As per Section 116(7) of Sindh Local Government act-2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Chairman/Town Officer, Town Committee, Jati District Sujawal, incurred an expenditure on repair of vehicle but the payment made without completing the following codal formalities.

- History sheet of repair of the vehicles was not maintained to justify the repair work.
- Work orders were split up.

- Purchase material was not accounted for.
- Obsolete material was neither accounted for nor auctioned.
- Huge expenditure on various vehicles was incurred at once which comes doubtful.

Audit is of the view that expenditure incurred without details and record of repair on history sheet constituted weak financial management.

The matter was reported to the management during August 2019, T.C Jati replied that, a portion of log book is maintained for recording history. But no documentary proof was submitted for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of unjustified expenditure repair & maintenance of vehicles, under intimation to audit.

[AIR Para: 19]

CHAPTER-IV
MIRPURKHAS DIVISION

4.1 MIRPURKHAS DIVISION

4.1.1 INTRODUCTION

Mirpurkhas Division comprises 03 Districts namely Mirpurkhas, Tharparkar and Umerkot. Each District Council / Municipal Committee / Town Committee in Mirpurkhas Division is headed by Chairman / Chief Officer / Chief Municipal Officer/ Town officer who carries out operations as per Sindh Local Government Act 2013. The functions of Municipal / Town Committees are as following:

1. Prepare special plans for the town, including plans for land use, zoning and functions for which Municipal/Town Committees are responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing Municipal/Town Committees functioning.
4. Prepare budget, long term and annual municipal development programs in collaboration with the Union Councils.
5. Collect approved taxes, cess, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Municipal Corporation/Committees.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

4.1.2 Comments on Budget and Accounts (Variance Analysis)

[Rupees in million]

Sr.	Formation	Particulars	Budget	Expenditure / Revenue	Excess (+) Savings (-)
FY2018-19					
1	Mirpurkhas	Salary	834.770	701.382	-133.388
		Non-Salary	294.210	194.640	-99.570
		Development	1,201.139	271.487	-929.652
		Revenue	2,360.289	1,425.584	-934.705
2	Umerkot	Salary	519.619	420.835	-98.784
		Non-Salary	191.621	119.626	-71.995
		Development	821.715	398.338	-423.377
		Revenue	1,656.308	1,438.874	-217.434
3	Tharparkar	Salary	323.476	183.305	-140.171
		Non-Salary	393.166	65.871	-327.295
		Development	581.594	321.948	-259.646
		Revenue	577.952	552.196	-25.756
Salary			1,677.865	1,305.522	-372.343
Non-Salary			878.997	380.137	-498.860
Development			2,604.448	991.773	-1,612.675
Total			5,161.310	2,677.432	-2,483.878
Total Revenue			4,594.550	3,416.655	-1,177.895

Original budget of Rs 5,161.310 million was allocated to District Councils, Municipal Committees and Town Committees of Mirpurkhas Division under various grants. Variance Analysis of the Revised/Final Grant and Actual Expenditure of Rs 2,677.432 million for the financial year 2018-19 for the audited entities depicted that there was a saving of Rs 2,483.878 million.

4.1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 2,989.664 million were raised in this report during the current audit of Mirpurkhas Division. The amount also includes recoveries of

Rs 210.512 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]

Sr. No.	Classification	Amount
1.	Non-Production of Record	722.176
2.	Reported cases of fraud, embezzlement and misappropriation	134.378
3.	Irregularities	-
	A) HR / Employees related irregularities	32.941
	B) Procurement related irregularities	7.200
	C) Management of Accounts with Commercial Bank	0.000
4.	Value of money and service delivery issues	32.720
5.	Recoveries	210.512
6.	Others	1,849.737

4.1.4 Brief Comments on the Status of Compliance with PAC Directives

The audit reports pertaining to following years have been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2012-13	31	2 - Partial
2013-14	11	1 - Partial
2014-15	41	Nil
2015-16	28	Nil
2016-17	26	Nil
2017-18	29	Nil
2018-19	23	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit reports of Mirpurkhas Division of last five years.

4.2 AUDIT PARAS

4.2.1 Fraud / Embezzlement / Misappropriation

4.2.1.1 Collusive practices in award of contracts – Rs 108.599 million

As per SPPRA 2010.Rule-2 (1) (q)“Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”.

During audit, it was observed that following offices of Mirpurkhas Division, awarded works amounting to Rs 108.599 million, during financial years 2016-19, to contractors without ensuring transparency in award of contracts.

[Rupees in million]				
Sr.	Para #	F.Y.	Name of office	Amount
1	4	2016-18	T.C Khome-jo-par	78.013
2	10	2018-19	T.C Islamkot	30.586
Total				108.599

Following irregularities were noted;

- i. Award of work other than the request of the contractor.
- ii. Work number was not mentioned in application submitted by contractor.
- iii. Works were awarded to the contractors on provisional SRB certificates which were also expired three months before NIT.
- iv. Works were awarded to contractors without experience and turnover for last three years.
- v. Work was awarded to M/s Vikram Kumar, but stamp of M/s Harish Kumar was embossed on B-I documents, as M/s Harish was 3rd lowest bidder.
- vi. Amount in words was not recorded on B-I documents.
- vii. Sealed envelopes were not available.
- viii. PEC of 3rd bidder in work was expired.
- ix. Verification of CDs, bank guaranty and integrity pact were not obtained.

Audit is of the view that works were awarded on nepotism basis instead of proper pre-qualification of contractors resulted into involvement of management in collusive practices which constituted weak financial and administrative management

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends enquiry into the matter for fixing of responsibility on person(s) responsible for non-transparent award of work to contractors, under intimation to audit.

4.2.1.2 Misappropriation of public funds through invalid bills Rs 24.549 million

As per SPPRA 2010.Rule-2 (1) (q)“Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”.

During audit, it was observed that various offices of Mirpurkhas Division made payments amounting to Rs 24.549 million, during financial years 2016-19, on fabricated bills & quotations.

[Rupees in million]

Sr.	Para #	F.Y.	Name of office	Amount
1	17	2017-18	M.C Mirpurkhas	3.150
2	6	2016-18	T.C Kheme-jo-par	18.482
3	22	2018-19	T.C Islamkot	2.917
Total				24.549

Following irregularities were noted:

- i. Fake/handmade bills of contractors without FBR and SST registration numbers, voucher numbers, date, addresses and contact numbers.
- ii. Quotations/invoices of contractors were self-generated.
- iii. Hand writing/even pattern of contractor’s quotations were same in all respects.
- iv. Bills were found without number & date for authentication.
- v. STN/NTN number were not mentioned in invoices
- vi. Mailing address and contact number were not mentioned to trace out contractors

- vii. Name, Signature & Stamp of contractors were not found on bills & quotations.
- viii. Dates and outward numbers were not mentioned in work order & notice invited tender
- ix. Measurement was not recorded in measurement book
- x. Quotations were found computer generated and of even pattern.
- xi. Location of work was not mentioned in bills.
- xii. Security deposit was not deducted from the bills.

Audit is of the view that public funds were misappropriated through fabricated/self-generated bills & quotations resulted into involvement of management to obtain financial benefit which constituted weak administrative and financial management.

The matter was reported in May to December, 2019. Town Committee Islamabad replied that quotations were invited from open market and works were awarded after fulfillment of all formalities, but the same was not substantiated with documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that an enquiry into the matter may be conducted for fixing of responsibility on person(s) involved in misappropriation of public funds, under intimation to audit.

4.2.1.3 Unauthorized expenditure by tampering the papers bills Rs 1.230 million

As per SPPRA 2010, Rule-2 (1) (q) "Corrupt and Fraudulent Practices" means either one or any combination of the practices; (ii) "Collusive Practice" means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) "Fraudulent Practice" means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation".

During audit, it was observed that Municipal Committee Mirpurkhas, Mirpurkhas Division during financial year 2017-18, incurred unauthorized expenditure of Rs 1.230 million under various heads of accounts by tempering bills i.e. change in name of contractors on work orders, comparative statements and paid vouchers.

Audit is of the view that expenditure incurred on account of various heads of accounts by tempering bills, which constituted weak administrative and financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that inquiry into the matter may be conducted for fixing responsibility on person(s) for incurring of unauthorized expenditure through tempering the bills, under intimation to audit.

[AIR Para: 14]

4.2.2 Non-production of Record

4.2.2.1 Non-Production of record – Rs 699.771 million

As per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. April 19, 2010 “The officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Further, according to Rule 116(2) of Sindh Local Government Act 2013, “The Audit Authority shall have access to all books, records and other documents pertaining to accounts and may also examine the Mayor, Deputy Mayor, Chairman, or Vice-Chairman, or any Member or Employees of the Council”.

During audit, it was observed that following offices of Mirpurkhas Division incurred expenditure of Rs 699.771 million, during financial years 2016-19, but failed to provide the auditable record to audit for scrutiny.

[Rupees in million]

Sr.	Para #	F.Y.	Name of office	Amount
1	10	2017-18	District Council Mirpurkhas	0
2	1	2017-18	T.C Jhudo	136.772
3	1	2017-18	T.C Dighri	136.772
4	1	2017-18	T.C Kot Ghulam Mohd	88.088
5	1	2017-18	M.C Mirpurkhas	296.569
6	1	2017-18	T.C Chelhar	0
7	1	2016-18	T.C Diplo	0
8	7	2017-18	T.C Kheme-jo-par	41.57
9	1	2018-19	CODC Mirpurkhas	0
10	1	2018-19	T.C Kot Ghulam Muhammad	0
11	1	2018-19	M.C Mirpurkhas	0
12	1	2018-19	M.C Umerkot	0
13	58	2018-19	T.C Islamkot	0
14	1	2018-19	T.C Chelhar	0
Total				699.771

Audit is of the view that due to non-provision of the auditable record authenticity of expenditure could not be verified which constituted weak administrative management

The matter was reported to the management during May to December, 2019. Management of Municipal Committee Umerkot and Town Committee Islamkot replied that record in question is available in office, same is not tenable due to non-providing of documentary proof of same for audit scrutiny. DAC meetings were held on 25-11-2019

to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-production of record, besides the auditable record may be produced to audit for scrutiny and verification at the earliest.

4.2.2.2 Irregular expenditure without supporting vouchers-Rs 22.405 million

As per Rule-23 of Sindh Financial Rules, “every payment including repayment of money previously lodged with Government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that following offices of Mirpurkhas Division, made payments of Rs 22.405 million, during financial years 2016-18, without supporting vouchers.

[Rupees in million]

Sr.	Para #	F.Y.	Name of office	Amount
1	8	2017-18	District Council Mirpurkhas	1.425
2	7	2017-18	T.C Jhudo	5.367
3	8	2017-18	M.C Mirpurkhas	10.000
4	11	2017-18	T.C Diplo	1.515
5	12	2017-18	T.C Jhudo	0.830
6	13	2017-18	T.C Jhudo	2.022
7	10	2017-18	TC, Nagarparkar	1.246
Total				22.405

Audit is of the view that authenticity of expenditure could not be verified without supporting vouchers of expenditure, which constituted weak financial management.

The matter was reported to the management during May to December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payment without supporting vouchers. Besides, the same may be produced to audit for verification.

4.2.3 Irregularity / Non-Compliance

A. Recovery /Outstanding dues

4.2.3.1 Non-recovery of outstanding dues – Rs 173.521 million

According to SLGA 2013 100(2), All arrears of taxes, rates, tolls and fees and other moneys claimable by a Council under this Act shall be recoverable as arrears of land revenue through Government agency or by the Council authorized by Government for such recovery through such employees or class of employees of the Council as may be prescribed.

During audit, it was observed that various offices of Mirpurkhas Division during financial years 2016-19, failed to recover outstanding dues of Rs 173.521 million from various contractors, tenants and consumers. Detail is provided at Annex-MPK1.

Audit is of the view that non-recovery of outstanding dues from defaulters constituted weak financial management.

The matter was reported to the management during May to December, 2019. Management of Municipal Committee Umerkot replied that bus stand fee has been recovered and notices have been issued to the concerned for recovery of outstanding dues and Town Committee Islamkot replied that district Tharparkar was declared climate affected area resultantly contractors refused to deposit the dues, however, notices were issued for compliance same is awaited. Municipal Committee Umerkot replied that efforts have been made to recover outstanding dues from defaulters but no evidence of recoveries was provided to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery of outstanding dues may be made, under intimation to audit

[AIR Paras: 9, 9, 17, 1, 2, 11, 10, 15, 4, 11, 2, 2, 2, 51]

4.2.3.2 Non-deduction of GST & SST - Rs 24.355 million

According to Sindh Sales Tax on Services Act 2011, Section-3(1) “taxable services shall be charged, levied and collected a tax known as sales tax on the value of a taxable service at the rate specified in the Schedule in which the taxable service is listed.

Tariff Heading	Description	Rate of Tax
9829.0000	Construction Services	8%
9809.000	Services provided or rendered by persons engaged in contractual execution of work or furnishing supplies	13%
9822.4000	Dredging or Desilting Service	10%
9819.9100	Auctioneer	10%

Sindh Revenue Board GoS, Working Tariff SToS (Amended upto 4th December, 2017)

Further, as per Rule-2(3) of Sales Tax Special Procedure (Withholding) Rules 2007, “A withholding Agent, having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub-rule (2) of rule 1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%) of the value of taxable supplies made to him from the payment due to the supplier”.

During audit, it was observed that following offices of Mirpurkhas Division, failed to deduct General Sales Tax and Sindh Sales Tax on purchase and service amounting to Rs 24.355 million, during financial years 2017-19.

[Rupees in million]

Sr.	Para #	Year	Name of office	Payment	Amount
1	10	2017-18	T.C Jhudo	30.867	3.087
2	25	2017-18	T.C Jhudo	4.238	0.551
3	13	2017-18	M.C Mirpurkhas	31.404	3.443
4	1	2017-19	T.C Chhore City	68.375	8.057
5	37	2018-19	T.C Islamkot	22.784	1.919
6	38	2018-19	T.C Islamkot	2.289	0.229
7	41	2018-19	T.C Islamkot	48.625	4.863
8	5	2017-18	T.C Chelhar	0.878	0.149
9	7	2017-18	T.C Diplo	2.021	0.343
10	3	2017-19	T.C Chhore City	4.326	0.996
11	39	2018-19	T.C Islamkot	4.222	0.718
Total				220.029	24.355

Audit is of the view that undue favor extended to contractors by non-deduction of sales tax on services which constituted weak financial management.

The matter was reported to the management during May to December, 2019. Management of Town Committee Islamkot admitted that sales tax on service was not deducted and purchases were made without deduction of GST but compliance will be done in future same is awaited for verification DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery of sales tax may be made and be deposited into Government Treasury, under intimation to audit.

4.2.3.3 Non-deduction of professional tax & income tax – Rs 11.501 million

According to Income Tax Ordinance, 2001 (Amended up-to 30th June, 2015) vide Finance Act, 2014 to Section 153. Payment for goods and services (1)(c), “on the execution a contract for the sale of goods or the rendering of or providing services, shall at the time of making the payment, deduct tax from the gross amount payable (including sales tax, if any) at the rate specified in Division III of Part-III of the First Schedule.

According to Circular No.6 of 2013, Finance Act 2013, “Income tax rates for salaried individuals have been revised. The revised rates are as per the ‘TABLE’ below:

Sr.	Taxable income	Rate of tax
1	0 to Rs. 400,000	0%
2	Rs.400,000 to Rs.750,000	5% of the amount exceeding Rs.400,000
3	Rs. 750,000 to Rs.1,400,000	10% of the amount exceeding Rs.750,000

According to Seventh Schedule of Sindh Finance Act, 1964 amended vide Schedule-II of Sindh Finance Ordinance, 2000, Professional tax is required to be deducted from the payments made to contractors engaged in construction work or providing services and labour”.

During audit, it was observed that following offices of Mirpurkhas Division, made payments to employees, contractors and suppliers, but failed to deduct income tax and professional tax of Rs 11.501 million, during financial years 2017-19. Detail is provided at Annex-MPK02.

Audit is of the view that non/less-deduction of income tax & professional tax form employees and contractors constituted weak financial management.

The matter was reported to the management during May to December, 2019. Management of District Council Umerkot and Tharparkar, Municipal Committee Umerkot and Mithi, Town Committee Saamro, Nabisar Road, Kunri and Islamkot replied that efforts have been made to recover taxes. Replies are not tenable as documentary evidence of recovery was not provided for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery of income tax and professional tax may be made from the concerned, under intimation to audit.

[AIR Paras: 11, 5, 10, 12, 3, 6, 10, 9, 8, 8, 1, 1, 1, 2, 3, 4, 2, 4, 7, 10, 40, 42]

4.2.3.4 Loss due to non-affixing of stamp duty – Rs 0.664 million

According to Schedule of prescribed Stamp Duties in Stamp Act, 1899 as amended vide Stamp (Sindh Amendment) Ordinance, 2002 & Sindh Finance Act, 2009, notified vide No. PAS/Legis-B10/2009, dated 08.07.2009 and published in the Sindh Government Gazette on 09.07.2009, “the rate of proper Stamp Duty is thirty Five paisa for every hundred rupees of the amount of the contract”.

During audit, it was observed that following offices of Mirpurkhas Division, awarded contracts amounting to Rs 190.100 million, during financial years 2017-19, but failed to affix/receive stamp duty, resultantly government sustained a loss amounting to Rs 0.664 million.

[Rupees in million]

Sr.	Para #	Year	Name of office	Contract Amount	Stamps Amount
1	9	2017-18	M.C Umerkot	39.025	0.137
2	11	2017-18	T.C Samaro	15.387	0.054
3	11	2018-19	T.C Kureri	30.712	0.107
4	3	2018-19	T.C Samaro	10.170	0.036
5	5	2017-19	T.C Dhoronaro	1.557	0.005
6	36	2018-19	T.C Islamkot	44.749	0.157
7	49	2018-19	T.C Islamkot	48.500	0.168
Total				190.100	0.664

Audit is of the view that undue favor extended to contractors by not affixing of stamp duty resulted into loss to public exchequer which constituted weak financial management.

The matter was reported to the management during May to December, 2019. Management of Municipal Committee Umerkot, Town Committee Samaro, Kunri, and Islamkot replied that stamp duty has been imposed on contract agreements, but documentary evidence of same has not been provided for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that stamp duty may be affixed on agreements, besides fixing of responsibility on person(s), under intimation to audit.

4.2.3.5 Non-recovery of allowances – Rs 0.471 million

According to Sindh Local Councils (Accounts) Rules 1985, Rule-159(3) “Every Officer or Servant of Council who is given a vehicle for performance of official duties shall not draw conveyance allowance otherwise admissible to him.

Further, according to Para 07 of Finance Division Office O. M. No.F.1/7/IMP.II/87 dated 01-07-1987, states that, “All employees not provided with Govt. accommodation shall continue to be entitled to house rent allowance @ 45% of the minimum of the relevant Basic Pay Scale”.

During audit, it was observed that following offices of Mirpurkhas Division, paid an amount of Rs 0.471 million, during financial years 2017-19, on account of conveyance allowance to those official whom official vehicles were allotted. Furthermore, house rent allowance was also not stopped despite availing official accommodation.

[Rupees in million]

Sr.	Para #	Year	Name of office	Description	Amount
1	15	2017-18	T.C Jhudo	C.A + Vehicle	0.060
2	9	2017-18	T.C Dighri	C.A + Vehicle	0.060
3	9	2017-18	T.C Kot Ghulam Mohd	C.A + Vehicle	0.060
4	18	2017-18	M.C Mirpurkhas	C.A + Vehicle	0.120
5	19	2017-18	M.C Mirpurkhas	HRA + Accommodation	0.071
6	2	2018-19	T.C Kot Ghulam Mohd	C.A + Vehicle	0.100
Total					0.471

Audit is of the view that undue favor was extended to employees on account of payment of conveyance allowance and house rent allowance despite availing official vehicles and accommodation, resultantly government sustained a loss which constituted weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that recovery of payment of conveyance allowance and house rent allowance from the concerned be made immediately, under intimation to audit.

B. Violation of Rules

4.2.3.6 Un-authorized exercise of financial & executive powers Rs 276.389 million

As per Section 81 (1) of the Sindh Local Government Act, 2013, “Subject to the general control of the Mayor or Chairman, the Chief Executive shall: (a) supervise the financial and executive administration of the Council and perform all duties assigned to and exercise all powers conferred on or delegated to him by or under this Act”.

During audit, it was observed that following offices of Mirpurkhas Division published Notice Inviting Tenders amounting to Rs 276.389 million, during financial years 2016-19, under the common seal of the chairman by utilizing financial & executive powers of the chief executive i.e. Chief Officer/Town Officer. Detail is as under:

(Amount in Rupees)

SPPRA Sr. No.	SPPRA Tender ID No.	Advertisement Date	NIT No.	Remarks	Amount
Town Committee Mirwah Gorchani (F.Y. 2016-18)					
36435	2147483647	25-01-18	TC/MG/347/of 2018 Date 22-01-18	Signed by the Chairman under his common seal	30.531
District Council Mirpurkhas (F.Y. 2018-19)					
T01147-18-0009	NO. DCL/MPS/ENG/ 255 / dated 09-05-2019	17-05-2019	DCL/MPS/ENG/255/OF 2019 Dated 05-09-19	Signed by the Chairman under his common seal	245.858
Total					276.389

Audit is of the view that transgression of financial and executive powers of chief executives by chairman was due to non-observance of rules & procedure as defined in SLGA 2013 and weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for misuse of financial & administrative powers of the chief executive, under intimation to audit.

[AIR Paras: 6, 3]

4.2.3.7 Non-achievement of targeted receipts – Rs 135.756 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that various offices of Mirpurkhas Division, failed to achieve targeted receipts amounting to Rs 135.756 million, during financial years 2016-19, to enhance own sources revenue of councils. Detail is provided at Annex-MPK3.

Audit is of the view that due to less-realization of estimated receipts; local councils were deprived of revenue which constituted weak financial & administrative management.

The matter was reported to the management during May to December, 2019. Managements replied that notices have been served to defaulters, and some recovery has been affected, but reply is not tenable as no documentary proofs of the same was provided to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-taking serious efforts to recover government dues, besides, recovery may be made relating outstanding dues, under intimation to audit.

[AIR Paras: 16, 10, 10, 9, 14, 14, 13, 3, 12, 12, 6, 9, 12, 52]

4.2.3.8 Creation of liabilities/extra burden over public exchequer Rs 124.250 million

According to Finance Department, GoS letter No. FD/CW&M-I)(26) 91-92(P.T.II) dated 24-6-1993 “all charges incurred must be paid at once and under no circumstances may be allowed to stand over to be paid from the grant of subsequent year”. Further, according to FD, GoS letter No.FD/B&E –I/51/2007 dated 2-7-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by FD”.

During audit, it was observed that following offices of Mirpurkhas Division failed to clear all charges amounting to Rs 124.250 million, during financial years 2017-19, resultantly created liabilities for following year’s budget appropriation.

[Rupees in million]

Sr.	Para #	Year	Name of office	Amount
1	4	2017-18	CODC Mirpurkhas	65.943
2	21	2018-19	T.C Islamkot	58.307
Total				124.250

Audit is of the view that execution of works without availability of funds resulted into creation of extra burden over public exchequer which constituted weak administrative and financial management.

The matter was reported to the management during August to December, 2019. Management of Town Committee Islamkot replied that council has own sources/revenue and there is no liability issue. The reply is not tenable without documentary proofs for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for creation of liabilities instead of clearance of dues during respective financial year's budget availability, under intimation to audit.

[AIR Paras: 4, 21]

4.2.3.9 Award of work without execution of contract agreements Rs 124.025 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Para-7.12.3 Contract Agreement "The contract document confirms in writing the contract which has been agreed and formed between the procuring agency and the contractor. It defines the works and physical services to be provided, the price to be paid for them and establishes the rights and obligations of each party. The contract is the governing document for administration of the contract.

During audit, it was observed that following offices of Mirpurkhas Division awarded contracts of Rs 124.025 million, during financial years 2016-19, without executing contract agreements with contractors to safeguard council interest.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	5	2016-18	T.C Mirwah Gorchani	0.079
2	5	2016-19	T.C Naukot	2.069
3	8	2018-19	CODC Umerkot	49.402

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
4	10	2018-19	M.C Umerkot	33.974
5	3	2018-19	T.C Kuneri	30.712
6	11	2018-19	T.C Samaro	7.789
Total				124.025

Audit is of the view that undue favor was extended to contractors by awarding works without executing contract agreements, which constituted weak administrative management.

The matter was reported to the management during May to December, 2019. Management of District Council Umerkot and Municipal Committee Umerkot replied contract agreements were executed, but replies are not tenable without providing documentary evidence of same for verification to audit. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of works without executing contract agreements with contractors to prevent council interest, under intimation to audit.

4.2.3.10 Un-authorized expenditure without approval by council Rs 108.077 million

As per Section 110 (1) of Sindh Local Government Act 2013, the council shall in prescribed manner, prepare and sanction before the commencement of each financial year a statement of its estimated receipts and expenditure for that year, hereinafter referred to as budget, and forward a copy thereof to the Government.

During audit, it was observed that following offices of Mirpurkhas Division, incurred expenditure of Rs 108.077 million, during financial year 2017-18, on account of procurement of goods & services through quotations without showing the minutes book, copy of approved decisions passed by the council with majority of votes & evidence of its reporting to government with-in prescribed time period.

[Rupees in million]

Sr.	Para #	Year	Name of office	Amount
1	6	2017-18	T.C Chelhar	29.970
2	9	2017-18	T.C Diplo	78.107
Total				108.077

Audit is of the view that expenditure incurred without approval by council, constituted weak administrative & financial management.

The matter was reported to the management during May to December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring unauthorized expenditure without approval by council, under intimation to audit.

[AIR Paras: 6, 9]

4.2.3.11 Award of works without release of withheld IDs – Rs 107.144 million

As per SPPRA Notification No.Dir (A&F)/SPPRA/1-3(GEN)/13-14/087 dated 03-07-2013 “IDs of the NIT/EOI are released after receipt of the Bid Evaluation Report in terms of Rule-45 of SPP Rules, 2010.

2. SPPRA will release ‘SPPRA-ID’ to the procuring agencies (Pas), once PAs submit the following documents, complete in all respect, as required under the rules: -

- i. Annual Procurement Plan as required under Rule-11 of SPP Rules, 2010;
- ii. Notice Inviting Tender, Expression of Interest (EOI) and Pre-Qualification Notice (Requirement of Rule 17);
- iii. Bid Evaluation Reports (Prescribed by Rule 45);
- iv. Contract Evaluation Form along with Letter of Award, Form of Contract (Agreement) and Bill of Quantities (Requirement of Rule 50); and
- v. Integrity Pact (where applicable) (Requirement of Rule 89).

Further, as per Rule 41 (09) of the SPPRA Rules, 2010, “The procurement committee shall issue the minutes of the opening of the tenders and shall also mention over writing or cutting, if any”.

During audit, it was observed that following offices of Mirpurkhas Division, awarded works amounting to Rs 107.144 million, during financial years 2017-19, without release of withheld I.Ds of Notice Inviting Tenders. However, SPPRA withheld I.Ds of tenders due to non-uploading of mandatory documentary proof on SPPRA Website.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
2	2	2017-18	T.C Dighri	55.089
4	14	2017-18	T.C Chelhar	22.327
5	15	2017-18	T.C Diplo	29.872
Total				107.288

Audit is of the view that contracts awarded to contractors despite withheld of I.Ds by SPPRA authority was due to weak financial and administrative management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-uploading of mandatory documentary proof required to get I.D released before award of contracts, under intimation to audit.

4.2.3.12 Non-maintenance of log books – Rs 102.814 million

According to Service & General Administration & Coordination Department, GoS Order No.CTC(S&GAD)2-(98)/2001 Dated: 21st Nov, 2001, "The Governor of Sindh has also desired that the log books of the vehicles under the use of entitled officers should be maintained properly / regularly as per instruction laid down in this regard".

During audit, it was observed that various offices of Mirpurkhas Division incurred an expenditure amounting to Rs 102.814 million, during financial years 2016-19, on purchase of POL for official vehicles & machineries, but failed to prepare petrol account registers along with log books of vehicles to justify the expenditure. Detail is provided at Annex-MPK4.

Audit is of the view that expenditure incurred on POL without preparation of record of vehicle resulted into non-transparency in POL spending which constituted weak financial management.

The matter was reported to the management during May to December, 2019. Management District Council Umerkot, Municipal Committee Umerkot and Town Committees Nabisar Road and Islamkot replied that Log Books of vehicles alongwith allied record was prepared/updated, but replies are not tenable because the log books and other related record was not produced to audit for verification. DAC meetings were held

on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without supporting record. Besides, the record may be prepared and produced to audit for verification.

[AIR Paras :5,6,8,7,6,7,4,5,7,18, 11, 8, 9, 8, 8, 4, 5, 4, 6, 33, 2]

4.2.3.13 Irregular expenditure on development works without obtaining verification report of the committee – Rs 87.725 million

As per Government of Sindh, Services, General Administration & Coordination Department (Regulation Wing) Karachi, NO.SORI(SGA&CD)2-30/2010, dated 8th March, 2010 that “(1) Except for defect liability or maintenance by the supplier, consultant or contractor, as specified in the conditions of contract, performance of the contract shall be deemed close on the issue of overall delivery certificate, certificate of completion of deliverables, or taking over certificate which shall be issued within thirty days of final taking over of goods or receiving the deliverables or completion of works enabling the supplier or contractor to submit final bill and the procuring agency to carry out any inspection of goods, works or services related thereto, as provided in the contract agreement and auditors to do substantial audit.

During audit, it was observed that following offices of Mirpurkhas Division paid an amount of Rs 87.725 million, during financial year 2018-19, to contractors on execution of development works/schemes without obtaining verification report of the committee constituted by Council.

[Rupees in million]

S.No.	F.Y	Para #	Name of office	Amount
1	6	2018-19	CODC Umerkot	16.583
2	8	2018-19	M.C Umerkot	21.256
3	7	2017-19	T.C Dhoronaro	19.937
4	7	2017-19	T.C Chhore City	29.949
Total				87.725

Audit is of the view that payment of development works without obtaining verification report of schemes by committee constituted by council was due to weak financial management.

The matter was reported to the management during May to December, 2019. Management of District Council Umerkot and Municipal Committee Umerkot replied

that works were dully verified by the committee constituted by chairman, but replies was not tenable because documentary evidence verification report/certificate signed by respective committee was not provided to audit for verification to substantiate the departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without obtaining verification report, under intimation to audit.

4.2.3.14 Irregular technical sanction of estimate - Rs 83.942 million

According to Regulation for Procurement of Works as notified vide letter No. No.Dir(A&F)SPPRA/BoD/12-13/9316 Dated: 22-03-2013, Guideline No.2.21 Pre-requisite conditions “Procuring Agency/ Committee shall not invite bids for development works, unless following conditions are fulfilled: (i) approval of PC-I/PC-II from Competent Forum; (ii) issuance of Administrative Approval (A.A) for development schemes; (iii) Technical Sanction (TS) of a detailed estimate is obtained; (iv) funds are either released or anticipated to be released before award of contract.

During audit, it was observed that following offices of Mirpurkhas Division, advertised/posted Notice Inviting Tenders amounting to Rs 83.942 million, during financial years 2016-19, prior to technical sanction of estimated amount of schemes.

[Rupees in million]

Sr.	Para #	F.Y.	Name of office	Amount
1	1	2016-18	T.C Kheme-jo-par	78.013
2	3	2016-19	T.C Naukot	5.929
Total				83.942

Audit is of the view that advertisement of Notice Inviting Tender prior to obtaining of technical sanction, resulted into non-transparency in the award of works which constituted weak administrative and financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular advertisement NIT before obtaining of technical sanction of detailed estimate of work, under intimation to audit.

4.2.3.15 Unjustified procurements without proper rate analysis Rs 69.372 million

According to Composite Schedule of Rate-2012 (CSR) Introduction to the Schedule of Rates (Composite) for Finished Items of Works, Para-8(3) Sanction of Non-schedule items: Non-schedule item in all the Engineering Fields are unavoidable. Hence the Superintending Engineer and the Chief Engineer of the Departments may sanction the rate Analysis for non-schedule items upto Rs 1000/per standard unit and the rates exceeding this amount shall be sanctioned by the Chief Engineer/Officer exercising powers of Chief Engineer.

During audit, it was observed that following offices of Mirpurkhas Division, procured non-schedule articles amounting to Rs 69.372 million, during financial years 2017-19, from suppliers/contractors without rate analysis report by obtaining three quotations from market and without approval by competent authority.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	4	2017-18	M.C Mirpurkhas	54.953
2	19	2017-18	T.C Chelhar	7.500
3	11	2017-19	T.C Dhoronaro	1.036
4	10	2017-19	T.C Chhore City	3.432
5	9	2018-19	T.C Islamkot	2.451
Total				69.372

Audit is of the view that procurement was made on non-transparent rates which constituted weak financial & administrative management.

The matter was reported to the management during May to December, 2019. Management of Town Committee Islamkot replied that quotations were received from open market for non-schedule items and approval of the same was accorded by municipal engineer, but delegation of financial powers alongwith documentary proof of same was not provided to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement on artificial rates instead of assessing rates by preparing rate analysis from market through competent engineer i.e. Chief Engineer, under intimation to audit.

4.2.3.16 Non-advertisement of NIT in print media – Rs 67.591 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Regulation-4.4 Cost of procurement over Rupees One Million: All procurements exceeding Rupees One Million must be advertised on the Authority's website as well as in the newspapers having wide circulation. The advertisement shall appear at least in three national dailies (English, Urdu and Sindhi).

During audit, it was observed that Town Committee, Islamkot and TC, Chelhar Mirpurkhas Division, inviting tender amounting to Rs 67.591 million, during financial years 2017-19, but failed to publish in three widely circulated leading newspapers of English, Urdu and Sindhi languages.

Audit is of the view that works were splitted up less than one million purposely to avoid advertisement of Notice Inviting Tender in newspapers which constituted weak financial and administrative management.

The matter was reported to the management during September, 2019. Management replied that advertisement of tender was hoisted on SPPRA website, but no documentary evidence of advertisement of tender in print media has been provided for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-circulation of NIT in leading newspapers for fair & competitive rates, under intimation to audit.

[AIR Para: 03]

4.2.3.17 Award of works & contract without constitution of procurement/auction committees – Rs 65.911 million

According to Rule 7 of SPPRA 2010, “The procuring agency shall, with approval of its Head of the Department, Constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that following offices of Mirpurkhas Division, awarded works & contracts amounting to Rs 65.911 million, during financial years 2016-19, to contractors without constituting procurement/auction committees to examine rates offered by contractors/suppliers.

[Rupees in million]

S.No.	F.Y	Para #	Name of office	Description	Amount
1	22	2017-18	T.C Jhudo	Auction	30.867
2	13	2016-18	T.C Kheme-jo-par	Work	20.327
3	3	2017-18	T.C Nagarparkar	Work	5.642
4	11	2017-19	T.C Chhore City	Supplies	9.075
Total					65.911

Audit is of the view that award of contracts without constitution of procurement/auction committees resulted into non-achievement of competitive rates which constituted weak financial management.

The matter was reported to the management during May to December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized award of works/contracts without constituting procurement/auction committees, under intimation to audit.

4.2.3.18 Non-hoisting of bid evaluation report on SPPRA website Rs 65.065 million

According to Rule 45 of SPPRA 2010, “Procuring agencies shall announce the results of bid evaluation in the form of a report giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the procuring

agency if its website exists and intimated to all the bidders at least seven (07) days prior to the award of contract”.

During audit, it was observed that following offices of Mirpurkhas Division, awarded development schemes amounting to Rs 65.065 million, during financial year 2017-18, to contractors, but failed to hoist bid evaluation reports on the SPPRA website.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	2	2017-18	T.C Nabisar Road	12.866
2	13	2017-18	T.C Chelhar	22.327
3	14	2017-18	T.C Diplo	29.872
Total				65.065

Audit is of the view that non- hoisting of bid evaluation report on SPPRA authority resulted into non-transparency in the award of contracts which constituted weak administrative and financial management.

The matter was reported to the management during May to December, 2019. Management of T.C Nabisar Road replied that bid evaluation report of works were hoisted on SPPRA, but reply is not found tenable without producing documentary proof for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work without hoisting of bid evaluation report on SPPRA website, under intimation to audit.

4.2.3.19 Unjustified expenditure without inviting open tenders Rs 56.418 million

According to SPPRA Regulations for Procurement of Works 2013, Guideline No. 5.3, Open Competitive Bidding, is the default method for procurement of works and services related thereto, unless the threshold or special circumstances relating to a specific requirement make it more appropriate to use one of the alternate procurement methods as specified in SPP Rule 16. Open Competitive Bidding seeks to ensure fairness, transparency and level playing field for all interested bidders, whether national or international.

During audit, it was observed that following offices of Mirpurkhas Division, incurred an expenditure of Rs 56.418 million, during financial year 2017-18, without calling open tender for getting competitive rates.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	2	2017-18	T.C Jhudo	1.465
2	2	2017-18	M.C Mirpurkhas	54.953
Total				56.418

Audit is of the view that expenditure incurred on development works without calling tender resulted into non-receipt of best competitive & economical rates, which constituted weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-invitation of open tender to get competitive rates, under intimation to audit.

4.2.3.20 Unjustified prequalification of contractors without credentials Rs 55.990 million

According to the Rule-46 (1) (a) of SPPRA-2010, Procedures of open competitive bidding - Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding; Single Stage – One Envelope Procedure: Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable); (iv) any other factor deemed to be relevant by the procuring agency subject to provision of Rule 44.

During audit, it was observed that following offices of Mirpurkhas Division, awarded works amounting to Rs 55.990 million, during financial years 2017-19 to contractors without obtaining documentary evidences, such as credentials to ascertain the profile of the each contractors as per conditions of Notice Inviting Tender including relevant experience and turnover for last 3 years, as well as registration with FBR and SRB and PEC.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	20	2017-18	T.C Chelhar	0.878
2	10	2017-18	T.C Diplo	4.425
3	2	2018-19	CODC Tharparkar	5.938
4	11	2018-19	T.C Islamkot	44.749
Total				55.990

Audit is of the view that undue favour was extended to contractors during award of works by not obtaining valid documentary proofs for prequalification which constituted weak financial and administrative management.

The matter was reported to the management during May to December, 2019. Management of District Council Tharparkar and Town Committee Islamkot replied that requisite credentials of contractors were obtained to ascertain profile of respective contractors, no documentary evidence has been provided in support of reply to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of works to contractors without obtaining credentials for proper prequalification of contractors, under intimation to audit.

4.2.3.21 Split up of work in parts to avoid open competitive bidding Rs 55.188 million

As per Rule 12(1) of SPPRA Rules 2010 “Save as otherwise provided and subject to the regulations made by the Authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan.

During audit, it was observed that various offices of Mirpurkhas Division, incurred expenditure amounting to Rs 55.188 million, during financial years 2016-19, by way of splitting up works to avoid open competitive bidding procedure. Detail is provided at Annex-MPK5.

Audit is of the view that expenditure incurred on development works through spilt up work in parts to avoid tender resulted into non-receipt of competitive rates which constituted weak financial management.

The matter was reported to the management during May to December, 2019. Management of Municipal Committees Umerkot and Mithi, Town Committees Samaro and Islamkot replied that works of emergent in nature were executed to provide facility to local peoples, but reply is not tenable due to most of similar nature works/services were intentionally split up for inviting quotations to avoid open tenders. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of split up works in parts to avoid tender, under intimation to audit.

[AIR Paras: 3, 6, 4, 6, 6, 8, 12, 13, 9, 4, 6, 6, 5, 6, 3, 6, 25, 3]

4.2.3.22 Invalid Constitution of Complaint Redressal Committee (CRC) Rs 47.972 million

According to Rule 31 (1) of the SPPRA Rules, 2010, states that, “The procuring agency shall constitute a committee for Complaint Redressal comprising odd number of persons, with appropriate powers and authorizations, to address the complaints of bidders that may occur during the procurement proceedings”.

During audit, it was observed that following offices of Mirpurkhas Division, incurred an expenditure of Rs 47.972 million, during financial year 2018-19, but failed to constitute valid Complaint Redressal Committee (CRC).

[Rupees in million]				
Sr.	Para #	Year	Name of office	Amount
1	4	2018-19	CODC Mirpurkhas	2.236
2	7	2018-19	M.C Mirpurkhas	45.736
Total				47.972

Audit is of the view that complaint redressal committee was invalid due to non-inclusion of external member for transparency which constituted weak financial management.

The matter was reported to the management during December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for constitution of invalid complaint redressal committee, under intimation to audit.

4.2.3.23 Non-preparation of PC-I of major schemes - Rs 41.878 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Para-2.11 SOURCE OF FUNDS “These procurement regulations shall be applicable to all sources of funds used for procurement of works i.e. internally generated funds, budgetary funds, loans (wherever applicable), donations, grants etc. at the disposal of GOS both in foreign currency as well as in Pak. Rupees. Thus the procurement procedure will have no linkage with the type of funds and its source. After conceiving a development project/scheme, it is processed through following stages to secure funds for physical implementation: (i) preparation of the PC-I or PC-II as the case may be; (ii) approval from competent forum; (iii) issuance of Administrative Approval by concerned administrative department/agency.

During audit, it was observed that following offices of Mirpurkhas Division, failed to prepare PC-I of major schemes amounting to Rs 41.878 million, during financial years 2016-18, beyond the limit of minor works i.e. 2.5 million.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	2	2017-18	T.C Kureri	10.828
2	2	2016-18	T.C Kheme-jo-par	31.050
Total				41.878

Audit is of the view that non-preparation of PC-I of major schemes resulted into wrong estimation and wastage of public money which constituted weak administrative and financial management.

The matter was reported to the management during May to December, 2019. Management of Town Committee Kureri replied that works were minor in nature and belonged to council, therefore, PC-I of the same was not prepared. Reply is not tenable as SPPRA Rules & Regulations shall be applicable to all sources of funds. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-preparation of PC-I of major schemes, under intimation to audit.

4.2.3.24 Irregular appointment of daily wages / contract staff Rs 32.941 million

As per Notification issued from Local Government Department, Government of Sindh vide No.SOA/(LG)1(27)/2011 dated 6-6-2011, “no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of the Government approval, if any, earlier issued in this regard may be treated cancelled / withdrawn”.

During audit, it was observed that following offices of Mirpurkhas Division, incurred expenditure amounting to Rs 32.941 million, during financial years 2016-19, on payment of salaries to daily wages/contract staff hired/appointed without advertisement of posts in print media. Further, vacancy position alongwith approval from administrative department was also not obtain.

[Rupees in million]

S.No.	Para #	F.Y	Name of office	Amount
1	10	2016-18	T.C Mirwah Gorchani	4.320
2	13	2017-18	T.C Dighri	0
3	14	2017-18	T.C Kot Ghulam Mohd	3.829
4	24	2017-18	M.C Mirpurkhas	11.078
5	7	2018-19	T.C Kot Ghulam Mohd	2.567
6	4	2018-19	M.C Umerkot	3.755
7	9	2018-19	T.C Samaro	0.844
8	8	2017-19	T.C Dhoronaro	4.088
9	8	2017-19	T.C Chhore City	2.460
Total				32.941

Audit is of the view that appointments of daily wages/contractual staff were made without fulfilment of codal formalities which constituted weak financial & administrative management

The matter was reported to the management during May to December, 2019. Management of Municipal Committee Umerkot replied that appointment of daily wages staff was made as per orders/approval of SLGD Sindh vide SO-I(LG)/2-9/2017/U.Kot/ dated: 12-04-17 same was discontinued on the orders of Honourable Chairman Water Commission and re-engaged on Chairmanship of Deputy Commissioner, Umerkot. The reply is not tenable as no evidence of codal formalities for appointment/engagement of daily wages staff provided to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular appointments of daily wages staff without fulfilment of codal formalities, under intimation to audit.

4.2.3.25 Unjustified expenditure on conversion of vehicles - Rs 31.320 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Municipal Committee Mirpurkhas of Mirpurkhas Division, incurred expenditure of Rs 50.900 million, during financial year 2017-18 on purchase of Fire Fighting Vehicles and sanitation vehicles, however expenditure of Rs 31.320 million was incurred on the conversion of ISUZU Trucks into Mobile Jetting Vehicle, Mobile Suction Vehicle, Mechanical Road Sweeper and Fire Fighting Vehicles which was more than the actual cost of truck itself of Rs 19.580 million. Furthermore, detail of equipment used in conversion was not provided to ascertain the market value. Detail is provided at Annex-MPK6.

Audit is of the view that expenditure incurred on conversion of trucks is more than the actual cost of trucks, further, proper supporting details of material tused to assess actual market rates not provided which constituted weak financial & administrative management.

The matter was reported to the management during October, 2019, but management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring unjustified expenditure on conversion of trucks into vehicles, under intimation to audit.

[AIR Para: 3]

4.2.3.26 Irregular execution of development works despite outstanding dues of Pay & Pension - Rs 21.950 million

As per condition (vi) of letter No. SO-I/LG/I-22/2017/M.Khas Karachi dated the 27th September, 2017 of GoS Local Government Department for permission of execution of development schemes for the year 2017-18 with the condition, that there are no dues liabilities on account of salary and pension.

During audit, it was observed that District Council Mirpurkhas of Mirpurkhas Division, executed development schemes despite outstanding dues of Pay & Pension amounting to Rs 21.950 million, during financial year 2017-18.

Audit is of the view that execution of works despite liability of pay and pension violated the local government department letter which constituted weak financial & administrative management.

The matter was reported to the management during July, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) for execution of development schemes despite outstanding liability of Pay & Pension, under intimation to audit.

[AIR Para: 06]

4.2.3.27 Irregular expenditure by invalid procurement committee Rs 16.540 million

According to SPPRA 2010, Rule-7, “The procuring agency shall, with approval of its Head of the Department, Constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that following office of Mirpurkhas Division, incurred expenditure amounting Rs16.540 million, during financial years 2017-19, on quotation basis but rates were evaluated by departmental committee without inclusion of external member for fairness/transparency in rates.

[Rupees in million]

Sr.	Para #	Year	Name of office	Amount
1	15	2017-18	T.C Kot Ghulam Mohd	12.408
2	24	2018-19	T.C Islamkot	4.132
Total				16.540

Audit is of the view that expenditure was incurred on quotation basis but rates were evaluated by departmental committee without inclusion of external member for fairness/transparency in rates resulted into mis-procurement in public funds which constituted weak financial management.

The matter was reported to the management during July to September, 2019. Management of Town Committee Islamkot replied that quotation of contractors were evaluated by the committee of procuring agency in view of instruction issued by government, but non-inclusion of external member in the procurement committee for transparency in rates evaluation unjustified. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) for non-transparency in rates due to invalid procurement committee, under intimation to audit.

4.2.3.28 Unjustified departmental collection without open auction Rs 15.450 million

According to Section 78 (4) of the Sindh Local Government Act, 2013 states that, “All contracts for transfer by grant, sale, mortgage, lease or otherwise of immovable property or any interest and right thereto or disposal or sale of movable property or for leasing out rights to collect taxes shall, subject to the rules be entered into after inviting offers in an open auction”.

During audit, it was observed that following offices of Mirpurkhas Division, collected insignificant revenue amounting to Rs 15.450 million, during financial years 2017-19, instead of leasing out rights of property through open auction in three widely circulated newspapers for obtaining competitive rates to enhance revenue of councils.

[Rupees in million]

Sr.	Para #	Year	Name of office	Property	Amount
1	11	2017-18	T.C Kot Ghulam Mohd	Various	1.287
2	21	2017-18	M.C Mirpurkhas	Various	5.920

[Rupees in million]

Sr.	Para #	Year	Name of office	Property	Amount
3	5	2018-19	CODC Mirpurkhas	Shops	0.308
4	6	2018-19	M.C Mirpurkhas	Shops	7.935
Total					15.450

Audit is of the view that non-collection of significant revenue due to non-invitation of open auction of shops and other property to achieve competitive bids which constituted weak financial & administrative management.

The matter was reported to the management during May to December, 2019 but the managements failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) at fault for non-invitation of open auction to enhance council revenue, under intimation to audit.

4.2.3.29 Award of works after expiry of bid validity period- Rs 15.326 million

As per Rule 38(1) of Sindh Public Procurement Rules, 2010, Bid Validity “A procuring agency, keeping in view nature of procurement, shall subject the bid to a validity period, which shall be specified in the bidding document and shall not be more than 90 days in case of National Competitive Bidding”.

During audit, it was noticed that following offices of Mirpurkhas Division, awarded works amounting to Rs 15.326 million, during financial years 2017-19, after expiry of bid validity of notice inviting tender.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	4	2017-18	T.C Pithoro	12.700
2	4	2018-19	T.C Kot Ghulam Mohd	2.626
Total				15.326

Audit is of the view that undue favour was extended to the contractors by award of development works after bid validity resulted into unauthorized award of works, which constituted weak administrative and financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019

to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of works after expiry of bid validity period, under intimation to audit.

4.2.3.30 Non-imposition of penalty - Rs 15.017 million

As per agreement made between contractor & Government that the time frame given for the completion of work is required to be observed and in case of failure/ delay, the penalty at the rate of 10% of sanctioned cost may be imposed & deducted from the bill of contractor.

During audit, it was observed that following offices of Mirpurkhas Division, executed development works amounting to Rs 149.129 million, during financial years 2017-19, but the contractors did not complete the same works within stipulated time period, however penalty/liquidated damages amounting to Rs 15.017 million was not imposed/recovered from the contractors.

[Rupees in million]					
S.No.	F.Y	Para #	Name of office	Contract Amount	Amount
1	8	2017-18	T.C Dighri	1.433	0.143
2	16	2017-18	T.C Chelhar	9.664	0.966
3	17	2017-18	T.C Diplo	104.767	10.477
4	10	2016-18	T.C Kheme-jo-par	18.824	1.882
5	2	2018-19	T.C Kureri	12.441	1.244
6	20	2018-19	T.C Islamkot	2.000	0.305
Total				149.129	15.017

Audit is of the view that undue favour extended to contractors for provision of extension free of liquidated damages which constituted weak financial & administrative management.

The matter was reported to the management during May to December, 2019. Management of Town Committee Islamkot replied that said works were delayed due to rain emergency and respective contractors requested for extension in completion time same was accorded, but reply is not tenable without fulfilment of prescribed SPPRA Rules-2010 and Regulation-2013. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-imposing of liquidated damages on contractors for non-completion of works in stipulated time period, under intimation to audit.

4.2.3.31 Irregular award of works to unregistered contractors in SRB Rs 12.269 million

According to the Sind Sales Tax on Services Act 2011 Section 24. Registration.— (1) Registration will be required for all persons who: (a) are residents; (b) provide any of the services listed in the Second Schedule from their registered office or place of business in Sindh; and (c) fulfil any other criteria or requirements which the Board may prescribe under sub-section (2).

During audit, it was observed that following offices of Mirpurkhas Division, awarded various development schemes amounting to Rs 12.269 million, during financial year 2017-18, to contractors not registered in Sindh Revenue Board.

[Rupees in million]				
S.No.	F.Y	Para #	Name of office	Amount
1	21	2017-18	T.C Jhudo	5.031
2	12	2017-18	T.C Kot Ghulam Mohd	3.710
3	27	2017-18	M.C Mirpurkhas	3.528
Total				12.269

Audit is of the view that undue favour extended to the unregistered contractors in award of work which constituted weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work to contractors not registered with SRB, under intimation to audit.

4.2.3.32 Irregular revision of development scheme - Rs 12.022 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Guideline # 11.2.2 Revised Technical Sanction (RTS): - Detailed Estimate needs revision when during execution it is anticipated that cost of completion is to exceed beyond the permissible

limit (5%). Revised detailed estimate is timely prepared incorporating the work done and required to be done along with deviation statement for submission to competent authority to accord Revised Technical Sanction (RTS), provided that overall cost of the scheme continues to be within the permissible excess of 15% over the Administrative Approval Cost. No excess is allowed over the cost of revised technical sanction

During audit, it was observed that Town Committee Kheme-Jo-Par of Mirpurkhas Division, awarded work “Construction of metal Road from Kheme Jo Par to Town Committee office of Kheme Jo Par” amounting to Rs 10.465 million, during financial years 2016-18, to M/s Kamlesh Kumar but the said work was revised upto Rs 12.022 million after lapse of 7-Months of last bill of Rs 11.297 million with extra amount of Rs 0.828 million (8%). Detail is as under:

ORIGI: ESTI:	Date of Completion	4th RA Bill	Date of 4th RA Bill	Excess	Revised Estimate	Date of Revised Est:
10.465	06-11-15	1.1292	01-12-15	0.828 (8%)	12.022	21-6-16

Audit is of the view that undue favour was extended to the contractor by making excess payment for execution of revised work without obtaining revised technical sanction which constituted weak administrative & financial management.

The matter was reported to the management during August, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized execution of work and excess payment against the revised work, under intimation to audit.

[AIR Para: 05]

4.2.3.33 Unjustified payment without obtaining invoices of delivered articles Rs 10.639 million

According to SPPRA-2010, Rule-54. On Account Payments - All procuring agencies shall make payments to suppliers, consultants and contractors against their invoices or running bills within the time given in the conditions of the contract.

During audit, it was observed that following offices of Mirpurkhas Division, paid amounting to Rs 10.639 million, during financial years 2017-19, to

suppliers/contractors for procurement of articles without obtaining invoices / delivery challan from respective contractors.

[Rupees in million]

S.No.	Para #	F.Y.	Name of office	Amount
1	5	2017-18	T.C Jhudo	4.606
2	16	2017-18	M.C Mirpurkhas	1.292
3	19	2017-18	T.C Diplo	1.516
4	4	2016-19	T.C Naukot	2.200
5	18	2018-19	T.C Islamkot	1.025
Total				10.639

Audit is of the view that payment made to contractors/suppliers without obtaining invoice/delivery challan of articles resulted into non-authenticity of articles delivered/installed which constituted weak asset management.

The matter was reported to the management during May to December, 2019. Management of Town Committee Islamkot replied that all machinery fitted in water supply scheme and invoices were received from contractors, but same was not furnished to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payment to contractors without obtaining invoices of article delivered / installed, under intimation to audit.

4.2.3.34 Unauthorized payments of previous liability – Rs 8.848 million

According to Finance Department, GoS O.M No.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

Further, according to Local Government Department, Government of Sindh, vide Letter No.SOA/LG/Misc/4(13)/2016 Dated: 22nd August 2016 Ban on Payment of Liabilities “ban on payment of all kind of liabilities is hereby imposed with immediate effect till further order” “All the Councils shall strictly follow the above instruction failing which stern disciplinary action shall be taken against defaulters”.

During audit, it was observed that following office of Mirpurkhas Division, incurred expenditure of Rs 8.848 million on account of clearance of previous year’s

liabilities from the budget grant of current financial year i.e. 2017-18, without approval of competent authority.

[Rupees in million]

Sr.	Para #	Year	Name of office	Amount
1	7	2017-18	T.C Kot Ghulam Mohd	6.904
2	12	2017-18	M.C Mirpurkhas	1.944
Total				8.848

Audit is of the view that payment of previous liabilities from budget grant of current financial year adversely affected current budget availability which constituted weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment of previous year's liabilities from budget grant of current financial year without approval, under intimation to audit.

4.2.3.35 Unjustified outsourcing of municipal services – Rs 8.022 million

According to Section-72 Schedule-II (part-II) Rule 1-16 of Sindh Local Government Act 2013, A Corporation, Municipal Committee or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse.

During audit, it was observed that following offices of Mirpurkhas Division, incurred expenditure amounting to Rs 8.022 million, during financial year 2017-18, through outsourcing of sanitation services to private contractors instead of utilizing own vehicles/machinery and services of sanitation staff.

[Rupees in million]

S.No.	F.Y	Para #	Name of office	Amount
1	4	2017-18	T.C Jhudo	1.076
2	5	2017-18	T.C Kot Ghulam Mohd	1.067
3	11	2017-18	M.C Mirpurkhas	3.716
4	10	2017-18	T.C Chelhar	0.344
5	12	2017-18	T.C Nagarparkar	1.819
Total				8.022

Audit is of the view that expenditure incurred through outsourcing of municipal services to private contractors despite availability of own sanitary staff and machinery was unjustified which constituted weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure through outsourcing of municipal services despite availability of sanitary staff and machinery, under intimation to audit.

4.2.3.36 Un-justified procurement of fire fighter vehicle - Rs 7.200 million

According to Rule 83 (1) of the Sindh Local Councils (Budget) Rules, 1985, states that “For the purpose of this Chapter, a financial irregularity shall include: - (d) any extravagance or waste of fund of the Council”.

During audit, it was observed that Town Committee Chhore of Mirpurkhas Division, incurred expenditure amounting to Rs 7.20 million, during financial years 2017-19, on procurement of fire fighter without availability of fire station, firefighting equipment and trained staff. Detail is as under:

[Amount in rupees]					
Vr. No	Cheq No & Date	To Whom Paid	Detail	AIR Para	Amount
102	24035493 Dt 19-10-18	M/s Meraj Limited	Purchase Fire Fighter	18	72,00,000

Audit is of the view that procurement of fire fighter without availability of fire station resulted into wasteful expenditure and loss of public assets which constituted weak financial & administrative management

The matter was reported to the management during December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement of expensive fire fighter without construction of fire station, under intimation to audit.

4.2.3.37 Award of works prior to having valid license from PEC Rs 6.475 million

According to Rule 2.12 of SPPRA Guideline / Regulations for procurement of works, states that “Firms/individuals registered with Pakistan Engineering Council (PEC) are allowed to participate in tenders/bids of value, whose amount does not exceed the limit of the category in which it/he is registered.

During audit, it was observed that Town Committee Mirwah Gorchani of Mirpurkhas Division, awarded work amounting to Rs 4.675 million, during financial years 2016-18, to the contractor prior to having valid license in the relevant category from Pakistan Engineering Council. Furthermore, agreement was executed between the procuring agency and the contractor in back date without giving justification. Detail is as under:

(Amount in Rupees)

Name of Work	Name of Contractor	Date of Agreement	PEC License No.	Category	Date of Registration	Amount
Supply of Fire Brigade vehicle	M/s Meraj Limited	18-05-18	103	CB	27-12-18	6.475

Audit is of the view that work awarded to the contractor prior to having valid license in the relevant category from the PEC and execution of agreement in back date constituted weak financial management.

The matter was reported to the management during May to December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work to the contractor prior to having valid license in the relevant category from PEC and execution of agreement in back date, under intimation to audit.

[AIR Para: 04]

4.2.3.38 Loss to council due to non-revision of rent of shops - Rs 5.049 million

As per Rule 9(1) of Sindh Rental Premises Ordinance 1979, “where the fair rent of any premises has been fixed, no further increase thereof shall be effected unless a period of three years has elapsed from the date of such fixation or commencement of this ordinance whichever is later”. Further, *ibid*, Rule 9(2), “the increase is allowed @ 10% per annum on the existing rent”.

During audit, it was observed that Town Committee Mirwah Gorchani of Mirpurkhas Division, sustained loss amounting to Rs 5.049 million, during financial years 2016-18, approximately due to non-revision of rent of shops allotted to tenants since 2001. Detail is provided at Annex-MPK7.

Audit is of the view that non-revision of rent of shops resulted into loss of revenue which constituted weak financial & administrative management.

The matter was reported to the management during July to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-revision of rent of shops as per market rates, under intimation to audit.

[AIR Para: 3]

4.2.3.39 Excess payment due to over and above the price calculated in estimate- Rs 3.511 million

According to Paragraph 53 of CPWD Code, “subject to the provision of paragraph 102, for each individual work proposed to be carried out, except petty works, petty repairs, and repair for which a lump-sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for the sanction of competent authority; this sanction is known as Technical sanction to the estimate and except in cases such as refer to paragraph 58 and 75, must be obtained before the construction of the work is commenced. As its name indicates, it amounts to more than a guarantee that the proposals are structurally sound, and that the estimates are accurately calculate and based on adequate data”.

During audit, it was observed that District Council Mirpurkhas of Mirpurkhas Division, incurred an expenditure of Rs 18.336 million, during financial year 2017-18, on

construction of Culverts but number of culverts originally estimated in the detail estimate were reduced, however, the rate of each culvert was enhanced, thus an excess payment of Rs 3.511 was made to the contractors.

Audit is of the view that undue favour was extended to contractors for excess payment on account of construction of culverts at higher rates, which constituted weak financial management.

The matter was reported to the management during July 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s). Besides, recovery of excess payment be made from the contractors and deposit into government treasury, under intimation to audit.

[AIR Para: 2]

4.2.3.40 Unauthorized execution of development works - Rs 3.380 million

According to PWD-Manual Para 514, “no work should be permitted to start unless the contractor tender value for it in one of prescribed form sanctioned by the competent authority”.

Further, according to Para 89(c) of CPWD Code, “The agreement with the contractors selected must be in writing and should be precisely and definitely expressed; it should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completed”.

During audit, it was observed that Municipal Committee Mirpurkhas, incurred expenditure of Rs 3.380 million, during financial year 2017-18, on development works on quotations but following irregularities were noted:

- i. Works were executed without calling tender.
- ii. Approval from competent authority was not obtained.
- iii. Estimates were not prepared.
- iv. Technical sanction was also not obtained.
- v. Contract agreement was not executed.
- vi. Previous experience of contractor not obtained.
- vii. Proof of registration of contractor with FBR, SBR and PEC was not obtained.

viii. List of contractors black listed not produced.

Audit is of the view that non-observance of the SPPRA rules resulted into non-obtaining of competitive rates which constituted weak financial management.

The matter was reported to the management during October, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure on development works on quotations instead of calling open tenders for transparency, under intimation to audit.

[AIR Para: 15]

4.2.3.41 Non-obtaining of bank guarantee – Rs 3.087 million

According to Local Government and Housing & Town Planning Department GoS, has been pleased to make Sindh Local Councils (Auctioning of Collection Rights) Rule 2016 dated 20th September 2016. Para-17(1) After receipt of communication of acceptance of bid or offer from the Local Council, the contractor shall immediately deposit at least one-tenth of the amount of offer or bid in the shape of Pay order/Demand Draft or Bank Guarantee and enter into written agreement with the respective Local Council within three days.

During audit, it was observed that Town Committee Jhudo of Mirpurkhas Division, leased out rights of council property to contractor amounting to Rs 30.867 million, during financial year 2017-18, without obtaining bank guarantee of Rs 3.087 million for effective performance of the contracts as well as indemnity in case of breach of contract by contractors. Detail is as under:

[Rupees in million]

Description of Auction/Lease	Official Bid	Period of Lease	Bidder	Approval by	Possession Order	Agreement	Bank Guarantee @10%
Animal Piri Rights	30.867	One year	Mr. Imran Qureshi	Council	No.TC/JDO/12 DT 28-07-17	28-07-2017	3.087

Audit is of the view that undue favour extended to contractor in leasing out rights of property without obtaining bank guarantee which constituted weak financial & administrative management.

The matter was reported to the management during July, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining bank guarantee to prevent from unforeseen loses, under intimation to audit.

[AIR Para: 3]

4.2.3.42 Inclusion of extra item of works after opening of bid/tender Rs 2.980 million

According to Paragraph 53 of CPWD Code, “subject to the provision of paragraph 102, for each individual work proposed to be carried out, except petty works, petty repairs, and repair for which a lump-sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for the sanction of competent authority; this sanction is known as Technical sanction to the estimate and except in cases such as refer to paragraph 58 and 75, must be obtained before the construction of the work is commenced. As its name indicates, it amounts to more than a guarantee that the proposals are structurally sound, and that the estimates are accurately calculate and based on adequate data”.

During audit, it was observed that Town Committee Dighri of Mirpurkhas Division, allowed extra items in de-silting schemes of Rs 2.980 million, during financial year 2017-18, without inclusion of the same in original estimate of works.

Audit is of the view that undue favour was extended to contractors by making excess payments on account of extra items in de-silting schemes without inclusion of the same in original estimate which constituted weak financial management.

The matter was reported to the management during May to December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for inclusion of extra items in de-silting schemes after opening of bid, under intimation to audit.

[AIR Para: 4]

4.2.3.43 Miss-utilization of POL on Fire brigades – Rs 2.580 million

As per Government of Sindh Notification # FD (B&E-IV) 2(55)/2002, Dated: 18th March 2002, “Check that effective check was exercised on speed meter / odometer reading, quality of fuel and consumption per gallon liter.”

During audit, it was observed that following offices of Mirpurkhas Division, incurred expenditure amounting to Rs 2.580 million, during financial years 2017-19, on POL of Fire Brigades vehicles, but failed to justify the expenditure by providing record of reported fire & emergency cases and movement register of Fire Brigade Vehicles.

[Rupees in million]

S.No.	Para #	F.Y	Name of office	Amount
1	8	2017-18	T.C Kot Ghulam Mohd	1.338
2	34	2018-19	T.C Islamkot	1.242
Total				2.580

Audit is of the view that expenditure was incurred on POL on Fire Brigade without reported emergency cases and movement register resulted into misuse of public assets and funds which constituted weak administrative & financial management.

The matter was reported to the management during July to December, 2019. Management of Town Committee Islamkot replied that POL consumption on fire brigade due to heavy winds fire broke out in different villages in the vicinity of Islamkot, reply is not tenable as no documentary evidence was furnished to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified & doubtful expenditure on POL of fire brigades without obtaining reported fire/emergency cases and movement register, under intimation to audit.

[AIR Paras: 8, 34]

4.2.3.44 Irregular earth filling / level work without estimation Rs 2.103 million

According to Sindh Local Councils (Accounts) Rules, 1983, Rule-108, stated that “The estimate in form 83 shall consist of all papers to be submitted in respect of work more specifically including a report a specification and a detailed estimate of

measurement, quantities and rates with an abstract showing the total estimated cost of each item. The estimate shall always be prepared in detail. No lump sum provision shall be made in the estimate. No work shall begin unless proper detailed design and estimate have been sanctioned”

During audit, it was observed that Town Committee Nagarparkar of Mirpurkhas Division, awarded work Earth Filling / Levelling at various places of Nagarparkar amounting to Rs 2.103 million, during financial year 2017-18, without estimation of work in detail i.e. report of specification and detailed estimate of measurement, quantities and rates with an abstract showing the total estimated cost of each item.

Audit is of the view that award of earth filling works without preparation of detailed estimate, the chance of utilization of untested/substandard earth could not be ignored which constituted weak financial management.

The matter was reported to the management during August, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of earth filling works without estimation of work in detail, under intimation to audit.

[AIR Para: 11]

4.2.3.45 Un-authorized sub-let of shops by the tenants – Rs 2.091 million

As per Rule 4 of the Sindh Local Councils (Property) Rules, 2017“The officer Incharge shall: - (c) ensure that the rented property fetches the maximum rent; (d) prevent the impairment of the value and utility of the rented property; (e) prevent the use of property for the purpose and in the manner other than specified by the Council”.

During audit, it was observed that Municipal Committee Mirpurkhas of Mirpurkhas Division, rented out shops of the council of Rs 2.091 million, during financial year 2018-19, but same were sub-let by the tenants to private persons on market rent.

Audit is of the view that subletting of council of shops resulted into misuse of council property which constituted weak financial & administrative management.

The matter was reported to the management during December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-cancellation of allotment of shops sub-let by the tenants to private person for profit earning, under intimation to audit.

[AIR Para: 05]

4.2.3.46 Irregular technical sanction of M&R Work beyond delegated powers - Rs 2.000 million

According to Sindh Delegation of Power under the Financial Rules and the Power of Re-appropriation Rules, 1962 (Amendment) vide Notification No.B&E-I/2(18)/75-94/Pt-IX Dated 5th January, 2009, Para-2 “In PART-II, under the heading “communication and works department” in Serial No.1 and 2 as entries there against in column 2, 3 and 4, the following shall be substituted:-

Nature of Power	To whom delegated	Extent
“Technical Sanction: iv) In the case of ordinary & special repairs to roads	(ii) Superintending Engineer	UptoRs 1,000,000
	(iii) Executive Engineer	UptoRs 200,000

During audit, it was observed that Town Committee Islamkot, Mirpurkhas Division, executed M&R works amounting to Rs 2.000 million, during financial year 2018-19, but technical sanction of rates was accorded by Executive Engineer (BPS-18) instead Superintending Engineer (BPS-19). Detail is as under:

[Rupees in million]

Sr.	Scheme No.	Description of Work	Tender Amount	Estimated Amount
1	52	Repair & Maintenance of Old Town Committee Office	1,000,000	1.000
2	53	Repair @ Maintenance of Sweeper Colony	1,000,000	1.000
Total				2.000

Audit is of the view that technical sanction of estimated rates beyond delegated financial powers accorded by Executive Engineer (BPS-18) was irregular which constituted weak financial & administrative management.

The matter was reported to the management during May to December, 2019. Management replied that technical sanction of M&R works was accorded by Municipal

Engineer (BS-18) but endorsement of same was done by Superintending Engineer, but reply is not enable as no documentary proof of the same has been provided for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault by not obtaining technical sanction of estimates/rates from competent authority, under intimation to audit.

[AIR Para: 06]

4.2.3.47 Un-authorized repair of water supply lines through Public Health Engineering Department – Rs 1.980 million

As per Section 72 of the Sindh Local Government Act, 2013 “A Council shall, subject to rules and directions given by Government and within the limits of the funds at its disposal, undertake all or any of the functions, given in Schedule II in the case of a Corporation, a District Municipal Corporation, Municipal Committee and Town Committee, in Schedule III in the case of a District Council, and in Schedule IV in the case of a Union Council and such other functions as are entrusted to them by Government”.

During audit, it was observed that Municipal Committee Mirpurkhas of Mirpurkhas Division, incurred expenditure of Rs 1.980 million, during financial year 2018-19, on repair of water supply lines through PHED, Mirpurkhas outside the domain of the council. Detail is as under:

(Amount in rupees)

Name of work	Name of procuring Agency	Source of Fund	Expenditure
Repair of Water Supply Lines	PHED Mirpurkhas	MC Mirpurkhas	1,980,000
Total			1,980,000

Audit is of the view that expenditure incurred beyond domain of council which constituted weak financial & administrative management.

The matter was reported to the management during December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring un-authorized expenditure beyond domain, under intimation to audit.

[AIR Para: 08]

4.2.3.48 Irregular technical sanction of electrical work by civil engineer Rs 1.680 million

According to Regulation for Procurement of Works as notified vide letter No. No.Dir(A&F)SPPRA/BoD/12-13/9316 Dated: 22-03-2013, Defination-23 “Technical Sanction (TS)” means the detailed estimate prepared by the executing agency keeping in view of technical feasibility and provision in the PC-I for the sanction of competent authority.”

During audit, it was observed that Town Committee Islamkot of Mirpurkhas Division, executed electrical works amounting to Rs 1.680 million, during financial year 2018-19, but technical sanctions of electrical works was approved by Civil Engineer instead of mechanical & electrical engineer. Detail is as under:

[Amount in rupees]

NiT #	Work #	Description of Work	Original Estimated
510 19-03-18	31	Providing & Installing Submersible Pumping machinery 7.5 HP for Tube Well Water Supply Scheme No. 01 Islamkot Town	1,000,000
366 19-03-19	51	Installation of Vertical Turbine Pump 150 BHP @ Public School Mithi Pumping Station for Pipe Line Water Supply Scheme Mithi-Islamkot District Tharparkar.	680,000
Total			1,680,000

Audit is of the view that execution of electrical works by obtaining technical sanction by non-technical civil engineer instead of mechanical and electrical engineer, resulted into weak financial management.

The matter was reported to the management during May to December, 2019. Management replied that the said works were of civil works, therefore technical sanction was accorded by Municipal Engineer (BS-18), but reply is not tenable due to fact that electrical installation works not comes under the competency of civil engineer. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement on improper/artificial rates approved by civil engineer instead of electrical engineer, under intimation to audit.

[AIR Para: 05]

4.2.3.49 Un-justified grants to private person/organizations-Rs 1.400 million

As per Section 3 (1) (xxxviii) of the Sindh Local Government Act, 2013 “local area” means an area, which lies within the jurisdiction or limits of a Council”.

According to Para-3 of Govt. of Sindh, Finance Department U.O. No.FD/BI/22(3)/99-2000 Dated: 21st February, 2000, states that “While the provision of General Financial Rule, Sindh Financial Rules, Delegation of Financial Rules 1962 contain general and specific instruction on the subject, the Principles on which emphasis is essentially laid are re-capitulated as (b) that due vigilance is exercised in respect of expenditure incurred from public funds; (c) that public money should not be utilized for the benefit of a particular person or section of community”.

During audit, it was observed that following office of Mirpurkhas Division, sanctioned and paid grants amounting to Rs 1.400 million, during financial year 2018-19, to private person/organization from public account beyond domain and limits of councils.

[Rupees in million]				
Sr.	Para #	Year	Name of office	Amount
1	9	2018-19	T.C Kot Ghulam Muhammad	0.900
2	8	2018-19	M.C Mithi	0.500
Total				1.400

Audit is of the view that public money could not be utilized for the benefit of any particular person or community beyond domain which constituted weak financial management.

The matter was reported to the management during August & December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified sanction & payment of grants to private person/organization beyond domain and limits of councils, under intimation to audit.

[AIR Paras: 9, 8]

4.2.3.50 Split up of work in parts to avoid quotations – Rs 1.171 million

As per Rule 12(1) of SPPRA Rules 2010 “Save as otherwise provided and subject to the regulations made by the Authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan.

During audit, it was observed that Town Committee Pithoro of Mirpurkhas Division, incurred expenditure amounting to Rs 1.171 million, during financial year 2017-18, in parts to avoid obtaining quotations from market.

Audit is of the view that management avoided minimum requirement i.e. at least three quotations to obtain competitive rates from market resulted into weak financial management.

The matter was reported to the management during May, 2019. Management replied that due to limited jurisdiction and funds contingency and M&R works were performed in view of SPPRA Rule-16(d), but reply is not tenable as no documentary proof of the same has been provided to audit for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for avoiding obtaining quotations from market, under intimation to audit.

[AIR Para: 07]

4.2.3.51 Unauthorized retention of Council Vehicle

Rule 11 of Staff Car Rules, 1980 (amended up to 2008), states that, “A staff car belonging to an attached department or a subordinate office of a division shall not be used by the administrative department except (as provided) under rule 10 and every department of office shall be responsible for any mis-use or irregularity committed in this behalf”.

During audit, it was observed that Town Committee Diplo of Mirpurkhas Division, failed to recover official vehicle (Toyota Corolla (2006) Number GL-7632), during financial year 2017-18, retained un-authorizedly by Mr. Ali Akbar Bhurt, Ex-Town Officer since 2013.

Audit is of the view that unauthorized retention of official vehicles resulted into misuse of official vehicle at the cost of public exchequer which constituted weak administrative management.

The matter was reported to the management during September, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized retention of council vehicle, besides, recovering of the same, under intimation to audit.

[AIR Para: 21]

4.2.3.52 Un-authorized appointments during ban period

As per S&GAD letter No.SO (C-IV)S&GAD/6-52/97 dated 14-01-2001 “There was ban on appointments during the period 04-12-1990 to 07-02-1992, 20-10-1993 to 15-05-1995 and 01-12-1996 to date”.

Further, as per Para No.(3) (a) of the Election Commission of Pakistan Notification No.F.8(12)/2012-Cord. Dated 28th March 2013 “The ban imposed on recruitments is withdrawn forthwith”. Further, ban imposed by Chief Minister, Government of Sindh was lifted as on 04-10-2016.

During audit, it was observed that Municipal Committee Mirpurkhas of Mirpurkhas Division, appointed (31) employees during ban period, during financial year 2018-19. Detail is provided at Annex-MPK8.

Audit is of the view that appointment of staff made during ban period which constituted weak financial & administrative management.

The matter was reported to the management during December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person (s) for appointment of staff during ban period, under intimation to audit.

[AIR Para: 03]

4.2.3.53 Un-authorized possession of municipal flats

Section 145 of the Sindh Local Government Act, 2013 states that, “Encroachments shall be dealt with in accordance with the provisions of the laws relating to the removal of encroachments”.

During audit, it was observed that Municipal Committee Mirpurkhas of Mirpurkhas Division, failed to vacate municipal flats from illegal occupants, during financial year 2018-19. Detail is provided at Annex-MPK9.

Audit is of the view that irregular occupancy over council’s property resulted into loss of public property which constituted weak financial & administrative management.

The matter was reported to the management during December, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-vacation of council’s property from illegal occupants, besides vacation of the same, under intimation to audit.

[AIR Para: 04]

CHAPTER-V
SHAHEED BENAZIRABAD DIVISION

5.1 SHAHEED BENAZIRABAD DIVISION

5.1.1 INTRODUCTION

Shaheed Benazirabad Division consists of 03 Districts namely Shaheed Benazirabad, Sanghar and Naushahro Feroze. Each District Council / Municipal Committee /Town Committee in Shaheed Benazirabad Division is headed by Chairman/ Chief Officer/ Chief Municipal Officer/ Town officer who carries out operations as per Sindh Local Government Act, 2013.

The functions of District Council/Municipal/Town/Committees are as following:

1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which Municipal Corporation/Committees is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing Municipal Corporation/Committees functioning.
4. Prepare budget, long term and annual municipal development programs in collaboration with the Union Councils.
5. Collect approved taxes, cusses, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Municipal Corporation/Committees.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

5.1.2 Comments on Budget and Accounts (Variance Analysis)

[Rupees in million]

Sr.	Office	Head	Budget	Expenditure / Revenue	Excess (+) / Saving (-)
1	Shaheed Benazirabad	Salary	607.179	456.360	-150.819
		Non-Salary	249.257	180.543	-68.714
		Development	663.406	368.124	-295.282
		Revenue	1,443.450	1,080.350	-363.100
2	Naushahro Feroze	Salary	1,173.650	868.285	-305.365
		Non-Salary	448.653	197.764	-250.889
		Development	1,054.250	404.297	-649.953
		Revenue	2,614.990	1,395.080	-1,219.910
3	District Sanghar	Salary	889.427	843.631	-45.796
		Non-Salary	413.892	200.296	-213.596
		Development	931.687	701.024	-230.663
		Revenue	1,851.230	1,458.260	-392.970
Total		Salary	2,670.260	2,168.280	-501.980
		Non-Salary	1,111.800	578.603	-533.197
		Development	2,649.340	1,473.450	-1,175.890
		Total	6,431.400	4,220.333	-2,211.067
		Revenue	5,909.670	3,933.680	-1,975.990

Original budget of Rs 6,431.400 million was allocated to District Councils, Municipal Committees and Town Committees of Shaheed Benazirabad Division under various grants. Variance Analysis of the Revised/Final Grant and Actual Expenditure of Rs 4,220.333 for the financial year 2018-19 for the audited entities depicted that there was a saving of Rs 2,211.067 million.

5.1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 4,642.273 million were raised in this report during the current audit of Shaheed Benazirabad Division. The amount also includes recoveries of Rs 203.369 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]

Sr. No.	Classification	Amount
1.	Non-Production of Record	269.237
2.	Reported cases of fraud, embezzlement and misappropriation	49.116
3.	Irregularities	-
	A) HR / Employees related irregularities	87.397
	B) Procurement related irregularities	3.456
	C) Management of Accounts with Commercial Bank	46.491
4.	Value of money and service delivery issues	0.000
5.	Recoveries	203.369
6.	Others	3,983.207

5.1.4 Brief Comments on the Status of Compliance with PAC Directives

The audit reports pertaining to following years have been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2012-13	20	2 – Partial
2013-14	6	1 – Partial
2014-15	25	Nil
2015-16	20	Nil
2016-17	27	Nil
2017-18	32	Nil
2018-19	27	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit reports of Shaheed Benazirabad Division of last five years.

5.2 DRAFT PARAS

5.2.1 Fraud / Misappropriation

5.2.1.1 Misappropriation of public funds through invalid bills Rs 28.592 million

As per SPPRA 2010, Rule-2 (1) (q) “Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”.

During audit, it was observed that Town Committee, Halani, Shaheed Benazirabad Division made payments amounting to Rs 28.592 million, during financial years 2016-18, on fabricated bills which rendered the transaction as non-transparent.

Following serious irregularities were noted:

- i. Cheque payments without mentioning details of transactions e.g. purpose of payment, Name, account number & account of the beneficiary mentioned in any record.
- ii. Drums acquired for construction of dust bins were found in deteriorated condition within the premises of the town committee, with-out fixing them, which shows that funds of council were misappropriated, with-out completion of the work, Snapshots of deteriorated dust bins, placed within premises of town office attached here with for ready reference.
- iii. Supply & fixing of Doors & windows for town office, by claiming wood of deodar, how- ever same were found made of Malaysian Pala or sheet, which is cheaper material in market.
- iv. The cheques drawn on various head of accounts by three contractors was credited in the account of one person namely Mr. Muhammad Yaseen who, did not compete in this process.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	2	2016-18	T.C, Halani	26.960
2	15	2016-18	T.C, Halani	0.574
3	18	2016-18	T.C, Halani	0.113

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
4	19	2016-18	T.C, Halani	0.943
Total				28.592

Audit is of the view that public funds were misappropriated through fabricated/self-generated bills & quotations resulted into involvement of management in corrupt & fraudulent practices to obtain financial benefit which constituted weak administrative management controls.

The matter was reported to the management during September, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends enquiry into the matter may be initiated and responsibility be fixed on person(s) at fault, under intimation to audit.

5.2.1.2 Collusive practices in award of contracts – Rs 10.735 million

As per SPPRA 2010, Rule-2 (1) (q) “Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure amounting to Rs 10.735 million, during financial years 2016-18, on works without making transparency in contracts.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	17	2016-18	T.C Halani	1.272
2	16	2016-18	T.C Tharushah	1.988
3	29	2016-18	T.C, Halani	5.901
4	30	2016-18	T.C, Halani	1.182
5	23	2016-18	T.C Tharushah	0.392
Total				10.735

Following shortcomings were noted:

- i. All the quotation forms were filled with same hand writing.
- ii. The council was deprived off from the real competition.
- iii. Payment was made on account of de-silting on high rates as compared to schedule rates and without preparing & sanction of estimates & amount of work repeated.
- iv. Payment on account of removal of garbage was made on high rates @ Rs 4,999/- per trolley, whereas, the same work in the same town was done @ Rs 1,050 per trolley.

Audit is of the view that works were awarded on nepotism basis instead of proper pre-qualification of contractor resulted into involvement of management in collusive practices.

The matter was reported in September, 2019, the management of TC Tharushah replied that record is available in office but failed to justify expenditure without providing documentary proof and T.C Halani failed to provide departmental point of view and. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends enquiry of the matter may be initiated and responsibility be fixed on person(s) at fault, under intimation to audit.

5.2.1.3 Misappropriation of public funds through fake orders Rs 6.552 million

As per SPPRA 2010, Rule-2 (1) (q) “Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”.

During audit, it was observed that following offices of Shaheed Benazirabad Division made payments amounting to Rs 6.552 million, during financial years 2016-19, on fabricated bills which rendered the transaction as non-transparent.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	10	2016-18	TC, Halani	0.130
2	11	2016-18	TC, Halani	0.522
3	3	2018-19	MC, Tando Adam	5.900
Total				6.552

Following serious irregularities were noted;

- i. T.C Halani paid salary to Mr. Fida Hussain without providing documentary evidence in original; appointment order duly verified from the Government, service book, personal file, medical certificate and LPC
- ii. T.C Halani paid salary for awaiting period to Mumtaz Zardari (Town Officer) with-out Last pay certificate & verification of approval order from the government
- iii. MC Tando Adam paid salaries to staff appointed on fake orders and granted promotions (calculation is made on monthly basis department should calculate actual recovery).

Audit is of the view that public funds were misappropriated through fabricated/self-generated bills resulted into involvement of management in corrupt & fraudulent practices to obtain financial benefit which constituted weak financial and administrative management.

The matter was reported in September-December, 2019, the management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends enquiry into the matter may be initiated and responsibility be fixed on person(s) at fault. Besides, mis-appropriation of public funds may be recovered, under intimation to audit.

5.2.1.4 Suspected misappropriation on account of purchase of POL Rs 3.629 million

According to para 5 of notification issued by LGD, GoS, for Sindh Councils Mayor, Deputy Mayor, Chairman & Vice Chairman (Honoraria & Privileges) rules 2017 dated: 17th February, 2017, "A Mayor of Metropolitan Corporation, Municipal

Corporations, Chairman of a District Municipal Corporation and Chairman of a District Council, Municipal Committee and Town Committee shall be entitled official vehicle maintained at the concerned Local Government expenses, allocated for the purpose in the budget, subject to entitlement as may be determined by the Government”.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure of Rs. 3.629 million, during financial years 2016-18, on account POL unjustifiably.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	5	2016-18	T.C Tharushah	0.351
2	6	2016-18	T.C Tharushah	1.242
3	7	2016-18	T.C Tharushah	0.378
4	8	2016-18	T.C Tharushah	1.464
5	11	2017-18	D.C S.Benazirabad	0.194
Total				3.629

Following serious irregularities were noted;

- i. POL facility allowed to vice chairman on private vehicle without any provision
- ii. POL consumed unjustifiably by showing on diesel machines whereas electric motors were installed at disposals.
- iii. POL was drawn on dewatering machine, tractor/excavator and refuse van before purchase and delivery of these machinery. Furthermore, the same work was done through outsourcing of machinery.
- iv. POL consumed unjustifiably on generator whereas CNG kit was installed on generator and running on CNG.

Audit is of the view that POL was purchased unjustifiably by misappropriation of council funds which constituted weak administrative & financial management.

The matter was reported in May-September, 2019, the management of D.C Shaheed Benazirabad replied that vice chairman awarded Government vehicle by LGD Sindh. So, he was entitled to draw POL. TC Tharushah replied that record is available in office but failed to justify expenditure without providing documentary proof and T.C Halani failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends inquiry into the matter to fix responsibility on person(s) at fault, under intimation to audit.

5.2.2 Non-production of Record

5.2.2.1 Non-Production of Record – Rs 259.852 Million

As per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. April 19, 2010 “The officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Further, according to Rule 116(2) of Sindh Local Government Act 2013, “The Audit Authority shall have access to all books, records and other documents pertaining to accounts and may also examine the Mayor, Deputy Mayor, Chairman, or Vice-Chairman, or any Member or Employees of the Council”.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred an expenditure of Rs 259.852 million, during financial years 2016-19, but failed to provide the relevant record to audit. Detail is provided at Annex-SBA1.

Audit is of the view that non-provision of record resulted into non-authenticity of expenditure from public funds and which constitutes weak financial management.

The matter was reported to the management during May-December, 2019, the management of TC Tharushah replied that record is available in office but failed to justify expenditure without providing documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends disciplinary action on person(s) at fault, under intimation to audit.

[AIR Paras:13, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1]

5.2.2.2 Irregular expenditure without supporting vouchers-Rs 9.385 million

As per Rule-23 of Sindh Financial Rules, “every payment including repayment of money previously lodged with Government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that following offices of Shaheed Benazirabad Division made payments of Rs 9.385 million, during financial years 2016-18, but failed to justify expenditure without providing supporting vouchers.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	8	2016-18	T.C Halani	1.986
2	10	2016-18	T.C Mithiani	2.469
3	10	2016-18	T.C Tharushah	0.656
4	5	2018-19	T.C N. Feroze	0.872
5	9	2016-18	TC, Halani	3.402
Total				9.385

Audit is of the view that authenticity of expenditure cannot be ascertained in absence of supporting vouchers which constitutes weak financial and administrative management.

The matter was reported to the management during September-October, 2019, the management of TC Tharushah replied that record is available in office and failed to justify expenditure without providing documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

5.2.3 Irregularity / Non-Compliance

3. Recovery / Outstanding dues

5.2.3.1 Non-recovery of outstanding dues – Rs 164.835 million

According to SLGA 2013, 100(2), all arrears of taxes, rates, tolls and fees and other moneys claimable by a Council under this Act shall be recoverable as arrears of land revenue through Government agency or by the Council authorized by Government for such recovery through such employees or class of employees of the Council as may be prescribed.

During audit, it was observed that following offices of Shaheed Benazirabad Division failed to recover the outstanding dues from various contractors, tenants and consumers' etc mounting to Rs 164.835 million during financial years 2017-19. Detail is provided at Annex-SBA2.

Audit is of the view that non-recovery of outstanding dues from defaulters resulted into weak financial management controls.

The matter was reported to the management May-December, 2019, the management of D.C S.Benazirabad replied that appropriate action was taken and recovered objected amount of Rs. 4.777 million, D.C N.Feroze, M.C Tando Adam, T.C Kandiaro replied that efforts for recovering outstanding dues has been taken and same will be shown in next audit and M.C Nawabshah replied taxation officer is responsible and he had been directed through various letters but failed to justify audit question. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expedite the recovery be made, besides, fix the responsibility on person(s) at fault, under intimation to audit.

5.2.3.2 Non-deduction of Sindh Sales Tax on Services – Rs 34.730 million

According to Sindh Sales Tax on Services Act 2011, Section-3(1) “taxable services shall be charged, levied and collected a tax known as sales tax on the value of a taxable service at the rate specified in the Schedule in which the taxable service is listed.

Tariff Heading	Description	Rate of Tax
9829.0000	Construction Services	8%
9809.000	Services provided or rendered by persons engaged in contractual execution of work or furnishing supplies	13%
9822.4000	Dredging or Desilting Service	10%
9822.2000	Maintenance or cleaning services	10%
9819.9100	Auctioneer	10%

Sindh Revenue Board GoS, Working Tariff StoS (Amended upto 4th December, 2017)

During audit, it was observed that following offices of Shaheed Benazirabad Division failed to deduct Sindh Sales Tax on services amounting to Rs 34.730 million, during financial years 2017-19.

[Rupees in million]				
Sr.	Para #	Year	Name of offices	StoS Amount
1	3	2017-18	M.C Nawabshah	26.412
2	3	2017-18	T.C Sakrand	2.157
3	31	2016-18	T.C Halani	1.317
4	24	2016-18	T.C Tharushah	0.423
5	2	2018-19	D.C N.Feroze	2.465
6	2	2018-19	T.C Kandiaro	0.163
7	4	2018-19	T.C Bhiria City	0.016
8	3	2018-19	T.C Mehrabpur	0.039
9	2	2018-19	M.C Shahdadpur	1.738
Total				34.730

Audit is of the view that non-deduction of sales tax on services resulted into weak financial management controls.

The matter was reported to the management May-December, 2019, the management of M.C Nawabshah replied that actual amount payable on account of sales tax rate during 2017-18 is Rs 3,600,480 but they did not provide justification with documentary proof. T.C Kandiaro replied that income ta has been deducted from payment vouchers & TC Tharushah replied that record is available in office, but they failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery be made, under intimation to audit.

5.2.3.3 Non-deduction of GST on Taxable Supplies – Rs 1.641 million

As per Rule-2(3) of Sales Tax Special Procedure (Withholding) Rules 2007, “A withholding Agent, having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub-rule (2) of rule 1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%) of the value of taxable supplies made to him from the payment due to the supplier and unless otherwise specified in the contract between the buyer and the supplier, the amount of sales tax for the purpose of this rule shall be worked out on the basis of gross value of taxable supply”.

During audit, it was observed that following offices of Shaheed Benazirabad Division paid amounting to Rs 9.656 million, during financial years 2016-18, on the purchase of taxable goods/articles but failed to deduct General Sales Tax @ 17% amounting to Rs 1.641 million from bills of un-registered contractor/supplier.

[Rupees in million]					
Sr.	Para #	Year	Name of offices	Amount	ST Amount
1	27	2016-18	T.C Halani	4.553	0.774
2	17	2016-18	T.C Mithiani	2.824	0.480
3	22	2016-18	T.C Tharushah	2.279	0.387
Total				9.656	1.641

Audit is of the view that non-deduction of General Sales Tax on supplies resulted into loss to Govt. exchequer which constitutes weak financial management.

The matter was reported to the management September, 2019, the management of TC Tharushah replied that record is available in office and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for providing loss to public exchequer. Besides, recovery of General Sales Tax (GST) on supplies may be recovered, under intimation audit.

5.2.3.4 Non-deduction of Taxes – Rs 0.745 million

According to Section 153 of Income Tax Ordinance, 2001, Payment for goods and services (1)©, “on the execution a contract for the sale of goods or the rendering of or providing services, shall at the time of making the payment, deduct tax from the gross

amount payable (including sales tax, if any) at the rate specified in Division III of Part-III of the First Schedule.

Further, according to Seventh Schedule of Sindh Finance Act, 1964 amended vide Schedule-II of Sindh Finance Ordinance, 2000, Professional tax is required to be deducted from the payments made to contractors engaged in construction work or providing services and labour”.

Furthermore, according to Circular No.6 of 2013, Finance Act 2013, “Income tax rates for salaried individuals have been revised. The revised rates are as per the ‘TABLE’ below:

Sr.	Taxable income	Rate of tax
1	0 to Rs. 400,000	0%
2	Rs.400,000 to Rs.750,000	5% of the amount exceeding Rs.400,000
3	Rs. 750,000 to Rs.1,400,000	10% of the amount exceeding Rs.750,000

During audit, it was observed that following offices of Shaheed Benazirabad Division made payments to different salaried individuals and contractors/suppliers, but failed to deduct income tax and professional tax from the contractors amounting to Rs 0.745 million, during financial years 2017-19.

[Rupees in million]

Sr.	Para#	Year	Name of offices	Description	Amount
1	15	2017-18	D.C S.Benazirabad	Income Tax on Salary	0.044
2	16	2017-18	M.C Nawabshah	Professional Tax	0.446
3	6	2017-18	T.C Kazi Ahmed	Income Tax on Salary	0.083
4	11	2017-18	T.C Sakrand	Income Tax on Salary	0.106
5	2	2018-19	M.C Moro	Income Tax on Auction	0.055
6	5	2018-19	T.C Bhiria City	Income Tax on Salary	0.011
Total					0.745

Audit is of the view that non-deduction of Income Tax & Professional Tax and Stamp Duty resulted into weak financial management controls.

The matter was reported to the management May-October, 2019, the management of D.C S.Benazirabad replied that IT has been deducted and deposited into Government Treasury, M.C Nawabshah replied Municipal Engineer and Account Officer have been directed and compliance report soon will be submitted T.C Kazi Ahmed replied that income tax has been deducted regularly from payment bills, but failed to provide original record of deduction and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery may be made, besides fixing of responsibility person(s) at fault, under intimation to audit.

5.2.3.5 Non-recovery of allowances – Rs 0.633 million

According to letter No.F.1 (1) Imp/2008 dated 30-06-2008 (7) (b), states that, “Conveyance allowance shall be admissible to officers who are not sanctioned official vehicle”.

During audit, it was observed that following offices of Shaheed Benazirabad Division paid amounting to Rs 0.633 million, during financial years 2017-19, on account of conveyance allowance to those whom official vehicles were allotted as well as allowance with heading “CLRH” in pay bills to few employees as no such allowance was prevailing.

[Rupees in million]

Sr.	Para #	Year	Name of offices	Description	Amount
1	10	2017-18	D.C S.Benazirabad	Allowance with heading “CLRH” paid to staff members	0.333
2	2	2018-19	T.C Mehrabpur	Conveyance Allowance	0.300
Total					0.633

Audit is of the view that undue 278andia was extended towards employees so, government sustained a loss, which constituted weak financial management.

The matter was reported to the management during May-November, 2019 but management of D.C S.Benazirabad replied that it has being paid in light of office memorandum issued on 22-07-2011 of Finance Department, Government of Sindh but failed to provide documentary proof and T.C Mehrabpur failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides recovery of conveyance allowance and House Rent Allowance be recovered, under intimation to audit.

5.2.3.6 Non-recovery of 10% shrinkage on earth filling – Rs 0.431 million

As Per Schedule Rates- 2012, 10% Shrinkage charges should be deducted from the bills of earth work.

During audit, it was observed that Town Committee, Mithiani, Shaheed Benazirabad Division, incurred expenditure of Rs 4.314 million, during financial years 2016-18, on account of earth filling, but failed to deduct 10% shrinkage charges Rs 0.431 million from the bills of contractors.

Audit is of the view that non-recovery of shrinkage charges on earth filling constituted weak financial management.

The matter was reported to the management during August, 2019, the management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-recovery of 10% shrinkage charges from the bills of contractors, besides same be recovered, under intimation to audit.

[AIR Para: 16]

5.2.3.7 Loss due to non-affixing of stamp duty – Rs 0.354 million

According to Schedule of prescribed Stamp Duties in Stamp Act, 1899 as amended vide Stamp (Sindh Amendment) Ordinance, 2002 & Sindh Finance Act, 2009, notified vide No. PAS/Legis-B10/2009, dated 08.07.2009 and published in the Sindh Government Gazette on 09.07.2009, “the rate of proper Stamp Duty is thirty Five paisa for every hundred rupees of the amount of the contract”.

During audit, it was observed that District Council, Shaheed Benazirabad awarded contracts amounting to Rs 156.750 million, during financial year 2017-18, but failed to affix/receive stamp duty as per rules resultantly government sustained loss amounting to Rs 0.354 million. Detail is provided at Annex-SBA3.

Audit is of the view that undue favour was extended by management resulted into loss to public exchequer and it was due to weak financial management & internal controls.

The matter was reported to the management during May, 2019, the D.C, Shaheed Benazirabad replied that stamp tickets have been affixed on the agreements but failed to provide documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides, the stamp duty may be affixed on respective agreements, under intimation to audit.

[AIR Para: 17]

B. Violation of Rules

5.2.3.8 Un-authorized publication of NIT – Rs 1,339.437 million

As per Section 7 (1) of the Sindh Local Government Act, 2013 “A Council shall be a body corporate, having perpetual succession and a common seal with power, subject to the provisions of this Act and the rules, to acquire, hold and alienate property, both movable and immovable and shall by its name sue and be sued.

During audit, it was observed that following offices of Shaheed Benazirabad Division published NITs of Rs 1,339.437 million, during financial year 2018-19, under the common seal of the chairman by utilizing financial & administrative powers of the chief executive without forwarding the case through Director, Local Government, Shaheed Benazir Abad.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	6	2018-19	D.C N.Feroze	244.398
2	6	2018-19	M.C Moro	28.656
3	7	2018-19	T.C Kandiaro	72.560
4	3	2018-19	D.C Sanghar	450.985
5	9	2018-19	M.C Tando Adam	507.888
6	2	2018-19	T.C Padidan	34.950
Total				1339.437

Audit is of the view that financial and administrative powers of the chief executive were utilized by the chairman without using proper channel of official correspondence through Director, Local Government, Shaheed Benazir Abad, which constituted weak management.

The matter was reported to the management during August-November, 2019, the management of D.C N.Feroze & T.C Kandiaro replied that NIT has been processed after completing all the codal formalities as well as through proper channel but failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for persons for utilizing financial & administrative powers of the chief executive without using proper channel of official correspondence, under intimation to audit.

5.2.3.9 Invalid constitution of complaint redressal committee (CRC) Rs 851.450 million

According to Rule 31 (1) of the SPPRA Rules, 2010, states that, “The procuring agency shall constitute a committee for Complaint Redressal comprising odd number of persons, with appropriate powers and authorizations, to address the complaints of bidders that may occur during the procurement proceedings.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure of Rs 851.450 million, during financial year 2018-19, through constitution of invalid CRC vide letter No. CHAIRMAN/DC/NF/38 Dated 25-01-2019, by not taking head of the CRC at least one rank senior from the head of PC & an independent professional from the relevant field.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	7	2018-19	D.C N.Feroze	11.330
2	5	2018-19	D.C Sanghar	458.699
3	12	2018-19	M.C Tando Adam	291.047
4	4	2018-19	T.C, Padidan	34.950
5	3	2018-19	T.C Khipro	55.424
Total				851.450

Audit is of the view that invalid constitution of CRC raises questions over transparency of procurement and constituted weak financial management.

The matter was reported to the management during September-November, 2019, the management of D.C N.Feroze replied but failed to justify with documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for invalid constitution of CRC, under intimation to audit.

5.2.3.10 Award of works without release of withheld I.Ds by SPPRA Rs 384.093 million

As per SPPRA Notification No. Dir (A&F)/SPPRA/1-3(GEN)/13-14/087 dated 03-07-2013 “IDs of the NIT/EOI are released after receipt of the Bid Evaluation Report in terms of Rule-45 of SPP Rules, 2010.

2. SPPRA will release ‘SPPRA-ID’ to the procuring agencies (Pas), once Pas submit the following documents, complete in all respect, as required under the rules: -

- i. Annual Procurement Plan as required under Rule-11 of SPP Rules, 2010;
- ii. Notice Inviting Tender, Expression of Interest (EOI) and Pre-Qualification Notice (Requirement of Rule 17);
- iii. Bid Evaluation Reports (Prescribed by Rule 45);
- iv. Contract Evaluation Form along with Letter of Award, Form of Contract (Agreement) and Bill of Quantities (Requirement of Rule 50); and
- v. Integrity Pact (where applicable) (Requirement of Rule 89).

Further, as per Rule 41 (09) of the SPPRA Rules, 2010, “The procurement committee shall issue the minutes of the opening of the tenders and shall also mention over writing or cutting, if any”.

During audit, it was observed that following offices of Shaheed Benazirabad Division awarded works amounting to Rs 384.093 million, during financial year 2018-19, without release of withheld I.Ds of respective Notice Inviting Tenders. Since SPPRA withheld the IDs due to non-uploading of mandatory documentary proof on SPPRA Website.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	4	2018-19	T.C N. Feroze	23.495
2	8	2018-19	T.C Kandiaro	72.560
3	11	2018-19	M.C Tando Adam	288.038
Total				384.093

Audit is of the view that award of contracts without adhering to the prescribed rules was un-authorized, which constituted weak financial management and complete disregard to government rules & instructions.

The matter was reported to the management August-December, 2019, the the management of T.C 283andiaro replied that NIT was not withheld by SPPRA and noted for its compliance but failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-uploading of mandatory documentary proof required for transparency to get I.D released before award of respective contract, under intimation to audit.

5.2.3.11 Mis-procurement by the procuring agency – Rs 219.850 million

As per Clause (x) Sub Rule (1) of Rule 02 of the Sindh Public Procurement Rules, 2010 “Mis-procurement means public procurement in contravention of any provision of Sindh Public Procurement Act, 2010, any rule, regulation, order or instruction made thereunder or any other law in respect thereof, or relating to, public procurement”.

During audit, it was observed that Municipal Committee, Tando Adam office of Shaheed Benazirabad Division awarded work of Rs 219.850 million, during financial year 2018-19, through violation of procurement proceedings notified by SPPRA-PPMS without further compliance within due course of time, in violation.

Audit is of the view that award of work prior to compliance of the violations notified by the SPPRA-PPMS within due course of time leads to mis-procurement and constituted weak financial management.

The matter was reported to the management during December, 2019, the management of M.C Tando Adam failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work without compliance of violations within due course of time, under intimation to audit.

[AIR Paras: 08]

5.2.3.12 Unauthorized expenditure prior to approval of budget by the council – Rs 176.339 million

As per Section 110 (1) of Sindh Local Government Act 2013, the council shall in prescribed manner, prepare and sanction before the commencement of each financial year a statement of its estimated receipts and expenditure for that year, hereinafter referred to as budget, and forward a copy thereof to the Government.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure of Rs 176.339 million, during financial year 2018-19, prior to approval of the budget from the council.

[Rupees in million]

Sr.	Para#	F.Y	Name of office	Amount
1	20	2018-19	M.C Tando Adam	40.339
2	11	2018-19	T.C Padidan	136.000
Total				176.339

Audit is of the view that expenditure was incurred prior to approval of the budget from the council which constituted weak financial management.

The matter was reported to the management December, 2019, the management of M.C Tando Adam and T.C Padidan failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without approval of the budget from the council, under intimation to audit.

5.2.3.13 Execution of works without contract agreements- Rs 130.623 million

According to Regulation for Procurement of Works, SPPRA Notification No. Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Para-7.12.3 Contract Agreement, “The contract document confirms in writing the contract which has been agreed and formed between the procuring agency and the contractor”.

During audit, it was observed that following offices of Shaheed Benazirabad Division awarded contracts of Rs 130.623 million, during financial year 2018-19, but failed to execute contract agreements with respective contractors to safeguard council interest.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	1	2017-18	D.C S.Benazirabad	95.058
2	1	2017-18	M.C Nawabshah	14.485
3	3	2018-19	D.C S.Benazirabad	13.416
4	6	2018-19	M.C. Nawabshah	2.532
5	3	2018-19	T.C Sakrand	5.132
Total				130.623

Audit is of the view that management put interest of Government at stake and allowed works without executing contract agreements with respective contractors resulted into weak administrative management.

The matter was reported to the management during December, 2019, the management of D.C S.Benazirabad replied that contracts have been executed duly signed and stamped, M.C Nawabshah replied that agreements have been executed according to Para 89 € CPWD and T.C Sakrand replied agreements duly signed and stamped as per rule but they failed to provide documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

5.2.3.14 Non-transparency in POL spending – Rs 117.758 million

According to Service & General Administration & Coordination Department, GoS Order No.CTC(S&GAD)2-(98)/2001 Dated: 21st Nov, 2001, "The Governor of Sindh has also desired that the log books of the vehicles under the use of entitled officers should be maintained properly / regularly as per instruction laid down in this regard".

During audit, it was observed that following offices of Shaheed Benazirabad Division, incurred an expenditure amounting to Rs 117.758 million, during financial years 2016-19 on purchase of POL for official vehicles & machineries but failed to prepare Petrol Account Registers along with Log Books of Vehicles to justify the expenditure.

[Rupees in million]				
Sr.	Para #	F.Y	Name of office	Description
1	3	2017-18	T.C Kazi Ahmed	4.431
2	7	2017-18	T.C Sakrand	4.366
3	3 & 4	2016-18	T.C Halani	2.613
4	2	2016-18	T.C Tharushah	5.007
5	8	2018-19	M.C. Nawabshah	21.160
6	8	2018-19	D.C N.Feroze	1.571
7	7	2018-19	T.C N. Feroze	7.406
8	10	2018-19	M.C Moro	13.944
9	12	2018-19	T.C Kandiaro	6.459
10	10	2018-19	T.C Bhiria City	4.381
11	6	2018-19	T.C Mehrabpur	9.873
12	6	2018-19	D.C Sanghar	4.677
13	19	2018-19	M.C Tando Adam	11.178
14	5	2018-19	T.C Khipro	17.482
15	3	2016-18	T.C Tharushah	3.210
Total				117.758

Audit is of the view that expenditure incurred on POL without preparation of record of vehicle resulted into non-transparency in POL spending which constituted weak financial and administrative management.

The matter was reported to the management May-December, 2019, the management of D.C N.Feroze & T.C Kandiaro replied that record related to POL has been maintained properly and available in office and TC Tharushah replied that log books of vehicles have been maintained for drawn of POL & record is available in office, but they failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without supporting record. Besides, same may be prepared to justify the expenditure, under intimation to audit.

5.2.3.15 Un-authorized issuance of corrigendum without allowing minimum time period – Rs 111.119 million

According to Para-d (i) of the SPRRA Notification No. Dir (CB)/SPPRA/1-3(GEN)/08-09/2617 dated 1st March 2011 “Corrigendum is the continuation of already published NIT with no new items (s) or work is added. However, corrigendum is issued when any change, modification or deletion in the information already publicized through the NIT becomes necessary. The corrigendum shall be publicized in a timely manner, on equal opportunity basis in a manner similar to the original advertisement”.

During audit, it was observed that Municipal Committee, Tando Adam issued corrigendum for procurement of Rs 111.119 million, during financial year 2018-19, without allowing minimum 15 days-time period from the date of publication of the corrigendum on SPPRA website. Detail is provided at Annex-SBA4.

Audit is of the view that minimum time period of 15 days from the date of publication of corrigendum was not allowed which constituted weak financial management.

The matter was reported to the management December, 2019, the management M.C Tando Adam failed to provide departmental point of view. DAC meetings were held

on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not allowing minimum 15 days-time period from the date of publication of corrigendum on SPPRA website, under intimation to audit.

5.2.3.16 Non-provision of maintenance budget for Immovable Council property – Rs 104.600 million

As per Rule 5 (2) of the Sindh Local Councils (Property) Rules, 2017“ A Council shall provide at least 10% of its development budget for the maintenance and repair of its immovable property regularly”.

During audit, it was observed that following offices of Shaheed Benazirabad Division failed to reserve at least 10% of development budget of Rs 104.600 million for maintenance of immovable council property, during financial year 2018-19.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	9	2018-19	D.C N.Feroze	64.500
2	8	2018-19	T.C N. Feroze	2.850
3	12	2018-19	T.C Bhiria City	6.000
4	7	2018-19	D.C Sanghar	31.250
Total				104.600

Audit is of the view that non-provision of maintenance budget for immovable council property resulted into deterioration of the assets of the council which constituted weak financial and administrative management.

The matter was reported to the management during August-December, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-provision of budget for maintenance of immovable council property, under intimation to audit.

5.2.3.17 Unauthorized appointment of daily wages/Contract staff Rs 82.719 million

According to Notification Issued from Local Government Department Government of Sindh vide No.SOA/(LG)1(27)/2011 dated 6-6-2011, “no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of the Government. Approval, if any, earlier issued in this regard may be treated cancelled / withdrawn.”

Further, Government of Sindh, Services, General Administration & Cooperation Department notification No.SOV(S&GAD)X-15/90-98 dated: 12-02-2008, states that, Advertisement should be given for all vacant posts & for Posts in BS-5 & above, there shall be a written test followed by interview, whereas, for posts in BS-1 to BS-4 only interviews shall be conducted through departmental selection committee.

During audit, it was observed that following offices of Shaheed Benazirabad Division appointed daily wages/contract employees and paid Rs 82.719 million, during financial years 2016-19, on account of their salaries without proper authority.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	7	2017-18	T.C Kazi Ahmed	3.140
2	12	2016-18	T.C Tharushah	8.096
3	8	2018-19	M.C Moro	11.760
4	14	2018-19	T.C Kandiaro	3.780
5	8	2018-19	T.C Bhiria City	1.395
6	5	2018-19	T.C Mehrabpur	9.724
7	18	2018-19	M.C Tando Adam	27.364
8	3	2018-19	T.C Padidan	3.240
9	4	2018-19	T.C Khipro	14.22
Total				82.719

Following serious irregularities were also noted;

- i. T.C Tharushah appointed 58 Muslim white collar employees on daily wages basis without government approval.
- ii. M.C Moro, T.C Kandiaro, T.C Bhiria City & T.C Mehrabpur incurred expenditure in excess than prescribed limit, without approval and monitoring.
- iii. M.C Tando Adam appointed S.W without fulfilling codal formalities.
- iv. T.C Padidan & T.C Khipro appointed S.W without recommendations of selection committee, advertised directly to newspapers without Information Department, Government of Sindh and appointed white-collar staff as sweepers.

Audit is of the view that appointment of daily wages staff without obtaining necessary approval constituted weak administrative and financial management.

The matter was reported to the management during May-December, 2019, the management of T.C Kazi Ahmed replied that staff appointed on need basis and against available vacancy with approval of Secretary, LGD, T.C Kandiaro replied that staff appointed on daily wages basis with prior permission due to shortage of permanent staff & TC Tharushah replied that record is available in office, but they failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for appointment of daily wages staff without government approval, under intimation to audit.

5.2.3.18 Change of bid opening date without publication of corrigendum Rs 72.560 million

According to Para-d (i) of the SPRRA Notification No. Dir(CB)/SPPRA/1-3(GEN)/08-09/2617 Dated 1st March, 2011 “Corrigendum is the continuation of already published NIT with no new items (s) or work is added. However, corrigendum is issued when any change, modification or deletion in the information already publicized through the NIT becomes necessary. The corrigendum shall be publicized in a timely manner, on equal opportunity basis in a manner similar to the original advertisement”.

During audit, it was observed that Town Committee Kandiaro of Shaheed Benazirabad Division changed actual date of bid opening for procurement of Rs 72.560 million, during financial year 2018-19, without publication of the corrigendum on SPPRA and in the same newspapers, similar to the original advertisement. Detail is as under;

[Rupees in million]

Nature of Work	NIT		Corrigendum		Purpose	Amount Effected
	Date of Advertisement	Publication	Issuance Date	Publication		
Miscellaneous works (SPPRA Sr. No.36084)	09-01-2018	SPPRA& Newspapers	24-01-2018	Notice Board	Change in Bid Opening Date	72.560

Audit is of the view that change of bid opening date without publication of corrigendum on SPPRA website and in the same newspapers as similar to the original advertisement, created less competitive opportunities for the competitors and constituted weak financial management.

The matter was reported to the management during September, 2019, the management T.C Kandiaro replied that two dates are of bid opening were published 24-01-2018 & 30-01-2018 whereas the process of bid opening was not completed on the date 24-01-2018 due to some technical issues therefore the bidding opening process was completed on 30-01-2018, reply is not tenable as corrigendum was not published. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for not publishing corrigendum in same manner as similar to the original advertisement, under intimation to audit.

[AIR Para: 10]

5.2.3.19 Withdrawal of funds by open cheques – Rs 46.491 million

According to rule 157 (1) & (2) of CTR, “The cheques for more than Rs 200/- drawn in favour of Corporate or Local Bodies, firms, private persons or Government servants (in respect of their personal claims) shall always be crossed”.

During audit, it was observed that following offices of Shaheed Benazirabad Division paid an amounting to Rs 46.491 million, during financial years 2016-19, through cash instead of cheque payment.

[Rupees in million]

Sr.	Para#	F.Y	Name of office	Amount
1	5	2017-18	T.C Sakrand	35.386
2	11	2016-18	T.C Mithiani	2.962
3	14	2016-18	T.C Tharushah	8.096
4	6	2018-19	T.C Kandiaro	0.047
Total				46.491

Audit is of the view that payment through cash resulted into unauthorized withdrawal which constitutes weak financial management.

The matter was reported to the management May-September, 2019, the management of T.C Kandiaro replied that payment has been paid to NADRA such receipts are attached herewith & TC Tharushah replied that record is available in office but they failed to provide documentary proof and T.C Mithiani failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for payment through cash/open cheques, under intimation to audit.

5.2.3.20 Unjustified outsourcing of municipal services – Rs 44.732 million

According to Schedule-II, Part-II, (3) of Sindh Local Government Act 2013, “A Corporation, Municipal corporation or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse”.

During audit, it was observed that Municipal Committee, Nawabshah of Shaheed Benazirabad Division awarded sanitation & Drainage Service works to M/s Jawed Iqbal & M/s Khalid Hussain Bhatti of Rs 44.732 million, during financial year 2018-19, by outsourcing in spite of utilization of own staff.

Audit is of the view that management failed to utilize services of own staff resulted into wastage of public money on the salaries of sanitation staff which constituted weak financial management.

The matter was reported to the management during October, 2019, the management of M.C Nawabshah failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified outsourcing of sanitation work instead of utilizing services of own staff, under intimation to audit.

[AIR Para: 11]

5.2.3.21 Award of work without fulfillment of pre-requisite conditions of NIT- Rs 41.154 million

According to the Rule 46 (1) (a) of SPPRA 2010, Procedures of open competitive bidding Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding; Single Stage – One Envelope Procedure: Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable); (iv) any other factor deemed to be relevant by the procuring agency subject to provision of Rule 44.

During audit, it was observed that District Council Shaheed Benazirabad of Shaheed Benazirabad Division awarded schemes of Rs 41.154 million, during financial year 2018-19, to contractors without obtaining documentary evidence to ascertain Profile of the contractor i.e. past experience, turnover for last three years, undertaking for no litigation against him/affidavit for not blacklisted alongwith Registration with FBR/SRB & PEC for works upto 4 million. Detail is provided at Annex-SBA5.

Audit is of the view that undue favor was extended towards contractor by not following procedure regarding prequalification and eligibility of the contractor resulted into irregular award of work which constituted weak financial management.

The matter was reported to the management during May-December, 2019, the management of DC S.Benazirabad failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work without fulfillment of pre-requisite condition of NIT, under intimation to audit.

[AIR Para: 01]

5.2.3.22 Non-clearance of liabilities – Rs 39.461 million

As per Honourable Judicial Commission (Water Commission) judgment Dated 15-08-2018 “That all Local Government Municipal Corporation, Municipalities, Town Committees shall not engage contingency employees from now on. The OZT received by

them shall be distributed to the regular employees and to all the pensioners, the remaining amount shall be utilized for water supply sewerage and fire brigade or for maintenance work wherever necessary”.

During audit, it was observed that following offices of Shaheed Benazirabad Division failed to clear liabilities of Rs 39.461 million, during financial year 2018-19.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	3	2018-19	T.C N. Feroze	0.801
2	13	2018-19	T.C Kandiaro	2.056
3	7	2018-19	T.C Bhiria City	24.285
4	4	2018-19	T.C Mehrabpur	0.879
5	2	2018-19	M.C Sinjhor	8.050
6	24	2018-19	M.C Tando Adam	3.390
Total				39.461

Audit is of the view that non-clearance of liabilities constituted weak financial management.

The matter was reported to the management during August-December, 2019, the management of T.C Kandiaro replied that para has been noted for its compliance but failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-clearance of liabilities, besides the same may be cleared, under intimation to audit.

5.2.3.23 Irregular expenditure on execution of development works Rs 37.905 million

According to Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure amounting to Rs 37.905 million, during financial years 2016-18, on construction of CC Topping & Surface drains but failed to provide verification from the PHE & Roads Departments regarding non-execution of same works duly.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	12	2016-18	T.C Halani	3.124
2	9	2016-18	T.C Mithiani	7.712
3	16	2016-18	T.C Halani	0.782
4	15	2016-18	T.C Tharushah	26.287
Total				37.905

Audit is of the view that due to non-verification of development works from PHE & Roads department, audit could not verify the geniuses of schemes, besides, chances of mis-appropriation of public money cannot be ruled out which constitutes weak financial and administrative management.

The matter was reported to the management during August 2019, the management of TC Tharushah replied that record is available in office but they failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that a verification report from PHE regarding non-execution of same works dually by the PHE & Roads Department may be provided to audit

5.2.3.24 Non-revision of rent – Rs 36.215 million

As per Rule 9(1) of Sindh Rental Premises Ordinance 1979, “where the fair rent of any premises has been fixed, no further increase thereof shall be effected unless a period of three years has elapsed from the date of such fixation or commencement of this ordinance whichever is later”. Further, ibid, Rule 9(2), “the increase is allowed @ 10% per annum on the existing rent”.

During audit, it was observed that following offices of Shaheed Benazirabad Division failed to revise of rent of shops during financial years 2016-19, allotted to tenants since 2001 thus government sustained loss amounting to Rs 36.215 million.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	13	2017-18	T.C Sakrand	0.929
2	25	2016-18	T.C Tharushah	10.643
3	4	2018-19	M.C Tando Adam	24.643
Total				36.215

Audit is of the view that non-revision of rent of shops resulted into loss to government which constitutes weak financial and administrative management.

The matter was reported to the management during May-December, 2019, the management of TC Tharushah replied that record is available in office, but failed to furnish documentary proof and M.C Tando Adam failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

5.2.3.25 Unjustified payment without obtaining invoices of articles delivered Rs 36.146 million

According to SPPRA-2010, Rule-54. On Account Payments – All procuring agencies shall make payments to suppliers, consultants and contractors against their invoices or running bills within the time given in the conditions of the contract.

During audit, it was observed that following offices of Shaheed Benazirabad Division paid amounting to Rs 36.146 million, during financial year 2018-19, to suppliers/contractors for procurement of articles without obtaining invoices / delivery challan from the contractor

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	2	2018-19	D.C S.Benazirabad	32.701
2	4	2018-19	T.C Sakrand	3.445
Total				36.146

Audit is of the view that without obtaining invoice/delivery challan of respective articles verification of articles as per specification, quantity and useful

guarantee/warranty could not be assessed & authenticated which constituted weak asset management.

The matter was reported to the management October, 2019, the management of T.C Sakrand replied that articles were delivered by contractor at his risk as per contract agreement but failed to provide documentary proof but the management of D.C S.Benazirabad failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for making payment to contractor without obtaining invoices of article delivered / installed, under intimation to audit.

5.2.3.26 Execution of development schemes without approval of PC-I Rs 29.242 million

As per Para 2.21 “Pre-requisite Conditions” of the Procurement Regulations (Works), of SPPRA “Procuring Agency/ Committee shall not invite bids for development works, unless following conditions are fulfilled: -

- a) Approval of PC-I/ PC-II from Competent Forum;
- b) Issuance of Administrative Approval (A.A) for development Schemes;
- c) Technical Sanction (T.S) of a detailed estimate is obtained; and
- d) Funds are either released or anticipated to be released before award of contract”.

During audit, it was observed that District Council Naushahro Feroze of Shaheed Benazirabad Division executed development schemes of Rs 29.242 million, during financial year 2018-19, without approval of PC-I from the competent forum. Detail is provided at Annex-SBA6.

Audit is of the view that development schemes were executed without approval of the PC-I which constituted weak financial management.

The matter was reported to the management during September, 2019, the management of D.C N.Feroze failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for execution of development schemes without approval of the PC-I, under intimation of audit.

[AIR Para: 04]

5.2.3.27 Non-achievement of targeted receipts – Rs 26.685 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that following offices of Shaheed Benazirabad Division failed to achieve targeted receipts amounting to Rs 46.989 million, during financial years 2016-19, but the management collected Revenue of Rs 20.314 million, thus leaving the shortfall in revenue amounting to Rs. 26.685 million.

[Rupees in million]						
Sr.	Para #	Year	Name of offices	Targeted revenue	Actual revenue	Shortfall in revenue
1	32	2016-18	T.C Halani	3.362	0	3.362
2	26	2016-18	T.C Tharushah	1.075	0.426	0.649
3	9	2018-19	D.C S.Benazirabad	3.833	2.178	1.665
4	9	2018-19	M.C. Nawabshah	11.190	6.886	4.303
5	6	2018-19	T.C Sakrand	1.341	0.444	0.897
6	5	2018-19	M.C Shahdadpur	19.955	9.169	10.787
7	3	2018-19	M.C Sinjhoru	2.933	0.376	2.557
8	21	2018-19	M.C Tando Adam	3.300	0.835	2.465
Total				46.989	20.314	26.685

Audit is of the view that due to less-realization of estimated receipts, local council was deprived of revenue, which constituted weak financial management controls.

The matter was reported to the management during September-December, 2019, the management of T.C Sakrand replied that targets were set on speculation to enhance resources and same is impossible & T.C Tharushah replied record is available in office and will be produced at next audit which has not been produced yet and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-achievement of target receipts, under intimation to audit.

5.2.3.28 Split up work in parts to avoid open competitive bidding Rs 24.144 million

As per Rule 12(1) of SPPRA Rules 2010 “Save as otherwise provided and subject to the regulations made by the Authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan”.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure amounting to Rs 24.144 million, during financial years 2017-19, by way of splitting group works to avoid open competitive bidding procedure.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	5	2017-18	M.C Nawabshah	2.809
2	4	2018-19	M.C. Nawabshah	0.724
3	11	2018-19	T.C Kandiaro	11.366
4	9	2018-19	T.C Bhiria City	2.065
5	9	2018-19	T.C Mehrabpur	2.468
6	5	2018-19	T.C Padidan	2.606
7	2	2018-19	T.C Khipro	2.106
Total				24.144

Audit is of the view that management avoided open tenders resulted into non-achievement of competitive rates which constitutes weak financial management.

The matter was reported to the management during May to December, 2019, the management of M.C Nawabshah replied that expenditure has been incurred under Rule 16(a)(ii)(A) of SPPRA 2010 and section 107(1) of Sindh Local Government Act 2013 & T.C Kandiaro replied that repair and maintenance work has been executed through quotations on emergency basis but failed to provide documentary proof and other offices failed provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault on account of split up works in parts to avoid tender, under intimation to audit.

5.2.3.29 Award of work without execution of contract agreements Rs 24.013 million

According to Regulation for Procurement of Works, SPPRA Notification No. Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Para-7.12.3 Contract Agreement, “The contract document confirms in writing the contract which has been agreed and formed between the procuring agency and the contractor”.

During audit, it was observed that following offices of Shaheed Benazirabad Division awarded contracts of Rs 24.013 million, during financial years 2016-19, but failed to execute contract agreements with respective contractors to safeguard council interest.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	5	2018-19	T.C Kandiaro	9.100
2	4	2018-19	D.C Sanghar	6.077
3	4	2018-19	M.C Shahdadpur	2.678
4	10	2018-19	M.C Tando Adam	6.158
Total				24.013

Audit is of the view that management put interest of Government on stake and allowed works without executing contract agreements with respective contractors resulted into weak administrative management.

The matter was reported to the management December, 2019, the management of T.C Kandiaro replied that contract agreement has been signed but failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for negligence committed by management due to award of works without executing contract agreements with respective contractors to prevent council interest, under intimation to audit.

5.2.3.30 Unauthorized execution of development works despite ban on quotation works – Rs 22.131 million

According to letter issued by LGD vide No.SOI/LG/MISC/10-7/2013 dated: 30-01-2014 on the subject Ban on payment(s) of Development works on quotation basis,

state that, “I am directed to refer to the subject noted above and to inform that the honorable Minister to LGD has been pleased to impose ban on payments of all types of expenditure excluding salary and pension components in all local councils and other subordinate offices of LGD. No other payment shall be made till issuance of such orders/ instructions by the competent authority.”

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred an expenditure of Rs 22.131 million, during financial years 2016-18, on account of development works, through quotations, despite ban on quotation works.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	25	2016-18	T.C Halani	13.387
2	15	2016-18	T.C Mithiani	8.121
3	20	2016-18	T.C Tharushah	0.623
Total				22.131

Audit is of the view that incurrence of expenditure on development works through quotations during ban on quotation works resulted into weak financial and administrative management.

The matter was reported to the management during September, 2019, the management of T.C Tharushah replied record is available in office and will be produced at next audit which has not been produced yet and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for execution of development works despite ban on quotation works under intimation to audit.

5.2.3.31 Non-imposition of penalty for delay in completion of works Rs 14.502 million

As per agreement made between contractor & Government that the time frame given for the completion of work is required to be observed and in case of failure/ delay, the penalty at the rate of 10% of sanctioned cost may be imposed & deducted from the bill of contractor.

During audit, it was observed that following offices of Shaheed Benazirabad Division executed development works amounting to Rs 145.025 million, during financial years 2017-19, but the contractors did not complete the same within stipulated time period and penalty/liquidated damages amounting to Rs 14.502 million was not imposed/recovered from the respective contractors before awarding extension in time period.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Contract Amount	Amount
1	4	2017-18	D.C S.Benazirabad	41.518	4.152
2	2	2017-18	M.C Nawabshah	23.449	2.345
3	2	2017-18	T.C Sakrand	34.789	3.479
4	1	2018-19	M.C. Nawabshah	30.085	3.008
5	2	2018-19	T.C Sakrand	15.184	1.518
Total				145.025	14.502

Audit is of the view that undue favor was extended to contractors by not imposing liquidated damages which constituted weak financial management and absence of internal controls.

The matter was reported to the management during August, 2019, the management of D.C S.Benazirabad replied that complete record of distribution of procurement attached & M.C Nawabshah replied that main reason for delay was non-availability of funds, but failed to provide documentary proof and T.C Sakrand failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-imposition of liquidated damages on contractors for non-completion of work in stipulated time period, besides same may be charged, under intimation to audit.

5.2.3.32 Unauthorized continuation of previous year contract without calling fresh tender/auction – Rs 13.811 million

According to letter issued vide No.SO-I/LG/1-23/2016/S.B.Abad dated:19.7.2017, “I am directed to refer to your letter No.admn/TC/SKD/510/2017 dated: 11.7.2017 on the subject noted and convey approval of competent authority for continuation of previous sanitation contract on same rates and conditions, subject to fulfillment of all codal formalities within provision of budget estimate and to be executed

only from savings/ funds of Town Committee, Sakrand with directions to complete the auction within a period of 30-45 days positively, under intimation to this department.”

During audit, it was observed that Town Committee, Sakrand of Shaheed Benazirabad Division permitted to continue sanitation contract on previous rates and made payment of Rs 13.811 million, during financial year 2017-18, without fresh auction for sanitation contract, but council failed to comply the instructions contained in the permission letter and continued previous contract for 6 months (July 2017 to Dec-2017) on account of sanitation charges. Detail is provided at Annex-SBA7.

Audit is of the view that continuation of sanitation contract in violation of instructions by administrative department resulted into unauthorized expenditure and undue favor which constituted weak financial management.

The matter was reported to the management during May, 2019, the management of T.C Sakrand failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 4]

5.2.3.33 Irregular award of work on quotation basis without preparing work estimates – Rs 10.016 million

According to Rule – 17 (1) of Sindh Public Procurement Rules, 2010 “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and may in print media in the manner and format prescribed in these rules”.

Further, according to paragraph 54 Central Public Works Departmental code, “Subject to the provisions of paragraph 102, for each individual work proposed to be carried out, except petty works, petty repairs, and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for the sanction of competent authority”.

During audit, it was observed that following offices of Shaheed Benazirabad Division executed various silt clearance contracts amounting to Rs 10.016 million, during financial years 2016-18, on quotation basis, without preparing work estimates.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	6	2016-18	T.C Halani	5.127
2	3	2016-18	T.C Mithiani	1.637
3	11	2016-18	T.C Tharushah	3.252
Total				10.016

Audit is of the view that award of work on quotation basis without preparing of work estimates resulted into non-transparency in the award of works and weak administrative and financial management.

The matter was reported to the management during August-September, 2019, the management of T.C Tharushah replied record is available in office and will be produced at next audit which has not been produced yet and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of contracts through quotation without preparing work estimates, under intimation to audit.

5.2.3.34 Award of works & contract without constitution of procurement committees – Rs 9.693 million

According to Rule 7 of SPPRA 2010, “The procuring agency shall, with approval of its Head of the Department, Constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that following offices of Shaheed Benazirabad Division awarded works & contract amounting to Rs 9.693 million, during financial years 2016-18, to contractors without constituting procurement committees to examine rates offered by contractors/supplier.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Description	Amount
1	13	2017-18	M.C Nawabshah	Purchase	4.887
2	22	2016-18	T.C Halani	Purchase	2.546
3	17	2016-18	T.C Tharushah	Purchase	2.260
Total					9.693

Audit is of the view that award of contracts without constitution of procurement committees resulted into non-achievement of competitive rates which constitutes weak financial management.

The matter was reported to the management during May-September, 2019, the management of M.C Nawabshah replied that procurement committee has been constituted on 30-03-2018 by LGD Government of Sindh & T.C Tharushah replied record is available in office and will be produced at next audit, but they failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized award of contracts without constituting procurement/auction committees, under intimation to audit.

5.2.3.35 Award of work prior to seven days after hoisting of BERs Rs 9.037 million

According to SPPRA Notification No.Dir(Enf-1)/SPPRA/1-3(GEN)/12-13/8307 dated 14th of February, 2013 “Rule-45 of Sindh Public Procurement (SPP) Rules, 2010 calls for hoisting of (original) Bid Evaluation Reports and its intimation to all bidders at least 7 days prior to the award of contract”.

During audit, it was observed that following offices of Shaheed Benazirabad Division awarded work of Rs 9.037 million, during financial year 2018-19, prior to counting of seven days after hoisting of BERs on SPPRA website

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	7	2018-19	M.C Moro	2.062
2	13	2018-19	M.C Tando Adam	6.975
Total				9.037

Audit is of the view that work was awarded prior to counting of seven days after hoisting of BERs on SPPRA website which constituted weak financial management.

The matter was reported to the management during October-December, 2019, the management of M.C Tando Adam and M.C Moro failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work prior to counting of seven days after hoisting of BERs on SPPRA website, under intimation to audit.

5.2.3.36 Non-lodging of Appeal against income tax deduction without reconciliation – Rs 8.745 million

As per Section 127 (1) of the Income Tax Ordinance, 2001 “Any person dissatisfied with any order passed by a Commissioner or an Officer of Inland Revenue holding a person to be personally liable to pay an amount of tax, or an order under clause (f) of sub-section (3) of section 172 declaring a person to be the representative of a non-resident person or an order giving effect to any finding or directions in any order made under this Part by the Commissioner (Appeals), Appellate Tribunal, High Court or Supreme Court, or an order under section 221 refusing to rectify the mistake, either in full or in part, as claimed by the taxpayer or an order having the effect of enhancing the assessment or reducing a refund or otherwise increasing the liability of the person may prefer an appeal to the Commissioner (Appeals) against the order.

During audit, it was observed that Town Committee, Bhiria City of Shaheed Benazirabad Division, failed to lodge appeal against income tax deduction of Rs 8.754 million, during financial year 2018-19, directly from bank account of the council by the Deputy Commissioner, Inland Revenue, Withholding Unit-V, Range-I without reconciliation. Detail is as under;

[Rupees in million]

Head of account	P.O No.	Date	Name of Bank	Account No.	Amount
Shut down amount	92034	31-12-2018	Sindh Bank Ltd. Bhiria City	0105-413294-1000	8.754

Audit is of the view that non-lodging of appeal against income tax deduction without reconciliation which constituted weak financial management.

The matter was reported to the management October, 2019, the management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-lodging of appeal against income tax deduction without reconciliation, besides the same may be reconciled, under intimation to audit.

[AIR Para: 3]

5.2.3.37 Irregular payment of liabilities – Rs 8.044 million

According to Local Government Department, Government of Sindh, vide Letter No.SOA/LG/Misc/4(13)/2016 Dated: 22nd August 2016 “ban on payment of all kind of liabilities is hereby imposed with immediate effect till further order” “ All the Councils shall strictly follow the above instruction failing which stern disciplinary action shall be taken against defaulters”.

During audit, it was observed that following offices of Shaheed Benazirabad Division paid liabilities of previous years amounting to Rs 8.044 million, during financial years 2016-19, without approval of competent authority. Moreover, T.C Tando Adam paid Rs 4.315 million in excess than actual liabilities.

[Rupees in million]				
Sr.	Para #	F.Y	Formation	Amount
1	9	2017-18	T.C Sakrand	3.729
2	22	2018-19	M.C Tando Adam	4.315
Total				8.044

Audit is of the view that management failed to comply with directives of Government resulted into weak administrative management.

The matter was reported to the management May-December, 2019, the management of M.C Tando Adam and T.C Sakrand failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides mechanism must be evolved to discharges the government liabilities as they occurred, under intimation to audit.

5.2.3.38 Splitting of development scheme into portions to avoid preparation & approval of PC-I – Rs 7.762 million

Paragraph 5.3 of West Pakistan Building & Roads code defines the word as under: A group of works which forms one project shall be considered as one work, and the necessarily for obtaining the sanction of the competent authority to such group of works is not avoided by the fact that the cost of each particular in the group is within the powers of the sanctioning of any authority sub-ordinate thereto. Read with Para 2.21 “Pre-requisite Conditions” of the Procurement Regulations (Works) of SPPRA “Procuring Agency / Committee shall not invite bids for development works, unless following conditions are fulfilled: -

- a) Approval of PC-I/ PC-II from Competent Forum;
- b) Issuance of Administrative Approval (A.A) for development Schemes;
- c) Technical Sanction (T.S) of a detailed estimate is obtained; and
- d) Funds are either released or anticipated to be released before award of contract”.

During audit, it was observed that District Council Naushahro Feroze of Shaheed Benazirabad Division, splitted development scheme of Rs 7.762 million, during financial year 2018-19, into portions to avoid preparation & approval of PC-I from prescribed competent forum. Detail is provided at Annex-SBA8.

Audit is of the view that development scheme was splitted into portions to avoid preparation & approval of PC-I from prescribed competent forum which constituted weak financial management.

The matter was reported to the management during September 2019, but the management of D.C S.Benazirabad replied but failed to provide documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for Splitting of development scheme into portions to avoid preparation & approval of PC-I from competent forum, under intimation of audit.

[AIR Para: 05]

5.2.3.39 Unauthorized expenditure incurred without calling open tender Rs 7.625 million

According to Rule – 17 (1) of Sindh Public Procurement Rules, 2010 “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and may in print media in the manner and format prescribed in these rules”.

During audit, it was observed that following offices of Shaheed Benazirabad Division incurred expenditure of Rs 7.625 million, during financial years 2017-19, on account of purchase of office generator and cable through quotation instead of calling open tender.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	3	2017-18	D.C S.Benazirabad	2.345
2	2	2016-18	T.C Mithiani	5.280
Total				7.625

Audit is of the view that purchases were made through quotations instead of inviting open tender which resulted in non-obtaining of competitive rates which constituted weak financial management.

The matter was reported to the management during August 2019, the management of D.C S.Benazirabad replied that procurement has been made from single source without computation under rule 16 & 16 (b) (i) (ii) SPPR 2013 but failed to provide documentary proof and T.C Mithiani failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement without tenders, under intimation to audit.

5.2.3.40 Irregular revision of development scheme – Rs 7.342 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Guideline # 11.2.2 Revised Technical Sanction (RTS): - Detailed Estimate needs revision when during execution it is anticipated that cost of completion is to exceed beyond the permissible limit (5%). Revised detailed estimate is timely prepared incorporating the work done and

required to be done along with deviation statement for submission to competent authority to accord Revised Technical Sanction (RTS), provided that overall cost of the scheme continues to be within the permissible excess of 15% over the Administrative Approval Cost. No excess is allowed over the cost of revised technical sanction

During audit, it was observed that Town Committee, Sakrand of Shaheed Benazirabad Division, awarded work regarding “awarded work “Construction of Foot Path i/c Drain water, CC Topping & Culverts Town Committee Sakrand” to M/s Metro Engineering works with estimated cost of Rs 5.472 million, during financial year 2018-19, which was revised to Rs 7.342 million resulting into excess revision of Rs 1.870 million over and above the original estimate without calling fresh tenders.

Audit is of the view that execution of revised work without revised technical sanction resulted into illegal execution and payment to contractor and weak administrative & financial management.

The matter was reported to the management during October, 2019, the management of T.C Sakrand replied that additional work was unavoidable and acute need of local peoples. So, revised estimated was sanctioned timely as per SPPRA guidelines and deviation was also prepared but failed to provide documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 01]

5.2.3.41 Non-cancellation of un-started development schemes Rs 5.956 million

As per Rule 38(1) of Sindh Public Procurement Rules, 2010, Bid Validity “A procuring agency, keeping in view nature of procurement, shall subject the bid to a validity period, which shall be specified in the bidding document and shall not be more than 90 days in case of National Competitive Bidding”.

During audit, it was observed that Municipal Committee, Nawabshah of Shaheed Benazirabad Division, failed to execute /cancel works of Rs 5.956 million, during financial year 2018-19, which were not started within bid validity (i.e. 90 Days w.e.f). Detail is provided at Annex-SBA9.

Audit is of the view that non-cancellation of un-started work in spite of expiry of bid validity resulted into non-exercise of vigilance which constituted weak financial management.

The matter was reported to the management during October 2019, the management M.C Nawabshah failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-cancellation of un-started works and non-exercising of vigilance, under intimation to audit.

[AIR Para: 7]

5.2.3.42 Unjustified expenditure on earth filling – Rs 4.314 million

According to Rule – 17 (1) of Sindh Public Procurement Rules, 2010 “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and may in print media in the manner and format prescribed in these rules”.

Further, according to paragraph 54 Central Public Works Departmental code, “Subject to the provisions of paragraph 102, for each individual work proposed to be carried out, except petty works, petty repairs, and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for the sanction of competent authority”.

During audit, it was observed that Town Committee, Mithiani of Shaheed Benazirabad Division, incurred an expenditure amounting to Rs 4.314 million, during financial year 2016-18, on account of earth filling. Following observations were noted:

1. Contracts were executed on quotation basis to avoid tender
2. Contracts were executed without preparing and approval of estimates as per schedule book rates
3. Measurement books were not recorded to justify the work
4. Development works were banned by the Government Since -2014. However incurring expenditure on earth filling was suspicious & doubtful
5. Earth Filling without CC topping was useless as it could be wiped out during Rain/Flood

Audit is of the view that expenditure incurred on earth filling through quotations without check measurement and other formalities constituted weak financial management

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure on quotation basis to avoid tender and following other formalities, under intimation to audit.

[AIR Para: 5]

5.2.3.43 Un-authorized hiring of Legal Advisers – Rs 4.175 million

As per Para 01 (1) of the Law Department, Government of Sindh Notification No.S.GENL:5-217/78 (N) 33 dated 26-07-1980, states that, “Whenever any vacancy in the legal Adviser’s post is required to be filled, the concerned Department/Council or organization shall send such requisition to the Law Department specifying therein the relevant data as to nature of assignment, financial and other fringe benefits it carries and the tenure for which the appointment is to be made” and in continuation of above letter No.S.GENL:5-22/2011/712 dated 18-04-2011.

During audit, it was observed that following offices of Shaheed Benazirabad Division, incurred expenditure of Rs 4.175 million, during financial years 2016-19, on hiring of legal adviser without permission of the Law Department Government of Sindh about nature of assignment, financial and other fringe benefits, tenure of the post, publication of advertisement and pre-qualification.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	17	2017-18	M.C Nawabshah	0.600
2	10	2018-19	T.C N. Feroze	0.810
3	15	2018-19	T.C Kandiaro	0.930
4	7	2018-19	M.C Shahdadpur	0.240
5	25	2018-19	M.C Tando Adam	0.520
6	7	2018-19	T.C Padidan	0.450
7	7	2018-19	T.C Khipro	0.625
Total				4.175

Audit is of the view that hiring of legal adviser without fulfillment of prescribed codal formalities constituted weak administrative and financial management.

The matter was reported to the management during May-December, 2019, the management of M.C Nawabshah replied that legal advisor appointed for one year and paid from contingent head of budget, M.C Tando Adam & T.C Kandiaro replied that legal advisor was hired to face the courts cases after completing all codal formalities but failed to provide documentary proof and other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for un-authorized hiring of legal adviser without fulfillment of prescribed codal formalities, under intimation to audit.

5.2.3.44 Un-authorized execution of rent agreement without open auctions Rs 3.692 million

As per section 78 (4) of the Sindh Local Government Act, 2013 states that, “All contracts for transfer by grant, sale, mortgage, lease or otherwise of immovable property or any interest and right thereto or disposal or sale of movable property or for leasing out rights to collect taxes shall, subject to the rules be entered into after inviting offers in an open auction”.

During audit, it was observed that following offices of Shaheed Benazirabad Division, executed rent agreements of immovable property of the council of Rs 3.692 million, during financial year 2018-19, with the tenants without inviting open auctions on fair market rent on yearly basis.

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	5	2018-19	M.C Sinjhoru	0.134
2	5	2018-19	M.C Tando Adam	3.077
3	9	2018-19	T.C Padidan	0.481
Total				3.692

Audit is of the view that rent agreement was executed without inviting open auctions on fair market rent on yearly basis which constituted weak financial management.

The matter was reported to the management during December, 2019, the management of M.C Tando Adam, M.C Sanjhoru & T.C Padidan failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for executed rent agreements of immovable property of the council without inviting open auctions, under intimation to audit.

5.2.3.45 Irregular purchase of RCC pipes – Rs 3.456 million

According to Paragraph 148 of Sindh Financial Rule Volume-I, all materials received should be examined, counted, measured or weighted as the case may be, when delivery is taken, and they should be taken in charge by a responsible Government officer who should see that the quantities are correct and their quality good, and record a certificate to that effect. The officer receiving the stores should also be required to give a certificate that he has actually received the materials and recorded them in the appropriate stock register.

During audit, it was observed that Town Committee, Mithiani of Shaheed Benazirabad Division, incurred an expenditure of Rs 3.456 million, during financial years 2016-18, on account of purchasing RCC pipes of different dia, for RCC crosses. Following observations were noted:

1. Opening balance, consumption & closing balance was not found in stock register
2. Demand for RCC pipes was not made by any official of Town Committee or by any private person
3. Detail of RCC crosses fixed, location wise was also not maintained
4. Labour charges for fixing of RCC pipes at various crosses was not claimed

Audit is of the view that expenditure incurred on purchase of RCC pipes without, entry in stock register & other formalities constituted weak administrative & financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that matter may be inquired in detail and fixing of responsibility against person(s) at fault, under intimation to audit.

[AIR Para: 13]

5.2.3.46 Wasteful expenditure of council funds – Rs 1.202 million

According to Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Municipal Committee, Nawabshah of Shaheed Benazirabad Division, incurred and expenditure of Rs 1.202 million, during financial year 2018-19, on supply of drums and printing of office record but failed to utilize the same. Detail is as under:

Sr#	Description	Amount in million	Remarks
1	Wastage of Council Funds on Supply of Drums for Construction of Dust Bins	0.275	Drums were laid within the premises of Town committee, with-out construction of Dust Bins
2	Wastage of Council Funds on Printing	0.927	Documents/registers were printed unnecessary & repeatedly without using them
Total		1.202	-

Audit is of the view that wastage of council funds was due to negligence of management from the affairs of council, which constituted weak financial management

The matter was reported to the management during September, 2019, the management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for wastage of council funds without utilization of items, under intimation to audit.

[AIR Paras: 13, 14]

5.2.3.47 Undue favour extended to contractor by not forfeiting call deposit Rs 0.915 million

According to 11.2.5 of SPPRA regulations for works defining Terminating a Contract, procuring agency is entitled to terminate the contract at any time as per terms and conditions of contract. Termination of contracts always results in cost and time over run therefore it should be avoided. However, sometimes it may be necessary to terminate a contract: (ii) where contract performance has become impossible.

During audit, it was observed that Town Committee, Kazi Ahmed of Shaheed Benazirabad Division, awarded development work costing Rs 0.915 million, during financial year 2017-18, to contractor who failed to start works within stipulated time period even upto stipulated completion dates and till audit, procuring agency did not take any action including cancelation of work orders & forfeiting call deposits which resulted into undue favor to contractor. Detail is as under:

[Rupees in million]

Contractor Name	Scheme Detail	Completion period	Cost
Yaseen & Company 210/27.2.18	Construction & repair of CC block from Ali Asad Unar house to Rais Iftikhar Unar gate, Ward No.5, Scheme No.11	4 months	0.915
CD Rs.50,000/- vide D.D 11915816 dated: 26.12.17			

Audit is of the view that undue favor extended to contractor by not forfeiting call deposit despite of non-execution of work which resulted into undue favor to contractors which constituted weak financial management.

The matter was reported to the management during May 2019, but the management of T.C Kazi Ahmed replied that work order was cancelled and call deposit was forfeited, but department failed to provide documentary proof. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-forfeiting of call deposit, under intimation to audit.

[AIR Para: 2]

5.2.3.48 Loss to Government due to award of Contracts to the Highest Bidders – Rs 0.894 million

According to Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Town Committee, Mithiani of Shaheed Benazirabad Division, incurred an amount of Rs 0.894 million, during financial year 2018-19, on account of earth filling & excavation of pond by awarding contracts to the highest instead of the lowest one.

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	7	2016-18	T.C Mithiani	0.755
2	8	2016-18	T.C Mithiani	0.139
Total				0.894

Audit is of the view that management failed to observe the rules set by Government, and it reflects the absence of systematic control and financial indiscipline prevalent in the department.

The matter was reported to the management during October, 2019, the management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that un-justified expenditure may be justified to audit and also responsibility for loss of public funds should be fixed on the person at fault.

[AIR Para: 07]

5.2.3.49 Irregular promotion of staff beyond criteria –Rs 0.503 million

According to Sindh Civil Servants (Appointment, Promotion and Transfer) Rules, 1974, Rule-7(2) states that, “Appointment by promotion or transfer to posts in BPS-3 to BPS-18 without special pay other than the posts for which Provincial Selection

Board has been constituted under rule-6A shall be made on the recommendation of the appropriate Departmental Promotion Committee.”

During audit, it was observed that Town Committee, Mehrabpur, Shaheed Benazirabad Division, incurred expenditure of Rs 0.503 million, during financial year 2018-19, on promoted Secretary from BPS-07 to Secretary BPS-08 as 1st promotion & Chief Officer BPS-11 as 2nd promotion without seniority cum fitness, service structure, qualification and approval of the promotion committee. Detail is provided at Annex-SBA10.

Audit is of the view that that promotion without fulfilling the criteria set forth by the government for SCUG members which constituted weak financial management.

The matter was reported to the management during November, 2019, the management failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for illegal promotions beyond rules & regulations, under intimation to audit.

[AIR Para: 10]

5.2.3.50 Un-authorized appointment of staff in Higher Scales

As per clarification by the Government of Sindh Finance Department vide notification No. FD (SR-IV) 2-70/2007 (Prov): dated 22-12-2009, “The grade of appointment of non-clerical staff is as under: -

Sr.	Name of Post	BPS
01	Naib Qasid	01
02	Chowkidar	01
03	Malhi	01
04	Sweeper	01
05	Laboratory Attendant	02
06	Driver	04

During audit, it was observed that Municipal Committee, Shahdadpur, Shaheed Benazirabad Division, appointed (20) Naib Qasids, Chowkidar, Cleaner, Helper & Malhi in BPS-2 while these posts were required to be filled through initial appointments in BPS-1, during financial year 2018-19. Detail is provided at Annex-SBA11.

Audit is of the view that staff appointment beyond their basic pay scales resulted into overpayment of Pay & Allowances, which constituted weak financial management

The matter was reported to the management during November, 2019, the management of M.C Shahdadpur failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for appointment of staff on higher pay scales, besides recovery of over-paid salary from the beneficiaries, under intimation to audit.

[AIR Para: 8]

5.2.3.51 Un-authorized appointment, promotions & change of cadre beyond criteria

According to Notification No.SOV (S&GAD)/X-43/2007, dated 9-2-2008, issued by the Services, General Administration & Coordination Department, states that, “appointment may be made as procedure prescribed in the Notification No.SOV (S&GAD)/X-15/90-98, dated 14-2-2005, issued by the Services, General Administration & Coordination Department: (a) for the posts in BPS-5 and above there shall be a written test followed by interview. (b) the department should constitute selection committees at district, regional and provincial level. Advertisements should be indicative categories of the posts in districts, regional and provincial basis.”

During audit, it was observed that Municipal Committee, Tando Adam, Shaheed Benazirabad Division, appointed staff on substantive post of employee proceeded on leave of 04 months after one year from the date of appointment, during financial year 2018-19. Detail is provided at Annex-SBA12.

Following irregularities were also noted:

1. Cadre of post changed without service structure and awarded promotions without seniority and service structure
2. Appointment made without approval of posts from government, advertisement in newspapers, written test, interviews and checking prescribed qualification;
3. Cadre of posts changed several times on particular-seats beyond criteria;

4. Promotions awarded without seniority cum fitness and approval of the competent authority.

Audit is of the view that that un-authorized appointment, promotion and change of cadre were made beyond criteria which constituted weak financial management.

The matter was reported to the management during December, 2019, the management of M.C Tando Adam failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for appointment, promotion and change in cadre beyond criteria under intimation to audit.

[AIR Paras: 16, 17]

5.2.3.52 Mis-use of council's property through involvement of officials

According to Rule 4 of the Sindh Local Councils (Property) Rules, 2017 "The officer Incharge shall: -€ ensure that the rented property fetches the maximum rent; (d) prevent the impairment of the value and utility of the rented property; € prevent the use of property for the purpose and in the manner other than specified by the Council".

During audit, it was observed that Municipal Committee, Tando Adam, Shaheed Benazirabad Division, rented council property was demolished by the tenant and three new shops and one flat was constructed through own sources of the tenant with suspicious involvement of the council officials without adopting official procedures, during financial year 2018-19. Detail is as under:

Name of Property	Location of property	Name of Tenant	Present structure	Remarks
Shop No.10	Block No.01, Jinnah Road, Tando Adam	Mr. Habib Khan S/o Abdul Hameed	03 Shops on ground floor + House on 1 st Floor	Structure on council's rented shop was illegally built by the tenant on his own source with the consent of the Chairman & Taxation Officer

Audit is of the view that rented property of the council was demolished, and new structure was established by the tenant through his own sources with suspicious involvement of the officials which constituted weak financial management.

The matter was reported to the management during December, 2019, the management of M.C Tando Adam failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for mis-use of council’s property, besides vacation of the property from the illegal occupants, under intimation to audit.

[AIR Para: 7]

5.2.3.53 Unauthorized possession/occupation on council property by private people

According to Schedule-VI, section 139(a) Offence under the act (38), “Failure to deliver back possession of property to the local government on cancellation and expiration of lease read with section 139(a) Part-II, (17), Immovable encroachment in or on or under any property or any open space or land vested in or managed, maintained or controlled by a local government.”

Further, according to Para-4 of Sindh Local Government (Property) Rules 2001 “All the local Government shall take such steps as may be necessary to ensure that the property vested in its managed and maintained in the best interest of the public”.

During audit, it was observed that Town Committee, Kazi Ahmed, Shaheed Benazirabad Division failed to obtain council property, during financial year 2017-18, from the possession /occupation of unauthorized private persons since long, thus loss to public property. Detail is as under;

Sr.	Name of occupant	Details of Detail of property
1	Ghulam Nabi Mari	2 Shops in unauthorized occupation along with dues outstanding Rs.122,700/-
2	Sono Khan Chandio	Timor Rest House & agricultural land 1.5 Acres in unauthorized occupation and dues outstanding Rs.121,700/-

Audit is of the view that Govt. property was in illegal possession of private people since long time resulted into loss to public property which constituted weak financial management.

The matter was reported to the management during May, 2019, the management of T.C Kazi Ahmed replied the matter of occupation was in court against Sono Khan but compliance is awaited. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized possession / occupation on council property by private people, besides, efforts be taken to vacate illegal possession/occupation, under intimation to audit.

[AIR Para: 1]

CHAPTER-VI
SUKKUR DIVISION

6.2 SUKKUR DIVISION

6.1.2 INTRODUCTION

Sukkur Division consists of 03 Districts namely Sukkur, Ghotki and Khairpur. Each Corporation / District Council / Municipal Committee / Town Committee in Sukkur Division is headed by Chairman / Municipal Commissioner /Chief Officer / Chief Municipal Officer/ Town officer who carries out operations as per Sindh Local Government Act-2013.

The functions of Municipal Corporation/Committees are as following:

1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which Municipal Corporation/Committees is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing Municipal Corporation/Committees functioning.
4. Prepare budget, long term and annual municipal development programs in collaboration with the Union Councils.
5. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Municipal Corporation/Committees.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

6.1.3 Comments on Budget and Accounts (Variance Analysis)

[Rupees in million]

Sr.	Formation	Particulars	Budget	Expenditure / Revenue	Excess (+) Savings (-)
1	District Sukkur	Salary	1,836.47	1,398.49	-437.99
		Non-Salary	843.744	291.145	-552.60
		Development	2,802.55	805.244	-1,997.31
		Revenue	3,295.77	2,655.95	-639.82
2	District Khairpur	Salary	324.981	144.636	-180.35
		Non-Salary	606.987	109.816	-497.17
		Development	855.80	193.456	-662.34
		Revenue	822.89	508.843	-314.04
3	District Ghotki	Salary	517.423	489.144	-28.28
		Non-Salary	195.116	223.407	28.29
		Development	817.886	302.291	-515.60
		Revenue	1,234.85	704.716	-530.14
Total 2018-19		Salary	2,678.88	2,032.27	-646.61
		Non-Salary	1,645.85	624.37	-1,021.48
		Development	4,476.24	1,300.99	-3,175.25
		Total	8,800.96	3,957.620	-4,843.34
		Revenue	5,353.51	3,869.50	-1,484.00

The original budget of Sukkur Division, during financial year 2018-19 was Rs 8,800.960 million. The total expenditure incurred was Rs 3,957.620 million, resulting into overall savings of Rs 4,843.340 million.

6.1.4 Classified Summary of Audit Observations

Audit observations amounting to Rs 2,371.738 million were raised in this report during the current audit of Sukkur Division. The amount also includes recoveries of Rs 29.855 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]

Sr. No.	Classification	Amount
1.	Non-Production of Record	129.079
2.	Reported cases of fraud, embezzlement and misappropriation	0.000
3.	Irregularities	-
	A) HR / Employees related irregularities	363.172
	B) Procurement related irregularities	111.086
	C) Management of Accounts with Commercial Bank	0.000
4.	Value of money and service delivery issues	40.300
5.	Recoveries	29.855
6.	Others	1,698.246

6.1.5 Brief Comments on the Status of Compliance with PAC Directives

The audit reports pertaining to following years have been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2012-13	29	2 - Partial
2013-14	6	1 - Partial
2014-15	64	Nil
2015-16	64	Nil
2016-17	22	Nil
2017-18	51	Nil
2018-19	61	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit reports of Sukkur Division of last five years.

6.2 AUDIT PARAS

6.2.2 Non-Production of Record

6.2.2.1 Non-production of record

As per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. April 19, 2010 “The officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Further, according to Rule 116(2) of Sindh Local Government Act 2013, “The Audit Authority shall have access to all books, records and other documents pertaining to accounts and may also examine the Mayor, Deputy Mayor, Chairman, or Vice-Chairman, or any Member or Employees of the Council”.

During audit, it was observed that following offices of Sukkur Division, failed to provide record to audit, during financial years 2017-19.

[Rupees in million]

S. No	Year	Name of Office	Para No	Heading of para
1	2018-19	CODC Sukkur	1	Non-production of record
2	2018-19	SMC	1	
3	2018-19	MC Rohri	1	
4	2018-19	TC Saleh Pat	1	
5	2018-19	TC Pano Akil	1	
6	2018-19	TC Bagarji	1	
7	2018-19	CODC Ghotki	1	
8	2018-19	MC Ghotki	1	
9	2018-19	CODC Khairpur	1	
10	2018-19	TC Nara	16	
11	2017-18	MC Gambat	1	
12	2017-18	TC Nara	1	
13	2017-18	TC Faiz Ganj	1	

Audit is of the view that non-provision of record authenticity of expenditure cannot be ascertained by audit which constituted weak financial management.

The matter was reported to the management during August 2019 to December 2019, TC Saleh Pat in its reply stated that mentioned record in original is available in the office. However, copies of bank statement, sanctioned & working strength and ECR were partially provided without attestation. MC Gambat in its reply stated that attested copies of required record are enclosed, but only 8 services books copies and incomplete record was provided without attestation, rest of offices failed to reply the audit objection. DAC

meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends disciplinary action against the person(s) held responsible for non-production of record, under intimation to audit.

6.2.2.2 Irregular payment of pension - Rs 128.220 million

According to SI No.85 (vii) of Pension Manual 2006, Personal appearance of pensioners and payment through life certificate, a pensioner must take payment in person after identification by comparison with the Pension Payment Order, at least once a year.

During audit, it was observed that following offices of Sukkur Division, incurred an expenditure of Rs 128.220 million, during financial years 2017-19 on payment of pension without supporting documents and fulfilling of codal formalities.

[Rupees in million]

S.No	Year	Name of Office	Para No	Description	Amount
1	2018-19	CODC Sukkur	2	Payment of pension without supporting documents	27.722
2	2018-19	MC Rohri	2	Payment of pension & gratuity without supporting documents	44.109
3	2018-19	TC Saleh Pat	2	Payment of pension & gratuity without supporting documents	2.280
4	2018-19	TC Pano Akil	2	Payment of pension without fulfilling codal formalities	11.704
5	2018-19	TC Bagarji	2	Payment of pension without supporting documents	4.195
6	2018-19	CODC Khairpur	10	Un-justified pension payment to retired employees without obtaining valid alive & no marriage certificates	34.941
7	2017-18	TC Nara	20	Payment of pension without supporting documents	3.269
Total					128.220

Audit is of the view that due to non-availability of necessary documents, audit could not verify the authenticity of the expenditure incurred on payments of pension therefore chances of misappropriation cannot be ruled out.

The matter was reported to the management during August 2019 to December 2019, TC Saleh Pat in its reply stated that the pension payments were made in respective

bank accounts and personal appearances was also checked time to time for verification. Moreover, life certificates, no marriage certificate & copy of CNIC are received in routine. Management could not provide record of all pensioners. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Paras: 2, 2, 2, 2, 2, 10, 20]

6.2.2.3 Irregular expenditure without supporting vouchers-Rs 0.859 million

As per Rule-23 of Sindh Financial Rules, “every payment including repayment of money previously lodged with Government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that District Council, Ghotki, Sukkur Division, made payments of Rs 0.859 million, during financial years 2017-19, on account of awaiting period to Chief Officer district council Ghotki, without supporting vouchers/bill. Detail is as under:

[Amount in rupees]			
Name of Officer	Gross Amount	Cheque No	Date
Pay bill of Chief Officer awaiting posting period	858,786	23707955	14.05.18

Audit is of the view that due to non-availability of relevant supporting vouchers/details, audit could not verify the authenticity of the expenditure.

The matter was reported to the managements during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 13]

6.2.3 Irregularity / Non-Compliance

A. Recovery /Outstanding dues

6.2.3.1 Non-deduction of Sindh Sales Tax on Services – Rs 14.741 million

According to Sindh Sales Tax on Services Act 2011, Section-3(1) “taxable services shall be charged, levied and collected a tax known as sales tax on the value of a taxable service at the rate specified in the Schedule in which the taxable service is listed.

Tariff Heading	Description	Rate of Tax
9809.000	Services provided or rendered by persons engaged in contractual execution of work or furnishing supplies	13%
9822.4000	Dredging or Desilting Service	10%
9819.9100	Auctioneer	10%

Sindh Revenue Board GoS, Working Tariff S ToS (Amended upto 4th December, 2017)

During audit, it was observed that following offices of Sukkur Division, failed to deduct sales tax on services of Rs 14.741 million, during financial years 2017-19.

[Rupees in million]

S. No	Year	Name of Office	Para No	Description	Amount
1	2018-19	MC Ghotki	2	Non-deduction of Sindh sales tax on services	2.44
2	2017-18	MC Gambat	4	Non-deduction of sales tax on taxable service	7.212
3	2017-18	TC Nara	5	Non-deduction of sales tax on taxable service	3.424
4	2017-18	TC Faiz Ganj	4	Non-deduction of sales tax on taxable service	1.665
				Total	14.741

Audit is of the view that non-deduction of sales tax on services resulted into weak financial management controls.

The matter was reported to the management during August 2019 to November 2019, MC Gambat in its reply stated that sales tax was deducted during the period of payments and the attested photocopies of the same payment vouchers are enclosed for ready reference. Whereas, during scrutiny it was revealed that proof of SST deduction and deposit not provided/attached with reply. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery, under intimation to audit. PAO must put in place a mechanism to ensure that all government dues are promptly received/recovered.

[AIR Para: 2,4,5,4]

6.2.3.2 Non-deduction of GST on Taxable Supplies – Rs 7.115 million

According to Rule 2 (3) of the Sales Tax Special Procedure (Withholding) Rules, 2007, —a withholding agent having free tax number (FTN) and falling under clause (a) (b) and (c) of sub-rule (2) of Rule-1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%)of the value of taxable supplies made to him from the payment due to the supplier and unless otherwise specified in the contract between the buyer and the supplier, the amount of sales tax for the purpose of this rule shall be worked out on the basis of gross value of taxable supply.

During audit, it was observed that following offices of Sukkur Division, made payments on the purchase of taxable goods/articles, but failed to deduct General Sales Tax @ 17% amounting to Rs 7.115 million, during financial years 2017-19, from bills of un-registered contractor/supplier.

[Rupees in million]

S. No	Year	Name of Office	Para No	Heading of para	Amount
1	2018-19	MC Pir jo Goth	4	Non deduction of General Sales Tax from contractors	0.723
2	2018-19	TC Nara	2	Non deduction of General Sales Tax from contractors	0.425
3	2017-18	MC Gambat	2	Non-deduction of sales tax on taxable goods/ supplies	2.285
4	2017-18	TC Nara	4	Non-deduction of sales tax on taxable goods/supplies	3.107
5	2017-18	TC Faiz Ganj	3	Non-deduction of general sales tax on taxable goods/ supplies	0.575
Total					7.115

Audit is of the view that non-deduction of General Sales Tax on supplies resulted loss to Govt. exchequer and weak financial management.

The matter was reported to the management during August 2019 to December 2019, MC Gambat in its reply stated that expenditure was incurred on various items like purchase of motorcycles, generators, boats and other items, the sales tax was already deducted and the paid vouchers are attached for verification. Proof of deduction of 21 nos payment vouchers were provided out of 114 nos whereas GST was deducted from payment of 2 bills Rs.30,948/- and proof of deduction of remaining amount of GST Rs.2,253,956/- was not provided. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for providing loss to public exchequer. Besides, recovery of General Sales Tax (GST) on supplies may be recovered, under intimation audit.

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

6.2.3.3 Non-recovery of outstanding dues – Rs 3.891 million

According to SLGA 2013 100(2) All arrears of taxes, rates, tolls and fees and other moneys claimable by a Council under this Act shall be recoverable as arrears of land revenue through Government agency or by the Council authorized by Government for such recovery through such employees or class of employees of the Council as may be prescribed.

During audit, it was observed that following offices of Sukkur Division, failed to recover outstanding dues Rs 3.891 million, during financial years 2017-19, from various tenants.

[Rupees in million]

S. No	Name of Office	Para No	Description	Amount
1	CODC Sukkur	4	Non-recovery of outstanding dues	0.248
2	CODC Sukkur	7	Loss to government due to non-recovery of rents from occupant of bungalow and NADRA office in jurisdiction of council	0.780
3	CODC Ghotki	7	Non recovery of rent of shops	2.717
4	CODC Khairpur	2	Loss to government due to non-recovery of outstanding dues from default tenants	0.146
Total				3.891

Audit is of the view that non-recovery of outstanding dues from defaulters resulted into weak financial management controls.

The matter was reported to the management during September 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expedite the recovery may be made, besides, fix the responsibility on person(s) at fault. PAO must put in place a mechanism to ensure that all government dues are promptly received/recovered.

[AIR Para:4,7,7,2]

6.2.3.4 Non-recovery of stamp duty/professional tax - Rs 2.027 million

As per Article 15 of the Stamp Act, 1899, amended vide Sindh Finance Act, 2015, “it is the duty of the competent authority to recover the stamp duty and affix the same, while execution of agreement @ 0.35 paisa/100 rupees of the value of the agreement or against tender cost.”

Further, according to Seventh Schedule of Sindh Finance Act, 1964 amended vide Schedule-II of Sindh Finance Ordinance, 2000, Professional tax is required to be deducted from the payments made to contractors engaged in construction work or providing services and labour”.

During audit, it was observed that following offices of Sukkur Division, failed to recover stamp duty and professional tax amounting to Rs 11.424 million, during financial years 2017-19, from bills of contractors as well as non-affixing of stamp duty on contract agreements of contractors.

[Rupees in million]

S. No	Year	Name of Office	Para No	Description	Amount
1	2018-19	SMC	20	Stamp duty	1.782
2	2017-18	MC Gambat	24	Stamp duty	0.036
3	2017-18	TC Nara	12	Stamp duty	0.097
4	2018-19	SMC	21	Professional tax	0.046
5	2017-18	MC Gambat	10	Professional tax	0.039
6	2017-18	TC Faiz Ganj	14	Professional tax	0.027
				Total	2.027

Audit is of the view that due to non-recovery of stamp duty and professional tax, government sustained loss of revenue which constituted financial mismanagement as well as non-observance of prescribed rules and procedures in vogue.

The matter was reported to that managements during August 2019 to October 2019, MC Gambat in its reply stated that professional tax and stamp duty are deducted but proof of deposition of professional tax and stamp duty were not attached with reply. Other offices did not respond. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery of tax may be made, besides fixing of responsibility on person(s) at fault, under intimation to audit.

[AIR Paras: 20, 24,12,21,10,14]

6.2.3.5 Less deduction of income tax - Rs 1.720 million

According to Income Tax Ordinance, 2001 (Amended up-to 30th June, 2019), according to Section 153. Payment for goods and services (1) “Every prescribed person making a payment in full or part including payment by way of advance to a resident person or (a) for the sale of goods; (b) for the rendering or providing of services; (c) on the execution a contract for the sale of goods or the rendering of or providing services, shall , at the time of making the payment, deduct tax from the gross amount payable (including sales tax, if any) at the rate specified in Division III of Part-III of the First Schedule.

During audit, it was observed that, following offices of Sukkur Division, made payments to contractors/ suppliers on different accounts, but failed to deduct income tax from bills of contractors/ suppliers at prescribed rate amounting to Rs 1.720 million, during financial years 2017-19.

[Rupees in million]

S.No.	Year	Name of Office	Para No	Description	Amount
1	2018-19	MC Pir jo Goth	13	less-deduction	0.955
2	2018-19	TC Nara	8	less-deduction	0.347
3	2017-18	TC Nara	6	less deduction	0.298
4	2017-18	TC Nara	9	Non-deduction	0.060
5	2017-18	TC Faiz Ganj	9	less deduction	0.06
Total					1.720

Audit is of the view that laxity of management in realization of actual dues resulted into loss of genuine revenue which constituted weak financial management controls.

The matter was reported to the management during August 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends expeditious recovery, under intimation to audit. PAO must put in place a mechanism to ensure that all government dues are promptly received/recovered.

[AIR Paras: 13, 8,6,9,9]

6.2.3.6 Purchase of POL on exaggerated rate – Rs 0.241 million

As per Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Town Committee, Nara, Sukkur Division, purchased POL on exaggerated rate instead of actual rates resulted into loss of Rs 0.241 million during financial year 2018-19. Detail is as under:

[Amount in rupees]

Particulars	Amount	Town Committee purchase Rate	Liters of diesel purchased	Actual rate	Actual amount	Amount Difference
January 2019	527,815	112.1	4708.42997	107.86	507851.3	19,964
Aug-18	582,671	118.3	4925.36771	114.18	562378.5	20,293
Total difference for the month of January 2019 & August 2018						40,256
Avg. liters of diesel consumption per moth						4,816
Avg. price difference						4.18
Avg. liters of diesel consumption per moth * Avg. price diff.x No. of months (4816*4.18*10)						201,309
Total price difference						241,565

Audit is of the view that management willfully purchased POL on exaggerated rates as POL prices are not uncommon which resulted into non-compliance of prescribe rules and procedures and weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for purchasing POL on higher rates. Besides, recovery of excess payment for purchasing POL on higher rates, under intimation to audit.

[AIR Para: 5]

6.2.3.7 Non-recovery of payment of conveyance allowance - Rs 0.120 million

According to Sindh Local Councils (Accounts) Rules 1985, Rule-159(3) “Every Officer or Servant of Council who is given a vehicle for performance of official duties shall not draw conveyance allowance otherwise admissible to him.

During audit, it was observed that following offices of Sukkur Division, paid conveyance allowance of Rs 0.120 million, during financial years 2017-19, to officer(s) despite allotment of official vehicles alongwith POL facility. Detail is as under:

[Rupees in million]

S.No	Year	Name of Office	Para No	Name of employee	Heading of para	Amount
1	2018-19	CODC Khairpur	3	Tanveer Ahmed (CO)	Recovery of conveyance allowance	0.060
2	2017-18	TC Nara	8	Zulfiqar Ali (AEN)	Unauthorized payment of conveyance allowance	0.060
Total						0.120

Audit is of the view that payment on account of conveyance allowance to officers who were in receipt of POL facility on official vehicles constituted weak financial management controls.

The matter was reported to the management during August 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault. Besides recovery of conveyance allowance, under intimation to audit.

[AIR Paras: 3, 8]

B. Violation of Rules

6.2.3.8 Execution of works without approval - Rs 419.320 million

As per SPPRA Guideline for original works 2010 Rule 2.22; PC-I/PC-II of schemes/projects prepared by the administrative department is required to be placed before the Development Working Party/committee according to the cost / competency of the forum as enumerate below:

S.No.	Competent Forum	Cost of Scheme up to
1	District Development Working Committee (DDWC)	Rs. 20 million
2	Departmental Development Working Party (DDWP)	Rs. 40 million
3	Provincial Development Working Party (PDWP)	Rs.50 million
4	Central Development Working Party (CDWP)	Rs. One billion
5	Executive Committee of the National Economic Council (ECNEC). After clearance from CDWP	Above Rs. One billion

During audit, it was observed that, Sukkur Municipal Corporation, Sukkur Division, awarded development works costing to Rs 419.320 million, during financial year 2018-19, but failed to obtain approval from competent forum.

Audit is of the view that non-observance of the SPPRA rules resulted into unauthorized exercise of powers which constituted weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-obtaining of approval of development schemes from competent forum, under intimation to audit.

[AIR Para: 18]

6.2.3.9 Irregular award of contracts -Rs 357.764 million

According to Section 24 of Sindh Sales Tax on Services Act 2011, (1) Registration will be required for all persons who: (a) are residents; (b) provide any of the services listed in the Second Schedule from their registered office or place of business in Sindh; and (c) fulfill any other criteria or requirements which the Board may prescribe under sub-section (2)".

Further, according to Rule 46 of Sindh Public Procurement Rules, 2010,

“Procedures of open competitive bidding-Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding (1) Single Stage – One Envelope Procedure (a) Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turnover of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable);); (iv) any other factor deemed to be relevant by the procuring agency subject to provision of Rule 44.

During audit, it was observed that, following offices of Sukkur Division, awarded different contracts amounting to Rs 357.764 million, during financial years 2017-19, to various contractors who were not registered with concerned authorities.

[Rupees in million]				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	SMC	10	230.89
2	2018-19	MC Rohri	11	3.000
3	2017-18	MC Gambat	19	52.669
4	2017-18	TC Nara	15	1.000
5	2017-18	TC Nara	16	28.900
6	2017-18	TC Nara	17	31.900
7	2017-18	TC Faiz Ganj	19	9.405
Total				357.764

Audit is of the view that management awarded works to unqualified contractors constituted weak administrative management controls.

The matter was reported to the managements during August 2019 to October 2019, MC Gambat in its reply stated that works were awarded to contractors after obtaining registration certificate with SRB. However, registration certificates were not provided with reply, other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of works, under intimation to audit.

6.2.3.10 Irregular payment of salaries without necessary deductions Rs 281.832 million

According to Section 125 of Sindh Local Government Act 2013 (1). A Council may establish and maintain: (a) Provident fund for the benefit of its servants, who shall

contribute to such fund in such manner and proportion as may be prescribed. (b) Pension fund from which pension, shall, in the prescribed manner, be paid to the servants of the Council; (c) benevolent fund, in the prescribed manner from which any special pension or gratuity, shall, in the prescribed manner be paid to the family of a servant of the Council, who dies of disease or injury contracted or suffered by him in the discharge of his officials duties. (2). A Council may operate a scheme of social insurance for its servants and require such servants to subscribe to such scheme in such manner and proportion, as may be prescribed.

During audit, it was observed that following offices of Sukkur Division, incurred expenditure of Rs 281.832 million, during financial years 2016-19, on payment of salaries to staff but failed to deduct General Provident Fund, Pension Fund, Benevolent Fund and Group Life Insurance from Council employees.

[Rupees in million]				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	MC Rohri	5	252.199
2	2016-19	TC Bagarji	4	26.785
	2017-18	MC Gambat	15	1.805
	2017-18	TC Faiz Ganj	5	1.043
Total				281.832

Audit is of the view that non-deduction of General Provident funds/pension contribution from salaries of employees resulted into loss to public exchequer which constituted weak financial management controls.

The matter was reported to the management during September 2019 to December 2019, MC Gambat in its reply stated that the GPF was deducted and pay bills are enclosed for verification, but no documentary proof was attached. TC Faiz Ganj failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit. Audit recommends that responsibility may be fixed on person(s) at fault for non-recovery of necessary deductions, besides, recovery of the same be made under intimation to audit.

6.2.3.11 Non-achievement of targeted receipts – Rs 163.132 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that following offices of Sukkur Division, failed to achieve targeted receipts amounting to Rs 163.132 million, during financial years 2017-19, to enhance own sources revenue of council.

[Rupees in million]

S.No.	Year	Name of Office	Para No	Description	Amount
1	2018-19	SMC	7	Less realization of targeted receipts	48.059
2	2018-19	MC Rohri	7	Non-recovery of targeted receipts	8.378
3	2018-19	TC Saleh Pat	8	Non-recovery of Targeted Receipts	2.231
4	2018-19	TC Pano Akil	6	Non-recovery of targeted receipts	72.927
5	2018-19	TC Bagarji	6	Non-recovery of targeted receipts	0.642
6	2018-19	MC Ghotki	7	Non-recovery of targeted receipts	11.110
7	2018-19	MC Pir jo Goth	17	Non-recovery of targeted receipts	1.894
8	2017-18	MC Gambat	5	Non-achievement of targeted receipts	0.771
9	2017-18	TC Nara	19	Non-achievement of targeted receipts	12.570
10	2017-18	TC Faiz Ganj	12	Non-achievement of targeted receipts	4.55
Total					163.132

Audit is of the view that due to less-realization of estimated receipts, local council was deprived of revenue, which constituted weak financial management controls.

The matter was reported to the management during August 2019 to December 2019, TC Saleh Pat and MC Gambat in their reply stated that they made strenuous efforts to recover the amount as targeted and could not be recovered due to shortage of human resource. However, the management will take all out measure to meet the targets in future. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.12 Unauthorized expenditure without budget approval Rs 161.874 million

According to Rule 110 (1) of Sindh local Government Act 2013, “the council shall in prescribed manner, prepare and sanction before the commencement of each financial year a statement of its estimated receipts and expenditure for that year, hereinafter referred to as budget, and forward a copy thereof to the Government”.

During audit, it was observed that following offices of Sukkur Division,

incurred an expenditure of Rs 161.874 million, during financial year 2018-19, without approval of budget from competent authority.

[Rupees in million]

S.No	Year	Name of Office	Para No	Description	Amount
1	2018-19	TC Saleh Pat	9	Un-authorized expenditure without approval of budget estimates	118.240
2	2018-19	TC Bagarji	7	Un-authorized expenditure without approval of budget e Estimates	43.634
Total					161.874

Audit is of the view that the management failed to prepare and submit a budget in violation of rule.

The matter was reported to the management during September 2019 to December 2019, TC Saleh Pat in its reply stated that the budget for the financial year 2018-19 was duly approved by the council. Copy of the budget approval letter is enclosed for audit verification. However according to approval letter no SOII(LG)/8-24/2017/SUK (PF) Karachi dated 30 October 2018 that the budget was approved on 30-10-18 and expenditure incurred before approval of budget from LG is unauthorized. But other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.13 Award of works through doubtful tendering process Rs 143.600 million

According to Rule 2, (Q-ii) of SPPRA 2010, “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain”.

During audit, it was observed that following offices of Sukkur Division, awarded development works amounting to Rs 143.600 million, during financial year 2017-18, to various contractors through NIT. Following irregularities were observed:

1. Tender(s) were required to be obtained in sealed envelopes, but envelopes were not available in contractor files.

2. BOQ/quotes of the contractors were unsigned by respective contractors.
3. Comparative statements in some cases were also unsigned by the procuring authority.
4. Contracts were awarded by way of pooling to facilitate contractors.

[Rupees in million]

S.No	Year	Name of Office	Para No	Description	Amount
1	2017-18	MC Gambat	9	Award of works though doubtful tendering process	81.500
2	2017-18	TC Faiz Ganj	13	Award of works though doubtful tendering process	62.100
Total					143.600

Audit is of the view that management failed to watch the government interest and ignored rules and procedures which constituted weak financial management controls.

The matter was reported to the management during August 2019 to September 2019, MC Gambat in its reply stated that it is submitted that tenders were invited by obtaining sealed envelope/BOQ/Quotes and comparative statements are enclosed with the agreements. Attested copies enclosed for verification. However, documentary evidences were not provided. Management of TC Faiz Ganj failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends inquiry into the matter and fixing of responsibility on person(s) for non-maintaining transparency in tendering process, under intimation to audit.

6.2.3.14 Irregular expenditure on POL - Rs 95.124 million

As per rule- 20 of the Staff Car Rules 1980, as amended in 2001, “The Log Book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

During audit, it was observed that, following offices of Sukkur Division, incurred expenditure of Rs 95.124 million, during financial years 2017-19, on account of POL, but failed to maintain the log books, history sheets & petrol account registers.

[Rupee in million]

Sr.	Year	Name of Office	Para No	Amount
1	2018-19	SMC	3	37.330
2	2018-19	MC Rohri	3	3.144

[Rupee in million]

Sr.	Year	Name of Office	Para No	Amount
3	2018-19	TC Saleh Pat	3	5.369
4	2018-19	TC Pano Akil	3	7.941
5	2018-19	TC Bagarji	3	0.525
6	2018-19	CODC Ghotki	14	2.411
7	2018-19	MC Ghotki	4	4.978
8	2018-19	CODC Khairpur	6	5.597
9	2018-19	MC Pir jo Goth	3	8.521
10	2018-19	TC Nara	17	5.026
11	2017-18	MC Gambat	17	4.923
12	2017-18	TC Nara	24	5.840
13	2017-18	TC Faiz Ganj	8	3.519
Total				95.124

Audit is of the view that management failed to observe the rules set forth by Government which constituted weak financial management.

The matter was reported to the management during August 2019 to December 2019, TC Saleh Pat in its reply stated that expenditure incurred as per need basis keeping in view in strict economy & efficiency. However, logbooks of 7 vehicles were produced of Rs. 2.949 million out of 5.369 million. Logbook of remaining expenditure was not provided, list of govt. vehicles was also not attached and logbooks were not initialed by officer/ person travelled in vehicles. MC Gambat in its reply stated that log book, history sheet and petrol consumption account register is being maintained in office, but the same were not provided for verification. Rest of offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without supporting record. Besides, the same may be prepared to justify the expenditure, under intimation to audit.

6.2.3.15 Splitting of works to avoid tenders - Rs 91.665 million

Rule 12 (1) of SPPRA 2010, states that, "Save as otherwise provided and subject to the regulations made by the Authority a procuring agency shall prepare in accordance with Rule 11 above all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped allocated and scheduled in the Procurement Plan".

During audit, it was observed that, following offices of Sukkur Division, incurred expenditure of Rs 91.665 million, during financial years 2017-19, on works and purchases through quotations instead of calling open tender(s).

[Rupees in million]

S.No	Year	Name of Office	Para No	Description	Amount
1	2018-19	MC Ghotki	3	Irregular expenditure by way of splitting to avoid invitation of open tender	17.095
2	2018-19	CODC Khairpur	5	Irregular expenditure by way of splitting to avoid invitation of open tender	36.729
3	2018-19	MC Pir jo Goth	2	Splitting of work order to avoid inviting open tenders	7.259
4	2018-19	TC Nara	1	Splitting of work order to avoid inviting open tenders	7.500
5	2017-18	MC Gambat	14	Splitting of work orders to avoid tender	1.959
6	2017-18	TC Nara	28	Splitting of work orders to avoid tender	17.743
7	2017-18	TC Faiz Ganj	10	Splitting of work orders to avoid tender	3.38
Total					91.665

Audit is of the view that by splitting the works, management was deprived of competitive rates which constituted weak financial and administrative management.

The matter was reported to the management during August 2019 to November 2019, MC Gambat in its reply stated that that the expenditure was incurred on various items by obtaining the need from the concerned. Such indent/requisition was available and the same attested photocopies are enclosed for verification. However, same were not provided, other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for splitting up of works to avoid inviting tender under intimation to audit.

6.2.3.16 Non-publication of tender in leading Newspapers – Rs 91.000 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Regulation-4.4 Cost of procurement over Rupees One Million: All procurements exceeding Rupees One Million must be advertised on the Authority's website as well as in the newspapers having wide

circulation. The advertisement shall appear at least in three national dailies (English, Urdu and Sindhi).

During audit, it was observed that District Council, Ghotki, Sukkur Division, invited tender for various development works amounting Rs 91.000 million, during financial years 2017-19, but failed to publish notice inviting tender in three widely circulated leading newspapers of English, Urdu and Sindhi languages.

[Rupees in million]				
Year	Name of Office	Para No	Description	Amount
2017-19	CODC Ghotki	12	Non-publication of tender notice in print media	91.000

Audit is of the view that non-observance of the SPPRA rules resulted into non-obtaining of competitive rates and non-transparency in public spending. Non-observance of prescribed rules was due to weak internal controls.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for inviting tender without publishing in three widely circulated leading dailies of English, Urdu and Sindhi languages, under intimation to audit.

6.2.3.17 Award of works & contract without constitution of procurement committees – Rs 89.715 million

According to Rule 7 of SPPRA 2010, “The procuring agency shall, with approval of its Head of the Department, Constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that following offices of Sukkur Division, awarded works / contracts amounting to Rs 89.715 million, during financial years 2017-19, to contractor without constituting procurement committees to examine rates offered by contractors/supplier.

[Rupees in million]

S.No	Year	Name of Office	Para No	Description	Amount
1	2018-19	MC Ghotki	5	Irregular expenditure on purchases without constitution of purchase committee	10.973
2	2018-19	CODC Khairpur	8	Irregular expenditure without constitution of procurement committee	37.591
3	2018-19	MC Pir jo Goth	8	Irregular expenditure without constitution of procurement committee	12.733
4	2018-19	TC Nara	5	Irregular expenditure without constitution of procurement committee	7.500
5	2017-18	MC Gambat	21	Purchases without constitution of procurement committee	8.010
6	2017-18	TC Nara	21	Purchases without constitution of procurement committee	7.330
7	2017-18	TC Faiz Ganj	6	Purchases without constitution of procurement committee	5.578
Total					89.715

Audit is of the view that award of contracts without constitution of procurement committees resulted into non-achievement of competitive rates which constituted weak financial management.

The matter was reported to the management during August 2019 to November 2019, MC Gambat in its reply stated that purchases were made through procurement committee but orders of procurement committee were not enclosed for verification, other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized award of works/contracts without constituting procurement/auction committees, under intimation to audit.

6.2.3.18 Unjustified appointment of daily wages staff and payment of salaries Rs 49.683 million

According to Sindh Local Government Bill 2013 Section 116(7), "Every member or Employee of a Council and every person, charged with the administration of the affairs of a council, or acting on behalf of Council shall be personally liable for the loss, waste, misapplication or un authorized application of any moneys or property belonging to the Councils which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government

in the prescribed manner”.

During audit, it was observed that, following offices of Sukkur Division, appointed daily wages/ contractual employees and paid an amount of Rs 49.683 million on account of payment of salaries, during financial years 2016-19. Appointment of daily wages/contractual staff despite of huge number of such regular employees is unjustified extra burden over government exchequer, in contravention to the above rule.

[Rupees in million]

S. No	Year	Name of Office	Para No	Amount
1	2018-19	SMC	6	33.432
2	2018-19	MC Rohri	6	1.359
3	2018-19	TC Saleh Pat	5	2.759
4	2018-19	TC Pano Akil	4	8.054
5	2016-19	TC Bagarji	5	4.079
Total				49.683

Audit is of the view that these appointments and expenditure incurred on these employees were irregular/ unjustified and constituted weak administrative and financial management.

The matter was reported to the management during September 2019 to December 2019. TC Saleh Pat in its reply stated that appointments were made on need basis and fulfilling all codal formalities after an approval and recommendation of competent authority. However, proof of completing codal formalities, approval and permission of competent authority not attached. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unnecessary appointment, under intimation to audit.

[AIR Paras: 6,6,5,4,5]

6.2.3.19 Award of work without execution of contract agreements Rs 43.000 million

According to Regulation for Procurement of Works, SPPRA Notification No. Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March, 2013, Para-7.12.3 Contract Agreement, “The contract document confirms in writing the contract which has been agreed and formed between the procuring agency and the contractor”.

During audit, it was observed that following offices of Sukkur Division, awarded contracts of Rs 43.000, during financial year 2018-19, but failed to execute contract agreements with respective contractors to safeguard council interest.

[Rupees in million]			
S.No	Name of Office	Para No	Amount
1	TC Saleh Pat	11	13.000
2	CODC Ghotki	10	30.000
Total			43.000

Audit is of the view that management put interest of Government at stake and allowed works without executing contract agreements with respective contractors which resulted into weak administrative management.

The matter was reported to the management during September 2019, TC Saleh Pat in its reply stated that work in question was awarded to the contractors after the execution of contract agreement duly signed by competent authority and contractor. However the copy of agreement enclosed was not signed by chairman/Town Officer. District Council Ghotki failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for negligence committed by management due to award of works without executing contract agreements with respective contractors to prevent council interest, under intimation to audit.

6.2.3.20 Unauthorized expenditure out of jurisdiction - Rs 40.300 million

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that, following offices of Sukkur Division, made payments of Rs 40.330 million, during financial year 2018-19, on account of salaries, rent, financial assistance and gratuity/commutation to employees of union councils which

were out of jurisdiction of district council Sukkur, MC Rohri and SMC. Moreover, monthly grant was being released by the Government to each UC for payment of employees related and other expenses.

[Rupees in million]

S.No	Name of Office	Para No	Amount
1	CODC Sukkur	8	9.134
2	SMC	17	1.300
3	MC Rohri	4	29.896
Total			40.330

Audit is of the view that utilization of funds of above detailed offices on UCs is out of jurisdiction which may result in duplication of payments due to releases of grant by the government to UCs for same purposes.

The matter was reported to the management during September 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.21 Unjustified outsourcing of municipal services – Rs 38.012 million

According to Schedule-II, Part-II, (3) of Sindh Local Government Act 2013, “A Corporation, Municipal corporation or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse”.

During audit, it was observed that following offices of Sukkur Division, incurred expenditure of Rs 38.012 million, during financial year 2018-19, on the outsourcing of sanitation services to private contractors instead of utilizing own vehicles/machinery and services of huge number of regular and daily wages sanitation staff for which they were employed and paid salaries regularly.

[Rupees in million]

S.No	Name of Office	Para No	Amount
1	SMC	9	31.000
2	TC Pano Akil	8	7.012
Total			38.012

Audit is of the view that huge consumption on POL was also noticed despite outsourcing of municipal services to private contractors resulted into misappropriation of public funds and weak financial management and weak internal controls.

The matter was reported to the management during September 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for outsourcing municipal services despite of having own resources (sanitation staff and machinery & equipment), under intimation to audit.

6.2.3.22 Un-authorized expenditure in violation of Supreme Court Orders Rs 31.147 million

According to notification no: SO (C-IV)SGA&CD/4-12/18 (iv) on dated: 1st October, 2018 with the approval of Competent Authority i.e Chief Secretary Sindh “District : Transition Committee is hereby constituted for the period of three month, in order to execute, facilitate and coordinate smooth handing over/taking over of all the water supply, drainage schemes and RO/UF plants from Local Government Department and/or contractor(s) to Public health Engineering & Rural Development Department for implementation of Judgment of Supreme Court of Pakistan with the following composition & TOR:-

1	Deputy Commissioner of Concerned District	Chairman
2	Executive Engineer PHE & RDD, GoS	Member/Secretary
3	Assistant Commissioners of Talukas	Member
4	Assistant Executive Engineers, PHED of Talukas	Member

Terms of References:

i) To execute, and coordinate the smooth handing over/taking over of all the water supply, drainages and RO/UF plants from Local Government Department and/or contractor(s) to O&M Wing of Public Health Engineering & Rural Development Department, Government of Sindh for implementation of Judgment of Supreme Court of Pakistan, ii) To maintain and verify the inventory record and certificates on handing over/taking over by concerned departments

During audit, it was observed that Sukkur Municipal Corporation, did not

handed over water supply and drainages schemes to O&M Wing of Public Health Engineering and Rural Development Department. However, an expenditure of Rs 31.147 million, during financial year 2018-19, was made un-authorizedly on such water supply and drainage schemes, in violation of Judgment of Supreme Court of Pakistan.

Audit is of the view that management failed to watch the government interest and ignored orders of Supreme Court of Pakistan, which constitutes weak financial and administrative management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-compliance of Judgment of Supreme Court of Pakistan, under intimation to audit.

[AIR Para: 23]

6.2.3.23 Irregular appointment of daily wages staff - Rs 25.101 million

According to Govt. of Sindh, Appointment, Promotion & Transfer Rules 1974 (11) “Initial appointment to the post in BPS-3 to 15 shall be made on the recommendation of the Departmental Selection Committee after the vacancies in these BPSs have been advertised in the newspaper. (16) Posts in BPS-1 and 2 shall ordinarily be filled on local basis”.

During audit, it was observed that, following offices of Sukkur Division, paid an amount of Rs 25.101 million, during financial years 2017-19, on appointment of daily wages employees without approval of competent authority, in contravention to the above rule.

Rupees in million				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	CODC Ghotki	6	2.973
2	2017-18	TC Nara	23	14.400
3	2017-18	TC Faiz Ganj	7	7.728
Total				25.101

Audit is of the view that appointments and expenditure incurred on these employees were irregular and constituted weak financial management.

The matter was reported to the management during August 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on

25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for appointments without advertisement, under intimation to audit.

6.2.3.24 Unjustified purchase of electric material - Rs 14.857 million

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that following office of Sukkur Division, incurred expenditure of Rs 14.857 million, during financial years 2017-19, on the purchase of electric material. Following irregularities were noted:

- i. Procurement made on quotation basis instead of open tender.
- ii. Location for installation of purchased electric material was not indicated.
- iii. Electric material was purchased without indent received from concerned department / incharge
- iv. Purchased material was not accounted for.
- v. Detail of old electric/replaced material was not available.
- vi. Number of purchased lights, savors, bulbs, wires etc was not available.
- vii. Proper detail Planning map was not available.

Rupees in million				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	TC Pano Akil	14	4.426
2	2018-19	MC Pir jo Goth	15	3.560
3	2018-19	TC Nara	9	1.319
4	2017-18	TC Nara	26	3.663
5	2017-18	TC Faiz Ganj	23	1.889
Total				14.857

Audit is of the view that managements’ failure to observe rules and codal formalities resulted into weak financial management controls.

The matter was reported to the management during August 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on

25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.25 Irregular payment of liabilities - Rs 11.410 million

According to DD (Finance)/PLGC/2010/167, Dated: 04/02/2010 issued from Government of Sindh, Provincial Local Government Commission (Inspection, Monitoring & Evaluation Cell) Karachi, “local governments, across the province, make commitments beyond their budgetary allocations/ funds by initiating new development schemes, inviting tenders, creating new employment opportunities & miscellaneous expenditure. Thus create liabilities for next financial year”.

During audit, it was observed that following offices of Sukkur Division, failed to clear all charges at once during respective financial years resultantly cleared previous years liabilities Rs 11.410 million, during financial years 2017-19, from current financial year budget.

[Rupees in million]

S.No	Year	Name of Office	Para No	Amount
1	2018-19	TC Pano Akil	12	6.600
2	2018-19	MC Pir jo Goth	11	0.376
3	2018-19	TC Nara	6	0.770
4	2017-18	MC Gambat	8	1.179
5	2017-18	TC Nara	18	2.485
Total				11.410

Audit is of the view that undertaking of works without availability of funds resulted into creation of liabilities caused to be paid from current year budget which constituted weak administrative and financial management.

The matter was reported to the management during September 2019 to December 2019, MC Gambat in its reply stated that expenditure was incurred on purchase of electrical material Furthermore, it is justified that payment were made to M/s Home services electric as the material was already supplied by the vendor, reply furnished by the chairman/CMO revealed that expenditure was incurred on payment of clearing previous financial year liability which is against the rules. Hence, reply is not tenable. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to

issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-discharges the government liabilities as they occurred and payment from current year's budget, under intimation to audit.

6.2.3.26 Irregular expenditure on de-silting – Rs 10.812 million

According to Section-72 Schedule-II (part-II) Rule 1-16 of Sindh Local Government Act 2013, Compulsory functions to be performed by corporations, municipal committees and town committees, council shall be responsible for water, sewerage, drainage, sanitation, roads, other than Provincial and district roads, streets and street lighting; fire-fighting, park services. 2. Sanitation, a Corporation, Municipal Committee or Town Committee shall be responsible for the sanitation, and may for that purpose cause such measures to be taken as are required by or under this Act. 3. Removal, Collection and Disposal of Refuse: A Corporation, Municipal Committee or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse.

During audit, it was observed that following offices of Sukkur Division, incurred expenditure of Rs 10.812 million, during financial year 2018-19, on the de-silting and removal of garbage through private contractors instead of utilizing own resources (vehicles/machinery and manpower).

[Rupees in million]				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	MC Rohri	10	1.165
2	2017-18	TC Nara	27	9.647
Total			Total	10.812

Following irregularities were observed:

- i. Agreement was not executed;
- ii. Locations were not identified;
- iii. Record of vehicles utilized not provided
- iv. Rate analysis was not available
- v. Proper detail Planning map was not provided
- vi. No any officer was deputed to monitor the progress of lifting of silt

Audit is of the view that management failed to comply with the rules set forth

by the government, which reflects the absence of systematic internal controls prevalent in the department.

The matter was reported during August 2019 to September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.27 Irregular/suspicious distribution of hand pumps/sewing machines Rs 10.000 million

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that, Town Committee, Nara, Sukkur Division, incurred expenditure of Rs 10.000 million, during financial year 2017-18, on purchase of Hand Pumps and Sewing Machines through NIT for distribution to poor & needy persons.

[Rupees in million]

S.No	Year	Name of Office	Para No	Amount
1	2017-18	TC Nara	31	10.000

Following irregularities were noted:

- i. Application or request performa was not available.
- ii. NIC copy of the applicants was not available.
- iii. Approved list of the poor persons was not available.
- iv. Acknowledgement receipts of beneficiaries were not available.
- v. Verification by the concerned officer/officials was not done.

Audit is of the view that management failed to comply with the rules set forth by the government, which reflects the absence of systematic internal prevalent in the department.

The matter was reported to the management during August 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.28 Procurement without preparing annual procurement plan Rs 6.757 million

According to rule 11(1) Mandatory Provision of Procurement Plan - All procuring agencies shall devise a mechanism for planning in detail for all proposed procurements, determining the requirement of the procuring agency, within its available resources, and prepare an annual or a longer term rolling plan, detailing the procurement methods applicable for specific procurements.

During audit, it was observed that following offices of Sukkur Division, incurred an expenditure of Rs 6.757 million, during financial year 2018-19, on various head of accounts without preparing procurement plan.

[Rupees in million]				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	MC Pir jo Goth	5	4.256
2	2018-19	TC Nara	3	2.501
		Total		6.757

Audit is of the view that non-preparation of procurement plan resulted into violation of SPPRA rules which constituted weak financial management.

The matter was reported to the management during November 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement without procurement plan, under intimation to audit.

6.2.3.29 Irregular expenditure on repair of vehicles - Rs 6.074 million

According to Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that following offices of Sukkur Division, incurred expenditure of Rs 6.074 million, during financial year 2018-19 on account of repair & maintenance of vehicles.

[Rupees in million]				
S.No	Year	Name of Office	Para No	Amount
1	2018-19	SMC	8	4.779
2	2018-19	TC Pano Akil	7	1.025
3	2018-19	MC Pir jo Goth	16	0.270
Total				6.074

Following irregularities were observed:

- i. Requisition from driver of the vehicle was not furnished for repair of vehicle.
- ii. Items purchased were not accounted for in relevant register.
- iii. Disposal of old scrape was not shown.
- iv. Completion certificates were not available.
- v. History sheet showing record of repair of vehicle was not maintained.
- vi. Work was done in piece meal despite of combine requisitions from drivers
- vii. Work was done in piece meal despite of combine requisitions from drivers

Audit is of the view that expenditure incurred without details constituted weak financial management controls.

The matter was reported to the management during September 2019 to November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

6.2.3.30 Non-revision of rent on market rate-Rs 5.796 million

As per Rule 9(1) of Sindh Rental Premises Ordinance 1979, “where the fair rent of any premises has been fixed, no further increase thereof shall be effected unless a period of three years has elapsed from the date of such fixation or commencement of this ordinance whichever is later”. Further, ibid, Rule 9(2), “the increase is allowed @ 10% per annum on the existing rent”.

During audit, it was observed that Municipal Committee, Ghotki, Sukkur Division, allotted 2,130 Sft building to National Bank of Pakistan (NBP) on a very small monthly rent of Rs 6,000 (with 10% increase of last rent of Rs 5,500) without any justification & approval of higher authority. It is worth mentioning that market rent is about Rs 100 per Sq Ft per month. Hence Municipality sustained financial loss of Rs 5.796 million, during financial year 2018-19, due to less rent charged from occupant. Detail is as under:

[Amount in rupees]

Name of Lessee	Space Allotted	Avg: Monthly Market Rent per Sq Ft	Monthly Rent Recoverable (3 x 4)	Rent Charged	Difference (5-6)	Recovery Period in Months (wef 3/2017 to 6/19)	Total Yly: Rent Due
	1	2	3	4	5	6	7
Near Sabzi Market Ghotki (Main Center Place & Heart of the City Ghotki)							
National Bank of Pakistan	2130 Sq.Ft	100	213,000	6,000	207,000	28	5,796,000

Audit is of the view that management failed to observe the Government laws & regulations which reflect poor internal control, and improper financial discipline.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for recovering less rent as compare to surrounding area, under intimation to audit.

[AIR Para: 9]

6.2.3.31 Un-authorized payment of grant in aid – Rs 5.401 million

According to Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Municipal Committee, Gambat of Sukkur Division, paid an amount of Rs 5.401 million, during financial year 2017-18 to different persons, organizations on account of grant in aid. Detail is as under.

[Amount in rupees]

Sr.	Head	Particulars	Expenditure
1	Grants	Social Welfare	3,540,550
2	Grants	Special package/ Religious days	1,860,320
Total			5,400,870

Following irregularities were observed:

- i. Committee was not constituted for verification of needy persons
- ii. Verification of the claim from the Influential / Notable / Revenue department of the area was not available
- iii. List of the persons/organizations/communities was not approved
- iv. Verification for proper utilization of funds by the Chairman/CMO was not done
- v. No any documentary proof was taken from the applicant for proper usage of funds

Audit is of the view that management failed to comply with the rules set forth by the government, which resulted into weak financial and administrative management.

The matter was reported to the management during September 2019, MC Gambat in its reply stated that approval was obtained, verification was obtained, list was approved by committee. However, documentary proof of approvals, verifications & acknowledgements of recipients were not provided. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 16]

6.2.3.32 Irregular expenditure without calling tender - Rs 3.620 million

According to Rule 17(1) of Sindh Public Procurement Rules 2010, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and in print media in the manner and format prescribed in these rules”.

During audit, it was observed that following offices of Sukkur Division, incurred expenditure of Rs 3.620 million, during financial years 2017-19, on various heads without calling open tenders.

[Rupees in million]

S. No	Year	Name of Office	Para No	Description	Amount
1	2018-19	MC Rohri	14	Expenditure without inviting open tender	0.419
2	2018-19	MC Pir jo Goth	1	Irregular expenditure without inviting open tenders	1.888
3	2017-18	MC Gambat	20	Award of work without calling tender	0.719
4	2017-18	TC Faiz Ganj	21	Award of work without calling tender	0.594
Total					3.620

Audit is of the view that managements incurred unauthorized expenditure and awarded works in a non-transparent manner by deliberate deviating from prescribed rule on the part of administrative and financial management.

The matter was reported to the management during September 2019 to November 2019, MC Gambat in its reply stated that expenditure was incurred from the approved budget by observing codal formalities, but proof and justification for calling tender was not provided. Other offices failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized expenditure without calling tender(s), under intimation to audit.

6.2.3.33 Wasteful expenditure on payment of overtime - Rs 3.365 million

As per Government instructions that over time may be granted to the staff on per hour actual he/she worked.

Further, as per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that Municipal Committee, Rohri of Sukkur Division, paid over time amounting to Rs 3.365 million, during financial year 2018-19, in addition to their monthly salaries to Fire Brigade staff without any progress or extra ordinary work or authentic justification though staff was posted in 3 shifts thus, over time payment stood wasteful and irregular. Detail is as under:

[Rupees in million]

S #	Date	V #	Particulars	Name of Payee	Amount
1	Nil	8	Over Time Fire Brigade	NBP/Sindh Bank Ltd	372,621
2	3/8/2018	94	Over Time Fire Brigade	NBP/Sindh Bank Ltd	291,010
3	13/08/2018	149	Over Time Fire Brigade	NBP/Sindh Bank Ltd	70,409
4	3/9/2018	34	Over Time Fire Brigade	NBP/Sindh Bank Ltd	422,512
5	8/10/2018	39	Over Time Fire Brigade	NBP/Sindh Bank Ltd	404,188
6	7/12/2018	26	Over Time Fire Brigade	NBP/Sindh Bank Ltd	289,189
7	7/1/2019	21	Over Time Fire Brigade	NBP/Sindh Bank Ltd	382,260
8	8/2/2019	19	Over Time Fire Brigade	NBP/Sindh Bank Ltd	263,765
9	8/4/2019	17	Over Time Fire Brigade	NBP/Sindh Bank Ltd	305,407
10	9/5/2019	25	Over Time Fire Brigade	NBP/Sindh Bank Ltd	285,876
11	28/05/2019	182	Over Time Fire Brigade	NBP/Sindh Bank Ltd	277,499
Total					3,364,736

Audit is of the view that management failed to comply with the orders of the Government on the subject, which indicate the absence of systematic internal control and lack of financial discipline prevalent in the department.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 09]

6.2.3.34 Unjustified use of fire brigade vehicles – Rs 3.211 million

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct,

and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that, following offices of Sukkur Division, incurred an expenditure of Rs 3.211 million, during financial years 2017-19, on POL for fire brigade vehicles without reporting of fire cases during the period.

[Rupees in million]

S.No	Year	Name of Office	Para No	Description	Amount
1	2018-19	MC Pir jo Goth	12	Suspicious expenditure on account of POL charged on fire brigade	1.199
2	2018-19	TC Nara	7	Suspicious expenditure on account of POL charged on fire brigade	0.620
3	2017-18	TC Nara	25	Unjustified use of fire tenders	1.392
Total					3.211

Audit is of the view that heavy expenditure on POL for fire brigades without fire cases resulted into misuse of fire tenders which constituted weak administrative management controls.

The matter was reported to the management during August 2019 to December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, besides justification in the matter may also be provided at earliest, under intimation to audit.

6.2.3.35 Irregular payment of awaiting period salary - Rs 0.459 million

According to Government of Sindh Finance Department letter No. FD (SR-III)13/5-84 Dated 08TH March, 1999. The Administrative Departments have, frequently, been referring the cases to Finance Department for treating the intervening period as compulsory waiting for posting. Period of 30 days, for issuing posting orders, has been allowed to Administrative Departments in exceptional cases and that too not being followed in letter and spirit. At the same time initiated disciplinary action against the officer who is found responsible for causing deliberate delay in issuing posting orders beyond 30 days. Further, it has been directed that only those cases with extra ordinary and un-avoidable situation, where compulsory waiting for posting beyond 30 days is involved are be referred to this Department with full justification and documentary proof for consideration.

During audit, it was observed that Town Committee, Bagarji, Sukkur Division, paid an amount of Rs 0.459 million, during financial years 2016-19, on account of awaiting period salary to Mr. Shahid Mehmood, Accounts Officer, without supporting record i.e service book, LPC, current as well as last posting orders and payment vouchers. Detail is as under:

[Rupees in million]

Date	Cheque #	Particulars	Name of payees	Amount
8/2/2017	18158581	Awaiting Period Salary	Mr. Shahid Mehmood	158,818
10/2/2017	19346946	Awaiting Period Salary	Mr. Shahid Mehmood	150,000
7/3/2017	19346958	Awaiting Period Salary	Mr. Shahid Mehmood	150,000
Total				458,818

Audit is of the view that the management paid awaiting period salary without availability of necessary record resulted into irregular/doubtful which constituted weak financial management.

The matter was reported to managements during December 2018, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on person(s) at fault for payment without necessary documents. Besides, comprehensive justification in the matter may be provided at earliest.

[AIR Para: 12]

6.2.3.36 Irregular expenditure on legal fees – Rs 0.563 million

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that Chief Officer/Chairman, District Council Sukkur, of Sukkur Division, paid professional legal fee of Rs 0.563 million, during financial year 2017-18, to advocates engaged privately but detail of cases was not available. Detail is as under:

[Rupees in million]

S #	Date	Cheque #	Particulars	Name of Payee	Amount
1	16-10-2018	2694827	Legal Fees	Mr. Qurban Malano	203,227
2	11/12/2018	269340310	Legal Fees	Mr. Qurban Malano	180,000
3	15-05-2019	26896007	Legal Fees	Mr. Qurban Malano	180,000
Total					563,227

Audit is of the view that management failed to watch the government interest and ignored rules and procedures set forth by the government which constituted weak financial and administrative management controls.

The matter was reported to management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 09]

6.2.3.37 Un-authorized expenditure on account of purchase of physical assets despite ban – Rs 2.782 million

According to Notification issued by Finance Department, Government of Sindh with the directives of Chief Minister, Sindh vide No. FD/B&E-1/2(360)/Ban/2012-13, Dated: 17/05/2013 that the ban was imposed by the Chief Minister for - a. Procurement of vehicles of all categories & luxury items like air conditioners, furniture, computer etc. from non-development budget.

During audit, it was observed that, Municipal Committee Gambat, of Sukkur Division, incurred an expenditure of Rs 0.525 million, during financial year 2017-18, on the purchase of physical assets despite ban imposed by GoS.

Audit is of the view that expenditure on account of purchase of physical assets despite ban was irregular which constituted weak financial management.

The matter was reported during September 2019, MC Gambat in its reply stated that the expenditure was incurred from the approved budget and the day to day work performed by the various offices like Chariman/CMO and engineering branch. Reply is not tenable as expenditure was incurred during ban and permission from competent authority was not obtained. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 12]

6.2.3.38 Collection of various taxes / fees by department itself despite leasing-out rights through open auctions – Rs 0.440 million

According to Sindh Local Government Act. Section 77- Contracts (4) All contracts for transfer by grant, sale, mortgage, lease or otherwise of immovable property or any interest and right thereto or disposal or sale of movable property or for leasing out rights to collect taxes shall, subject to the rules be entered into after inviting offers in an open auction:

During audit, it was observed that Town Committee Pano Akil, of Sukkur Division, in financial year 2018-19, failed to lease-out the rights of collection of Generator Installation Fees through open auctions. Detail is as under:

[Rupees in million]	
Particulars	Contractual Bid
Generator Installation Fees	439,972

Audit is of the view that management failed to watch over Government interest, resulted into loss to public exchequer, which constituted weak financial management.

The matter was reported during September 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility on officers/officials responsible for the loss of revenue under intimation to audit.

[AIR Para: 13]

6.2.3.39 Over staffing of Clerks & Qasids/Naib Qasids in SMC

According to Sindh Local Government Bill 2013 Section 116(7), “every member or Employee of a Council and every person, charged with the administration of

the affairs of a council, or acting on behalf of Council shall be personally liable for the loss, waste, misapplication or un authorized application of any moneys or property belonging to the Councils which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that, Sukkur Municipal Corporation, of Sukkur Division, in financial year 2018-19, appointed/posted 249 Clerks (including Senior Clerks and Junior Clerks) and 173 Qasid/Naib Qasids in various branches of Sukkur Municipal Corporation. However, posting of 249 Clerks & 173 Qasids/Naib-Qasids in Sukkur Municipal Corporation with small infrastructure is un-justified.

Audit is of the view that the management failed to comply with the rules set forth by the Government, which reflects the presence of weak internal controls.

The matter was reported during October, 2019. The management failed to provide department’s points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends justification for posting of 249 Clerks and 173 Qasids/Naib Qasids in Sukkur Municipal Corporation.

[AIR Para: 15]

6.2.3.40 Irregular possession of Government bungalow by ex-Chief Officer

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that District Council Sukkur, of Sukkur Division, in financial year 2018-19, Government Bungalow for Chief Officer was in illegal possession of ex- Chief Officer since long, but management failed to vacate such illegal occupation. Detail is as under:

Detail of property	Details of occupant	Remarks
Chief Officer House	Muhammad Nawaz Mahar, Ex-Chief Officer	Since 2014

Audit is of the view that non-vacating illegal possession of Govt. property

resulted into loss to public property and inefficiency of management which constituted weak administrative management.

The matter was reported to management during December 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing responsibility on person(s) at fault for non-vacating illegal possession of Government bungalow.

[AIR Para: 6]

6.2.3.41 Unauthorized retention of Government vehicles

As per Section 116(7) of Sindh Local Government act-2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner

During audit, it was observed that, Sukkur Municipal Corporation, of Sukkur Division, in financial year 2018-19, failed to recover official vehicles retained unauthorizedly by Deputy Commissioner Sukkur & Assistant Director, Malir Development Authority since long. Detail is as under:

S #	Vehicle #	Model	Remarks
1	BAH-114	Cultus	Deputy Commissioner, Sukkur
2	GS-2051	Potohar 1995	---do---
3	GS-1619	Suzuki Van	Sohail Ahmed Soomro, AD MDA

Audit is of the view that unauthorized retention of official vehicles unauthorized persons resulted into weak financial management.

The matter was reported during October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 14]

CHAPTER-VII
LARKANA DIVISION

7.1 LARKANA DIVISION

7.1.1 INTRODUCTION

Larkana Division consists of 05 Districts namely Larkana, Shikarpur, Jacobabad, Kamaber and Kashmore. Each Corporation / District Council / Municipal Committee / Town Committee in Larkana Division is headed by an Mayor / Chairman / Municipal Commissioner / Chief Officer / Chief Municipal Officer / Town officer who carries out operations as per Sindh Local Government Ordinance, 2013.

The functions of Municipal Corporation/Committees are as following:

1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which Municipal Corporation/Committees is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing Municipal Corporation/Committees functioning.
4. Prepare budget, long term and annual municipal development programs in collaboration with the Union Councils.
5. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Municipal Corporation/Committees.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

7.1.2 Comments on Budget and Accounts (Variance Analysis)

[Amount in rupees]

Sr.	District	Particulars	Budget	Exp/Rev	Excess/Savings
1	Kashmore	Salary	406.299	286.489	-119.810
		Non-salary	301.525	172.110	-129.415
		Development	417.836	114.046	-303.790
		Revenue	647.633	456.650	-190.983
2	Jacobabad	Salary	218.452	174.665	-43.787
		Non-salary	264.943	155.647	-109.296
		Development	143.658	0.000	-143.658
		Revenue	349.961	310.011	-39.950
3	Kambar @ Shahdadkot	Salary	87.260	85.144	-2.116
		Non-salary	32.405	10.531	-21.874
		Development	9.400	0.000	-9.400
		Revenue	132.350	90.926	-41.424
Total 2018-19		Salary	712.011	546.298	-165.713
		Non-salary	598.873	338.288	-260.585
		Development	570.894	114.046	-456.848
		TOTAL	4,893.500	2,854.851	-2,038.649
		Revenue	1,129.940	857.586	-272.354

Original budget of Rs 4,893.500 million was allocated to Municipal Corporation and Municipal/Town Committees of Larkana Division under various grants. Variance Analysis of the Revised/Final Grant and Actual Expenditure of Rs 2,854.851 for the financial year 2018-19 for the audited entities depicted that there was a saving of Rs 2,038.649 million.

7.1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 2,394.122 million were raised in this report during the current audit of Larkana Division. The amount also includes recoveries of Rs 95.723 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]

Sr. No.	Classification	Amount
1.	Non-Production of Record	744.814
2.	Reported cases of fraud, embezzlement and misappropriation	0.000
3.	Irregularities	-
	A) HR / Employees related irregularities	36.331
	B) Procurement related irregularities	3.826
	C) Management of Accounts with Commercial Bank	0.000
4.	Value of money and service delivery issues	0.000
5.	Recoveries	95.723
6.	Others	1,513.428

7.1.4 Brief Comments on the Status of Compliance with PAC Directives

The audit reports pertaining to following years have been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2012-13	21	1 – Partial
2013-14	3	1 - Partial
2014-15	69	Nil
2015-16	21	Nil
2016-17	44	Nil
2017-18	27	Nil
2018-19	20	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit reports of Larkana Division of last five years.

7.2 AUDIT PARAS

7.2.1 Non-Production of Record

7.2.1.1 Non-production of record – Rs 655.240 million

As per 14 (2) of Ordinance of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitution (Eighteenth Amendment) Act, 2010 w.e.f. April 19, 2010 “The officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition”.

Further, according to Rule 116(2) of Sindh Local Government Act 2013, “The Audit Authority shall have access to all books, records and other documents pertaining to accounts and may also examine the Mayor, Deputy Mayor, Chairman, or Vice-Chairman, or any Member or Employees of the Council”.

During audit, it was observed that various offices of Larkana Division incurred an expenditure of Rs 655.240 million, during financial years 2017-19 but failed to provide record to audit. Detail is provided at Annex-LRK1.

Audit is of the view that non-provision of record resulted into non-authenticity of expenditure from public funds.

The matter was reported to the management during May 2019 to October 2019. District Council, Larkana, Municipal committee, Ratodero, Nauodero, Shahdadt, Thull and Town Committee, Garhi Khairo replied that record is ready for scrutiny and will be provided to audit for verification, but the same has not been produced to audit yet. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends disciplinary action against the person(s) held responsible for non-production of record, under intimation to audit.

[AIR Paras 1,1,1,1,1,28,4,1,1,12,1,1,1,1,1,1,1,1, 1, 3, 1, 4]

7.2.1.2 Irregular expenditure without supporting vouchers -Rs 89.574 million

As per Rule-23 of Sindh Financial Rules, “every payment including repayment of money previously lodged with Government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that following offices of Larkana Division incurred expenditure of Rs 89.574 million, during financial years 2017-19, on account of pension and development expenditure without supporting vouchers.

[Rupees in million]

Sr.	Name of Formation	Para	Year	Amount	Remarks
1.	CMO, Municipal Committee, Kandhkot	6	2018-19	10.196	Payment of gratuity
2.	CO, District Council, Kamber @ Shahdadkot	12	2017-18	7.234	Payment of Gratuity & LPR
3	CMO, Municipal Committee, Kamber	7	2017-18	3.071	Payment of monthly Pension
4	TO, Town Committee, Bاده	2	2017-18	67.148	Inter branch funds transfer
5	TO, Town Committee, Khanpur	12	2017-18	1.925	Monthly Salary & Pension Payments
Total				89.574	

Audit is of the view that due to non-availability of relevant supporting vouchers/details; audit could not verify the authenticity of the expenditure.

The matter was reported to the management during May 2019 to September 2019, but management failed to provide department's points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

7.2.2 Irregularity / Non-Compliance

A. Recovery / Outstanding dues

7.2.2.1 Non-recovery of outstanding dues – Rs 67.182 million

According to SLGA 2013 100(2) All arrears of taxes, rates, tolls and fees and other moneys claimable by a Council under this Act shall be recoverable as arrears of land revenue through Government agency or by the Council authorized by Government for such recovery through such employees or class of employees of the Council as may be prescribed.

During audit, it was observed that following offices of Larkana Division, failed to recover outstanding dues amounting to Rs 67.182 million, during financial years 2017-19.

[Rupees in million]				
S.N.	Office	Para No	FY	Amount
1	CMO, Municipal Committee, Kandhot	8	2018-19	1.870
2	CO, District Council, Jacobabad	2	2018-19	0.344
3	TO, Town Committee, Kashmore	6	2018-19	0.821
4	MC, MC Larkana	14,17	2017-18	58.372
5	CO, District Council, Jacobabad	2	2017-18	0.417
6	CMO, Municipal Committee, Raodero	7	2017-18	2.358
7	TO, Town Committee, Bاده	5	2017-18	3.000
Total				67.182

Audit is of the view that non-recovery of outstanding dues from defaulters resulted into weak financial management.

The matter was reported to the management during May 2019 to September 2019. District Council, Jacobabad and Municipal committee, Ratodero replied that outstanding dues have been recovered and letters have been written to concern for recovery, but no documentary evidence of recovery was produced to audit. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

7.2.2.2 Non-recovery of GST and SST – Rs 23.588 million

According to Rule-2(3) of Sales Tax Special Procedure (Withholding) Rules 2007, “A withholding Agent, having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub-rule (2) of rule 1, shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate (17%) of the value of taxable supplies made to him from the payment due to the supplier”.

Further, as per Part-B of second schedule annexed to Sindh Sales Tax on services Act 2011, “Prescribed applicable rate of sales tax at 16% against services provided or rendered by persons engaged in contractual execution of work or furnishing supplies”.

During audit, it was observed that various offices of Larkana Division, made payments to contractors/suppliers on different accounts but failed to deduct / recover government taxes and duties amounting to Rs 26.136 million, during financial years 2017-19. Detail is provided at Annex-LRK2.

Audit is of the view that Governments sustained loss due to non-deduction of taxes.

The matter was reported to management during May 2019 to October 2019. District Council, Larkana, Jacobabad, Municipal Committee, Ratodero, Nauodero, Thull and Town Committee, Garhi Khairo replied that deducted/collected taxes are being deposited to concerned quarters through challans. However, management failed to furnish documentary evidence for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery may be made, besides fixing of responsibility on person(s) at fault, under intimation to audit.

[AIR Paras: 13,3,7,5,2,12,7,9,3,3,6,6,3,11,4,18,25,13,4,4,15,7,6,14,13,8]

7.2.2.3 Non-recovery of various allowances -Rs 3.422 million

As per Para-11 of Finance Department, Government of Sindh’s O. M. No. FD (SR-IV)-I (12)/77 dated 13-05-1977, “The H.R.A. is not admissible to whom accommodation is provided by government and house rent maintenance charges shall be recovered @ 5% of the basic pay of an employee”.

Further, according to F.1(1) Imp/2008 dated 30-06-2008 (7)(b) Conveyance allowance shall be admissible to officers who are not sanctioned official vehicle and according to para-23 of Civil Servants Leave Rules, 1986 “A civil servant granted leave on full pay or half pay shall for the period of leave draw the pay half pay, as the case may be, and all allowances 7[except the Conveyance Allowance] admissible such civil servant immediately before proceeding on such leave”.

Moreover, according to Sindh Financial Management and Accountability Act, 2011, Section 4-2 (d) states that “All financial transactions shall be carried out for a proper purpose. For the purpose of this clause, a purpose shall be considered as proper if it is (i) clearly identifiable (ii) in pursuance of an official policy (iii) adequately estimated as to its costs, consequences and effects (iv) sanctioned in compliance with all applicable procedures (v) within the ambit of law and not restricted by any law in force for the time being; and (vi) in furtherance of the public interest”.

During audit, it was observed that following offices of Larkana Division, incurred expenditure of Rs 3.422 million, during financial year 2017-18, on account of extra increments, excess payment of overtime, conveyance allowance and house rent allowance without recovery of maintenance charges from employees to whom Govt. accommodation was allotted.

[Rupees in million]					
S.N.	Office	F.Y	Para No	Details of Recovery	Amount
1	MC, Municipal Corporation, Larkana	2017-18	20	House Rent & maintenance charges	0.212
2	MC, Municipal Corporation, Larkana	2017-18	30	conveyance allowance	0.093
3	MC, Municipal Corporation, Larkana	2017-18	33	Extra increments	0.155
4	CO, District Council, Larkana	2017-18	9,14	conveyance allowance	2.437
5	TO, Town Committee, Mirokhan	2017-18	15	conveyance allowance	0.06
6	TO, Town Committee, Khanpur	2017-18	16	Overtime	0.465
Total					3.422

Audit is of the view that management failed to comply with rules set out by the government, which reflects the absence of systematic control and financial discipline prevalent in the department.

The matter was reported to the management during May 2019 to October 2019. District Council, Larkana, replied that recovery will be affected. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to

issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized payment of allowances and non-recovery of house maintenance charges. Besides, recovery of amount in question, under intimation to audit.

[AIR Paras: 20,30,33,9,14,15,16]

7.2.2.4 Non-recovery of Income Tax, Professional tax and Stamp Duty Rs 1.531 million

According to Income Tax Ordinance, 2001 (Amended up-to 30th June, 2015) vide Finance Act, 2014 to Section 153. Payment for goods and services (1) “Every prescribed person making a payment in full or part including payment by way of advance to a resident person or (a) for the sale of goods; (b) for the rendering or providing of services; (c) on the execution a contract for the sale of goods or the rendering of or providing services, shall , at the time of making the payment, deduct tax from the gross amount payable (including sales tax, if any) at the rate specified in Division III of Part-III of the First Schedule.

Further, as per Schedule-II of Sindh Finance Ordinance 2000, Professional tax is required to be deducted from the payments made to contractors engaged in construction work or providing services and labour.

Furthermore, as per Article 15 of the Stamp Act, 1899, amended vide Sindh Finance Act, 2015, “it is the duty of the competent authority to recover the stamp duty and affix the same, while execution of agreement @ 0.35 paisa/100 rupees of the value of the agreement or against tender cost.”

During audit, it was observed that following offices of Larkana Division, made payments to contractors/suppliers on different accounts but failed to deduct / recover government taxes and duties amounting to Rs 1.531 million, during financial years 2017-19.

[Rupees in million]					
S.N.	Office	F.Y	Para No	Head	Amount
1	TO, Town Committee, Qubo Saeed Khan	2018-19	14	I.Tax	1.514
2	CMO, Municipal Committee, Kandhkot	2018-19	13	P.Tax	0.013
3	CO, District Council, Jacobabad	2018-19	8	S.Duty	0.004
Total					1.531

Audit is of the view that Governments sustained loss due to non-deduction of taxes which resulted weak administrative and financial management.

The matter was reported to management during May 2019 to October 2019. District Council, Larkana, Jacobabad, Municipal Committee, Ratodero, Nauodero, Thull and Town Committee, Garhi Khairo replied that deducted/collected taxes are being deposited to concerned quarters through challans. However, management failed to furnish documentary evidence for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that expeditious recovery may be made, besides fixing of responsibility on person(s) at fault, under intimation to audit.

B. Violation of Rules

7.2.2.5 Irregular award of works without obtaining approval of PC-I Rs 330.748 million

According to SPPRA's Guidelines Section 2.21 Pre-requisite conditions: Procuring Agency/ Committee shall not invite bids for development works, unless following conditions are fulfilled:

- (i) Approval of PC-I/PC-II from Competent Forum;
- (ii) Issuance of Administrative Approval (A.A) for development schemes;
- (iii) Technical Sanction (TS) of a detailed estimate is obtained;
- (iv) Funds are either released or anticipated to be released before award of contract.

During audit, it was observed that following offices of Larkana Division, awarded works amounting to Rs 330.748 million, during financial year 2017-18, without obtaining approval of PC-I from competent forum.

[Rupees in million]				
Sr.	Name of Formation	Para	Year	Amount
1	MC, Municipal Corporation, Larkana	11	2017-18	208.548
2	CO, District Council, Larkana	03	2017-18	122.200
Total				330.748

Audit is of the view that award of development works without approval of PC-I before the award of contracts resulted into irregular award of works which constituted weak financial management.

The matter was reported to the management during May 2019. District Council, Larkana replied that PC-I & II forms are prepared in the GoS and there is no any practice in LGD. Reply of management found irrelevant. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

7.2.2.6 Irregular expenditure on POL - Rs 154.858 million

According to Rule 159(4) of the Sindh Local Council (Accounts) Rules 1983, "A council vehicle shall not be driven except by a driver appointed by the competent

authority, for the vehicle. Every person using a council vehicle shall make and sign entries in the Petrol and lubricant account in Form No.116 and in Log Book of the vehicle kept in the custody of the driver. Log book shall be maintained in Form No.117. All council vehicles shall be garaged in the office premises or at any other place determined by the Mayor or Chairman after office hours failing which the driver of the vehicle concerned shall be held responsible.”

During audit, it was observed that various offices of Larkana Division, incurred an expenditure of Rs 154.858 million, during financial years 2017-19, on account of POL but failed to maintain the log books, history sheets & petrol account register. Detail is provided at Annex-LRK3.

The matter was reported to the management during May 2019 to October 2019. District Council, Larkana, Jacobabad, Municipal Committee, Ratodero, Nauodero, Shahdadkot, Thull and Town Committee, Garhi Khairo replied that record is ready for scrutiny and will be provided to audit for verification. However, they failed to provide documentary evidence yet. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed against person(s) at fault, under intimation to audit.

[AIR Paras 8,3,4,3,2,8,11,6,5,5,3,1,5,4,3,3,2,2,1,5]

7.2.2.7 Irregular expenditure without inviting open tender Rs 147.726 million

As per Rule-17(1) of SPPRA Rules 2010, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and in print media in the manner and format prescribed in these rules”.

During audit, it was observed that following offices of Larkana Division incurred expenditure of Rs 72.726 million, during financial year 2017-18, without calling open tender.

[Rupees in million]

S.N.	Name of Formation	Para	Year	Amount
1	MC, Municipal Corporation, Larkana	15,16	2017-18	23.708
2	CMO, Municipal Committee, Kamber	6	2017-18	75.00

[Rupees in million]

S.N.	Name of Formation	Para	Year	Amount
3	TO, Town Committee, Arija	5	2017-18	26.382
4	TO, Town Committee, Badeh	8	2017-18	22.097
5	TO, Town Committee, Mirokhan	11	2017-18	0.539
Total				147.726

Audit is of the view that by not calling tender management deprived the Government from achieving best competitive & economical rates.

The matter was reported to the management during May 2019 to October 2019, but management failed to provide department's points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for expenditure without inviting open tender, under intimation to audit.

7.2.2.8 Un-justified award of contracts - Rs 130.123 million

According to Rule 46 of Sindh Public Procurement Rules, 2010, "Procedures of open competitive bidding-Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding (1) Single Stage – One Envelope Procedure (a) Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable);

During audit, it was observed that following offices of Larkana Division awarded works amounting to Rs 130.123 million to different contractors during financial year 2017-18. The documentary evidence regarding contractor's eligibility criteria who were evaluated as eligible for participation in bidding process, NTN, GST, SRB, PEC registration certificates, required relevant experience and turnover of at least three years was not available with bids of contractors .

[Rupees in million]

Sr.	Name of Formation	Para	Year	Amount
1	CO, District Council, Kamber @ shahdadkot	2	2017-18	38.201
2	CMO, Municipal Committee, Kamber	2	2017-18	74.922
3	TO, Town Committee, Garhi Khairo	5	2017-18	17.00
Total				130.123

Audit was of view that award of contracts without obtaining mandatory certificates and other requirements resulted into irregular award of works.

The matter was reported to the management during May 2019 to July 2019. Town Committee, Garhi Khairo replied that shorting listing and awarding of contracts was as per rules. However, no documentary evidence was produced for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified award of works, under intimation to audit.

7.2.2.9 Irregular award of contracts on withheld ID - Rs 122.200 million

As per SPPRA Notification No. Dir (A&F)/SPPRA/1-3(GEN)/13-14/087 dated 03-07-2013 “IDs of the NIT/EOI are released after receipt of the Bid Evaluation Report in terms of Rule-45 of SPP Rules, 2010.

2. SPPRA will release ‘SPPRA-ID’ to the procuring agencies (Pas), once PAs submit the following documents, complete in all respect, as required under the rules: -

- i. Annual Procurement Plan as required under Rule-11 of SPP Rules, 2010;
- ii. Notice Inviting Tender, Expression of Interest (EOI) and Pre-Qualification Notice (Requirement of Rule 17);
- iii. Bid Evaluation Reports (Prescribed by Rule 45);
- iv. Contract Evaluation Form along with Letter of Award, Form of Contract (Agreement) and Bill of Quantities (Requirement of Rule 50); and
- v. Integrity Pact (where applicable) (Requirement of Rule 89).

During audit, it was observed that Chief Officer, District Council, Larkana, uploaded / posted their tender on SPPRA website. Due to certain deficiencies, the SPPRA withheld the ID of tender. The management was required to remove the deficiencies and to get ID released before proceeding further. However, works amounting to Rs 122.200 million, during financial year 2017-18, were awarded to different contractors despite withheld ID on SPPRA website. Detail is as under:

NIT No.	SPPRA ID	No of Works	Uploaded on	Total cost (million)	Remarks on ID
DCL/EB/603 dated 15-03-18	37347	71	19-03-18	122.200	ID Withheld

Audit is of the view that works were awarded without release of withheld tender IDs by SPPRA, resulted into violation of SPPRA rules and unauthorized award of contracts.

The matter was reported to the management during May 2019. Management replied that NIT was hoisted by SPPRA on website after completing all codal formalities. However, no documentary evidence was produced for verification. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for award of works against withheld ID, under intimation to audit.

[AIR Para 02]

7.2.2.10 Splitting of works to avoid tender - Rs 118.275 million

As per Rule 12(1) of SPPRA Rules 2010, "Save as otherwise provided and subject to the regulations made by the Authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan.

During audit, it was observed that various offices of Larkana Division incurred an expenditure of Rs 118.275 million, during financial years 2017-19, by splitting of works to avoid tender. Detail is provided at Annex-LRK4.

Audit is of the view that by splitting the works order management was deprived of competitive rates.

The matter was reported to the management during May 2019 to October 2019. District Council, Larkana, Municipal Committee, Ratodero, Nauodero, Shahdaskot and Town Committee, Garhi Khairo replied that expenditure was incurred in light of SPPRA rules. However, management failed to justify with documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for splitting of work orders, under intimation to audit.

[AIR Para 1,12,29,10,5,8,3,4,10,4,4,4,8,2,10]

7.2.2.11 Award of works without execution agreements - Rs 101.033 million

According to Para 89(c) of CPWD Code, —The agreement with the contractors selected must be in writing and should be precisely and definitely expressed; it should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completedl.

During audit, it was observed that following offices of Larkana Division, awarded different development works amounting to Rs 101.033 million, during financial years 2017-19, but failed to execute contract agreements.

[Rupees in million]				
Sr.	Name of Formation	Para	F.Y	Amount
1	CO District Council Kashmore @ Kandhkot	3	2018-19	11.025
2	CO, District Council, Kamber @ Shahdadkot	7	2017-18	28.735
3	CMO, Municipal Committee, Kamber	10	2017-18	61.273
Total				101.033

Audit is of the view that execution of works without safeguarding Government interest was un-authorized, which constituted weak financial management.

The matter was reported to the management during May 2019 to September 2019, but, management failed to provide department’s points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends to hold an inquiry for execution of work without contract agreement, fix responsibility, take appropriate action against person (s) at fault, under intimation to audit.

7.2.2.12 Irregular expenditure without constitution of procurement committee - Rs 61.363 million

According to Rule 7 of SPPRA, 2010, “The procuring agency shall, with approval of its Head of the Department, constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by a gazetted officer not below the rank of BS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that following offices of Larkana Division incurred an expenditure amounting to Rs 61.363 million, during financial years 2017-19, on account of procurement of goods & services without constitution of procurement committee

[Rupees in million]

Sr.	Name of Formation	Para	Year	Amount
1	CMO Municipal Committee, Thull	11	2018-19	0.364
2	TO, Town Committee, Qubo Saeed Khan	8	2018-19	20.196
3	CMO, Municipal Committee, Jacobabad	11	2017-18	5.173
4	CMO, Municipal Committee, Naudero	8	2017-18	22.255
5	CMO, Municipal Committee, Shahdadkot	12	2017-18	12.056
6	TO, Town Committee, Mirokhan	10	2017-18	1.319
Total				61.363

Audit is of the view that expenditure without constitution of procurement committee resulted into weak financial management.

The matter was reported to the management during May 2019 to October 2019. Municipal Committee, Naudero, Shahdadkot and Thull replied that procurement committees were constituted, however, failed to furnish documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for expenditure on person(s) at fault, under intimation to audit.

7.2.2.13 Non-achievement of receipts targets - Rs 59.929 million

According to Local Government Department, Government of Sindh, vide Notification No.SO-V(LG) 35-03/2013 dated 31-07-2013, “that efforts should be made to achieve the revenue target and failure to attain the targets should be review seriously”.

During audit, it was observed that following offices of Larkana Division failed to achieve targeted receipts amounting to Rs 59.929 million, during financial years 2017-19.

[Rupees in million]

Sr.	Name of Formation	Para	Year	Amount
1	CMO Municipal Committee, Kandhkot	5	2018-19	8.570
2	TO, Town Committee, Kashmore	4	2018-19	24.414
3	TO, Town Committee, Qubo Saeed Khan	3	2018-19	3.66

[Rupees in million]

Sr.	Name of Formation	Para	Year	Amount
4	CMO, Municipal Committee, Jacobabad	2	2017-18	7.277
5	CMO Municipal Committee, Thull	9	2017-18	3.550
6	CMO, Municipal Committee, Nauodero	6	2017-18	4.347
7	CMO, Municipal Committee, Shahdkot	5	2017-18	6.566
8	TO, Town Committee, Garhi Khairo	3	2017-18	0.285
9	TO, Town Committee, Mirokhan	12	2017-18	0.351
10	TO, Town Committee, Badeh	6	2017-18	0.909
Total				59.929

Audit is of the view that due to less-realization of estimated receipts local council was deprived from revenue.

The matter was reported to the management during May 2019 to October 2019. Municipal Committee, Nauodero, Shahdadkot, Thull and Town Committee, Garhi Khairo replied that all targets are estimated not actual and realizations of amount are co-related with circumstances conditions, but failed to produce documentary evidence in support of reply. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-achievement of targeted receipts, under intimation to audit.

7.2.2.14 Irregular expenditure on outsourcing of municipal services Rs 40.739 million

According to Schedule-II, Part-II, (3) of Sindh Local Government Act 2013, “A Corporation, Municipal corporation or Town Committee shall make adequate arrangements for the removal of refuse from all public streets, public latrines, urinals, drains and all buildings and lands vested in the Council concerned and for the collection and proper disposal of such refuse”.

During audit, it was observed that following offices of Larkana Division incurred an expenditure of Rs 40.739 million, during financial years 2017-19, on account of removal of garbage and sanitation through private contractor instead of utilizing service of sanitation staff.

[Rupees in million]

S.N.	Name of Formation	Para	Year	Amount
1	TO, Town Committee, Kashmore	5	2018-19	2.070

[Rupees in million]

S.N.	Name of Formation	Para	Year	Amount
2	TO, Town Committee, Qubo Saeed Khan	13	2018-19	5.922
3	TO, Town Committee, Garhi Khairo	11	2017-18	2.507
4	CO, District Council, Kamber @ Kandhkot	13	2017-18	8.517
5	CMO, Municipal Committee, Kamber	4	2017-18	3.767
6	CMO, Municipal Committee, Ratodero	12	2017-18	11.138
7	CMO, Municipal Committee, Naudero	2	2017-18	2.926
8	TO, Town Committee, Mirokhan	13	2017-18	1.456
9	TO, Town Committee, Khanpur	7	2017-18	2.436
Total				40.739

Audit is of the view that outsourcing of sanitation work was un-justified which constituted weak financial management controls.

The matter was reported to the management during May 2019 to October 2019. Municipal Committee, Ratodero, Naudero and Town Committee, Garhi Khairo replied that outsourcing was made on need basis after approval from competent authority. However, management failed to justify the same with documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for outsourcing of municipal services, under intimation to audit.

7.2.2.15 Non-hoisting of bid evaluation repots on SPPRA website Rs 40.00 million

According to Rule 50 of Sindh Public Procurement Rules, 2010 “Publication of the Award of Contract - Within seven days of the award of contract, procuring agency shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process, identifying the bid through procurement identifying number, if any, and the following information:

- (1) Evaluation Report;
- (2) Form of Contract and Letter of Award;
- (3) Bill of Quantities or Schedule of Requirement”.

During audit, it was observed that Chief Officer, District Council, Kamber @ Shahdadkot in Larkana Division, invited bids for award of works amounting to Rs 40.00

million, during financial year 2017-18, through SPPRA ID No. 36937 dated 21.02.2018 but failed to hoist bid evaluation reports and other reports on SPPRA website.

Audit is of the view that non-hoisting of bid evaluation reports on SPPRA website resulted into weak financial management.

The matter was reported to the management during May-2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed against person(s) at fault, under intimation to audit.

[AIR Para 03]

7.2.2.16 Unauthorized appointments – Rs 36.331 million

As per Local Government Department Letter No.SOA/(LG)1(27)/2011 Dated: 6.6.2011, in continuation of letters dated: 27.5.2011 and 28.5.2011, “no appointment in any grade shall be made henceforth without consolidated advertisement and fresh approval of Government. Approval, if any, earlier issued in this regard may be treated cancelled/withdrawn”.

Further, as per Rule 2 of APT Rules 1974, “In these rules, unless there is any, thing repugnant in the subject or context: (a) "Appointing authority", in relation to a post, means the person authorized under rule 6 to make appointment to that post; 2[(aa) “Basic Scale” means a basic scale of pay sanctioned by Government in which a post or group of posts is placed”.

During audit, it was observed that following offices of Larkana Division, made appointments without obtaining approval from Secretary, Local Government, GoS and adhering to prescribed procedures and incurred an expenditure of Rs 36.331 million, during financial years 2017-19, on account of salaries.

(Rupees in million)

Sr.	Name of Office	Year	Para	Amount
1	CMO Municipal Committee, Thull	2018-19	12	7.591
2	MC, Larkana Municipal Corporation	2017-18	3	19.943
3	CO, District Council, Larkana	2017-18	8	0.00
4	CMO, Municipal Committee, Kamber	2017-18	8	6.109
5	TO, Town Committee, Khanpur	2017-18	6	2.688
Total				36.331

Audit is of the view that these appointments and expenditure incurred on these employees were irregular and constituted weak financial management.

The matter was reported to the management during May 2019 to October 2019. District Council, Larkana and Municipal Committee, Thull replied that appointments were made after compliance of all codal formalities and approval of competent authority. However, they failed to provide any documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

7.2.2.17 Irregular auction process – Rs 36.155 million

According to para-II(b) award of contracts of taxes/fees etc. Auction of Collection Rights-Financial Year 2016-17 & onwards, Govt. of Sindh, Local Government Development, Notification No.SOA/LG/4(82)/2013Dated: 3rd May, 2016, Auction Committee- The Auction committee comprising the following shall supervise the process of various categories of Local Councils. (d) Other Corporations (HMC/LMC & SMC).

(i) Director Local Government	Chairman
(ii) Municipal Commissioner	Member
(iii) Accounts Officer	Member
(iv) Taxation officer	Member/Secretary
(v) Assistant Director, Local Government	Member

During audit, it was observed that Municipal Commissioner, Larkana Municipal Corporation, in Larkana Division, invited bids and received bid price of Rs 36.155 million, during financial year 2017-18, on account of collection rights of various taxes without the participation of Chairman (Director, LGD) and other government representative.

Audit is of the view that management un-authorizedly initiate the auction process and received bid price in absence of chairman transpired irregular auction process which constituted weak financial management.

The matter was reported to the management during May, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to

28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 22]

7.2.2.18 Procurement from single participating bidder without obtaining rate analysis – Rs 34.596 million

According to Section 116(7) of Sindh Local Government Act 2013 “every member or Employee of a Council and every person, charged with the administration of the affairs of a council, or acting on behalf of Council shall be personally liable for the loss, waste, misapplication or un authorized application of any moneys or property belonging to the Councils which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Chief Officer, District Council, Larkana, Larkana Division, incurred an expenditure of Rs 34.596 million, during financial year 2017-18, on account of procurement of hand pumps, sewing machines and 94 chingchies loaders without observing rates from market and rate analysis report before award of works.

Audit is of the view that expenditure without rate analysis resulted into weak financial management.

The matter was reported to the management during May-2019. Management replied that single tender was received, however, failed to furnish documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para: 07]

7.2.2.19 Irregular payment of liabilities – Rs 24.291 million

According to Finance Department, GoS O.M No.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

Further, according to Local Government Department, Government of Sindh, vide Letter No.SOA/LG/Misc/4(13)/2016 Dated: 22nd August 2016 Ban on Payment of Liabilities “ban on payment of all kind of liabilities is hereby imposed with immediate effect till further order” “All the Councils shall strictly follow the above instruction failing which stern disciplinary action shall be taken against defaulters”.

During audit, it was observed that following offices of Larkana Division made payments of Rs 24.291 million, during financial years 2017-19, for clearing liabilities of previous years from budget grant of current financial year.

[Rupees in million]				
Sr.	Formation	F.Y	Para No	Amount
1	TO, Town Committee, Qubo Saeed Khan	2018-19	11	0.695
2	MC, Larkana Municipal Corporation	2017-19	31	23.596
Total				24.291

Audit is of the view that payment of previous liabilities from budget grant of current financial year adversely affected current budget position which constitutes weak financial management controls.

The matter was reported to the management during May 2019 to December 2019, but, management failed to provide department’s points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

7.2.2.20 Non-adjustment on account of grants in aid – Rs 24.00 million

According to rule 668 of Treasury Rules, states that, “Advances granted under special order of the competent authority to Govt. officers for departmental or allied purpose may be drawn on the responsibility and receipt of the officers for whom they are sanctioned, subject to adjustment by submission of detailed accounts supported by vouchers or by refund, as may be necessary”.

During audit, it was observed that Municipal Commissioner, Larkana Municipal Corporation, Larkana Division, paid Rs24.000 million, during financial year 2017-18, on account of grant-in-aid to various UCs of corporation on monthly basis, but failed to obtain bills/vouchers against grant-in-aid to justify the expenditure.

Audit is of the view that non-adjustment of grants in aid resulted into weak financial management.

The matter was reported to the management during May, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 06]

7.2.2.21 Irregular award of work - Rs 20.325 million

According to Section 24 of Sindh Sales Tax on Services Act 2011, (1) Registration will be required for all persons who: (a) are residents; (b) provide any of the services listed in the Second Schedule from their registered office or place of business in Sindh; and (c) fulfill any other criteria or requirements which the Board may prescribe under sub-section (2)”.

During audit, it was observed that following offices of Larkana Division, awarded different contracts amounting to Rs 20.325 million, during financial year 2017-18, to various contractors who were not registered with concerned authorities.

(Rupees in million)				
Sr.	Name of Office	F.Y	Para	Amount
1	CMO, Municipal Committee, Shahdadkot	2017-18	7	15.383
2	TO, Town Committee, Mirokhan	2017-18	7	4.942
			Total	20.325

Audit is of the view that management awarded works to unqualified contractors constituted weak administrative management controls.

The matter was reported to the management during June 2019 to October 2019. Municipal Committee, Shahdadpur replied that due to non-availability of registered contractors within the limits of council same were procured through un-registered contractors. Reply of management was not tenable. DAC meetings were held on

25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

7.2.2.22 Failure of management to award of work orders - Rs 13.919 million

According to Rule 38 of SPPRA 2010, Bid Validity: (1) A procuring agency, keeping in view nature of procurement, shall subject the bid to a validity period, which shall be specified in the bidding document and shall not be more than 90 days in case of National Competitive Bidding and 120 days in case of International Competitive Bidding”.

During audit, it was observed that, Chief Officer, District Council, Kamber @ Shahdadt, Larkana Division, called tender and completed tendering process for amounting to Rs 13.919 million, during financial year 2017-18, but failed to award work orders to successful bidders within bid validity period. Detail is provided at Annex-LRK5.

Audit is of the view that the failure to award of work constituted weak financial management.

The matter was reported to the management during May 2019 but, management failed to provide department’s points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Paras 4]

7.2.2.23 Allotment of land on lowest rates - Rs 13.849 million

According to Section 116(7) of Sindh Local Government Act 2013 “every member or Employee of a Council and every person, charged with the administration of the affairs of a council, or acting on behalf of Council shall be personally liable for the loss, waste, misapplication or un authorized application of any moneys or property belonging to the Councils which is a direct consequence of his negligence or misconduct,

and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that, Municipal Commissioner, Larkana Municipal Corporation, Larkana Division, allotted council land to various entities, on lowest rates and sustained loss of Rs 13.849 million, during financial year 2017-18. Detail is provided at Annex-LRK6.

Audit is of the view that allotment of precious land on lowest rates resulted into loss of revenue to corporation which constituted weak financial management.

The matter was reported to the management during May 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para 01]

7.2.2.24 Unauthorized payment on market rate against schedule items due to non-preparation of estimates - Rs 9.041 million

As per paragraph 54 Central Public Works Departmental code; “Subject to the provisions of paragraph 102, for each individual work proposed to be carried out, except petty works, petty repairs, and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for the sanction of competent authority.”

During audit, it was observed that, Town Officer, Town Committee, Khanpur, Larkana Division made lump sum payment of Rs 9.041 million, during financial year 2017-18, to contractor on account of de-silting, removal of solid waste, silt clearance & earth work without preparing detail estimate on schedule rates. In spite of that the payment was made on market rate basis of schedule items.

Audit is of the view that management failed to safeguard Government interest by using higher rates charged on account of de-silting and earth work which constitutes weak financial management.

The matter was reported to the management during August 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 04]

7.2.2.25 Unauthorized award of works by transgression of financial powers Rs 8.00 million

Re-appropriation Rules, 1962, vide Notification No.B&E-I/2(18)/75-94/Pt-IX Dated 5th January, 2009, that:-

S.No.	Nature of Power	To whom delegated	Extent
02	“Technical Sanction: (i) In the case of Original Works	(iv) Superintending Engineer	In Building Department upto Rs.5,000,000/-
		(v) Executive Engineers	In Building Department upto Rs.1,200,000/-

During audit, it was observed that, Chief Officer, District Council Larkana, Larkana Division, awarded development works amounting to Rs 8.000 million, during financial year 2017-18, to contractors without rates technically sanctioned by authorized officer i.e. Superintending Engineer. Detail is as under:

[Amount in rupees]

Sr.	Name of Work	W.O No & Date	W.No	Name offered by the Bidder	Amount
1	Construction of 02 Residence Quarters for Staff in Staff Colony of District Council, Larkana (Part-1)	No: DCL/EB:/31 of 2018 dated 21-05-18	60	M/S Shakeel Ahmed Samo	4,000,000
2	Construction of 02 Residence Quarters for Staff in Staff Colony of District Council, Larkana (Part-1)	No: DCL/EB:/31 of 2018 dated 21-05-18	61	M/S Wakeel Ahmed Khokhar	4,000,000
Total					8,000,000

Audit is of the view that award of works against unauthorized technical sanction resulted into constituted weak financial management.

The matter was reported to the management during May-2019. Management replied that technical sanction was obtained from District Engineer working in BPS-19.

However, management failed to furnish any documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[AIR Para 04]

7.2.2.26 Irregular payments without specifying required quantities in quotations - Rs 5.176 million

According to Rule 16 (1) (a) (ii) of SPPRA, Alternative methods of procurement: (d) Requests for quotations shall indicate the description and quantity of the goods or specifications of works, as well as desired delivery, or completion time and place. Quotations may be submitted by letter, facsimile or by electronic means;

During audit, it was observed that, Town Officer, Town Committee, Khanpur, Larkana Division, called vague notices of quotations without mentioning required quantities of articles and made payments of Rs 5.176 million, during financial year 2017-18, to contractors/suppliers on unjustified calling quotations. Following shortcomings were noted:

- i. Quotations were not submitted and accepted according to the prescribed procedure.
- ii. Bills claimed by the contractors/suppliers without invoice number and NTN number mentioned on the bills, record in relation to rule 174 of Income Tax Ordinance 2001 and rule 47 of Sales Tax Ordinance 2006 which was to be kept by contractors was also not produced to verify the authenticity of claim.
- iii. The contractors/supplier's eligibility criterion/credentials were not found in record.
- iv. Delivery challans were also not found in record.

Audit is of the view that management made payment on un-authentic bills which constituted weak financial management.

The matter was reported to the management during August 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para 03]

7.2.2.27 Failure to execute development work- Rs 4.986 million

According to Section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that, Chief Municipal Officer, Municipal Committee, Kandhkot, Larkana Division, awarded development work amounting to 4.986 million, during financial year 2018-19, however contractor failed to execute work despite laps of considerable time period. Detail is as under:

[Amount in rupees]

Name of Scheme	Stipulated Date of Start	Stipulated Date of Completion	Physical Progress report	Remarks	Estimate Cost
Renovation /Rehabilitation Of Ghanta Ghar Kandhkot.	03-04-2018	25-09-2018	0%	Work in progress	4,986,000

Audit is of the view that due to non-execution of work resulted into weak administrative management.

The matter was reported to the management during September, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para: 04]

7.2.2.28 Irregular expenditure on repair of vehicles- Rs 3.874 million

According to Section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Town Officer, Town Committee, Khanpur and Qubo Saeed Khan, Larkana Division incurred an expenditure amounting to Rs 3.874 million, during financial years 2017-19, on account of repair of official vehicles through private contractors instead of repairing from Govt. owned workshop. Detail is provided at Annex-LRK7. Following observations were noted:

- i. The previous record of repair & maintenance was not furnished to audit.
- ii. Requisition of repair from the concerned driver & list of authorized agent by the head of department was not found available in record.
- iii. Special permission for work may be got done from other approved garage.
- iv. No detail is available regarding handing over the vehicle to workshop and return back after repair.

Audit is of the view that expenditure on account of repair of official vehicles from private workshops resulted into weak financial management.

The matter was reported to the management during August 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Paras: 14,17]

7.2.2.29 Irregular expenditure on purchase of energy saver on exorbitant rates - Rs 3.826 million

According to Section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that

he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that, Municipal Commissioner, Larkana Municipal Corporation, in Larkana Division purchased 29,428 energy savers at exorbitant rates from three Messers and sustained loss of Rs 3.826 million, during financial year 2017-18. Detail is as under:

[Amount in rupees]

Particulars	No. of Savers	Purchase price	Market price	Excess amount per item	Excess
Purchase of Energy savers 25w(Philips)	29,428	300	170	130	3,825,640

Audit is of the view that purchase of energy savers at exorbitant rates resulted into loss of revenue which constituted weak financial management.

The matter was reported during May, 2019 but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para .02]

7.2.2.30 Award of work below 30 percent from composite schedule rates Rs 3.500 million

According to clause 11.3.4 of Section 27 of Sindh Public Procurement Act 2009, vide Notification No. DD(A&F)/SPPRA/17-18/22 dated 5th July, 2017 that, “In case a procuring agency receives a bid which is more than 30% below the Engineer’s Estimate or Composite Schedule Rates (CSR), the procuring agency can reject that particular bid(s) or float tenders afresh, if deemed appropriate.”

During audit, it was observed that, Chief Officer, District Council Larkana, in Larkana Division awarded development work to contractor of Rs 3.500 million below 30

percent from the Composite Schedule Rates (CSR) in financial year 2017-18. Detail is as under;

Work #	Name of Work	W.O No. & Date	Name of Contractor	Comparison with Estimated Cost	Est. Cost
49	Repair & Maintenance of Meeting Hall of District Council Larkana, DCL	69/21-05-2018	M/S Lashari Brothers	36.90 % below Part-A	3.5 million
				35.75 % below Part-B	
				37.25 % below Part-C	

Audit is of the view that award of work 30% below the composite schedule rates constituted weak financial management.

The matter was reported during May-2019. Management replied that rates were quoted by contractor on below the estimates. However, they failed to furnish documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed against the person(s) at fault, under intimation to audit.

[AIR Para 06]

7.2.2.31 Unauthorized creation of liabilities - Rs 1.668 million

According Para 289 of Treasury Rules (TR) Vol-I & II, “all charges incurred must be paid and drawn at once and under no circumstances may be allowed to stand over to be paid from grant of another financial year”. Further, as per FD, GoSO.MNo.FD/B&E –I/51/2007 dated 02-07-2007, “liability of previous years shall not be allowed to be cleared unless concurrence is given by Finance Department (FD)”.

During audit, it was observed that, Chief Municipal Officer, Municipal Committee, Thull, in Larkana Division created huge liability amounting to Rs. 1.668 million on account of various heads of accounts during financial years 2017-19. Detail is as under;

[Rupees in million]				
Sr.	Name of Formation	Para	Year	Amount
01	CMO Municipal Committee, Thull	9	2018-19	1.152
02		7	2017-18	0.516
Total				1.668

Audit is of the view that creation of huge liability resulted into weak financial management.

The matter was reported during May 2019 to October, 2019. Management replied that payment for the month of June was paid in the month of July on receipt of OZT share in the month of July. However, management failed to furnish documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends fixing of responsibility against the person(s) at fault for creation of liabilities, under intimation to audit.

7.2.2.32 Expenditure without signature of authorized officer-Rs 1.524 million

According to Section 116(7) of Sindh Local Government Act 2013 “every member or Employee of a Council and every person, charged with the administration of the affairs of a council, or acting on behalf of Council shall be personally liable for the loss, waste, misapplication or un authorized application of any moneys or property belonging to the Councils which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed.”

During audit, it was observed that, Chief Municipal Officer, Municipal Committee, Ratodero, Larkana Division incurred expenditure amounting to Rs 1.524 million on account of removal of debris and excavation of main sim nala in financial years 2017-18, but failed to follow prescribed procedure.

The following irregularities were observed;

- Signatures of Assistant Director Local Fund Audit on pre-audit bills were not available
- Invitation for quotations were offered without the signature of Assistant Engineer or any officer
- Submission of quotations were received without signature of contractors
- Comparative statement submission to Chairman was without the signature of Assistant Engineer or any officer
- Work Orders were splitted to avoid tenders.

Audit is of the view that expenditure on removal of debris and excavation of sim nalas without authentication of officers resulted into weak financial management.

The matter was reported during May, 2019. Management replied that signatures were made on bill. However, management failed to furnish documentary

evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para 01]

7.2.2.33 Unjustified expenditure on POL of fire brigade- Rs 1.146 million

As per Section 116(7) of Sindh Local Government Act 2013, Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that following offices of Larkana Division incurred an expenditure of Rs 1.146 million on account of POL of fire brigade in financial years 2017-19 but no emergency cases were reported;

[Rupees in million]

Sr.	Name of formations	AIR Para	Particulars	Amount
1	Town Committee, Qubo Saeed Khan	12	Expenditure on POL of fire brigade without reported fire/emergency cases	0.399
2	Town Committee, Nasirabad	9		0.747
Total				1.146

Audit is of the view that expenditure incurred on POL of Fire Brigade without reported emergency constituted weak financial management controls.

The matter was reported to management during June 2019 to October 2019, but management failed to provide department's points of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

7.2.2.34 Unjustified expenditure on account of repair of transformer Rs 0.384 million

According to article 116(7) of Sindh Local Government Act 2013, “Every Member or Employee of a Council and every person, charged with the administration of the affairs of a Council, or acting on behalf of a Council shall be personally liable for the loss, waste, misapplication or unauthorized application of any moneys or property belonging to the Council which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner”.

During audit, it was observed that Chief Municipal Officer, Municipal Committee Thull, in Larkana Division incurred an expenditure of Rs 0.384 million in financial year 2017-18 on account of repair of transformer beyond jurisdiction without justification.

Audit is of the view that expenditure without valid justification constituted weak financial management.

The matter was reported during May 2019. Management replied that repair was made on transformer within the jurisdiction of council necessary for water and drainage schemes. However, management failed to furnish documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para 08]

7.2.2.35 Unauthorized promotions and change of cadres of 16 officials

According to Sindh Civil Servants (Appointment, Promotion and Transfer) Rules, 1974, Rule-7(2) “Appointment by promotion or transfer to posts in B.S. 3 to B.S. 18 without special pay other than the posts for which Provincial Selection Board has been constituted under rule-6A shall be made on the recommendation of the appropriate Departmental Promotion Committee.” Further, Rule-8 “Person as possess such qualifications and fulfil the conditions laid down for the purpose of promotion or transfer

to a post shall consider by the Departmental Promotion Committee to the Provincial Selection Committee, as the case may be.”

During audit, it was observed that Municipal Commissioner, Municipal Corporation, Larkana, in Larkana Division promoted various employees/changed their cadres without following prescribed procedure in financial year 2017-18 i.e. constitution of Departmental Promotion Committee (DPC), seniority lists alongwith fitness, qualifying service required for promotion, ACRs/PERs, out of turn promotion and fresh appointment process in case of change in cadre etc.

Audit is of the view that the promotions / change of cadres without following prescribed procedure resulted weak administrative management. Non-observance of rules on promotion constituted weak internal control.

The matter was reported during May, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

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

[AIR Para 05]

7.2.2.36 Irregular execution of two sale deeds despite the ban of Honorable Sindh High Court

As per decision of Honorable Sindh High Court dated 21-03-2017 “no such deeds will be registered by any sub-registrars unless completion plans issued by the competent authority are made ‘part and parcel’ of such deeds across the province” so what is the current status of sub lease and sales deed of old property.

Further, according to Section 116(7) of Sindh Local Government Act 2013, —every member or Employee of a Council and every person, charged with the administration of the affairs of a council, or acting on behalf of Council shall be personally liable for the loss, waste, misapplication or un authorized application of any moneys or property belonging to the Councils which is a direct consequence of his negligence or misconduct, and the liability of such member, employee or person shall be determined by Government in the prescribed manner.

During audit, it was observed that Municipal Commissioner, Municipal Corporation, Larkana, in Larkana Division executed sale deeds of 2 plots with two private persons despite of ban imposed by the Honorable Sindh High Court in financial year 2017-18. Detail is as under;

[Amount in rupees]

Date	Registration No. & Date	Roll No.	Name of Executing Party	Name of Claiming party	Survey No/Area	Nature of Deed	Amount
01/11/2017	5712/11-10-2017	786/17172	Mr. Muhammad Aslam Shaikh, Mayor LMC	Moula Bux S/o Khan Muhammad Brohi	R No.391 u/s 1500 sft	Sale deed(5439/10-10-2017	40,000
01/11/2017	5713/11-10-2017	786/17173		Ameer Bux S/o Kareem Bux Brohi	R No.391 plot no. 390 u/s 1500 sft	Sale deed(5440/10-10-2017	40,000

Audit is of the view that management failed to comply with the orders of Honorable Sindh High Court which constituted weak administrative management.

The matter was reported during May, 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed against the person(s) at fault, under intimation to audit.

[AIR Para 27]

7.2.2.37 Unauthorized use of Government vehicle beyond entitlement

According to Government of Sindh, S&GAD No.CTC(S&GAD)5(238)/97 dated: 05-04-1997 (ii) All officers in BPS: 19 and 20 like Head of attached Departments/Regional Heads or equivalent in Autonomous Bodies/Corporations and Deputy Commissioners to use 1000 cc locally manufactured car.(iii)All officers pertaining to field duties in BPS:17 and 18 not included in above said categories who are otherwise entitled to Government vehicles to use 800 cc cars/Suzuki Jeep.

During audit, it was observed that Municipal Commissioner, Municipal Corporation, Larkana and Town Officer, Town Committee, Mirokhan, Larkana Division

provided official vehicles officers without admissible entitlement and provided unlimited POL/Diesel facility, during financial year 2017-18. Detail is provided at Annex-LRK8.

Audit is of the view that allotment of official vehicles beyond their admissible entitlement and provision of un-limited fuel facility constituted weak financial management.

The matter was reported to the management during May 2019 to October 2019, but failed to provide departmental point of view. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility be fixed against the person(s) at fault for un-authorized allotment of government vehicles beyond admissible entitlement.

[AIR Para: 26,14]

7.2.2.38 Non-removal of illegal encroachments

According to Section 145 of Sindh Local Government Act-2013, “Encroachment shall be dealt with in accordance with the provisions of the law relating to the removal of encroachments”.

Further, according to Section 3(1) of Sind Public Property (Removal of Encroachment) Act, 1975 states “Government or any authority or officer authorized by Government in this behalf may require the person directly or indirectly responsible for encroachment to remove such encroachment together with the structure, if any, raised by him on the public property, within the period not less than three days as may be specified in the order”.

During audit, it was observed that following offices of Larkana Division, failed to remove encroachments from councils’ properties i.e un-authorizedly occupied by Private persons in financial years 2017-19.

Sr.	Name of Formation	Para	Year
1	CO District Council, Jacobabad	6	2018-19
2	MC, Municipal Corporation, Larkana	23	2017-18
3	CO, District Council, Larkana	16	2017-18

Audit is of the view that non-removal of encroachments resulted into weak administrative management.

The matter was reported to the management during May 2019 to September 2019. Management of District Council, Larkana and Jacobabad replied that efforts have been taken to remove illegal encroachments. However, management failed to furnish documentary evidence. DAC meetings were held on 25-11-2019 to 28-11-2019 and 02-12-2019 to 05-12-2019, but PAO failed to issue the minutes of meetings till finalization of this report despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

CHAPTER-VIII

PUBLIC HEALTH ENGINEERING & RURAL DEVELOPMENT DEPARTMENT

8.1 INTRODUCTION

Public Health Engineering & Rural Development Department has been designing, planning & executing water supply & drainage schemes in urban & rural areas; excluding Karachi and Hyderabad cities.

Scope & Function:

Over the years, Operation & Maintenance function of rural based schemes kept on shifting from one agency to another and finally SLGO 2001 stipulated O&M of all schemes to respective PHE&RDD. Presently urban based schemes are operated and maintained by concerned Local Councils. Whereas, Rural Water Supply and Draining schemes are being looked-after by PHE&RDD. PHE&RDD had been a part of Local Government Department and was given an independent status, having its own Minister and a Secretariat in 2008. However, in 2013, the department was again merged in Local Government Department. As of recent, PHE&RDD have been separated from Local Government and made a separate department.

8.1.1 Comments on Budget and Accounts (Variance Analysis)

[Rupees in million]

Formation	Particulars	Budget	Expenditure / Revenue	Excess (+) Savings (-)
Public Health Engineering & Rural Development 2018-19	Current Revenue	5,413.953	4,232.575	-1,181.378
	Development Revenue	88.944	84.117	-4.827
	Development Capital	5,525.663	2,966.986	-2,558.677
	Total	11,028.56	7,283.678	-3,744.882

The original budget of Secretary, Public Health Engineering & Rural Development Department, during financial year 2018-19, was Rs 11,028.56 million, against which the total expenditure incurred was Rs 7,283.678 million, resulting in overall savings of Rs 3,744.882 million.

8.1.2 Sectoral analysis

Secretary, Public Health Engineering & Rural Development Department Sindh is the Principal Accounting Officer of all PHED&RDD subordinate offices located in all over Sindh. It is responsible for execution of development works of Water Supply and drainage schemes all over Sindh with the exception of areas under KW&SB and WASA, Hyderabad. Rural Development Department is responsible for roads & buildings for community development. It has been given additional responsibility of establishment of water hubs involving 2000 water filtration plants in all districts of Sindh after the abolishment of Special Initiative Department in February 2018.

Under the Annual Development Plan 2018-19, budget allocation of Rs 12,664.94 million was made for 154 schemes. Of these 129 schemes were executed incurring an expenditure 2,564.17 million and only 10 of these were completed during the financial year. An allocation of Rs 1,300.00 million was made in the ADP of Rural Development Department. Expenditure incurring during the 434.052 million and 29 of schemes were completed during the financial year 2018-19.

The projects were executed in the absence of feasibility study report (PC-II). Furthermore, they were deviations made in PC-I as expenditure was incurred without provision and the relevant sanction have not been obtained from competent authority. Expenditure on filtration plants was made without mandatory laboratory report, schemes were awarded to single bidders in order to avoid international bidding process and there was lack of monitoring and evaluation mechanism. Schemes were completed without third party monitoring inspection by Planning & Development Department, Government of Sindh. The assets did not function optimally due to poor maintenance and 237 water plants in Tharparkar have not been installed according to the water commission report. Solarization water supply schemes and draining schemes were also pending.

Development Expenditure

Government spending on development declined in percentage terms with comparison to the total expenditure during the last three years. In absolute terms also it decline from 11,570.776 million in 2017-18 to 5,190.573 million in 2018-19. This drastic decrease in development expenditure by the local government of Sindh reflected adversely the planning and implementation of development activities, especially with

reference to the dilapidated condition of the infrastructure in the province. The figures from 2016 to 2019 are detailed below:

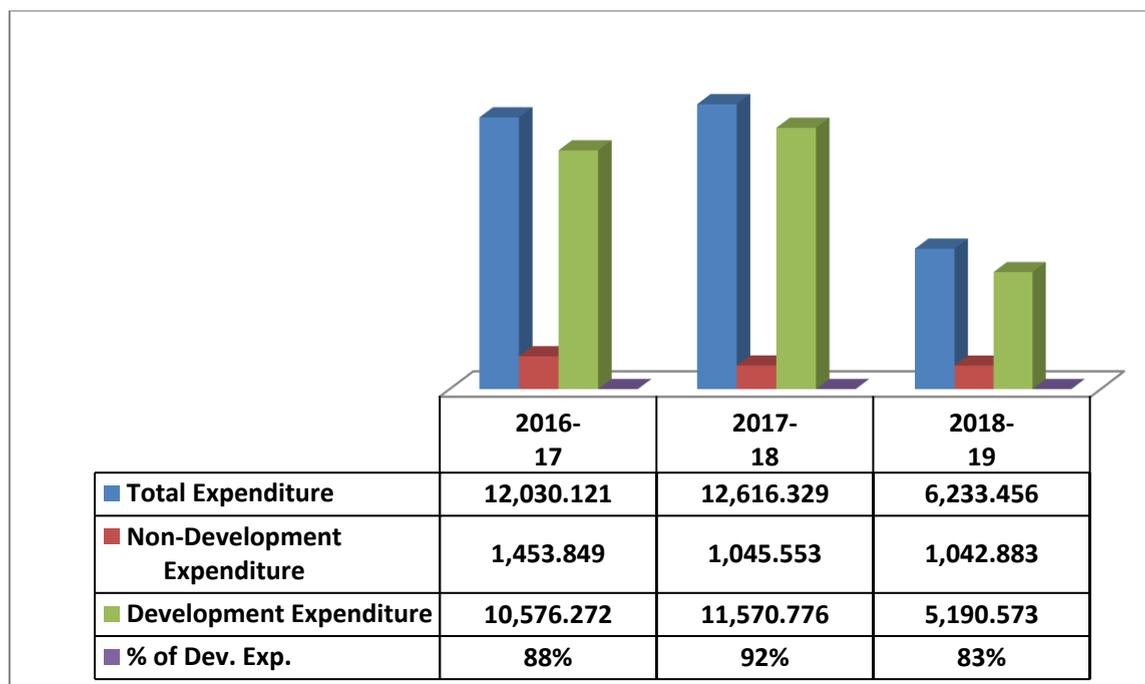


Table: Audit Profile of Public Health Engineering & Rural Development Department.

[Rupees in million]

Sr.	Description	Formations		Financial Year 2018-2019	
		Total Nos	Audited	Expenditure audited	Revenue / Receipts audited
1.	Formations	28	21	5,752.874	0
2.	<ul style="list-style-type: none"> • Assignment Account • SDAs • Etc. (excluding FAP) 	0	0	0	0
3.	Authorities / Autonomous Bodies etc under the PAO	0	0	0	0
4.	Foreign Aided Projects (FAP)	0	0	0	0

8.1.3 Classified Summary of Audit Observations

Audit observations amounting to Rs 42,932.829 million were raised in this report during the current audit of Public Health Engineering & Rural Development Department. The amount also includes recoveries of Rs 3,047.285 million as pointed out by the audit. Summary of the audit observations classified by nature is as under:

Table: Overview of Audit Observations:

[Rupees in million]		
Sr. No.	Classification	Amount
1.	Non-Production of Record	217.606
2.	Reported cases of fraud, embezzlement and misappropriation	332.345
3.	Irregularities	-
	A) HR / Employees related irregularities	78.791
	B) Procurement related irregularities	4,553.974
	C) Management of Accounts with Commercial Bank	0.000
4.	Value of money and service delivery issues	1.780
5.	Recoveries	3,047.285
6	Others	34,701.048

8.1.4 Brief Comments on the Status of Compliance with PAC Directives

The audit report pertaining to following year has been submitted to Governor of Sindh. Detail of PAC meetings is given below:

Audit Year	No. of Paras	Status of PAC Meeting
2016-17	47	Nil
2017-18	28	Nil
2018-19	41	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit reports of Public Health Engineering & Rural Development Department, Sindh.

8.2 AUDIT PARAS

8.2.1 Misappropriation

8.2.1.1 Fraudulent expenditure on O&M of filtration plants Rs 277.711 million

As per Para 209(d) of CPWD Code, “all payments for work or supplies are based on the quantities recorded in the measurement book, it is incumbent upon the person taking the measurements to record the quantities clearly and accurately.”

During audit of Drinking Water Hubs (Phase-II), it was observed that expenditure was incurred on operation & maintenance of filtration plants without recording of the same in measurement book.

[Rupees in million]

Bill No./Date	Cheque No./Date	Paid to	Nos of Filtration Plants O&M	Amount
RA No.17/9.1.2018	250723/9.1.2018	M/s Pak Oasis Industries Pvt. Ltd.	379	142.142
RA No.18/8.2.2018	250752/9.2.2018	M/s Pak Oasis Industries Pvt. Ltd.	357	135.569
			Total	277.711

Audit is of the view that without measuring the actual work done and its recording in measurement book, the payment was doubtful. The chances of fake payment cannot be ruled out.

The matter was reported to the management during November 2018. The management replied that the matter was under reconciliation process in the Reconciliation Committee constituted by the Honourable Supreme Court. Moreover, the O&M cost per plant per month was fixed which was to be paid for installed RO plants starting from date of commissioning. The reply was not tenable as recording of payment in measurement book was mandatory. DAC meeting held on 10.07.2019, wherein the management stated that the MB recorded which is attached. DAC directed the management to fix responsibility against the person(s) at fault for not recording MB before payment and left it blank at the time of payment under intimation to audit. However, no compliance was made till the finalization of report.

Audit recommends thorough probe into the matter for fixing of responsibility.

[SID Para: 4.1.4.3]

8.2.1.2 Doubtful expenditure due to duplication of same schemes Rs 37.233 million

As per Rule-2 (1) (q) of SPPRA 2010 “Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.”

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Tando Muhammad Khan, incurred expenditure amounting to Rs 37.233 million, during financial year 2018-19, on the same schemes that were awarded more than once to different contractors.

Audit is of the view that payment against same work and same contractor indicated involvement of management in collusive practices and absence of systematic internal controls.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

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

[AIR Para: 4]

8.2.1.3 Fraudulent practices due to sublet of work by one contractor to another contractor - Rs 11.223 million

As per SPPRA 2010 Rule-2 (1) (q) “Corrupt and Fraudulent Practices” means either one or any combination of the practices; (ii) “Collusive Practice” means any arrangement between two or more parties to the procurement process or contract execution, designed to achieve with or without the knowledge of the procuring agency to establish prices at artificial, non-competitive levels for any wrongful gain; (iv) “Fraudulent Practice” means any act or omission, including a misrepresentation, that

knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation”

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, made payment amounting to Rs 11.223 million, during financial years 2017-19, against the works which were sublet to the other contractors, without any lawful regulation which transpires fraudulent practices.

Audit is of the view that management unlawfully allowed for subletting of work to another contractor by corrupt and fraudulent practices which constituted weak administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized subletting of work to another contractor, under intimation to audit.

[AIR Para: 12]

8.2.1.4 Un-justified payment on suspicious issuance of work orders Rs 5.868 million

According to Rule 2 (1) (d) of SPPRA 2010, “Bid: means a tender, or an offer by a person, consultant, firm, company or an organization expressing willingness to undertake a specified task at a price, in response to an invitation by a Procuring Agency;”

Further, , according to Rule 2 (1) (q) (3) of SPPRA 2010, “Fraudulent Practice: means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;”

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Ghotki @ Mirpur Mathelo, made payment of Rs 5.868 million, during financial years 2017-19, to contractors by issuing suspicious work orders on blank rate/premium bidding documents without observing lowest rates submitted by the contractors. Comparative statement showing manipulated/fake rates approved/signed by the NIT scrutiny committee member Mr. Rizwan Nazeer, Assistant Commissioner, Mirpur Mathelo, without observing rates given by all the contractors.

Audit is of the view that execution of maintenance and repair work of Water Supply & Drainage schemes was suspicious and doubtful which constituted weak administrative management and financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Ghotki replied that work orders were issued to contractors/agencies after following codal formalities as per SPPRA rules. DAC directed the concerned to furnish complete original bidding documents, comparative statement and other relevant record within a weak time, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for unjustified payment on suspicious issuance of work orders, under intimation to audit.

[AIR Para: 2]

8.2.1.5 Misappropriation of development funds on POL of vehicles Rs 0.310 million

According to Finance Department's U.O No.FD/BI/22(3)/99-200 dated: 21st February 2000, Para -01 "PAO shall ensure that funds are allocated to a Department are spent for the purpose for which these are allocated".

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, incurred expenditure of Rs 0.310 million, during financial years 2017-19, on account of POL but charged expenditure on development schemes instead of relevant appropriation (head of Account).

Audit is of the view that charging POL expenditure on development schemes resulted into misappropriation of development funds which constituted weak administrative and financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC in its meeting held on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for misappropriation of funds on account of POL charged on Schemes, under intimation to audit.

[AIR Para:.27]

8.2.2 Non-Production of Record

8.2.2.1 Non-production of record – Rs 217.606 million

As per Section 14 (1) (b) of the Auditor General (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 require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection.

Moreover, “Chief Secretary vide letter No.DO.NO.SO(C-II)/SGA&CD/1-73/2012 dated 25th October 2013 was pleased to direct all Municipal organizations / Local Councils for immediately providing record to audit, so that, financial discipline may be restored to respective organizations. In case of failure to provide record to audit by audittee organizations, the cases may be taken up under disciplinary proceedings against officers concerned that may include suspension of officers”.

During audit, it was observed that following offices of PHE Department, failed to provide record to audit, during financial year 2010-19.

[Rupees in million]

Sr.	Name of Office	F-Y	AIR Para	Amount
1	Secretary PHED & RDD	2018-19	14+8	0
2	PHE Tando Allahyar	2018-19	1	0
3	PHE Tando Muhammad Khan	2018-19	41	0
4	PHE Mirpurkhas	2018-19	1	217.606
5	PHE Sujawal	2018-19	1	0
6	Sukkur	2018-19	1	0
7	PHE Khairpur-1	2018-19	1	0
8	PHE Jacobabad	2018-19	1	0
9	Defunct SID, GoS	2010-18	4.1.5.13	0
10	Defunct SID, GoS	2010-18	4.3.5.4	0
Total				217.606

Audit is of the view that non-provision of record reflects total disregard to rules, regulations and system of internal controls.

The matter was reported to the management during November 2018 to December 2019, the management of SID replied that relevant record was provided to audit. The reply was not tenable as specific record as mentioned above was not provided for audit scrutiny. DAC meeting held on 10.07.2019, wherein the management of SID stated that all available record was given during audit. DAC did not agree with departmental point of view and directed the concerned to produce the documentary

evidence to audit for verification. DAC meeting held on 29-11-2019, XEN PHE Tando Allahyar replied that reconciliation statement was duly verified, no pension case was finalized during the year, no employee was awarded any kind of leave except casual leave, no TA/DA advance was given to any employee and pay slips generated through SAP system were provided. DAC in its meeting held on 10-12-2019, allowed Secretary PHE & RDD and XEN PHE Tando Muhammad Khan to furnish reply within a week. XENs PHE Sujawal and Khairpur-I replied that all auditable record of official service books, personal files are available at Division office, while other offices did not respond. DAC directed the concerned to produce all relevant auditable record, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

8.2.3 Irregularity / Non-Compliance

A. Recovery / Outstanding dues

8.2.3.1 Overpayment made to the contractor – Rs 1,993.90 million

According to Appendix-18-A, Section-I of Sindh Financial Rules, Volume-II, “Means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”. Read with Rule 88 of Sindh Financial Rules “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit of Drinking Water Hubs Phase-II & III and Solarization of Phase I & II, it was observed that an overpayment of Rs 1,993.90 million was made to the contractor M/s Pak Oasis on installation of water filtration plants. As per IPCs/bills of Phase-II & III, payment to the contractor was made for installation of 1,524 water filtration plants but as per survey conducted by PHE&RD Department, total 1,163 plants were installed against above stated schemes. Moreover, management released payment to the contractor for solarization of 996 plants of Phase-I&II though the actual number of plants solarized by the contractor was 826 as per survey report of PHE&RD Department. Thus, an overpayment of Rs 1,993.90 million was made to the contractor for the units which were actually not installed or solarized on site.

[Rupees in million]

Sr.	Scheme	Amount as per IPCs/bills	Amount as per actual work done	Overpayment
1	Phase-II	3,132.10	2,909.20	222.90
2	Phase-III with solarization	4,726.00	3,317.30	1,408.70
3	Solarization of Phase- I&II	2,194.10	1,831.80	362.30
Total				1,993.90

Audit is of the view that management could not ensure internal controls in the payment process thereby compromising efficiency and economy in the project.

The matter was reported to the management during November 2018. The management replied that there was some dispute between contractor and the department about payment and work done. Moreover, the matter was under reconciliation process in

the Reconciliation Committee constituted by the Honourable Supreme Court. The reply was not tenable as payments made against units which were actually not installed / solarized was unjustified. DAC meeting held on 10.07.2019, wherein the management stated that same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to justify the difference between reconciliation report figure and audit figure. However, no compliance was made till the finalization of report.

Audit recommends recovery of the overpaid amount and fixing of responsibility on person(s) at fault.

[SID Para: 4.1.5.3]

8.2.3.2 Less deduction of income tax from contractor – Rs 729.781 million

As per Section 153 of the Income Tax Ordinance 2001, “income tax is required to be deducted @ 6% from contractors”.

During audit of Special Initiative Department, Government of Sindh, it was observed that management deducted less income tax of Rs 729.78 million from the contractor as detailed under:

[Rupees in million]

Sr.	Name of Schemes	Income Tax Due	Income Tax deducted	Amount less deducted
1	Drinking Water Hubs (Phase-II),	329.489	34.168	295.321
2	Project Management Unit, Drinking Water Hub Phase-III, Karachi	376.886	129.080	247.806
3	Solar Power Generation for Water Filtration Plants / Drinking Water Hubs (Phase-I&II)	115.548	58.851	56.697
4	Procurement & Installation of Nano Filtration / Ultra Filtration / Reverse Osmosis Filtration Plants	148.319	18.361	129.957
Total				729.781

Audit is of the view that less deduction of income tax caused loss to public exchequer and reflects weak financial management.

The matter was reported to the management during December 2018. The management replied that solar RO plants and solar power generation systems were fully exempted from income tax. Moreover, withholding tax was applicable for local works under section 153(1), Income tax Ordinance and the same was deducted accordingly, and

for imported goods section 148 was applicable. However, documentary evidence regarding exemption from Income Tax Department was not produced in support of their claim. DAC meeting held on 10.07.2019, wherein the management stated that same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC observed that reconciliation committee directed the management to get income tax reconcile from audit, therefore, income tax may be recovered from the contractor. However, no compliance was made till the finalization of report.

Audit requires exemption document for verification.

[SID Para: 4.1.5.7]

8.2.3.3 Overpayment due to wrong calculation – Rs 276.35 million

According to Rule 88 of Sindh Financial Rules, volume-I, “Every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as person of ordinary prudence would exercise in respect of expenditure of his own money”.

During audit of Drinking Water Hubs Phase-II, it was observed that an over payment of Rs 276.35 million was made to contractor due to wrong calculation.

[Rupees in million]

Bill No. & date	Plant	Amount Due	Amount Paid	overpayment
7 th R.A bill dt Nil vide cheque No. 069186 dt. 13-09-2013	Nano plant<3500 ppm	464.059	527.34	63.28
	RO >3500 ppm	965.281	1,095.95	130.671
	RO>15000 ppm	43.085	47.872	4.787
	Ultra-Filtration	507.848	577.896	70.048
	Sub-total	1980.273	2249.06	268.786
17 th R.A bill dt 9.1.2018, (O&M)	UF	16.398	17.791	1.392
	RO	119.171	125.343	6.172
	Sub-total	135.569	143.134	7.564
	Total	2,115.842	2,392.194	276.350

Audit is of the view that management could not ensure internal controls during the payment process, and the chances of fraudulent intent could not be ruled out.

The matter was reported to the management during November 2018. The management replied that there was some dispute between contractor and the department about payment and work done. Moreover, the matter was under reconciliation process in the Reconciliation Committee constituted by the Honourable Supreme Court. However,

proceedings of the Reconciliation Committee and its interim report were not shared with Audit. DAC meeting held on 10.07.2019, wherein the management stated that the same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to provide the relevant excerpts of the reconciliation committee's report and reconcile the difference if any with the audit report and get it verified. However, no compliance was made till the finalization of report.

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

[SID Para: 4.1.5.5]

8.2.3.4 Non-deduction of sales tax on services – Rs 37.244 million

According to Sub Section (1) of Section-8 of Sindh Sales Tax on Services Act, 2011, "Subject to the provision of this Act, there shall be charged, levied and collected a tax known as sales tax on the value of taxable service at the rate of 13% specified in the schedule in which the taxable service is listed", w.e.f. July 2016.

During audit, it was observed that following offices of PHE Department, made payments to service providers, but failed to deduct sales tax amounting to Rs 37.244 million, during financial year 2018-19.

[Amount in rupees]

Sr.	Name of Office	AIR Para.	F-Y	Amount
1	PHE Karachi	6	2018-19	5.641
2	PHE Tando Muhammad Khan	24	2017-19	10.492
3	PHE Jamshoro	1	2018-19	0.263
4	PHE Matiari	1	2017-18	0.808
5	PHE Khairpur-1	8	2018-19	1.081
6	PHE Larkana	9	2018-19	3.999
7	PHE Kamber-Shahdadkot	3	2018-19	14.960
Total				37.244

Audit is of the view that due to weak administrative and financial management sales tax on services could not be recovered and government sustained loss.

The matter was reported to the management during August to November 2019, but, management did not respond to audit observation. PAO convened DAC meeting on 29-11-2019, XEN PHE Karachi replied that directions of audit have been noted and sales tax on services will be recovered in the next bill of the contractor. DAC directed the concerned to recover sales tax on services from the concerned contractor and deposit into

government treasury. XEN PHE Kamber-Shahdadkot replied that sales tax on services was exempted on ADP schemes up to June 2017. DAC directed the concerned to produce all relevant record of exemption of sales tax on services. XEN PHE Matiari replied that as per SRB letter dated 29-08-2019 sales tax on services is to be deducted after June 2018. DAC directed the concerned to recover sales tax on services from contractors / suppliers and deposit into government treasury. DAC allowed XEN PHE Jamshoro allowed one-week time to furnish reply. The DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Khairpur-I replied that sales tax was not deducted from the contractor bills. DAC directed the concerned to recover sales tax on services from contractors / suppliers and deposit into SRB and furnish all original record of deposition of sales tax on services into government account along with attested copies. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that expeditious recovery may be made, besides, fixing of responsibility on person(s) at fault, under intimation to audit.

8.2.3.5 Excess payment to contractor due to higher rate from Composite Schedule Rates - Rs 6.763 million

According to section(I) of Appendix 18-A of SFR Vol-I, states that, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence". Read with Rule-88 of SFR Volume-I, "every Government Officer is expected to exercise same vigilance in respect of expenditure incurred from public money, as a person of ordinary prudence /would exercise in respect of expenditure of his own money".

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Kamber-Shahdadkot, executed two development schemes and paid Rs 6.763 million, during financial year 2018-19, to contractors in excess due to higher rate as permissible in CSR-2012 on account of item "Providing, Laying & Fixing in Trenches i/c fitting, jointing & testing etc complete in all respects the high Density

Polyethylene P.E Pipe(HDPE-100) for W/S confirming ISO DIN 8074/8075 B.S3580 & PSI3051(PHSI:1,P-25) (t) 18" dia pipe(450 mm) delivery line. Detail is as under:

[Amount in rupees]

Name of Item	V No. & Date	W.O No. & Date	Quantity Executed	Rate of CSR	Rate claimed	Excess P.Rft	Excess Payment
Providing, Laying & Fixing in Trenches i/c fitting, jointing & testing etc complete in all respects the high-Density Polyethylene P.E Pipe(HDPE-100) for W/S confirming ISO DIN 8074/8075 B.S3580 & PSI3051(PHSI:1,P-25) (t) 18" dia pipe(450mm) delivery line	D-31/02-11-2018	2197/24-11-2017	2000.8 P.Rft	3299 P.Rft	4000 P.Rft	701	1,402,561
	D-01/21-01-2019	100/15-12-2014	5916.50 P.Rft	3299 P.Rft	4205 P.Rft	906	5,360,349
							6,762,910

Audit is of the view that management failed to monitor works and excess rate was allowed which resulted into un-authorized expenditure and loss to public revenue which constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019, XEN PHE Kamber-Shahdakt replied that due to typographic error 450 mm has been typed in the bill, whereas, in the measurement book there is 550 mm 18" dia pipes have been recorded in the line of Schedule-B and Technical sanction. DAC directed the concerned to produce all relevant record of development scheme i.e. technical sanction, work order, contractor bills and Measurement Books along with attested copies but, no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for excess payment to contractors on account of works. Besides, amount of excess payment may be recovered, under intimation to audit.

[AIR Para: 1]

8.2.3.6 Non-recovery of professional tax and affixation of stamp duty Rs 1.851 million

According to Article 15 of the Stamp Act, 1899, amended vide Sindh Finance Act, 2015, “it is the duty of the competent authority to recover the stamp duty and affix the same, while execution of agreement @ 0.35 paisa/100 rupees of the value of the agreement or against tender cost.”

Further, according to Seventh Schedule of Sindh Finance Act, 1964 amended vide Schedule-II of Sindh Finance Ordinance, 2000, Professional tax is required to be deducted from the payments made to contractors engaged in construction work or providing services and labour”.

During audit, it was observed that different offices of PHE Department, failed to recover professional tax and stamp duty amounting to Rs 1.851 million, in financial year 2018-19, from the bills of contractors as well as non-affixing of stamp duty on contract agreements of contractors.

[Rupees in million]

Sr.	Name of Office	AIR Para	F-Y	Name of Tax	Amount
1	DG RDD Hyderabad	8	2018-19	Professional tax	0.110
2	PHE Hyderabad	6	2018-19	Stamp duty	0.201
3	PHE Tando Muhammad Khan	22	2018-19	Stamp duty	0.027
4	PHE Sukkur	10	2018-19	Stamp duty	0.127
5	PHE Tharparkar	10	2018-19	Stamp duty	0.463
6	PHE Jacobabad	3	2018-19	Stamp duty	0.923
Total					1.851

Audit is of the view that due to non-recovery of stamp duty and professional tax, government sustained loss of revenue which constituted financial mismanagement as well as non-observance of prescribed rules and procedures in vogue.

The matter was reported to the management during August to December 2019, but the management did not respond. PAO convened DAC meeting on 29-11-2019. XEN PHE Tharparkar replied that stamp duty has been already received from all agreements and adhesive stamps of required amount have been affixed on all agreements. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. DAC directed the concerned to produce relevant record of affixing of stamp duty along with attested copies, but no compliance of DAC directives was made till the finalization of report. Further, other offices did not respond.

Audit recommends that expeditious recovery of tax may be made, besides, fixing of responsibility on person(s) at fault, under intimation to audit.

8.2.3.7 Non-deduction of income tax from taxable salaries of staff Rs 0.802 million

According to Income Tax Ordinance 2001, “The Rates of Tax imposed on the taxable income of every individual shall be set out in the following table, namely:

Sr.	Taxable income.	Rate of tax.
1	0 to Rs. 400,000	0%
2	Rs 400,000 but does not exceed Rs 800,000	1000
3	Rs. 800,000 but does not exceed Rs 1,200,000	2000
4	Rs. 1,200,000 but does not exceed Rs 2,400,000	5% of the amount exceeding Rs 1200,000/-

According to Finance Act 2018 w.e.f. 01-07-2018

During audit, it was observed that Secretary, PHE&RDD Sindh, Karachi, failed to deduct & deposit the income tax amounting to Rs 0.802 million, during financial year 2018-19, on the taxable salaries of employees.

[Rupees in million]				
Sr.	Name of Office	AIR Para.	F-Y	Amount
1	Secretary PHED	6+1	2018-19	0.802

Audit is of the view that undue favour was extended towards employees which resulted into loss to public exchequer which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for non-deduction of income tax from taxable salaries of staff. Besides, the same may be recovered and deposited to income tax department, under intimation to audit.

[AIR Paras: 6+1]

8.2.3.8 Overpayment of allowances – Rs 0.594 million

According to Revision of Basic Pay Scales 2005, (9) (b) “Conveyance Allowance shall be also be admissible to those BPS-21 & 22 who are not sanctioned official vehicles”.

During audit, it was observed that different offices of PHE Department, paid various allowances of Rs 0.594 million, during financial years 2017-19, to staff for which they were not entitled.

[Rupees in million]					
Sr.	Name of Office	Description	AIR Para.	F-Y	Amount
1	Secretary PHED	Conveyance allowance to officers having official vehicle	5	2018-19	0.120
2	PHE Jamshoro	Allowed discontinued allowances and conveyance allowance to officers having Govt vehicle	2+3	2018-19	0.365
3	PHE Matiari	Conveyance allowance to officers having official vehicle	2	2017-18	0.095
4	PHE Sanghar	Allowed discontinued allowances	1	2018-19	0.014
Total					0.594

Audit is of the view that payment of allowances to employees for which they were not entitled constituted weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Matiari replied that compliance of audit has now been made. Overpaid conveyance allowance will be recovered in 10 instalments. DAC directed the concerned to furnish documentary evidence of recovery of conveyance allowance from the concerned employee. DAC allowed XEN PHE Jamshoro one-week time to furnish reply. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD to furnish reply within a week time. XEN PHE Sanghar replied that District Accounts Office made payments of pay and allowance through SAP system. DAC directed the concerned to recover overpayment of inadmissible allowance from the concerned employees and furnish attested copies of documentary evidences. However, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault, besides, recovery of overpaid allowances may be made, under intimation to audit.

B. Violation of Rules

8.2.3.9 Non-preparation of feasibility report of major schemes Rs 14,840.649 million

According to Circular of P&D GoS vide No.2/1892-AC(Coord)/P&D/2016 Dated: September 27, 2016 that “All development projects should be based on feasibility studies. In case of projects of Infrastructure & production sectors costing Rs 500 Million and above, the feasibility study would be mandatory. The project-oriented TORs should be prepared, and experienced and professional consultants should be engaged for preparing feasibility studies. In case of projects costing less than Rs 500 Million, it should be based on in-house feasibility study.”

During audit, it was observed that Secretary, PHED & RDD Sindh, Karachi, allowed execution of Major Schemes amounting to Rs 14840.649 million, during financial year 2010-19, but failed to prepare PC-II “Feasibility Studies” and Project TORs of the Schemes. Detail is at provided at Annex-PHE1:

[Rupees in million]

Sr.	Name of Office	AIR Para.	F-Y	Amount
1	Secretary PHED & RDD	2	2018-19	1119.122
2	Defunct SID, GoS	4.1.1.1	2010-18	13,319.730
3	Defunct SID, GoS	4.3.1.1	2010.18	401.797
Total				14,840.649

Audit is of the view that advertisement of NIT without preparation of PC-II resulted into misuse of authority which constituted weak administrative & financial management.

The matter was reported to the management during November 2018 and November 2019. The management of SID replied that Government of Sindh had conducted some study on ground water through international consultant RWE to ascertain quality and quantity of water. Moreover, Government had initiated a pilot project of three RO Plants in 2005 and checked their performance for one year. Based on the success of the pilot project, further schemes of installation of RO plants were initiated in last 15 years. The reply was not tenable as no such study was shared with Audit. Moreover, general study on determination of quality and quantity and conducting a dedicated feasibility study are two separate matters. Furthermore, feasibility study was mandatory requirement to safeguard government assets and to minimize the risk involved in execution of the scheme/project. The management replied in para 4.3.1.1 that no need of PC-II and PC-Is were approved after detailed discussion and satisfaction of PDWP

forum. The reply is not tenable as feasibility study was mandatory requirement to safeguard public assets. DAC meeting held on 10.07.2019, wherein the management stated in reply to para 4.1.1.1 that project was approved by the competent forum i.e. PDWP. DAC observed that the reply of the management is not tenable because feasibility study in respect of major projects estimated to cost Rs 300 million or more is mandatory and directed the management to give reasons why feasibility was not conducted. Para 4.3.1.1 was not discussed. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for execution of schemes without preparation of feasibility studies of respective schemes, under intimation to audit.

8.2.3.10 Expenditure without observing the schedule of payment Rs 5,384.08 million

As per sub-clause 33.13 of agreement regarding payment schedule, the payment shall be made according to following schedule:

- | | | |
|------|---|-----|
| i. | Submission of approved design | 10% |
| ii. | Procurement of equipment at warehouse Karachi | 55% |
| iii. | Installation of equipment | 15% |
| iv. | Testing installation | 10% |
| v. | Commissioning / handing over | 10% |

During audit of Drinking Water Hubs (Phase-III), it was observed that payment of Rs 5,384.08 million was made to the contractor M/s Pak Oasis Company without observing the above payment schedules. Instead, payment was made in violation of the agreement as evident from the IPC No.10 (taken as a sample).

Item of Work	Qty executed as per MB/bill	Payment (Actual)
Solar Reverse Osmosis / Desalination Plants TDS 10000 ppm 500 ltrs	50	7%
Solar Reverse Osmosis / Desalination Plants TDS 15000 ppm 500 ltrs	100	11%
Containerized / Prefabricated Plant Room	220	1%
	100	100%
Solar Power Generation System for RO	300	7%
	135	4%
Drilling & Boring for Source Water	275	15%

Audit is of the view that management deliberately avoided the payment schedule as per agreement in order to extend undue favour to the contractor, thereby concealing the actual work done.

The matter was reported to the management during November 2018. The management replied that the matter was under reconciliation process in the Reconciliation Committee constituted by the Honourable Supreme Court. The reply was not tenable as Reconciliation Committee has not been mandated to check / verify payment schedule as per agreement. DAC meeting held on 10.07.2019, wherein the management stated that the same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to revise its reply because Reconciliation Committee report did not comment on the schedule of payment. Para 4.3.5.2 was not discussed in the DAC. However, no compliance was made till the finalization of report.

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

[SID Para: 4.1.5.9, 4.3.5.2]

8.2.3.11 Irregular procurement - Rs 4,381.702 million

According to appendix -A of the Contract Agreement Volume-I, “All the water filtration plants operated upon solar power system shall be from renowned manufacturers of North American or Western European (EU) origin or equivalent and the contractor shall have to submit manufacturing locations and shipment details to establish the same”.

Sub-clause 20.6 of agreement states that the contractor shall arrange at least three visits (for selection / inspection and pre shipment) for all the imported equipment, these visits should comprise at least 04 officers of the employer and one representative of the consultant for a minimum period of 10 days. The pre shipment visits shall also include independent inspection by an approved third-party inspection agency (Lloyds or equivalent).

During audit of defunct Special Initiative Department, it was noticed that the management did not observe the above stated conditions of the contract before releasing the payment of Rs 4,381.702 million.

[Rupees in million]			
Sr.	Name of Project / Scheme	Particulars	Amount
1	Installation of 31 RO plants in	31 RO Plants	734.722

[Rupees in million]

Sr.	Name of Project / Scheme	Particulars	Amount
	Tharparkar and Umerkot District.		
2	Installation of RO Plants at 25 villages of Tharparkar District	25 RO Plants	720.407
3	Drinking Water Hub Phase-III	750 RO Plants	2,926.573
Total			4,381.702

Following irregularities were also noticed:

- i. Invoices for import of material from US/EU origin were not produced.
- ii. Laboratory test from third party were also not available.
- iii. Documentary evidence regarding pre-shipment inspection visits were not attached with the bills.

Audit is of the view that in absence of mandatory documents, origin and quality of RO plants could not be ascertained. As such, the management compromised quality of plants by extending undue favour to the contractor.

The matter was reported to the management during November 2018. The management replied that pre-shipment inspections were carried out by the department and the consultant teams to check plant specification. Moreover, all supplied and installed plants had same specification from similar renowned equipment manufacturers such as membrane from DOW, USA, pumps from GR undfos Europe, pre-treatment from FSI, USA, solar electrical system from ABB Germany. The reply was not satisfactory as relevant invoices were not provided to substantiate their claim. DAC meeting held on 10.07.2019, wherein the management did not furnish any reply.

Audit requires original invoices of import of material for verification.

[SID Para: 4.1.4.1]

8.2.3.12 Non-execution of work as per PC-I - Rs 3,017.056 million

As per BOQ in approved PC-I, “Establishment of Drinking Water Hubs (Phase-1),” 200 Nano Filtration plants, 200 RO Plants and 100 Ultra filtration plants were to be installed at different locations of Sindh.

During audit of Establishment of Drinking Water Hubs (Phase-I), it was observed that RO plants and UF plants were installed in excess, and Nano plants were not installed at all by M/s Pak Oasis Company as transpired by the survey conducted by PHE&RD Department. However, the payment to the contractor was also made for

installation of 200 Nano plants by recording false entries in measurement book (MB). Details are as under;

Sr.	Description	Quantity as per BOQ in PC-I	Quantity as per actual Work Done	Excess (+) / Saving (-)
1	R.O	200	390	+190
2	Nano Filtration Plant	200	0	-200
3	Ultra-Filtration Plants	100	110	+10
Total		500	500	-

Audit is of the view that management failed to implement effective monitoring mechanism, which resulted in deviation from PC-I.

The matter was reported to the management during November 2018. The management replied that the additional installed plants shown as RO were upgraded version of Nano filtration plants for which no additional cost was paid, and it was a benefit given to the people by the contractor. The reply was not tenable as approval from competent authority for change in specification of plants was not provided. Moreover, entries of Nano plants were recorded in measurement book which was contradictory to their claim. DAC meeting held on 10.07.2019, wherein the management stated that the payment made to the contractor under Drinking Water Hub Phase-I of the project was against the actual number of plants at site. DAC directed the management to get condoned / regularized from PDWP the deviation as per PC-I under intimation to audit. However, no compliance was made till the finalization of report.

Audit recommends fixing of responsibility for non-execution of work as per PC-I and re-verification of the installed plants at site as per management claim.

[SID Para: 4.1.2.2]

8.2.3.13 Fake entries in measurement book – Rs 1,986.10 million

According to Rule 160 of Sindh Financial Rules Volume-I & II “Works done otherwise than on a lump sum contracts, and supplies made, by a contractor, should, unless impracticable, be measured (weighted or counted) before payment therefore is made. The details of measurements made should be systematically recorded in a book, called the measurement book (Fin. R. Form No. 13), which will form the basis of all accounts of quantities. The description of the work or supply must be lucid so as to admit of easy identification and check. The pages of books should be machine numbered, and

no page may be torn out, nor any entry erased or effaced so as to be illegible. All corrections must be duly attested by a responsible Government Servant”.

During audit of Establishment of Drinking Water Hubs (Phase-I & II), it was observed that an amount of Rs 1,986.10 million was paid to M/s Pak Oasis Company for installation of 499 Nano water filtration plants in Sindh. In this regard, following discrepancies were noticed;

- i. Measurement Book (MB) showed installation of 499 Nano-filtration plants (188 in Phase-I and 311 in Phase-II) for which payment was made to the contractor, whereas, survey for physical verification of plants conducted by PHE&RD Department transpired that not a single Nano filtration plant was installed at site by the contractor. Thus, fake entries were made in measurement book by the project management.
- ii. As per PC-I/BOQ, 350 Nano filtration plants (200 in Phase-I and 150 in Phase-II) were to be installed, whereas payment was made for 499 Nano plants (188 in Phase-I and 311 in Phase-II), in violation of quantities mentioned in PC-I/BOQ.
- iii. Details of measurements in MB were not recorded as per approved format (Fin.R. Form No: 13) i.e. location of plants, specification of plants, details of items measured, etc.

Audit is of the view that fake entries in MB might have led to fraudulent payment to the contractor.

The matter was reported to the management during November 2018. The management replied that the matter was under reconciliation process in the Reconciliation Committee constituted by the Honourable Supreme Court. Moreover, Nano plants with upgraded version were installed at the same cost. The reply was not satisfactory as documentary evidence in this regard along with approval of the competent authority was not provided. DAC meeting held on 10.07.2019, wherein the management stated that the same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to revise its reply since the audit para beyond the scope of mandate of Reconciliation Committee as stated in its report limitation. However, no compliance was made till the finalization of report.

Audit requires provision of record of proceedings of Reconciliation Committee along with interim report submitted by that committee.

[SID Para: 4.1.4.2]

8.2.3.14 Unjustified payment to the contractor - Rs 1,325.88 million

According to Appendix-18-A, Section-I of Sindh Financial Rules, Volume-II, “Means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit of Drinking Water Hub Phase-III, Karachi, it was observed that the contract agreement was signed on 22-08-2014, however, substantial amount of Rs 1,325.88 million was released on 26-08-2014 without justification of execution of work in matter of four days. Huge payment made to the contractor was irregular and the same was tantamount to extending undue favour to the contractor.

The matter was reported to the management during November 2018, but no reply was received. DAC meeting held on 10.07.2019, wherein the management stated that same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to revise its reply because Reconciliation Committee report did not comment on the schedule of payment. However, no compliance was made till the finalization of report.

Audit requires detailed justification along with supporting documents on the subject matter.

[SID Para: 4.1.5.2]

8.2.3.15 Non-conduction of third-party monitoring of completed schemes Rs 891.319 million

According to Regulation for Procurement of Works, SPPRA Notification No. Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March 2013, Definitions-7. “Completion Time means the time for completing the execution of work as stated in Letter of Acceptance and has satisfactorily passed any Tests prescribed by the contract.

According to Order of Secretary, PHE &RDD Sindh vide No.SO(I)/PHE/Releases of Funds/2016-17 Dated: October 2016 Para-09 states that “The Chief Engineer, PHED Hyderabad/Sukkur is requested to deduct 1% TPM charges from

said release and keep at the disposal of P&D Department, if involved in said scheme, under intimation Finance Department and this Department.

During audit, it was observed that Secretary, PHE&RDD Sindh, declared thirty schemes amounting to Rs 891.319 million, during financial year 2018-19 as completed but failed to provide third party monitoring/test report of inspection conducted by P&D GoS. Detail is as under:

(Amount in Rupees)

Sr.	Sector	No. of Scheme	Amount	Validation Report
1	RDD	20	467,900,000	N.P
2	PHE	10	423,419,000	N.P
Total			891,319,000	

Audit is of the view that payment on account third party monitoring (TPM) to P&D GoS without issuance of monitoring report of respective completed works/schemes resulted into unjustified payment which constituted weak administrative management and financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD to furnish reply within a week time, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for non-conducting of third-party monitoring (TPM) of completed schemes. Besides, the same may be conducted, under intimation to audit.

[AIR Para:3]

8.2.3.16 Non-completion of development schemes due to improper planning Rs 843.519 million

As per Sindh Public Procurement Rules 2010, Part-II, Rule-11(2) Review and Update - The procurement plan prepared for any project shall be reviewed and updated throughout the life of the project, such as estimates of time requirements, availability of funds, assumptions about institutional capacity, changing priorities and other factors that require plan adjustments for the success of the project. Such required adjustments will not invalidate the plan if made for improving the plan in the interests of the successful and timely completion of the project.

During audit, it was observed that following offices of PHE Department, incurred an expenditure of Rs 843.519 million upto 2018-19, on execution of District & Provincial ADP schemes. Most of the schemes were started in 2012 to 2015 but could not be completed after lapse of seven years.

[Rupees in million]				
Sr.	Name of Office	Description	AIR Para	Amount
1	PHE Ghotki @ Mirpur Mathelo	District & Provincial ADP Schemes (on-going)	14	648.213
2	PHE Mirpurkhas	Urban & Rural Drainage ADP Schemes ADP Schemes (on-going)	10	195.306
Total				843.519

Audit is of the view that there has been ill planning by the entity in terms of financial management. Schemes should not have been initiated until release of funds which constituted weak financial management.

The matter was reported to the management during November and December 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Ghotki replied that due to no release of funds the schemes could not be completed in due time. DAC directed the concerned to furnish details of schemes, funds releases, reconciliation, and annual procurement plan within a week. No compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for making ill planning & non-completion of such schemes in time, under intimation to audit.

8.2.3.17 Irregular award of work without execution of contract agreements Rs 818.864 million

According to Para 89(c) of CPWD Code, “The agreement with the contractors selected must be in writing and should be precisely and definitely expressed; it should state the quantity and quality of the work to be done, the specifications to be complied with, the time within which the work is to be completed”.

During audit, it was observed that different offices of PHE Department, awarded development works costing Rs 818.864 million, during financial years 2017-19, to different contractors without execution of contract agreements. The blank agreements were found in the record.

(Rupees in million)

Sr.	Name of Office	AIR Para.	F-Y	Amount
1	DG, RDD Hyderabad	4	2018-19	124.206
2	PHE Karachi	10	2018-19	9.196
3	PHE Badin	2	2018-19	7.608
4	PHE Tando Allahyar	2	2018-19	15.073
5	PHE Tando Muhammad Khan	10	2018-19	9.111
6	PHE Sukkur	6	2018-19	36.239
7	PHE Kamber-Shahdadkot	8	2018-19	66.973
8	PHE Shaheed Benazirabad	2	2018-19	25.834
9	PHE Naushero Feroze	2	2017-18	8.309
10	PHE Sanghar	5	2018-19	6.258
11	PHE Jacobabad	2	2018-19	510.057
Total				818.864

Audit is of the view that management mis-used its authority by not following prescribed procedures as laid down to safeguard government interest which constituted weak administrative and financial management.

The matter was reported to the management from August to December 2019, but, they did not respond to audit observation. PAO convened DAC meeting on 29-11-2019. XEN PHE Karachi, Badin, Tando Allahyar and Kamber-Shahdadkot replied that the agreements in question were properly executed and stamps were affixed. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Shaheed Benazirabad replied that due to rush of work proper signature could not be obtained. XEN PHE Sanghar replied that contract agreement was duly executed, and stamp duty was also paid / affixed on the same. XEN PHE Naushero Feroze replied that contract agreement on agreement papers of appropriate value was executed. DAC directed the concerned to produce all relevant record of contract agreements, stamp duty along with attested copies, but no compliance of DAC directives was made till the finalization of report. Other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for execution of schemes and making payments without execution of contract agreements, under intimation to audit.

[AIR Paras: 4,10,2,2,10,8,2,2,5,2]

8.2.3.18 Unauthorized expenditure in violation of the Honourable Supreme Court Judgment - Rs 533.36 million

The Honourable Supreme Court of Pakistan in a judgment in SMC No.19/2016 dated 24.03.2017 at Para 21(e) directed that “the projects and schemes which have been

implemented / executed or those which are being implemented by the Special Initiative Department be immediately transferred to the concerned Government department in terms of Schedule II of the Sindh Government Rules of Business.”

Further, the Honourable Supreme Court of Pakistan in an another hearing in the same case dated 23.02.2017 at Para 2 of the Order directed that “On the last date of hearing it was ordered that the Special Initiative Department would not continue its working and the cases being dealt with by the department be transferred to the relevant regular department the functions of which cover the concerned projects/initiatives. This Order was required to be complied with in letter and spirit.”

During audit of (defunct) Special Initiative Department, Government of Sindh, it was observed that contrary to clear directives of the Honourable Supreme Court of Pakistan to abolish SID and transfer all schemes assigned to it to the concerned departments, Government of Sindh amended Rules of Business 1986 through Notification dated 09.05.2017 and assigned business to SID. Government allowed SID to continue functioning until 19.02.2018 when it was finally abolished vide notification dated 19.02.2018. During the period from 24.3.2017 to 19.02.2018, the (defunct) SID made unauthorized payment against various projects amounting to Rs 533.36 million (details at Annex-PHE2). Moreover, SID was de-notified by Sindh Government on 19-02-2018, but management made an expenditure of Rs 3.85 million up to 05-04-2018 till handing over of the projects to PHE&D (details at Annex-PHE3).

Audit is of the view that the continued functioning of former Special Initiative Department from 14.03.2017 to 19.02.2018 was without lawful authority and in clear violation of the orders of the Honourable Supreme Court of Pakistan.

The matter was reported to the management during December 2018. The management replied that payments under different heads were made up to 09.02.2018 as SID was de-notified by the Government on 19.02.2018. The reply was not tenable, as Honourable court’s decision dated 14-03-2017 was not implemented in letter and spirit. DAC meeting held on 10.07.2019, wherein the management stated that the payment of Rs 285.275 Million was made to M/s Pak Oasis Industries (Pvt) Ltd dated 09-02-2018 being the contractor of the project Drinking Water Hub Phase-II and responsible of the operation & maintenance of the water filtration plants under the terms of the contract agreement. The Project Drinking Water Hub Phase-II is still not yet completed due to the fact that all water filtration plants have been installed while the operation and maintenance provision under the contract is still not yet completed. The observation that tender has been initiated for substantial O&M operation through tender was pertain to

DWH Phase-I which was completed in June-2015. Further, after the deletion of Special Initiative Department from the Sindh Government rules of Business 1986 vide Notification. SORI(SGA&CD)2-4/2013(SID) Dated 19th February-2018 and the payment has been made dated 9th February-2018 before the notification regarding deletion of SID Dated 19-02-2018. DAC did not agree with reply and directed the management to fix responsibility against person(s) at fault for violating orders of Honourable Supreme Court. However, no compliance was made till the finalization of report. Audit requires justification for unauthorized functioning of the defunct department and regularization of unauthorized payments by the competent authority.

[SID Para: 4.1.5.1]

8.2.3.19 Non-imposition of penalty -Rs 485.935 million

As per agreement made between contractor & Government that the time frame given for the completion of work is required to be observed and in case of failure/ delay, the penalty at the rate of 10% of sanctioned cost may be imposed & deducted from the bill of contractor.

During audit, it was observed that following offices of Public Health Engineering & Rural Development Department, executed development works, but the contractors have not completed the schemes within stipulated time period and the department was required to impose the penalty @ 10% amounting to Rs 485.935 million during financial years 2010-19.

[Rupees in million]

Sr.	F-Y	AIR Para.	Name of Office	Amount
1	2018-19	2	DG, RDD, Hyderabad	9.377
2	2018-19	9	PHE Karachi	7.828
3	2018-19	3	PHE Hyderabad	6.269
4	2018-19	2	PHE Dadu	7.473
5	2018-19	17+20	PHE Tando Muhammad Khan	4.505
6	2018-19	5	PHE Jamshoro	3.768
7	2018-19	2	PHE Khairpur-I	3.102
8	2018-19	6	PHE Larkana	19.999
9	2018-19	4	PHE Kamber-Shahdaskot	21.401
10	2018-19	8	PHE Tharparkar	52.338
11	2018-19	1	PHE Shaheed Benazirabad	5.926
12	2017-18	6	PHE Naushero Feroze	1.127
13	2010-18	4.1.4.11	Defunct SID, GoS,	342.822
Total				485.935

Audit is of the view that undue favour was granted to contractors resulting in non-compliance of rules.

The matter was reported to the management from November 2018 to December 2019, the management of SID replied that contracts have been extended up to February 2019 and site was handed over late by the concerned authorities. Thus, extensions were accordingly granted by the management. No documentary evidence of extensions granted by the competent authority was produced in support of the claim. DAC meeting held on 10.07.2019, wherein the management of SID stated that extensions had been granted to the vendor in the line of Supreme Court order. DAC directed the management to produce the documentary evidence to audit for verification. PAO convened DAC meeting on 29-11-2019. XEN PHE Karachi, Tharparkar and Kamber-Shahdadkot replied that work was delayed due to non-availability of funds and proper extensions were given to the contractors according to Rule 44.1 of general condition. The DAC directed the concerned to produce all relevant record i.e. month wise bank statement, funds received, and contractor application for extension and extension letters for verification within a week time. DAC allowed XEN PHE Jamshoro one-week time to furnish reply. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Dadu, Shaheed Benazirabad and Khairpur-I replied that works were delayed due to force majeure non-release of funds from Finance Department, GoS and necessary extension was granted. XEN PHE Naushero Feroze replied that all works were started in due time and expected works were completed in time and extension was granted for completion of works according to Rule 44.1 of general condition. DAC directed the concerned XENs to furnish month wise, bank statements, details of releasing of funds, contractor request letters and granted extensions along with attested copies of documentary evidence. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for non-imposition of penalty, under intimation to audit.

[AIR Paras: 2,9,3,2,17+20,5,2,6,4,8,1,6, SID: 4.1.4.11]

8.2.3.20 Expenditure without provision in PC-I – Rs 427.64 million

According to Paragraph 1.50 of Chapter 1 of the Manual of Development Projects, issued by Planning Commission of Pakistan, “PC-I is the basic form on which all projects/schemes are required to be drawn up.”

During audit of “Supply and Installation of Reverse Osmosis Water Desalination Plant at Manora Island, Karachi and Drinking Water Hub Phase-III”, following discrepancies were noted in the preparation of PC-I and project implementation;

Supply and installation of RO plant at Manora Island;

- i. The consultancy services were acquired for bid preparation and pre-feasibility without provision in PC-1.
- ii. Excess provision of contingency charges was allowed on items like expenditure on purchase of diesel generator, operation and maintenance, provisional sum, resulting in undue increase in PC-1 cost.
- iii. The Chief Minister, Sindh approved the cost of Rs 350.00 million for the Scheme but the PC-1 was prepared with the cost of Rs 390.24 million. It was further increased and revised to Rs 427.65 million without getting approval from the C.M for the increased amount of Rs 77.65 million.
- iv. Scope of intake system was changed from installation of five tube wells to installation of sea water intake system without approval from competent authority.

Drinking Water Hub Phase-III;

- i. As per PC-I, Solar RO plants of European/USA technology having capacity of 2,000 liters per hour were to be installed. However, plants were installed of reduced capacity (500 and 1,000 litres per hour) without confirmation of required technology.
- ii. As per PC-I, the cost of drilling and boring of tube wells was Rs 262.50 million, whereas management paid Rs 1,267.88 million against the same. Thus, an excess payment of Rs 1,005.38 million (383%) was made.
- iii. As per PC-I, the repair and maintenance cost was Rs 0.72 million per plant, but management allowed Rs 0.90 million per plant. Thus, an excess expenditure of Rs 135.00 million was incurred.

Audit is of the view that due to ill-planning on the part of management, the above irregularities occurred.

The matter was reported to the management during November 2018. The management replied that PC-I showed estimated cost wherein 15% variation was allowable and revised estimates of Rs 427 million were within 15% allowable limit.

Besides, sea water intake was more consistent and appropriate. It is further informed that US/European technology was utilized. However, no documentary evidence was furnished in support of their contention. DAC meeting held on 10.07.2019 wherein the management submitted to DAC point wise reply regarding the supply and installation of RO Plant at Manora Island and Drinking Water Hub Phase-III:

Supply and installation of RO plant at Manora Island

- i. The provision of consultancy service was included in PC-I and approved by the PDWP and P&D Department.
- ii. It is standard practice in the estimation of project cost 2% to 5% of the project to take as a contingency cost for meeting the cost of unforeseen item.
- iii. The revised cost of Rs 427.648 million was approved by the PDWP.
- iv. Every water desalination plant required the reliable feed water source to perform its intended operation. The feed water source may be tube-well or through open intake system from sea.

Drinking Water Hub Phase-III:

- i. There are three types of capacity plants under DWH Phase-III, 500, 1000 & 2000 liters per hour. The contractor has installed 1000/2000 liter per hour plant under Phase-III. The contractor has been paid as per BOQ of the contractor agreement i.e.500, 1000 & 2000 liter per hour plants. All plants are European and US Origin.
- ii. The payment of drilling & tube-well was made as per contract agreement / BOQ quoted in the bid.
- iii. The payment of repair and maintenance of per plant is Rs 25,000/- monthly and allowed against the operational plant of Phase-III.

DAC meeting held on 10.07.2019, directed managements to produce documentary evidence to audit for verification. However, no compliance was made till the finalization of report.

Audit requires detailed justification besides fixing of responsibility against person(s) at fault.

[SID Para: 4.1.2.1]

8.2.3.21 Excess payment on solarization of RO / UF plants-Rs 336.74 million

As per approved PC-I of Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase-I & II), total number of RO/UF plants to be converted to Solar Power in phase-I was 300 and phase-II was 750.

During audit of Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase-I & II), it was observed that management made payment against 996 RO/UF Plants for Rs 2,044.60 million as recorded in the measurement book, whereas as per survey conducted by PHE&RD Department the actual number of RO/UF Plants converted into Solar Power was 826. Therefore, an overpayment of Rs 336.74 million was made to the contractor against un-installed 170 RO/UF plants.

[Rupees in million]

Sr.	Particulars	As per Bill/MB claimed		As per physical verification of PHED		Difference
		Quantity	Amount	Quantity	Amount	
1.	RO Plants	762	1,836.420	640	1,542.400	294.020
2.	UF Plants	234	208.260	186	165.540	42.720
	Total	996	2,044.680	826	1,707.940	336.740

Audit is of the view that management recorded fake measurement in MB without checking the actual work done and extended undue favour to the contractor at the cost of public exchequer.

The matter was reported to the management during November 2018. The management replied that actual payment made to the contractor was Rs 1,998.85 million. Moreover, as per physical verification by PHED, the amount comes out to Rs 1,831.84 million for 826 plants at the unit cost of Rs 2.56 million and Rs 1.04 million respectively for solarization of RO and UF plants. Thus, the difference comes to Rs 167.01 million. The matter was also under reconciliation process in the Reconciliation Committee constituted by the Honourable Supreme Court. The reply was not satisfactory as documentary evidence in support of their claim was not provided. DAC meeting held on 10.07.2019, wherein the management stated that same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to provide the relevant excerpts of the reconciliation committee's report and reconcile the difference if any with the audit report and get it verified. However, no compliance was made till the finalization of report.

Audit requires provision of record of proceedings of Reconciliation Committee along with interim report submitted by that committee.

[SID Para: 4.1.5.4]

8.2.3.22 Excess payment against installation of solar plates-Rs 279.40 million

As per Annexure-J of approved PC-I of Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase-I & II), total number of solar plates to be installed at each RO plant was sixty (60) to generate 15 Kw/h power.

During audit of Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase – I & II), it was observed that management made payment of Rs 838.20 million to M/s Pak Oasis Industries (Pvt) Ltd on account of installation of 60 solar plates for one RO Plant for power requirement of 15 kw. However, as per survey of Public Health Engineering Department, 40 solar power plates were actually installed at site/locations. Thus, an excess payment of Rs 279.40 million was made to contractor. Details are as under:

[Rupees in million]		
Price of 60 Solar Plates Installation for 762 ROs	Price of 40 Solar Plates Installation for 762 ROs	Difference
838.200	558.800	279.400

Audit is of the view that management extended undue favour to contractor by making excess payment without exercising economy and efficiency in the project.

The matter was reported to the management during November 2018. The management replied that total power requirement of RO plant was 7 Kw/h. However, contractor installed 12 Kw/h solar powers sufficient for RO plants. The reply was not satisfactory as payments were made for power supply of 15 kw/h instead of installed power of 12 Kw/h. DAC meeting held on 10.07.2019, wherein the management stated that the reason for excess payment based change in number of solar panels (from 60 to 40) is not supported viz-a-viz the BOQ of the contract agreement which is the sole basis for payment of the executed work. The no. of wattage of PC-I is 250 watts for each solar panel, the executed work at site as per BOQ of the contract agreement have 300 watts for each solar panel. Therefore, it is clear that the payment of solar power system should be made as per BOQ of the contract agreement and not as per PC-I figure. The main requirement is the satisfactory functioning of the solar power system and the variation no. of wattage has no significance in the presence of R.O Plant functioning. DAC did not agree with management reply and directed it to refund the excess payment. However, no compliance was made till the finalization of report.

Audit recommends recovery of the excess payment and fixing of responsibility on person(s) at fault.

[SID Para: 4.1.4.10]

8.2.3.23 Purchase of identical items at higher rates - Rs 274.32 million

As per Rule 4 of SPPRA Rules 2010, “while procuring goods, works or services, procuring agencies shall ensure the procurements are conducted in a fair and transparent manner and the object of procurement brings value for money to the agency and procurement process is efficient and economical.”

During audit of Solarization of Water Filtration Plants/Drinking Water Hubs, it was observed that management accepted two different bid values for same nature of one component of work with identical specifications in two schemes namely solarization of water filtration plants of Phase-I & II and Establishment of RO with solarization in Phase-III. Thus, management sustained loss of Rs 274.32 million due to higher rate of bid against solarization of plants. It is pertinent to mention here that contract agreements for both the schemes were signed in same month i.e. August 2014 with the same contractor i.e. M/s Pak Oasis Company as under:

[Rupees in million]

Name of Scheme	Date of Agreement	Capacity of Plant in GPD	Rate per Plant
Solarization of Phase-I & II	12-08-2014	15,000	2.56
RO Plants with solarization (Phase-III)	22-08-2014	15,000	2.20
Difference of rate per plant			0.36
Number of plants installed			762
Excess amount paid			274.32

Audit is of the view that management failed to observe economy during execution of the project.

The matter was reported to the management during November 2018. The management replied that solarization of Phase-I & II was a separate project with different overheads, logistics, establishment and installation expenditure, while solarization of RO plants under Phase III was one of the BOQ item of package price which required single overhead and logistic cost. Resultantly, cost of solarization in Phase-III was less than Phase-I & II. The reply was not satisfactory as difference of rate per plant amounting to Rs 0.36 million was very high as compared to relevant overheads. DAC meeting held on 10.07.2019, wherein the management stated that solarization of Phase-I & II was a separate project with difference overheads, logistics establishment and installation of RO Plants whereas Phase-III was one of the BOQ item of package price which required single overhead and logistic cost. DAC directed the management to produce the documentary evidence to audit for verification. However, no compliance was made till the finalization of report.

Audit recommends inquiry in the matter for fixation of responsibility against person(s) at fault.

[SID Para: 4.1.4.9]

8.2.3.24 Unjustified claim for O& M cost – Rs 270.00 million

According to Section-C of summary of cost for financial proposal of BOQ, “the source of energy for RO plants at Misri Shah, Mithi and Islamkot was diesel Generators.”

During the audit of scheme “Up-gradation and Enhancement of 02 RO Plants at Mithi City and Islamkot Town, District Tharparkar” it was observed that contractor claimed O&M of RO plants at Misri Shah Mithi and Islamkot town amounting to Rs 359.72 million against which installation of solar panels was claimed for Rs 270.00 million. On scrutiny of BOQ of the scheme, it transpired that source of energy for the plants of the scheme was diesel generators and solarization was not part of the scheme. However, the solar panels were installed and claimed by the contractor vide letter No./RO-02 Thar/2016-17/02 dated: 19-07-2016 which was unjustified (details at Annex-PHE4).

Audit is of the view that management did not observe the conditions of BOQ and allowed the contractor to install solar panels in violation of contract agreement.

The matter was reported to the management during November 2018. The management replied that no additional amount was paid to the contractor by Sindh Coal Authority for solar panels from O&M account. The reply was not tenable as the contractor had submitted liability claim which had not been withdrawn till date. DAC meeting held on 10.07.2019, wherein the para was not discussed.

Audit requires justification of the claim.

[SID Para: 4.1.4.7]

8.2.3.25 Refund of security deposit before completion of work Rs 240.65 million

According to sub-clause 33.5 of the contract agreement, “All the payments to the contractor shall be subject to withholding of retention money @ 10% of each IPC up to a maximum of a total of 8% of contract price. 50% of 5% retention money shall be

released to the contractor on handing over of project and balance 50% of 5% retention money shall be released to the contractor after successful completion of defect liability period.”

During audit of Drinking Water Hub Phase-III, Karachi, it was observed that management refunded retention money (security deposit) of Rs 240.65 million to the contractor before completion and handing over of the project (details at Annex-PHE5).

The above lapse on the part of management indicated absence of internal controls. Refund of security deposit was tantamount to undue favour to the contractor in shape of financial benefit.

The matter was reported to the management during November 2018. The management replied that RO plants were installed on different dates and security deposit was refundable after completion of defect liability period which was one year from date of commissioning. Moreover, contractor had given 3-year warranty and submitted performance bond. The reply was not satisfactory as scheme under Phase-III was still on-going and the same was not handed over to the department. DAC meeting held on 10.07.2019, wherein the management stated that the payment of retention money released amounting to Rs. 240.645 million October-2016 as the contractor has completed the installation of more than 600 plants. The amount of retention money released i.e Rs. 240.645 million correspond to the 470 Nos of plants. DAC shown its concern over payment of retention money before expiry of mandatory period of 90 days and directed the management to get it condoned / regularized from the competent authority. However, no compliance was made till the finalization of report.

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

[SID Para: 4.1.5.8]

8.2.3.26 Invalid constitution of complaint redressal committee (CRC) Rs 226.893 million

Rule 31 (1) of the SPPRA Rules, 2010, states that, “The procuring agency shall constitute a committee for Complaint Redressal comprising odd number of persons, with appropriate powers and authorizations, to address the complaints of bidders that may occur during the procurement proceedings.

During audit, it was observed that Executive Engineer, PHED, District Jamshoro, incurred expenditure of Rs 226.893 million, during financial year 2018-19,

through constitution of invalid Complaint Redressal Committee (CRC) vide letter No.SO(T)PHE/SPP-Rules/2010 Dated 21-04-2018, by not taking as member in the Complaint Redressal Committee and independent professional from the relevant field. Detail is as under:

(Rupees in million)

Procurement Committee (PC)			Complaint Redressal Committee (CRC)			Amount
Designation	BPS	Status	Designation	BPS	Status	
Superintendent Engineer	19	Chairman	Chief Engineer	20	Chairman	226.893
Executive Engineer	18	Member	Executive Engineer	18	Member	
Representative of Deputy Commissioner	18	Member	District Accounts Officer	18	Member	
Total						226.893

Audit is of the view that invalid constitution of CRC resulted into failure of raising independent questions over the procurement process and spirit of Section-31, which constituted weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC meeting held on 29-11-2019 allowed XEN PHE Jamshoro allowed one-week time to furnish reply, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for invalid constitution of CRC under intimation to audit.

[AIR Para: 06]

8.2.3.27 Non-hoisting of bid evaluation report - Rs 195.854 million

According to Rule 45 of SPPRA 2010, “Procuring agencies shall announce the results of bid evaluation in the form of a report giving reasons for acceptance or rejection of bids. The report shall be hoisted on website of the Authority and that of the procuring agency if its website exists and intimated to all the bidders at least seven (07) days prior to the award of contract”.

During audit, it was observed that following offices of Public Health Engineering Department awarded development schemes amounting to Rs 195.854 million, during financial year 2018-19, to contractors, but failed to hoist bid evaluation reports on the SPPRA website.

[Rupees in million]

Sr.	F-Y	AIR Para	Name of Offices	Amount
1	2018-19	1	PHE Hyderabad	143.475
2	2017-18	8	PHE Matiari	14.327
3	2018-19	8	PHE Larkana	38.052
Total				195.854

Audit is of the view that violation of SPPRA rules resulted into non-transparency in the award of contracts as well as deviation from prescribed rules on the part of management.

The matter was reported to the management during August and December 2019, but the management failed to provide department's points of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Matiari did not furnish reply of observation. DAC directed the concerned to attend audit observation in next DAC meeting that could not be convened. Besides, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for award of work without hoisting of bid evaluation report on SPPRA website, under intimation to audit.

8.2.3.28 Payment without certification by consultant – Rs 189.80 million

According to consultant agreement clause (xi), "The consultant shall certify under his seal, the contractor's bills/payments, clearly indicating that the quality of work executed at site is in accordance to the specifications, design, drawings, technically sanctioned estimates and contract agreement within 48 hours of submission of bill to the consultant. The consultant shall certify the quantity of work executed at site and make recommendations regarding payment to the contractor along with Test Reports".

During audit of "Supply and Installation of Reverse Osmosis Water Desalination Plant of 500,000 GPD @ Manora Island, Karachi" it was observed that the management released payment of Rs 189.80 million to the contractor M/s Pak Oasis against the work done without obtaining consultants' certificates and required test reports in violation of above clause of agreement.

[Rupees in million]

Sr.	Vendor	Cheque No	Amount
1	M/S Pak Oasis	299856	150.705
2	M/S Pak Oasis	287693	39.093
Total			189.798

Audit is of the view that management had compromised the quality and quantity of the project by not obtaining requisite reports and certificates of consultant before making payment.

The matter was reported to the management during November 2018. The management replied that all payments were made to the contractor after consultant certification. However, consultant certificates were not shared with audit for verification. DAC meeting held on 10.07.2019, wherein management stated that the payment made to the contractor was duly certified by the consultant and the department released the payment as per contract agreement. DAC directed the management to provide the relevant excerpts of the reconciliation committee’s report and reconcile the difference if any with the audit report and get it verified. However, no compliance was made till the finalization of report.

Audit requires consultant certificates for verification.

[SID Para: 4.1.5.12]

8.2.3.29 Less deduction of security deposit from contractor bills Rs 189.33 million

According to sub-clause 33.5 of the contract agreement, “All the payments to the contractor shall be subject to withholding of retention money @ 10% of each IPC up to a maximum of a total of 8% of contract price. 50% of 5% retention money shall be released to the contractor on handing over of project and balance 50% of 5% retention money shall be released to the contractor after successful completion of defect liability period.”

During audit of Drinking water Hubs Phase-II & III, it was observed that security deposit amounting to Rs 189.33 million was less deducted from the contractor’s bills by the management in violation of above sub-clause of contract agreement.

[Rupees in million]				
Sr.	Name of Scheme	Security Deposit due	Security deposit deducted from bills	Security deposit less deducted
1	Drinking Water Hub Phase-III	430.726	259.586	171.140
2	Drinking Water Hubs (Phase-II)	94.727	76.577	18.194
Total				189.334

The management failed to watch the laid down procedures and extended undue financial benefit to the contractor.

The matter was reported to the management during November 2018. The management replied that the contractor had submitted performance guarantee and security deposit was also recovered from the bills. The reply was not satisfactory as security deposit was not deducted at the applicable rates. DAC meeting held on 10.07.2019, wherein the management stated that as per Clause 33.5 total amount should not be more than 8% of the contract price, whereas the gross amount of bills Rs 5,384.709 million is not the final contract price and is the balance work which needs to be completed and the final bill after completion of the project reflect the total contract price and the short fill in the recovery of retention money could be adjusted in the final bill. DAC directed the management to get the irregularities regularized from concerned quarters under intimation to audit. However, no compliance was made till the finalization of report.

Audit requires detailed justification for less deduction of security deposit.

[SID Para: 4.1.5.10]

8.2.3.30 Execution of works without technical sanction – Rs 142.977 million

Para 56 of CPW departmental code, states that, “For each individual work proposed to be carried out, except petty works petty repairs and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for sanction of competent authority. This sanction is known as the technical sanction to the estimate”. Further, Para-527 of PWD Manual, Volume-I, states that, “no work shall begin unless proper detailed design and estimate have been sanctioned, allotment of funds made and order for its commencement issued by the competent authority”.

During audit, it was observed that following office of PHE Department, Sindh, awarded/executed development works worth Rs 99.557 million, during financial year 2018-19, without obtaining technical sanction from competent authority.

[Rupees in million]

Sr.	Year	Para #	Name of offices	Amount
1	2018-19	3	DG, RDD Hyderabad	43.420
2	2018-19	5	PHE Tando Muhammad Khan	39.739
3	2018-19	12	PHE Mirpurkhas	43.518
4	2018-19	1	PHE Naushero Feroze	9.550
5	2018-19	4	PHE Sanghar	6.750
Total				142.977

Audit is of the view that award/execution of works without technical sanction resulted into unauthorized expenditure.

The matter was reported to the management during November and December 2019, but the management failed to provide department's points of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Sanghar replied that technical sanctions of works were obtained from competent authority before tendering and execution of works. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Naushero Feroze replied that technical sanctions of works were approved by the competent authority. DAC directed the concerned to furnish approved technical sanctions of works as mentioned in observation along with attested copies of documentary evidence. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

8.2.3.31 Improper advertisement in non-leading newspapers Rs 134.377 million

According to Regulation for Procurement of Works, SPPRA Notification No.Dir(A&F)/SPPRA/Bod/12-13/9316 Dated: 22nd March 2013, Regulation-4.4 Cost of procurement over Rupees One Million: All procurements exceeding Rupees One Million must be advertised on the Authority's website as well as in the newspapers having wide circulation. The advertisement shall appear at least in three national dailies (English, Urdu and Sindhi).

During audit, it was observed that following offices of PHE Department, Sindh, awarded works of Rs 134.377 million, during financial year 2018-19, to different contractors without publishing NITs in leading newspapers.

[Rupees in million]				
Sr.	F-Y	AIR Para	Name of Offices	Amount
1	2018-19	3	PHE Karachi	17.961
2	2018-19	10	PHE Larkana	40.928
3	2018-19	4	PHE Naushero Feroze	75.488
Total				134.377

Audit is of the view that advertisement in non-leading newspapers resulted into collusive practices in tendering process.

The matter was reported to the management during August-November 2019, but the management failed to provide department’s point of view. PAO convened DAC meeting on 29-11-2019 wherein XEN PHE Karachi replied that all advertisements are required to be send to the Director Information, GoS for publication in leading newspapers. DAC meeting held on 29-11-2019 wherein XEN PHE Naushero Feroze replied that all advertisements are required to be sent to the Director, Information, GoS for publication in leading newspapers. DAC directed the concerned to seek the clarification from Director Information regarding non-publication of advertisement in three leading daily newspapers. However, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular advertisement in non-leading newspapers.

8.2.3.32 Unjustified expenditure on operation & maintenance cost of Ultra Filtration (UF) & Reverse Osmosis (RO) plants - Rs 117.509 million

As per Rule-23 of Sindh Financial Rules states that “Every Payment including repayment of money previously lodged with Government for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim”.

Further, According to Rule-88 of SFR Volume-I “every government officer is expected to exercise same vigilance in respect of expenditure incurred from public money, as a person of ordinary prudence would exercise in respect of expenditure of his own money”

During audit, it was observed that following office of PHE Department, Sindh, paid amounting to Rs 117.509 million, during financial year 2018-19, against operation & maintenance cost of water supply scheme, ultra-filtration & reverse osmosis plants which were non-functional, and the supporting bills/vouchers were also not produced to justify the expenditure.

[Rupees in million]			
F.Y.	Para #	Name of offices	Amount
2018-19	31	PHE Tando Muhammad Khan	2.662
2018-19	5	PHE Shaheed Benazirabad	114.207
2018-19	8	PHE Shaheed Benazirabad	0.640
Total			117.509

Audit is of the view that management failed to justify the payment made from public funds by providing supporting vouchers & payment against non-functional plants resulted into weak financial & administrative management.

The matter was reported to the management during September and October 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019 and allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Shaheed Benazirabad replied that payment of O&M of 14 UF Plants at Nawabshah city is regulated according to article 6 of the agreement and according to decision of reconciliation committee formulated under the direction of Honourable Water Commission. Only salary component was allowed in respect of non-functional plants. DAC directed the concerned to furnish all relevant record and Water Commission directives for allowing salary component on non-functional plants along with attested copies of documentary evidence. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for payment in absence of supporting documents & non-functional plants, under intimation to audit.

8.2.3.33 Undue favour to the contractor in shape of secured advances Rs 114.081 million

Rule 9.3(2) (a) (v) of Guiding Rules for procurement of works of SPPRA Rules 2010 Secured Advance: “new secured advance should not be allowed until and unless the previous advance, if any, stands fully recovered.”

During the audit of schemes, it was observed that an amount of Rs 114.081 million was allowed as secured advance to the contractors for work without recovering the previous advance.

[Rupees in million]

Particulars	Contractor	Bills	S. Advance allowed	S. Advance recovered
Installation of RO Plants at 25 Villages of Tharparkar District	M/s Pak Oasis	1 st RA Bill	36.720	0
		2 nd RA Bill	12.240	13.219
		3 rd RA Bill	9.792	13.219
		4 th RA Bill	0	4.688
		5 th RA Bill	0	9.731
New Drainage System Thatta City	M/s Harish & Co	1 st RA Bill	19.505	0
		2 nd RA Bill	35.824	0
Total			114.081	40.857

Audit is of the view that management extended undue favour to the contractor against the spirit of rules.

The matter was reported to the management during November 2018. The management replied that secured advance was issued for different sites as per SPPRA Rules and the same has been recovered. No documentary evidence showing total recovery of secured advance was produced for verification. DAC meeting held on 10.07.2019, wherein the paras were not discussed.

Audit requires verification of recovery of secured advance.

[SID Paras: 4.1.5.9, 4.3.5.2]

8.2.3.34 Unauthorized award of work to un-registered contractor with PEC Rs 111.738 million

According to Services, General Administration & Coordination Department (Regulation Wing) Govt. of Sindh Notification No. SORI(SGA&CD)2-30/2010 dated 23.10.2014, in rule 46, in sub-rule (1) for clause (iii) following shall be substituted “Registration with Federal Board of Revenue for income tax and sales tax in case of procurement of goods, registration with Sindh Board of Revenue in case of procurement of works & services and registration with Pakistan Engineering Councils (PEC)”.

During audit, it was observed that following office of PHE Department, Sindh, awarded development schemes of Rs 111.738 million, during financial year 2018-19, to various contractors who were not registered with the PEC or SRB. Detail is as under:

[Rupees in million]

Sr.	Year	Para #	Name of offices	Amount
1	2018-19	1	PHE Badin	12.632
2	2018-19	4+7	PHE Sukkur	57.407
3	2018-19	5	PHE Khairpur-1	41.699
Total				111.738

Audit is of the view that awarding contracts to contractors not registered with PEC resulted in poor quality of work which constituted weak financial management.

The matter was reported to the management during September and October 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Badin replied that the work of development scheme under observation awarded to various contractors as per SPPRA. DAC meeting on 10-12-2019, XEN PHE Khairpur-I did not furnish reply. Further, DAC directed the concerned to

furnish replies along with all relevant record of contractor profile, registration certificates, NTN and bidding documents. But, no compliance of DAC directives was made till the finalization of report, other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for allowing contracts to unqualified contractors, who were not registered with PEC, under intimation to audit.

8.2.3.35 Award of work without Integrity Pact – Rs 111.051 million

As per Rule 89 of SPPRA 2010, “Procurements exceeding Rs 10 million for goods and works, and Rs 2.5 million for consulting services are subject to an integrity pact, as specified by Rules, between the procuring agency and suppliers or contractors or consultants.”

During audit, it was observed that following offices of Public Health Engineering & Rural Development Department, awarded various schemes of Rs 111.051 million, during financial year 2018-19, but failed to execute integrity pact with contractors. Detail is as under:

[Rupees in million]

Sr.	F-Y	AIR Para.	Name of Office	Amount
1	2018-19	8	PHE Karachi	24.884
2	2018-19	10	PHE Khairpur-1	34.883
3	2018-19	9	PHE Kamber-Shahdadt	32.894
4	2018-19	7	PHE Sanghar	18.390
Total				111.051

Audit is of the view that department failed to execute integrity pact with contractors to safeguard government interest.

The matter was reported to management during September to November 2019, but they did not respond to audit observation. PAO convened DAC meeting on 29-11-2019. XEN PHE Karachi, Kamber-Shahdadt replied that integrity pact was attached with each and every blank tender document but, also formally signed with the contractor. DAC meeting on 10-12-2019, in which XEN PHE Khairpur-I and XEN PHE Sanghar replied that integrity pact is duly complied and is available for audit. DAC directed the concerned to furnish documentary evidence of integrity pact. But, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for not safeguarding the government interest, under intimation to audit.

8.2.3.36 Substandard electrical installation work entrusted to contractors without possessing electrical license – Rs 100.060 million

According to Letter No.Dir(CB)SEPRA/1-3/08-09/2619 Dated: 08-10-2010 issued by SEPRA Government of Sindh, Karachi and this office No.EH/LB/HYD-388 dated: 26-01-2010, it was very strictly directed that Electrical Installation Work either new or repairing in old installation should not be entrusted to any person /agency / contractor until and unless they have possess valid Electrical Contractor License issued by the authorized i.e. Electrical Inspector/Secretary Licensing Board, Government of Sindh Hyderabad Region Hyderabad which shall be Authority to undertake any type of Electrical Installation Work in the region consisting upon seven Districts (Hyderabad, Badin, Jamshoro, Tando Muhammad Khan, Tando Allahyar, Thatta and Sujawal) for bidding etc.” vide Letter No. EH/LB-SEC/1388 Dated: 13-03-17

During audit, it was observed that following offices of PHE Department, Sindh, executed electrical installation works valuing Rs 100.060 million, during financial year 2018-19, which were awarded to contractors without possessing Electrical Contractor License issued by the authorized i.e. Electrical Inspector/Secretary Licensing Board, Government of Sindh Hyderabad Region Hyderabad.

(Rupees in million)

F.Y.	Para #	Name of offices	Amount
2018-19	9	Secretary PHED & RDD	93.107
2017-19	8	PHE Tando Muhammad Khan	6.953
Total			100.060

Audit is of the view that quality of work was compromised by awarding of works to contractors without possessing electrical license resulted into substandard work which constituted weak financial & administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD and XEN PHE Tando Muhammad Khan to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for substandard work due to electrical installation work through contractor without possession of electrical Contractor License, under intimation to audit.

8.2.3.37 Non-transparency in award of contracts - Rs 95.488 million

According to the Rule 46 (1) (a) of SPPR 2010, Procedures of open competitive bidding - Save as otherwise provided in these rules, the following procedures shall be permissible for open competitive bidding; Single Stage – One Envelope Procedure: Notice Inviting Tenders and bidding documents of this method shall contain the following eligibility criteria; (i) relevant experience; (ii) turn-over of at least last three years; (iii) registration with Income Tax, Sales Tax and Pakistan Engineering Council (where applicable); (iv) any other factor deemed to be relevant by the procuring agency subject to provision of Rule 4.

During audit, it was observed that Director General, Rural development Department, Hyderabad, awarded different works amounting to Rs. 62.988 million, during financial year 2018-19, to different contractors, but failed to provide documentary evidence of contractor's eligibility criteria of contractors who were evaluated as eligible for participation in bidding process including certificates showing mandatory registration with tax authorities i.e. NTN, GST, SRB, PEC Registration certificate, required relevant experience and turnover of at least three years. Further, record regarding details of bid security (for own sources schemes only) submitted by bidders other than successful bidders were also not found in relevant files.

Further Executive Engineer, PHED Tando Muhammad Khan, awarded various contracts of Rs. 32.500 million, during financial years 2017-19, in non-transparent manner. Following observations were noted:

- i. Evidence of publishing of NIT in newspapers & hoisting on SPPRA website was not provided in various cases
- ii. NITs were under objection by SPPRA due to noncompliance of SPPRA rules, but still same nature schemes were executed
- iii. Contractors were declared as eligible during prequalification process, without required documents for pre qualification
- iv. Contracts were awarded without realization of 2% earnest money (attached copies of Call deposits in few cases were issued even after the issuance of work orders)
- v. Rates in tender forms were written with same hand writing, which transpires that rates were established at non-competitive level by collusive practice.
- vi. Complains regarding non-completion of schemes despite, incurrence of significant expenditure & unfair award of contracts were also lodged by the civil society.

Audit is of the view that duplication of schemes in NITs, & award of contracts in non-transparent manner transpires fraudulent practices that deprived off the entity from

genuine competition in economic & efficient manner which constituted weak financial management.

The matter was reported to the management during November and December 2019. But failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week time, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for duplication of schemes in NITs and non-transparency in award of contracts, under intimation to audit.

[AIR Paras: 1,7]

8.2.3.38 Non-obtaining bank guarantee/ performance security Rs 88.053 million

According to Sindh Public Procurement Rules 2010, Rule 39-Performance security, “(1) Procuring Agency shall, in all procurement of goods, works and services, carried out through open competitive bidding, require security in the form of pay order or demand draft or bank guarantee, an amount sufficient to protect the procuring agency in case of breach of contract by the contractor or supplier or consultant provided that the amount shall not be more than 10% of contract price”.

During audit, it was observed that following office of PHE Department, Sindh, awarded works to different contractors without obtaining bank guarantees amounting to Rs 88.053 million, during financial year 2018-19.

[Rupees in million]

Sr.	Year	Para #	Name of offices	Amount
1	2018-19	10	DG, RDD Hyderabad	16.543
2	2018-19	4	PHE Karachi	36.708
2	2018-19	7	PHE Kamber-Shahdadkot	34.802
Total				88.053

Audit is of the view that public interest was not safeguarded, and undue favour was given to contractors resulting into non-transparency in the award of contract.

The matter was reported to the management during October and November 2019. But, management failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Karachi replied that bid security has been recovered from contractors from running account bill and XEN PHE Kamber-Shahdadkot replied that no mobilization advance has been given to the contractor. Further the

department said in connection performance security as per SPPRA rules, it has been obtained, from contractor in shape of 2% call deposit and 8% is being recovered from each and every running account bill of contractor. DAC directed the concerned to furnish documentary evidence of 2% call deposit and 8% deduction from running account bills of contractors, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for not safeguarding public interest, under intimation to audit.

8.2.3.39 Execution of works without retendering - Rs 76.948 million

As per SPPRA Rules 2010 (16)(1)(e), “Repeat Orders means procurement of additional quantities of the item(s) from the original contractor or supplier, where, after the items originally envisaged for the project or scheme have been procured through open competitive bidding, and such additional quantities of the same item(s) of goods or works are needed to meet the requirements of the project or scheme; Provided that: - (i) the cost of additional quantities of item(s) shall not exceed 15% of the original contract amount”.

During audit, it was observed that following offices of Public Health Engineering & Rural Development Department, awarded contracts for works. However, the concerned department executed excess works amounting to Rs 76.948 million, during financial years 2017-19, beyond the permissible limit of 15% of the original contract amount.

[Rupees in million]				
Sr.	F-Y	AIR Para.	Name of Office	Amount
1	2018-19	1	PHE Dadu	43.217
2	2018-19	2	PHE Larkana	9.104
3	2018-19	5	PHE Kamber-Shahdadkot	24.627
Total				76.948

Audit is of the view that execution of works beyond permissible limit revising original scheme and calling of fresh tenders, resulted in unauthorized expenditure which constituted weak financial and administrative controls.

The matter was reported to the management during September 2019, but they did not respond to audit observation. PAO convened DAC meeting on 29-11-2019. XEN PHE Kamber-Shahdadkot replied that scope of work was extended as per requirement of city and demand of the general public and the scheme was revised within administrative approval. DAC directed the concerned to justify the poor planning of schemes and execution of excess work without retendering of scheme above 131% of initial cost of

work and furnish documentary evidence in original. PAO convened DAC meeting on 10-12-2019, XEN PHE Dadu replied that revised estimate was got sanctioned from competent authorities as per delegation of powers. DAC directed the concerned to justify the excess execution of work without revision of calling fresh tender and furnish approval from competent authority along with attested copies. However, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for excess execution of works beyond permissible limit, under intimation to audit.

8.2.3.40 Irregular award of work due to expiry of Bid Validity Rs 76.847 million

According to Rule 38 of SPPRA 2010, Bid Validity, “(1) A procuring agency, keeping in view nature of procurement, shall subject the bid to a validity period, which shall be specified in the bidding document and shall not be more than 90 days in case of National Competitive Bidding and 120 days in case of International Competitive Bidding”.

During audit, it was observed that following offices of PHE Department, awarded development works/contracts amounting to Rs 76.847 million, during financial years 2017-19, to different contractors after expiry of bid validity, period, instead of re-tendering.

[Rupees in million]				
Sr.	F-Y	AIR Para.	Name of Office	Amount
2	2018-19	7	PHE Larkana	58.014
3	2018-19	6	PHE Kamber-Shahdadt	18.833
Total				76.847

Audit is of the view that award of contracts after expiry of bid validity period resulted in deviation from prescribed rule on the part of administrative management.

The matter was reported to the management during September 2019. But, they did not respond to audit observation. PAO convened DAC meeting on 29-11-2019. XEN PHE Kamber-Shahdadt replied that no work was allowed after expiry of bid evaluation report. Whole process was completed within the bid validity period of 90 days. DAC directed the concerned to produce all relevant record of bidding process and approval from competent authority. However, no compliance of DAC directives was made till the finalization of report, while XEN PHE Larkana did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of works and violation of laid down rules and regulation, under intimation o audit.

8.2.3.41 Unjustified expenditure on salaries of project staff-Rs 72.896 million

According to PC-II of the Project, Para-03 “Project is Non-ADP to be financed out of block allocation 2017-18 under the directives of Water Commission. This Project aims to monitor the MEC activities to be carried out by PHE MEC for O&M Wings recently established by GoS. This MEC will not be responsible to execute the works related R&M and Rehabilitation of existing civil structure. PHE O&M Wing will be responsible to execute O&M works within its premises / jurisdiction. Field tiers of MEC will communicate the monitoring reports to Head under the shelter of Deputy Commissioner of respective district. Para3.3 “MEC will be continued to exist until three years and accordingly cost estimate is bifurcated in three consecutive years. Services of human resources for MEC are proposed to be obtained from existing strength of PHED where ever possible however, human resources will be hired from market through competitive test to be conducted by Mehran University of Engineering and Technology or any other organization having such status. Para-4 “Expected outcome of the monitoring unit comprises of the following activities: Initial Survey, Inspection Reports, Evaluation Reports, Monitoring Reports in term of Quantity & Quality of O&M works to be carried out by PHE O&M Wing, preparation & Suggestions, Recommendation.

During audit, it was observed that Secretary PHE&RDD, incurred expenditure amounting to Rs 72.896 million, during financial year 2018-19, on the salaries of Project Staff (Regular & Adhoc Staff) without providing its activities like Initial Survey, Inspection Reports, Evaluation Reports, Monitoring Reports in term of Quantity & Quality of O&M works carried out by PHE O&M Wing. Detail is as under:

[Rupees in million]

Sr.	Cost Centre	Budget Allocation	Releases	Expenditure
1	PD, ME&CU PHED	351.224	107.616	36.646
2	PD, PMU	64.759	47.444	36.250
Total		415.983	155.06	72.896

Audit is of the view that staff was drawing salaries regularly without providing outcomes for which the project was established, resulted into wasteful expenditure on the salaries of staff, which constituted weak financial & administrative management

The matter was reported to the management during December 2019. But the management failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD to furnish reply within a week time, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for making payment of salaries without providing outcomes activities for which the project was established, under intimation to audit.

[AIR Paras: 8+2]

8.2.3.42 Irregular withdrawal of amount from assignment account Rs 71.71 million

As per Para 2(vi) of Controller General of Accounts Islamabad letter No.AC-II/1-39/08-Vol-V/632 dated 24-09-2008, "The officers holding Assignment Accounts will ensure that no money is drawn from these accounts unless it is required for immediate disbursement. Moneys will not be drawn for deposit into chest or any bank account. A certificate to this effect will be recorded on the Schedule of Payment mentioned in Para 2(i) above. The cheques for payments on account of purchases/supplies will be drawn in the name of contractor/supplier.

During audit of Drinking Water Hubs (Phase-I, II, III, Solar Power & Manora), it was observed that an amount of Rs 71.707 million was drawn from assignment account and transferred to DDO account No. 4000876544 maintained at NBP, Sindh Secretariat Branch, Karachi. Moreover, an amount of Rs 6.53 million was withdrawn from DDO bank account through open cheques instead of issuing crossed cheques to the vendors/suppliers. Detail is at provided at Annex-PHE6.

The matter was reported to the management during December 2018. The management replied that DDO account was opened with the approval from competent authority for disbursement of salaries, maintenance of GPF, benevolent fund and honorarium. The reply was not satisfactory as transfer of funds from assignment account to any other account was not authorized under the rules. DAC meeting held on 10.07.2019, wherein the management stated that competent authority permitted to open DDO account for payment of salaries, G.P Fund, Benevolent Fund arrears and Honoraria. DAC directed the management to get the irregularities regularized from concerned quarters under intimation to audit. However, no compliance was made till the finalization of report.

Audit recommends fixing of responsibility for financial indiscipline.

[SID Para: 4.1.5.6]

8.2.3.43 Excess expenditure against components of works instead of fresh tender - Rs 68.985 million

As per Rule 16 (1) (e) of Sindh Public Procurement Regulatory Authority (SPPRA) Rules 2010 on Alternate Methods of Procurements, A procuring agency may utilize Repeat Orders for procurement of additional quantities of the item(s) from the original contractor or supplier, where, after the items originally envisaged for the project or scheme have been procured through open competitive bidding, and such additional quantities of the same item(s) of goods or works are needed to meet the requirements of the project or scheme, provided that the cost of additional quantities of item(s) shall not exceed 15% of the original contract amount.

During audit of Special Development Package for districts Thatta and Sujawal, it was observed that the work was executed in excess of original estimates, instead of inviting fresh tenders, the contractor was allowed to execute excess quantities. This resulted into excess expenditure against components of works instead of calling fresh tender for Rs 101.21 million.

[Rupees in million]

Name of component of works	Original work (amount)	Executed work	Excess amount	Percentage increase
Improvement and extension of water supply scheme of Mirpur Bathoro City	20.733	44.474	23.741	115%
Rehabilitation of urban water supply scheme	160.652	205.896	45.244	28%
		Total	68.985	

The matter was reported to the management during November, 2018. The management replied that the items and quantities mentioned in BOQ / original estimates were approximate and never can be treated as final. The work was carried out as per site requirement. The reply was not tenable as fresh tenders should have been called for as required under SPPRA rules. DAC meeting held on 10.07.2019, wherein the paras were not discussed.

Audit requires justification for excess expenditure besides regularization by the competent authority.

[SID Para: 4.3.4.5]

8.2.3.44 Unjustified payment on account of O&M charges against non-functional plants – Rs 65.70 million

According to Appendix-18-A, Section-I of Sindh Financial Rules, Volume-II, “Means should be devised to ensure that every Government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit of Drinking Water Hub Phase-III, Karachi, it was observed that as per 11th Running bill, 100% payment of Rs 405.00 million was allowed to the contractor for 03 years operation and maintenance against various 450 plants. However, as per report submitted by the Water Commission and documents presented in Honourable Supreme Court of Pakistan, only 377 plants were functional. Thus, an undue payment against 73 non-operative and non-functional plants amounting to Rs 65.70 million (73 plants @ Rs 900,000 per plant) was made by the management.

Audit is of the view that management did not exercise vigilance while making payment to the contractor and failed to safeguard the interest of government.

The matter was reported to the management during November 2018. The management replied that RO plants required periodic maintenance and the same may not be termed non-operational for whole year if found non-functional on any specific date and time. Moreover, the subject matter was under the consideration of the Reconciliation Committee constituted under the orders of Honourable Supreme Court of Pakistan. However, proceedings of the Reconciliation Committee and its interim report were not shared with Audit. DAC meeting held on 10.07.2019, wherein the management stated that same observation has been dealt within the report of Reconciliation Committee appointed by Honourable Supreme Court of Pakistan. The report is attached as required within Audit Para. DAC directed the management to provide the relevant excerpts of the reconciliation committee’s report and reconcile the difference if any with the audit report and get it verified. However, no compliance was made till the finalization of report.

Audit requires provision of record of proceedings of Reconciliation Committee along with interim report submitted by that Committee.

[SID Para: 4.1.5.11]

8.2.3.45 Irregular award of work order by transgression of financial powers Rs 56.561 million

As per Notification No. E&A(LG)4(53)/2007/6579, dated 31.10.2007, issued from Finance Department, Government of Sindh, Karachi that following officers/Authorities are empowered to accord Technical Sanction up to limit as detailed below:

Administrative Department Works up to	Rs. 50,000,000
Chief Engineer up to	Rs. 10,000,000
Superintendent Engineer up to	Rs. 5,000,000
Executive Engineer up to	Rs. 1,000,000

During audit, it was observed that following office of PHE Department, Sindh, that development work costing Rs 56.561 million, during financial year 2018-19, was required to be technically sanctioned from authorities as mentioned above, but the same were technically sanctioned from Superintendent Engineer by transgression of financial powers. Detail is as below.

(Rupees in million)					
WO No. & Date	TS No & Date	Work	Contractor Name	TS Accorded By	Cost
Executive Engineer, Public Health Engineering Division, Ghotki @ Mirpur Mathelo					
TC/G-148/480/2018 Dt. 8.5.18	SE(W&S)/P.B/80/2018 Dt. 12.1.18	Construction of CC Pavor& Earth Work etc @ Eid Gah Mohalla from Bago Wah Masjid Bari Mirani via Abdul Hameed & various Mohallas etc Taluka Ghotki	M/s Mushtaque Ahmed Kolachi	SE, PHE, Ghotki @ MPM	15.000
Executive Engineer, PHED Tharparkar					
163 25-02-19	Nil	P/L/J/T Black Steel Pipe 10" Dia for Up-gradation Pipe Line W/S/S Naukot -Mithi upto Chelhar (Part-III)	M/S Muhammad Kashif Qureshi	C.E, PHED Hyd	41.561
Total					56.561

Audit is of the view that work awarded through transgression of financial powers for according technical sanction, which constituted weak financial and administrative management.

The matter was reported to the management during November 2019. However, management failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Tharparkar replied that Chief Engineer has full power to accord technical sanction in respect of original work up to Rs 10.00 million. XEN PHE

Ghotki replied that work order was awarded as per Govt. notification. DAC directed the concerned to furnish documentary evidence regarding full powers of CE along with attested copies, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular award of work order through transgression of financial powers to accord technical sanction, under intimation to audit.

[AIR Para: 5,1]

8.2.3.46 Irregular expenditure on development work without physically verification of the schemes - Rs 55.544 million

As per Public Works Department Volume-I Para-6.37 that “The procedure of verification outlined in the foregoing rules is suitable primarily for divisions executing ordinary works. In the case of special stores depots or divisions or of construction divisions where there may be large concentration of stores, their physical verification should be the duty of the executive authorities and should be performed by such agency and in such detail as may be decided by the Government in consultation with the Director, Audit & Accounts (Works)”.

During audit, it was observed that following offices of PHE Department, Sindh paid an amount of Rs 55.544 million, during financial year 2018-19, to contractors on execution of development schemes without physical verification report of the said schemes/works by the concerned officers on the site.

[Rupees in million]

Sr.	Year	Para #	Name of offices	Amount
1	2018-19	9	PHE Ghotki	35.642
2	2018-19	7	PHE Mirpurkhas	19.902
Total				55.544

Audit is of the view that management failed to observe Government rules resulting in prevalence of financial indiscipline in the department. Furthermore, due to improper planning the Government sustained loss. The entire expenditure stood irregular due to non-observance of the Government rules.

The matter was reported to the management during November 2019. But the management failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Ghotki replied that payment is usually made after physical verification conducted by Superintending Engineer. DAC directed the concerned to

provide documentary evidence in original regarding physical verification within a week time, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure on development work without obtaining physical verification report of the schemes, under intimation to audit.

8.2.3.47 Failure to execute development schemes - Rs 55.00 million

According to Rule 88 of Sindh Financial Rules Volume I & II, “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money”.

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Sujawal, failed to execute development schemes amounting to Rs 55.00 million, during financial year 2017-18, to facilitate the general public by providing better water facilities in local area. Detail is as under;

(Rupees in million)

Sr.	Name of Scheme	Estimated Cost	Allocation for the F.Y 2017-18
1	Water supply scheme village Umar Khohkar Taluka Mirpur Bathoro	25.00	6.25
2	Repair & Rehabilitation of water supply scheme Chach Jahan District Sujawal	30.00	7.5
Total		55.00	13.75

Audit is of the view that office failed to execute the development schemes resulting into non-provision of water facilities which constituted weak financial and administrative management.

The matter was reported to the management during August 2019. But the management failed to provide department’s points of view. DAC meeting on 10-12-2019 allowed XEN PHE Sujawal to reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for non-execution of development schemes, under intimation to audit.

[AIR Para: 3]

8.2.3.48 Non-completion of drainage work – Rs 51.84 million

According to Appendix 18-A of Sindh Financial Rules, Volume-I, “every officer should realize fully and clearly that he will be held personally responsible for any loss sustained by government through fraud or negligence on his part and that he will also be held responsible for any loss arising from fraud and negligence on the part of any other government office to the extent to which it may be shown that he contributed to the loss by his own actions or negligence”.

During scrutiny of record of “Improvement & Extension of Water Supply Scheme Mirpur Bathoro City and Brick-lined Water Storage tanks in various villages of Sujawal”. Following irregularities were noted:

- i. The drainage scheme for Sujawal City was approved at the cost of Rs 55.16 million, but the expenditure was incurred for Rs 3.32 million only. The remaining amount of Rs 51.84 million was unauthorizedly diverted to other scheme. MB did not mention location of work done.

[Rupees in million]

Name of work	Component	BOQ Tender Amount	Actual Work Done	Work not done
Improvement and extension of Mirpur Bathoro water supply scheme of district Sujawal (total 20 storage tanks)	Improvement and extension of water Drainage system of Sujawal City	55.159	3.317	51.842

The matter was reported to the management during November, 2018. The management replied that BOQ items and quantities were based on estimates which varied during completion of work. The reply was not tenable as estimates / BOQ amount kept for said scheme were diverted. Moreover, approval from competent authority was not obtained. DAC meeting held on 10.07.2019, wherein the para was not discussed.

Audit recommends that detailed justification on the subject matter.

[SID Para:4.3.4.8]

8.2.3.49 Procurement without preparation & hoisting of annual procurement plan – Rs 50.516 million

As per Para 2 of the SPPRA Notification No.Dir (A&F)/SPPRA/1-3(GEN)/13-14/087 dated 03-07-2013 SPPRA will release ‘SPPRA-ID’ to the procuring agencies (PAs), once PAs submit the following documents, complete in all respect, as required

under the rules: -Annual Procurement Plan as required under Rule-11 of SPP Rules, 2010;

Further, Rule – 11 (2) “The procurement plan prepared for any project shall be reviewed and updated throughout the life of the project, such as estimates of time requirements, availability of funds, assumptions about institutional capacity, changing priorities and other factors that require plan adjustments for the success of the project. Such required adjustments will not invalidate the plan if made for improving the plan in the interests of the successful and timely completion of the project”.

During audit, it was observed that Executive Engineer, PHE Division, Matiari, incurred expenditure of Rs 50.516 million, during financial year 2017-18, on development works without preparation & hoisting of Annual Procurement Plan on SPPRA website. Detail is as under:

(Amount in rupees)

Head of accounts	Allotment	Expenditure during F. Y
Cost Centre No.MY-5002	64,521,000	39,661,847
Cost Centre No.MY-6975	15,000,000	10,853,685
Total	79,521,000	50,515,532

Audit is of the view that procurement without preparation & hoisting of Annual Procurement Plan on website resulted into unauthorized expenditure and weak financial management.

The matter was reported to the management during August 2018. But the management failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019 in which XEN PHE Matiari replied that NITs with procurement plans were called in 2017-18 and same were hoisted on SPPRA website. DAC directed the concerned to furnish original record of procurement plan and hoisting on SPPRA website along with attested copies, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement without preparation & hoisting of Annual Procurement Plan, under intimation to audit.

[AIR Para.:6]

8.2.3.50 Incurrence of expenditure against unapproved ADP schemes Rs 49.357 million

As per Sindh Local Councils (Accounts) Rule, 1983 Rule-109, states that “no work shall begin unless proper detailed design and estimate have been sanctioned; allotment of funds made and order for its commencement issued by the competent authority”.

According to Regulation for Procurement of Works as notified vide letter No. No.Dir(A&F)SPPRA/BoD/12-13/9316 Dated: 22-03-2013, Para-2.21 Pre-requisite conditions: Procuring Agency/ Committee shall not invite bids for development works, unless following conditions are fulfilled: (i) approval of PC-I/PC-II from Competent Forum; (ii) issuance of Administrative Approval (A.A) for development schemes; (iii) Technical Sanction (TS) of a detailed estimate is obtained; (iv) funds are either released or anticipated to be released before award of contract.

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, incurred expenditure of Rs 49.357 million, during financial years 2017-19, on ADP Schemes through invitation of tenders, but failed to produce the evidence for approval of ADPs from competent authority/forum before invitation of tenders which transpires fraudulent practices.

Audit is of the view that management’s failure to get approval of schemes from the competent forum was due to weak financial and administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week time but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for fraudulent practices against unapproved ADP schemes, under intimation to audit.

[AIR Para.:3]

8.2.3.51 Unjustified award of works - Rs 47.999 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally

responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Executive Engineer, Public Health Engineering Tando Allahyar, awarded works of Rs 47.999 million, during financial year 2018-19, to different contractors. Following discrepancies were noticed in tender process.

- Same lowest rate was quoted by all the bidders Lowest rate quoted in all the cases to works was Rs. 4,799,936/- and second lowest rate quoted by contractors were Rs. 4,806,655/- in all the works
- Works were awarded on the basis of general pooling (bidding process was manipulated so that the works were awarded to selected bidder.
- Only two bids were sold and received for evaluation
- Tender register was not maintained to authenticate the total number of bids sold and total number of bids received for evaluation

Audit is of the view that award of works on the basis of tender process in which discrepancies were observed resulted into un-justified award of works which constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. Further, XEN PHE Tando Allahyar replied that work has been awarded to Mr. Shoukat Ali Memon former XEN during his incumbency and the state can be explained by him. DAC directed the concerned to justify the award of work and produce all relevant record, but no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for un-justified award of works, under intimation to audit.

[AIR Para: 7]

8.2.3.52 Payment without providing purchase invoices – Rs 37.196 million

As per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claim”.

Further, according to letter No.BD/143/2016 dated 03-02-2016 Chief Engineer Public Health Engineering Department instructed all the Executive Engineers to ensure that original pumping sets are installed on the schemes and verification certificates should also be obtained from the manufacturing company.

During audit, it was observed that following offices of Public Health Engineering Department Sindh, incurred expenditure amounting to Rs 37.196 million, in financial year 2018-19, on the procurement of machinery but, failed to obtain purchase invoices from suppliers/contractors. Further, in order to ensure genuine machinery installed at site necessary verification certificates from manufacturers were also not obtained.

[Rupees in million]			
F.Y.	Para #	Name of offices	Amount
2018-19	5	PHE Dadu	8.614
2018-19	8	PHE Badin	1.827
2018-19	8	PHE Jamshoro	2.24
2018-19	6	PHE Ghotki	11.072
2018-19	4	PHE Mirpurkhas	3.986
2018-19	3	PHE Tharparkar	5.528
2018-19	3	PHE Shaheed Benazirabad	3.929
Total			37.196

Audit is of the view that payment to contractors without obtaining original purchase invoices & verification certificate from manufacturers may result into compromise on quality of machinery which constituted weak financial management.

The matter was reported to the management during September 2017 and March-September 2018, but the management failed to provide department's point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Badin did not furnish reply while XEN PHE Tharparkar replied that works involved as per detail given by audit is not only a supply work. In all cases of supplying, installing and testing works others civil work are included. Invoices of all items wherever necessary are obtained. DAC directed the concerned to furnish invoices, delivery certificates and warranty / guarantee certificates. DAC allowed XEN PHE Jamshoro was allowed one-week time to furnish reply. DAC in its meeting on 10-12-2019, XEN PHE Dadu replied that items were purchased by the contractor, besides; same were installed at the site. Furthermore, the same was verified by the Assistant Engineer and recorded in measurement book. XEN PHE Shaheed Benazirabad replied requisite invoices were obtained from contractors but the same were not located during audit. XEN PHE Ghotki replied that certificates are received from dealers/manufacturers. DAC directed the concerned to produce all relevant

record of purchase i.e. Invoice, delivery challans, warranty, acknowledgement receipt, procurement / bidding procedures along with attested copies. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

8.2.3.53 Unjustified splitting of work to avoid tender – Rs 35.543 million

As per Rule 12(1) of SPPRA Rules 2010 “Save as otherwise provided and subject to the regulations made by the Authority, a procuring agency shall prepare, in accordance with Rule 11 above, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements already grouped, allocated and scheduled in the Procurement Plan;

During audit, it was observed that following offices of Public Health Engineering Department Sindh, incurred an expenditure of Rs 35.543 million, during financial year 2018-19, by way of splitting work orders in order to avoid tender.

[Rupees in million]			
F.Y.	Para	Name of offices	Amount
2018-19	2	PHE Karachi	12.070
2018-19	26	PHE Tando Muhammad Khan	2.625
2018-19	4	PHE Ghotki	5.260
2018-19	4	PHE Larkana	15.588
Total			35.543

Audit is of the view that due to splitting of works, management was deprived of competitive rates and public interest was not taken care of which constituted weak financial management.

The matter was reported to the management during September 2018, but management failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Karachi replied that work was not split up into components. After preparation of estimates, work was awarded to contractor as per requirement of site. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Ghotki replied that works were of emergent nature hence, expenditure incurred through splitting up of work orders. DAC directed the concerned to justify the deviation of rules, award of works on quotation, instead, of calling tender along with documentary evidences. However, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

8.2.3.54 Irregular award of works without hoisting tenders on the Authority's website and formation of procurement committee Rs 24.027 million

As per rule-17(1) of Sindh Public Procurement Rules 2010, states that, "Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority's website and in print media in the manner and format prescribed in these rules".

According to Rule 7 of SPPRA 2010, "The procuring agency shall, with approval of its Head of the Department, Constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency".

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Larkana, awarded works amounting to Rs 24.027 million, during financial year 2018-19, to various contractors under the Larkana Development Package without hoisting tender on SPPRA website and constitution of procurement committee.

Audit is of the view that violation of SPPRA rules resulted into non-transparency in the award of contracts which constituted weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for non-transparency in awarding of contracts and failure in obtaining competitive rates, under intimation to audit.

[AIR Para: 03]

8.2.3.55 Duplication of works in NIT's without cancellation Rs 23.776 million

As per Rule 25 (1) of Sindh Public Procurement Rules, 2010 “A procuring agency may cancel the bidding process at any time prior to the acceptance of a bid or proposal; (2) The procuring agency shall incur no liability towards the bidders, solely by virtue of its invoking sub-rule; (3) Intimation of the cancellation of bidding process shall be given promptly to all bidders and bid security shall be returned along with such intimation. (4) The procuring agency shall, upon request by any of the bidders, communicate to such bidder, grounds for the cancellation of bidding process, but is not required to justify such grounds.

During audit, it was observed that Executive Engineer, PHED, District Naushero Feroze, published same work of Rs 23.776 million, during financial year 2017-18, into two different NITs on SPPRA website without cancelling the original one.

Audit is of the view that duplicate NITs were published for the same work without cancellation of original one which constituted weak financial management.

The matter was reported during October 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Naushero Feroze replied that work was called at first and same was cancelled. DAC directed the concerned to produce original record for verification and scrutiny within a week time, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for duplication of works in NITs, besides, cancellation of original one, under intimation to audit.

[AIR Para: 07]

8.2.3.56 Procurement of non-schedule items without rate analysis Rs 23.155 million

According to Schedule of rates serial No.8(3) 2012 “The superintending engineers shall sanction rate analysis for non-schedule items up to Rs.1,000 per standard unit and the rates exceeding this amount shall be sanctioned by the Chief Engineer/officers exercising the powers of Chief Engineer”

During audit, it was observed that following offices of Public Health Engineering & Rural Development Department incurred an expenditure of Rs 23.155

million, during financial year 2018-19, on non-scheduled items without approval of rate analysis from competent authority. Detail is as under:

[Rupees in million]			
F.Y.	Para #	Name of offices	Amount
2018-19	6	PHE Dadu	5.869
2018-19	13	PHE Mirpurkhas	17.286
Total			23.155

Audit is of the view that expenditure was incurred on non-scheduled items without approval of rate analysis from competent authority which resulted into unauthorized expenditure.

The matter was reported to the management during September and December 2019. But, management failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Dadu replied that items were composite in the detailed estimates and sanctioned from the competent authority. DAC directed the concerned to justify payment on non-schedule items without carrying out rate analysis and approval from competent authority and furnish documentary evidence along with attested copies. No compliance of DAC directives was made till the finalization of report. XEN PHE Mirpurkhas failed to respond to audit observation.

Audit recommends that responsibility may be fixed on person(s) at fault for payment against non-schedule items without approval of rate analysis from the Competent Authority, under intimation to audit.

8.2.3.57 Unjustified expenditure on maintenance of solar system Rs 22.500 million

As per clause 8 of approved PC-I of Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase-I & II), “Annual Operation and Maintenance Cost after Completion of the project: Since there will be no battery, it will be an inverter-based setup. There will be no recurring expenditure for 20 years as solar panels will be connected directly to inverter and onwards to water pumps. The system will have 20 years of maintenance free life. There will be cleaning requirement of solar panels that will be done through existing staff of pump house.”

During audit of Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase-I & II), it was observed that an amount of Rs 22.500 million was paid during the year 2015-16 on account of annual O&M cost of solar system, in violation of

above clause of PC-I. As per above provision, there will be no recurring expenditure on solar system for 20 years and the system will have 20 years of maintenance free life. Thus, payment on account of O&M of solar system was unjustified.

Audit is of the view that management extended undue favour to the contractor by making payment of inadmissible O&M cost.

The matter was reported to the management during November 2018. The management replied that 20 years maintenance free warranty was only for solar panels and not for all solar system such as inverters, variable frequency drive, cables, connectors, relay, electric, electronic system, solar kits and control system etc. which require regular O&M cost. The reply was not convincing as no allocation was approved against O&M cost in PC-I which stipulated maintenance free solar system for 20 years. DAC meeting held on 10.07.2019, wherein the management stated that cost of maintenance of Rs 150,000/- per plant per year which translate to Rs 12,500 per month cost per plant. Furthermore, the maintenance rate covers the minor maintenance of solar panel and staff salary for which Rs 12,500 per month seem to be a meagre amount. DAC directed the management to produce the documentary evidence to audit for verification. However, no compliance was made till the finalization of report.

Audit recommends recovery of unjustified payment and fixing of responsibility against person(s) at fault.

[SID Para: 4.1.2.3]

8.2.3.58 Irregular payment to contractors on a/c of repair of water supply & drainage schemes - Rs 21.521 million

According to Rule 57(1) of SPPRA, “Except for defect liability or maintenance by the supplier, consultant or contractor, as specified in the conditions of contract, performance of the contract shall be deemed close on the issue of overall delivery certificate, certificate of completion of deliverables, or taking over certificate which shall be issued within thirty days of final taking over of goods or receiving the deliverables or completion of works enabling the supplier or contractor to submit final bill and the procuring agency to carry out any inspection of goods, works or services related thereto, as provided in the contract agreement and auditors to do substantial audit”.

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Ghotki @ Mirpur Mathelo, paid an amount of Rs 21.521 million, during financial years 2017-19, to the contractors for repair of drainage & water supply

schemes. However, neither the requisition/application for repair of non-functional water supply & drainage scheme was obtained from the operator/engineer incharge of the scheme nor completion certificates after repair/functional of said schemes found available on the record.

Audit is of the view that payment made to contractor without obtaining completion certificates from the contractors. Besides, the same may be produced to audit for further verification.

The matter was reported to the management during November 2019. But, the management failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019, XEN PHE Ghotki replied that completion certificates were obtained from the officer in charge of the site works. DAC directed the concerned to provide documentary evidence in original along with attested copies of same within a week. But, no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for payment to contractors on account of repair of water supply & drainage schemes without obtaining requisition & completion certificates. Besides, completion certificates may be obtained from the concerned at the earliest under intimation to audit.

[AIR Para:10]

8.2.3.59 Unauthorized purchase of vehicles during ban period Rs 20.181 million

According to Notification issued by Finance Department, Government of Sindh with the directives of Chief Minister, Sindh vide no. FD/B&E-1/2(360)/Ban/2012-13 dated 17-5-2013, “the ban was imposed by the Chief Minister for a. Procurement of vehicles of all categories and luxury items like air conditioners, furniture, computer etc from non-development budget”.

Further, as per Para 3 of the GOS, Finance Department, Notification No.FD/B&E-I/2(360)/BAN/2012-13, dated 17th May 2013, “The ban under 2(a) and 2(b) above shall only be relaxed by the orders of the Chief Minister.

During audit, it was observed that following offices of PHE Department, Sindh, purchased vehicles for operation & maintenance of Rs 20.181 million, during financial year 2018-19, during ban on procurement all kind of vehicles. Detail is as under.

[Rupees in million]

F.Y.	Para #	Name of offices	Amount
2018-19	5	PHE Hyderabad	3.110
2017-19	34	PHE Tando Muhammad Khan	3.105
2018-19	7	PHE Ghotki	6.711
2018-19	5	PHE Mirpurkhas	7.255
Total			20.181

Audit is of the view that unauthorized purchase of vehicles for operation & maintenance purpose during ban period constituted weak financial management.

The matter was reported to the management during December 2019. But failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019, which allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Ghotki replied that necessary approval was accorded by purchase committee. DAC directed the concerned to furnish documentary evidence in original, approval of vehicles within a week. However, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for unauthorized procurement of vehicles during ban period, under intimation to audit.

8.2.3.60 Expenditure without supporting vouchers payments Rs 16.946 million

As per Rule-23 of Sindh Financial Rules, “Every Payment including repayment of money previously lodged with Government for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that following offices of PHE Department, Sindh paid an amount of Rs 131.153 million, during financial years 2017-19, without supporting vouchers/record to justify the expenditure. Detail is as under:

[Rupees in million]

Sr.	F-Y	AIR Para	Name of Offices	Amount
1	2017-18	3	CE Hyderabad	1.503
2	2018-19	3	PHE Tando Allahyar	3.127
3	2017-18	4	PHE Sujawal	12.316
Total				16.946

Audit is of the view that doubtful expenditure was incurred without supporting record due to failure and deliberate deviation from prescribed rule on the part of administrative and financial management.

The matter was reported to the management during August to November 2019, but management did not respond to audit observation. PAO convened DAC meeting on 29-11-2019, XEN PHE Tando Allahyar replied that the vehicles were purchased as per orders of Water Commission and vehicle wise budget was released by the Government of Sindh vide Finance Department letter dated 26-12-2018. DAC meeting on 10-12-2019 allowed CE Hyderabad one-week time to furnish replies. XEN PHE Sujawal replied that planned schemes have been executed and incurred expenditure of Rs 13.75 million. Furthermore, funds were received in different quarters, hence works were delayed. DAC directed the concerned to produce all relevant record i.e. progress report, supporting vouchers, invoice, delivery challan, mode of payment, warranty, acknowledgement receipt, procurement / bidding procedure. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for non-production of record, under intimation to audit.

8.2.3.61 Irregular procurement through unauthorized procurement committee - Rs 16.858 million

According to Rule 7 of SPPRA rules “the procuring agency shall, with approval of its Head of the Department, constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by a gazetted officer not below the rank of BS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, incurred expenditure of Rs 16.858 million, during financial years 2017-19, against various schemes for which contracts were awarded to various contractors on the recommendation of the procurement committee. However, management failed to provide the evidence regarding formation of procurement committee notified/approved by Competent Authority i.e. Secretary, PHED Sindh. Detail is at provided at Annex-PHE7.

Audit is of the view that award of work without notifying procurement committee resulted into irregular procurement and weak administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC in its meeting on

10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week time but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular procurement, under intimation to audit.

[AIR Para:.09]

8.2.3.62 Un-authorized installation of hand pumps beyond domain Rs 14.943 million

As per Section 72 of the Sindh Local Government Act, 2013 “To discharge the overall responsibility for the identification of projects and appraisal and approval of projects prepared and to be constructed by Union Councils in the following subsection: -

- i. Primary, Middle and Secondary Schools
- ii. Rural Health Centres
- iii. Basic Health Units
- iv. Family Welfare Clinics
- v. Piped Water Supply
- vi. Potable Water Storage Tanks
- vii. Hand Pumps
- viii. Sanitation
- ix. Rural Roads

During audit, it was observed that Executive Engineer, PHED, District Jamshoro, installed hand pumps of Rs 14.943 million, during financial year 2018-19, in the rural areas of Jamshoro. Detail is as under: -

(Amount in rupees)

W.O# & Date	Name of work	Contractor	Qty	Rate	Amount
865/24-04-2017	Installation of 38 Hand Pumps for District Jamshoro	M/s Navat Mal	38	-	14,942,550

Audit is of the view that installation of hand pumps beyond domain resulted in loss of public funds and constituted weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. DAC in its meeting held on 29-11-2019 allowed XEN PHE Jamshoro one-week time to furnish reply, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for un-authorized installation of hand pumps beyond domain of PHE operation, under intimation to audit.

[AIR Para: 04]

8.2.3.63 Non-adjustment of advance payment on account of un-laid pipes Rs 13.172 million

According to Para 229 of Central Public Works Accounts Code (CPWAC) “An advance payment for work actually executed may be made on the certificate of responsible officer (not below the rank of Sub-divisional Officer) to the effect that not less than the quantity of work paid for has actually been done, and the officer granting such certificate will be held personally responsible for any over payment which may occur on the work in consequence. Final payments may, however, in no case be made without detailed measurement”.

According to Rule 54 of SPPRA 2010 “All procuring agencies shall make payments to suppliers, consultants and contractors against their invoices or running bills within the time given in the conditions of the contract”.

During audit, it was observed that following offices of Public Health Engineering Department, executed development schemes and paid an advance payment Rs 13.172 million, during financial year 2018-19, on account of un-laid pipes upto, but failed to adjust advance payment till the completion of financial year. Detail is as under:

[Rupees in million]			
F.Y.	Para #	Name of offices	Amount
2018-19	1	PHE Karachi	2.432
2018-19	1	PHE Larkana	2.726
2018-19	2	PHE Kamber-Shahdadkot	8.014
Total			13.172

Audit is of the view that management failed to adjust payment made as an advance on account of un-laid pipes which constituted weak financial management.

The matter was reported during October 2019. But, the management failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Karachi replied that work providing, laying, jointing and testing of 4” dia pipe was awarded to contractor after completion of all codal formalities and XEN PHE Kamber-Shahdadkot replied that both schemes were in testing position. Therefore, the pipes supplied by the contractor and available at site were for the purpose to be further laid

after completion of the testing process. Identified un-laid pipes were recorded in the material at site account and accordingly the bill was recommended for payment. Since as per rule the material at site account was prepared and submitted to the Divisional office. DAC directed the concerned to furnish all relevant record i.e. releasing of payment, measurement book, material at site account and contractor bills, but no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for not-adjusting advance payment made on un-laid pipes, under intimation to audit.

8.2.3.64 Irregular payments to contractors on reduced rates Rs 12.979 million

According to Clause-17 of the agreement, if at any time before the security deposit is refunded to the contractor, it shall appear to the Engineer-in-Charge or his subordinate in charge of the work, that any work executed with unsound, imperfect or unskilful workmanship or with materials of inferior quality or that any materials or articles provided by him for the execution of work are unsound, or quality inferior to that contracted for or are otherwise not in accordance with the contract, it shall be lawful for the Engineer-in-charge to intimate this fact in writing to the contractor and then notwithstanding the fact that the work materials or articles complained of, may have been inadvertently passed, certified and paid for, the contractor shall bound forthwith to rectify or remove and reconstruct the work so specified in, whole or part, as the case may require.

During audit, it was observed that following offices of Public Health Engineering Department, paid an amount of Rs 12.979 million, during financial year 2018-19, to the contractor on account of execution of works at reduced rates without showing any adjustment. Reduced rate in a huge quantity implies that.

- a. Either works were of inferior quality
- b. Defective work was carried without rectification.
- c. Execution of work was not as per specification.
- d. Advance payment was made without completion of work.

[Rupees in million]

F.Y.	Para #	Name of offices	Amount
2018-19	8	PHE Dadu	6.407
2018-19	7	PHE Shaheed Benazirabad	5.266
2018-19	8	PHE Sanghar	1.306
Total			12.979

Audit is of the view that unauthorized payment on reduced rates was made without justification. The chances of wastage of funds cannot be ruled out as payment has been made on the defective work which constituted weak financial management.

The matter was reported to the management during August 2019. But the management failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Dadu replied that XEN is fully competent to make payment at reduce rate till the items are fully completed. XEN PHE Shaheed Benazirabad replied that reduce rates are generally allowed for want of testing of solar / pipe / machinery which is correlated with the availability of power connection. XEN PHE Sanghar replied that neither the work was inferior of quality nor was unsound or defective. Executive Engineer reduced the rates of items before finalization of the work and after satisfaction released full rate as per contract agreement. DAC directed the concerned to furnish point wise justification for payment made on reduced rates and submit documentary evidence along with attested copies. But, no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for payment against defective works, under intimation to audit.

8.2.3.65 Un-authorised & un-justified advance payment to contractors Rs 12.024 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Mirpur Khas, paid an amount of Rs 12.024 million, during financial year 2018-19, to the contractors in advance for O&M of drainage & water supply schemes without approval & fulfilment of codal formalities. Audit is of the view that the said funds were drawn from the government account before the close of financial year to save the lapsable funds. Further, it is worth mentioning that date of work orders, date of pre audit & payment of bill & date of actual completion is same. Hence, it is assumed that advance payment was made to the contractor which needs to be justified.

Audit is of the view that due to advance payment; undue favour was granted to the contractors which reflects the absence of systematic control and financial discipline prevalent in the department.

The matter was reported during December 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that irregularity be justified to audit, responsibility be fixed against the person (s) at fault & steps be taken to avoid such irregularities in future.

[AIR Para: 03]

8.2.3.66 Irregular payment of non-schedule items without rate analysis on market rates – Rs 11.674 million

According to SPPRA, Regulation for Procurement of Works vide Letter No.Dir(A&F)/SPPRA/Bod/12-139316 dated: 22nd March, 2013, Guideline No. 11.2.1 Documents & Data: - Detailed estimate to be sanctioned by competent authority requires relevant information to be attached in form of data, documents, detailed measurements worked out from drawings and cost abstract of items based on the specifications and rates provided in CSR or rate analysis prepared on market rates. The competent authority while giving technical sanction to the detailed estimate shall give proper consideration to various details worked out from the drawings, specifications of the work, stability and economy in the execution.

During audit, it was observed that following office of PHE Department, Sindh, incurred expenditure of Rs 11.674 million, during financial year 2018-19 on the procurement of non-schedule items. However, rate analysis of the same was not provided to ascertain the market rates by obtaining at least three quotations to achieve economical rates.

[Rupees in million]			
F.Y.	Para #	Name of offices	Amount
2017-19	14	PHE Tando Muhammad Khan	6.953
2018-19	4	PHE Shaheed Benazirabad	4.721
Total			11.674

Audit is of the view that non-schedule items were procured without obtaining market rates through quotation resulted into irregular procurement of non-schedule items which constituted weak financial & administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Shaheed Benazirabad replied that rate analysis was prepared by office after seeking rates from local market and approved by the Chief Engineer. DAC directed the concerned to justify rate analysis of non-scheduled items without obtaining market rates along with attested copies of documentary evidence. No compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement of non-schedule items without preparing rate analysis on prevailing market rates, under intimation to audit.

8.2.3.67 Un-authorized payments without pre-audit – Rs 10.405 million

According to CPWD Rule-495 “The Divisional Accountant should exercise a similar check, from day to day, in regard to (i) the transactions recorded direct in the cash and stock accounts of the divisional office, and (ii) bills and vouchers of subdivisions, which are submitted to the Divisional Officers for approval before payment is made by the Sub-divisional Officer. In respect of charges, this examination should be conducted before the payment is made”.

During audit, it was observed that Executive Engineer, Public Health Engineering, Division Sukkur, paid an amount of Rs 10.405 million, during financial year 2018-19, without pre-audit check of vouchers by Divisional Accountant.

Audit is of the view that Divisional Accountant failed to perform his duty which resulted in vouchers being paid without check/pre-audit by Divisional Accountant which constituted weak financial & administrative management.

The matter was reported during December 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault who failed to check-pre-audit vouchers, under intimation to audit.

[AIR Para. 11]

8.2.3.68 Unjustified payment without testing material – Rs 10.005 million

According to Order No.DB/General/1355/of 2016 Hyderabad, Dated: 26-09-2016, regarding Testing of various Component i/e Execution of Water Supply & Drainage Schemes, Para-01, states that “It has been observed that Monitoring & Evaluation Cell of Planning & Development Department oftenly raises observations regarding non-testing of following components: (1) R.C.C. Works, (2) C.C. Works, (3) Pipes, (4) P. Machinery (verification & testing). Further, ibid Para-02 stats that “You are therefore requested to instruct field offices to get tested above items from recognised laboratories to assure quality of works executed before making payment.

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, paid amounting to Rs 10.005 million, during financial years 2017-19, on the construction of disposal work & surface drain through contractors but, failed to get material tested from recognized laboratory to ensure quality of work executed before making payment to contractors. Detail is as under:

(Rupees in million)

S#	Voucher# & Date	W.O# & Date	Bill #	Description	Contractor	Amount
1	D-1/18-12-18	55/19-01-17	5th & Final Bill	Construction of Disposal work i/c C/Tank , S/Chamber, P/House (10*12) C/wall, P/Machinery , PVC Rising Main 4" dia & Oxidation pond for RDS Nabi Bux Laghari	M/S Hafiz Riaz Ahmed	6.248
2	D-2/18-12-18	33/03-04-17	4th & Final Bill	Construction of Surface drains Type A,B& C i/c CC Block for RD Scheme Jinhan Soomro	M/S Muhammad Yaqoob	3.757
Total						10.005

Audit is of the view that payment without testing of material used resulted into irregular payment to contractor and constituted weak financial management. Besides, chances of substandard material cannot be ruled out.

The matter was reported during November 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular payment to contractors without testing of material, under intimation to audit.

[AIR Para.:18]

8.2.3.69 Non-execution of essential components – Rs 9.687 million

As per Para 11.2 Sindh Public Procurement Regulatory Authority (SPPRA) Procurement Regulations (Works), the competent authority while giving technical sanction to the detailed estimate shall give proper consideration to various details worked out from the drawings and specifications of the work as well as stability and economy in the execution.

During scrutiny of record of New Drainage System for Thatta City, it was observed from abstract of cost that essential items of the work were not executed. The details are as under:

[Rs. in million]		
Name of scheme	Component	Amount
New Drainage System for Thatta City District Thatta	Treatment Work, Oxidation pond	5.687
	Land acquisition	4.000
Total		9.687

Audit is of the view that non-acquiring of land may result into nullifying the intended objective of the drainage scheme.

The matter was reported to the management during November, 2018. The management replied that although provision for land was kept in PC-I on the basis of rough cost estimate, yet there did not arise any need to acquire the land for the oxidation pond because all the disposal points were constructed very close to Sim Nala. The reply was not tenable as estimate was prepared on assumption basis instead of actual need. Besides, the saved amount on account of procurement of land and treatment work of oxidation pond was not accounted for. DAC meeting held on 10.07.2019, wherein the para was not discussed.

Audit recommends that responsibility may be fixed on person(s) at fault, besides detailed justification for improper planning and accounting of saved amount.

[SID Para:4.3.2.3]

8.2.3.70 Irregular execution of work without obtaining requisition & survey report - Rs 9.651 million

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II, "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by

Government through fraud or negligence on his part, or on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence”.

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Mirpurkhas, paid an amount of Rs 9.651 million, during financial year 2018-19, to the contractors for repair of drainage & water Supply schemes. However, neither the requisition/application/survey report nor completion report for repair of non-functional water supply & drainage scheme was obtained from the operator/engineer in charge of the schemes found available on the record. Detail is as under:

(Amount in rupees)

Sr.	Wo No & Date	Scheme	Contractor	Cost
1	1254/2018 26.10.18	Repair of Filter Plant 3.0 MGD @ East Jamrao Water Works for Water Supply System Mirpur Khas	K.K Associate	5,360,091
2	1202/2019 . 29.5.19	Repair of Civil Structure, Electrical & Mechanical works for Rural Water Supply Scheme Aziz Brohi Taluka Hussain Bux Mari District Mirpur Khas	Hamna Shams	1,114,014
3	1229/2019 31.5.19	Repair of Civil Structure, Electrical & Mechanical works for Rural Water Supply Vesro Taluka Hussain Bux mari Distt. Mirpur Khas	M. Sharique Enterprises	1,100,139
4	682/2019. 25.3.19	Repair of Civil Structure, Electrical & Mechanical works for Rural Water Supply Khan Taluka Hussain Bux mari Distt. Mirpur Khas	Bhitai Associate	960,110
5	B-1251/2019. 12.6.19	Repair of Storage Tank (No.01) for Urban Water Supply Scheme Digri District Mirpur Khas	Digri Builders	1,116,783
Total				9,651,137

Audit is of the view that non-obtaining of requisition & completion certificates, government sustained financial loss & public failed to obtain civic facilities which constituted weak internal controls.

The matter was reported during December 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit, recommends that requisition/completion certificates may be obtained from the concerned at the earliest under intimation to audit and the steps may be taken so that such irregularities are not repeated in future.

[AIR Para: 08]

8.2.3.71 Unjustified release of security deposit – Rs 9.492 million

As per Regulation No.7.12.3 (i) of Procurement Regulation, 2011 of SPPRA “It can be released either of two ways, but must be mentioned in the contract data /special conditions of the contract:- (a) on completion of the whole of the works; half the total amount retained is refunded to the contractor and half when the defects liability period has passed, and the engineer has certified that all defects notified to the contractor before the end of this period have been attended to his satisfaction; (b) full amount be released after completion of defect liability period successfully”.

During audit, it was observed that following offices of PHE Department, Sindh, refunded security deposit & call deposit cases Rs 9.297 million, during financial year 2018-19, without providing copies of deposit challans/bills of security deposit duly paid in bank account & copies of bills against which security deposit was deducted. Further Rs 0.195 million was released to the contractor prior to the completion of defect liability period and satisfaction certificate of Executive Engineer.

[Rupees in million]

F.Y.	Para #	Name of offices	Description	Amount
2017-19	34	PHE Tando Muhammad Khan	Release of SD/CD without showing proof of payment into bank	9.297
2018-19	6	PHE Sanghar	Release of SD prior to completion of defect liability period	0.195
Total				9.492

Audit is of the view that management failed to justify the release of security deposit payment without verification of necessary record which resulted into weak financial & administrative management.

The matter was reported to the management during October and November 2019, but failed to provide departmental point of view. The DAC meeting convened on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Sanghar replied that security deposit was refunded to the contractor after completion of work and due expiry of defect liability period. DAC directed the concerned to justify the refund of security deposit before completion of defect liability period without obtaining satisfaction certificate from Engineer and furnish documentary evidence i.e. completion report, defect liability period completion and Engineer satisfaction certificate along with attested copies. However, no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for release of security deposit claims, under intimation to this office.

8.2.3.72 Non-transparency in POL spending – Rs 7.683 million

According to Service & General Administration & Coordination Department, GoS Order No.CTC(S&GAD)2-(98)/2001 Dated: 21st Nov 2001, "The Governor of Sindh has also desired that the log books of the vehicles under the use of entitled officers should be maintained properly / regularly as per instruction laid down in this regard".

During audit, it was observed that following offices of PHE Department, Sindh, incurred an expenditure amounting to Rs 7.683 million, during financial years 2017-19, on purchase of POL for official, vehicles but Petrol Account Registers along with Log Books of Vehicles were not prepared. Detail is as under:

(Rupees in million)

F.Y.	Para #	Name of offices	Amount
2018-19	5+3	Secretary PHED & RDD	0.738
2017-18	1	CE Hyderabad	1.194
2018-19	4	PHE Hyderabad	0.603
2018-19	5	PHE Tando Allahyar	0.552
2018-19	30	PHE Tando Muhammad Khan	0.304
2017-18	2	PHE Sujawal	0.690
2018-19	8	PHE Ghotki	2.859
2018-19	6	PHE Mirpurkhas	0.743
Total			7.683

Audit is of the view that expenditure incurred without preparation of respective record of vehicle resulted into non-transparency in POL spending due to weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019, XEN PHE Tando Allahyar replied that original log book attached. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD, CE Hyderabad and XEN Tando Muhammad Khan to furnish reply within a week. XEN PHE Ghotki and XEN PHE Sujawal replied that logbook of each vehicle was already prepared and available. DAC directed the concerned to provide history sheets, log books and POL consumption account to audit along with attested copies but no compliance was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for incurring expenditure without supporting record. Besides, same may be prepared to justify the expenditure, under intimation to audit.

8.2.3.73 Irregular payment without supporting documents - Rs 6.983 million

As per Rule 23 of Sindh Financial Rule, states that, “Every Payment including repayment of money previously lodged with Government for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim”.

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Mirpur Khas, paid an amount of Rs. 6.983 million, during financial year 2018-19, to M/s Pak Oasis Industries Pvt. Ltd for the salaries of staff for RO / UF Plants without Payees acknowledgment receipt, Sanctioned / working strength, attendance sheet of staff deputed on Plants, progress report for functioning of RO Plants, quality of water reports duly verified from laboratory & other supporting documents. Detail is as under:

(Amount in rupees)

Sr.	Vr. No & Date	Supplier/Contractor	on A/c of	Gross Amount
1	79 Dt.28.6.19	M/s Pak Oasis Industries (pvt) ltd	Salaries for RO Plants/UF Plants in Sindh	3,327,554
2	78 Dt.28.6.19	-do-	-do-	3,655,296
Total				6,982,850

Audit is of the view that payment without supporting documents & justification resulted into suspicious withdrawal of funds. Violation of prescribed rules was due to weak financial management & weak internal controls system.

The matter was reported during December 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular payment to M/s Pak Oasis without supporting documents, under intimation to audit.

[AIR Para: 09]

8.2.3.74 Un-justified withheld amount from the bills - Rs 6.280 million

According to Para 289 of Treasury Rules (TR) Vol-I & II, states that, “all charges incurred must be paid and drawn at once and under no circumstances may be allowed to stand over to be paid from grant of another financial year.

During audit, it was observed that following offices of PHE Department, Sindh, created liabilities of Rs 6.280 million, during financial year 2018-19, by withholding amount form the contractor bills without justification.

(Rupees in million)

F.Y.	Para #	Name of offices	Amount
2017-19	3	PHE Ghotki	2.155
2018-19	9	PHE Shaheed Benazirabad	4.125
Total			6.280

Audit is of the view that creation of huge liabilities constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Shaheed Benazirabad replied that payment to extent of available funds was released during 2018-19 and subsequently withheld amount was released on availability of funds. XEN PHE Ghotki replied that due to rush of work in the month of June amount was withheld and XEN had no time to physically check the works on spot. DAC directed the concerned to furnish detail of documentary proof regarding physical verification report of the schemes dully conducted by the XEN releasing of funds, annual plan, details of on-going/completed, under process schemes along with attested copies of documentary evidences. No compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for creation of liability by withholding contractors' payment, under intimation to audit.

8.2.3.75 Irregular payments against land acquisition without supporting documents – Rs 6.000 million

According to Para 528 Sindh Financial Rules, Volume-I, “improper expenditure or waste of public money or stores is against the financial propriety. Every Drawing and Disbursing Officer / sanctioning Authority must ensure that the expenditure is not more than actual demand and is not meant for own advantage directly or indirectly. It may also be seen that the public money is not utilized for the benefit of a particular person or section of community and should never be regulated for acquiring source of profit to the recipients”.

During audit, it was observed that Executive Engineer, Public Health Engineering Division-I Hyderabad, made payments of Rs 6.000 million, during financial

year 2018-19, for acquiring land under Land Acquisition Act 1894. However, the Land Award Statement and disbursement account were not produced to ascertain the authenticity of payment. Detail is as under.

Rupees in million)				
Name of Work	V# & Date	Cheq # & Date	Payments made to	Amount
Ultra-filtration Water Supply Scheme Tando Jam District Hyderabad	01/02-01-19	3283236/ 02-01-19	A.C & L.A.O, Taluka Hyderabad (Rural) District Hyderabad	6.000

Audit is of the view that incurring expenditure without supporting documents reflects weak financial management.

The matter was reported to the management during December 2019. But the management failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault incurred expenditure without attaching supporting documents, under intimation to audit.

[AIR Para.:2]

8.2.3.76 Irregular expenditure on account of work charge establishment Rs 5.895 million

According to to Sindh Financial Management and Accountability Act, 2011, Section 4-2(a) all financial transactions shall be duly authorized (b) all financial transactions shall be recorded promptly, clearly, accurately, logically and coherently (c) all financial transactions shall be carried out in an efficient and effective manner. Further, according to Section 4-2 (d) all financial transactions shall be carried out for a proper purpose. For the purpose of this clause, a purpose shall be considered as proper if it is (i) clearly identifiable (ii) in pursuance of an official policy (iii) adequately estimated as to its costs, consequences and effects (iv) sanctioned in compliance with all applicable procedures (v) within the ambit of law and not restricted by any law in force for the time being; and (vi) in furtherance of the public interest

During audit, it was observed that Executive Engineer, Public Health Engineering Tando Allahyar, incurred expenditure of Rs 5.895 million, during financial year 2018-19 on account of work charged establishment. Following irregularities were noted:

- Approval of competent authority for appointment on work charged establishment was not found in relevant files
- Provision for appointment of work charged establishment exists in sanctioned estimates of development works for which appointments made were not provided to audit
- Period of appointment was not mentioned in offer order
- Record/details of attendance of employees to whom payment was made for the period were not furnished to audit

Audit is of the view that management failed to comply with rules set out by the government, which reflects the absence of systematic control and financial discipline.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Tando Allahyar replied that appointments have been made by the XEN for which he was not competent. Further, irregularity has been condoned by countersigning officer i.e. Superintending Engineer, PHE Circle, Mirpurkhas. DAC directed the concerned to furnish comprehensive reply and documentary evidence regarding appointments i.e. approval from competent authority, provision for appointment of work charge establishment. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular expenditure, under intimation to audit.

[AIR Para.:10]

8.2.3.77 Unauthorized incurrence of excess expenditure – Rs 5.175 million

According to Para 56 of CPW departmental code “for each individual work proposed to be carried out, except petty works petty repairs and repairs for which a lump sum provision has been sanctioned under paragraph 106, a properly detailed estimate must be prepared for sanction of competent authority this sanction is known as the technical sanction to the estimate”.

In pursuance of the provisions contained in Article 119 of the constitution of the Islamic Republic of Pakistan, the Governor of Sindh is pleased to make following amendments in the Sindh Delegation of Powers under the Financial Rules and the Powers

of Re-appropriation Rules, 1962, vide Notification No. B&E-I/2(18)/75-95/Pt-VIII Dated 3rd October 2007, that:-

Nature of Power	To whom delegated	Extent
“Technical Sanction: (i) In the case of original works	(i) Administrative Department	Works upto Rs .50,000,000/- provided that the excess over the amount for which administratively approved does not exceed 10 per cent or Rs. 20,000/- whichever is more. Full power if the excess does not exceed 5 per cent
	(ii) Chief Engineer	Works upto Rs. 10,000,000/- provided that the excess over the amount for which administrative approval has been accorded does not exceeded 15 per cent. Full power in the case the excess does not exceed 10 per cent

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, incurred unauthorized expenditure of Rs 5.175 million, during financial years 2017-19, on various works in excess of the original estimate without approval from the competent authority. Detail is at provided at Annex-PHE8.

Audit is of the view that incurrence of excess expenditure over technical sanction without approval from competent authority, resulted into unauthorized expenditure which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for incurrence of excess expenditure without approval from competent authority, under intimation to audit.

[AIR Para:.6]

8.2.3.78 Un-authorized procurement through non-generic specification Rs 4.806 million

Rule 13 (1) of the Sindh Public Procurement Rules, 2010, states that, “Specifications shall allow the widest possible competition and shall not favour any single contractor or supplier nor put others at a disadvantage. Specifications shall be generic and shall not include references to brand names, model numbers, catalogue numbers or similar classifications. However, if the procuring agency is convinced that the use of a reference to a brand name or a catalogue number is essential to complete an

otherwise incomplete specification, such use or reference shall be qualified with the words “or equivalent”.

During audit, it was observed that Executive Engineer, PHED, District Sanghar, incurred expenditure of Rs 4.806 million, during financial year 2018-19, on procurement of vehicles with specific brand name & category. Detail is as under: -

(Amount in Rupees)

C.V. No.	Dated	Name of Work	Name of contractor	Amount
D-39	25-04-2019	Suzuki Mehran VX (Limited Edition) 06 Nos.	M/s Pak Suzuki Mehran Motors, Hyderabad	4,806,154

Audit is of the view that procurement through non-generic specification without possible competition and on open rate basis resulted into unauthorized award of contract and weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. It allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Sanghar replied that brand name and category for purchase of Mehran cars were provided by the department. Being locally manufactured monopolized item, the Mehran cars were procured from the company. DAC directed the concerned to furnish original bidding documents showing clear specification of vehicles, approval of procurement committee, invoices, but no compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement through non-generic specification without competition and open rate basis, under intimation to audit.

[AIR Para:9]

8.2.3.79 Undue favour to contractor by not obtaining difference of call deposit/bid security on revised cost – Rs 3.934 million

According to SPPRA rule 37(1)(2), “The procuring agency shall require the bidders to furnish a bid security not below one percent and not exceeding five percent of the bid price, which shall remain valid for a period of 28 days beyond the validity period for bids, in order to provide the procuring agency reasonable time to act, if the security is

to be called. (2) Bid security shall be released to the unsuccessful bidders once the contract has been signed with the successful bidder or the validity period has expired.”

During audit, it was observed that Executive Engineer, Public Health Engineering, Division Jacobabad, awarded development works costing Rs 147.044 million, during financial year 2018-19, to contractors which were revised by Rs 343.754 million. Whereas, bid security Rs 2.941 million was obtained on initial cost. However, difference of bid security Rs 3.934 million due to revision of technical sanction and cost of schemes was not obtained from contractors concerned which resulted into undue favour to contractor. Detail is as under:

(Amount in rupees)

Contractor	Detail of scheme	Tender cost	Revised cost	Bid Security received	Bid on revised cost	Short
Abdul Khaliq Dayo 251/11.5.17	Constt of CC drains disposal works Urban Drainage Scheme Thull	86,290,446	137,122,000	1,725,809	2,742,440	1,016,631
And 100/18.2.14	SF Black steel MS Pipe 18" dia urban WSS Thull	60,754,000	206,632,000	1,215,080	4,132,640	2,917,560
Total		147,044,446	343,754,000	2,940,889	6,875,080	3,934,191

Audit is of the view that undue favour was extended to the contractor by non-obtaining of difference of bid security due to revision of cost of schemes which resulted into undue favour to contractor which constituted weak financial management.

The matter was reported to the management during December 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault. Besides, appropriate action be taken, and comprehensive justification of the matter may be provided to audit.

[AIR Para.:4]

8.2.3.80 Late deposit of collected earnest money (call deposits) in bank account - Rs 3.824 million

According to Section 41 (a) of Sindh Financial Rules Volume-1, “The departmental controlling officer should see that all sums due to Government are regularly

received and checked against demands and that they are paid into treasury claiming credit for so much paid into the treasury and compare with the figures in the statements supplied by the Comptroller”.

During audit, it was observed that Executive Engineer, Public Health Engineering Division, Ghotki @ Mirpur Mathelo, during financial years 2017-19, collected call deposit of Rs. 3.824 million from the contractors but deposited same in government account after due date. Detail is at provided at Annex-PHE9.

Audit is of the view that from the above facts it becomes obvious that management failed to observe the government laws & regulations which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 10-12-2019. XEN PHE Ghotki replied that earnest money (call deposit) was deposited in NBP Mirpurmathelo after completing formalities of lowest bidder. DAC directed the concerned to furnish original deposited call deposit challans within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for late deposit of the collected call deposits from contractors in government bank account, under intimation to audit.

[AIR Para.:17]

8.2.3.81 Irregular payment against third party validation - Rs. 3.675 million

According to Sub Section (2) of Section 4 of the Sindh Financial Management and Accountability Act, 2011, states that, “The rules shall be consistent with the following principles: -

- (a) all financial transactions shall be duly authorized;
- (b) all financial transactions shall be recorded promptly, clearly, accurately, logically and coherently.

During audit, it was observed that following offices of PHE Department, Sindh, paid an amount of Rs 3.675 million, during financial year 2018-19, to Deputy Director, Monitoring & Evaluation Cell P&D Department, Government of Sindh,

Karachi without any proper justification & proper monitoring report of the schemes. Detail is as under:

[Rupees in million]			
F.Y.	Para #	Name of offices	Amount
2018-19	7	PHE Karachi	2.000
2018-19	9	PHE Dadu	0.901
2018-19	28	PHE Tando Muhammad Khan	0.774
Total			3.675

Audit is of the view that payment was made without obtaining third party validation certificate which resulted into irregular expenditure and weak financial management.

The matter was reported to the management during September to November 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019, XEN PHE Karachi replied that payment on account of third-party validation has been discontinued by the GoS vide letter date dated 19-02-2019. DAC directed the concerned to furnish third party validation certificate / inspection report. DAC in its meeting on 10-12-2019, allowed XEN PHE Tando Muhammad Khan to furnish reply within a week. XEN PHE Dadu replied that monitoring teams are performing their duties and issuing visiting reports for compliance. DAC directed the concerned to furnish third party validation certificates / reports along with attested copies of documentary evidence. No compliance of DAC directives was made till the finalization of report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) for irregular payment against third party validation, under intimation to audit.

8.2.3.82 Excess of technical sanction over administrative approval Rs 3.169 million

As per Planning & Development Department, Government of Sindh, Karachi office letter No.SO(D)-11/28-P&D/73 & Part-VIII dated 01-03-2002 read with Finance Department Notification No. B-I/2-18/75(.) dated 27-04-1980 appearing in Pakistan Delegation of Powers under the Financial Rules and the Powers of Re-appropriation Rules, 1962 a fresh Administrative Approval will be required if the amount of Technical Sanction exceeds 15% over the original Administrative Approval”.

During audit, it was observed that Executive Engineer, PHED, District Naushahro Feroze, technically sanctioned excess work of Rs 3.169 million, during

financial year 2017-18, over 15% of the original administrative approval without obtaining revised administrative approvals. Detail is as under:

(Amount in Rupees)

Sr.	Name of Work	Name of Contractor	Technical Sanction	Administrative approval	Excess Amount	Excess %
01	Rehabilitation: (iii) Drainage Scheme Malhar Khan Rajer	-	6,356,000	7,558,000	1,202,000	18.91%
02	Rehabilitation: (iv) Drainage Scheme Mohabat Dero Jatoi	-	8,975,000	10,942,000	1,967,000	21.92%
Total			15,331,000	18,500,000	3,169,000	

Audit is of the view that amount of technical sanction exceeded over 15% of the original administrative approvals of different development of works of PHE Naushero Feroze beyond permissible limit without obtaining revised administrative approvals which constituted weak financial management.

The matter was reported to the management during October 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for exceeding technical sanction over 15% of original administrative approvals. Besides, revised administrative approval may be obtained, under intimation to audit.

[AIR Para: 5]

8.2.3.83 Unjustified expenditure on account of plantation of trees Rs 3.00 million

According to Rule '1' Appendix 18-A of Sindh Financial Rules, "Every Government servant realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence".

During scrutiny of record of New Drainage System for Thatta City, it was observed that expenditure on account of plantation of trees was incurred for Rs 3.00 million. The same was held unjustified on following grounds:

- i. It was a non-BOQ item requiring rate analysis and approval of the competent authority, which was not available on record.
- ii. Forest Department (public forest nursery) Government of Sindh also had a nursery at Thatta, where cost of one plant by Government of Sindh was of Rs 2. The contractor claimed one plant at cost of Rs 15,000 which was unjustified.
- iii. As per rate of Forest Department, the cost of total of 200 trees at cost of Rs2/tree comes to Rs 400. The contractor claimed amount of Rs 3.00 million.
- iv. The plant procurement details were not available on the record.

[Rupees in million]

Name of work	Name of contractor	Item	Amount
Rehabilitation of Urban Water Supply Scheme Thatta Package-II (CP-II)	M/s Harish & Co	Levelling, grading and plantation of 200 trees at bypass water works area	3.00

The matter was reported to the management during November, 2018. The management replied that it was a non-BOQ item and it was executed on the direction of the Secretary SID. The reply was not tenable as rate analysis and detailed estimates were not prepared. DAC meeting held on 10.07.2019, wherein the para was not discussed.

Audit requires detailed justification along with supporting record.

[SID Para:4.3.3.6]

8.2.3.84 Unjustified excess payment over and above the contract cost Rs 2.198 million

According to SPPRA Rules-16 (e) Repeat Orders – means procurement of additional quantities of the item(s) from the original contractor or supplier, where, after the items originally envisaged for the project or scheme have been procured through open competitive bidding, and such additional quantities of the same item(s) of goods or works are needed to meet the requirements of the project or scheme; Provided that; (i) the cost of additional quantities of item(s) shall not exceed 15% of the original contract amount.

During audit, it was observed that Executive Engineer, PHED Tharparkar, awarded works amounting Rs 25.933 million, during financial year 2018-19, but payment of Rs 28.851 million was made to contractors which resulted into excess payment of Rs 2.198 million. Detail is provided at Annex-PHE10.

Audit is of the view that excess payment over & above contract cost resulted into unjustified payment due to weak financial management.

The matter was reported to the management during September 2019, but failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Tharparkar replied that as per SPPRA Rule 16(E) the cost of additional quantity of items shall not exceed by 15% of original contract amount. DAC directed the concerned to justify the payment over and above the approved contract cost with documentary evidence. However, no compliance was made till the finalization report, while other offices did not respond.

Audit recommends that responsibility may be fixed on person(s) at fault for excess payment to contractors over & above the approved contract costs. Besides, recovery of excess payment from the contractors be made, under intimation to audit.

[AIR Para: 4]

8.2.3.85 Irregular and unjustified continuous payments on same working day Rs 1.956 million

As per Clause 2 of the Contract Agreement, “Quantity of work is to be done within the particular time as specified and within the proportionate time, such as 1/4th of work in 1/4th of the time, and contractor will abide by the program of detailed progress laid down by the executive engineer. In the event of the contractor failing to comply with this condition, he shall be liable to pay as compensation not exceeding 10% of the estimated cost of the work as shown in the tender”.

During audit, It was observed that Executive Engineer, PHED Tando Muhammad Khan, paid continuous payment of 2nd & 3rd R.A Bills of Rs 1.956 million, during 2017-18, on same day which transpires that advance payment was made to contractor as execution of civil work along with measurement which is not possible to record on same day.

(Amount in Rupees)

Work	Contractor	Vr#	Bill #	Cheque#	Amount
Providing & Installing Pumping Machinery P/L/J 6" Dia R/Main & Construction of S/Quarter RDS Suleman Soomro	M/S Hafiz Riaz Ahmed Work Order No. 241 dated 07.04.2017	D-7/20-01-2018	3rd R.A	2617592/26-01-18	493,008
		D-8/20-01-2018	2nd R.A	2617615/26-01-18	1,462,626
Total					1,955,634

Audit is of the view that public funds were misappropriated due to unjustified continuous payment of two running account bills of contractor which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meeting on 10-12-2019 allowed XEN PHE Tando Muhammad Khan to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for account of entertaining of two running accounts bill of contractors without checking physical structure as well as measurement book, under intimation to audit.

[AIR Para.:19]

8.2.3.86 Wasteful expenditure due to installation of improper plant Rs 1.78 million

As per Contract Agreement Volume-II G3.1.05 Laboratory Facilities (A) Contractor is to get water sample tests done from PCSIR or any other independent laboratory approved by the Engineer during water exploration, and tube well commissioning. (B) Contractor is to establish water test laboratory at each plant site for regular water tests of both feed and product water. A log of results from such tests will be maintained during the O&M period. Such water sample tests are also to be done weekly by approved outside laboratory.

During audit of scheme “Installation of 31 Reverse Osmosis Plants at District Tharparkar/Umerkot”, it was observed that the plant at village Sadhar was installed at the cost of Rs 1.78 million without taking into account TDS of raw water to be supplied to the filtration plant due to which plant was not producing sweet water as pointed out by the survey team of PHE&RD Department vide letter No.SCA-23/SID/2017-18/523 dated 02-03-2018.

Audit is of the view that due to ill-planning of management, the intended objective of the scheme could not be achieved, and the population of the area could not be benefited. As such, it was sheer wastage of resources by the project management.

The matter was reported to the management during November 2018. The management replied that the plant at Sadhar village was operational as per design parameters since the date of installation. The reply was not satisfactory as survey team of PHE&RD Department had reported in March 2018 that the plant was not producing sweet water. DAC meeting held on 10.07.2019, wherein the para was not discussed.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[SID Para:4.1.4.14]

8.2.3.87 Unjustified fixation of premium beyond ceiling – Rs 0.917 million

According to Public Health Engineering Department, Government of Sindh Letter No.DB/1626/of 2014 Dated: 24-10-14, “Keeping in view of the enhancement in rates for various material, labor, & equipment in the market, ceiling of premium for following categories of works are fixed to be adopted from 5th November 2014.

Sr.	Name of Work	Premium Ceiling
1	Earth Work	15% below
2	C.C. Pavement	@ Par
3	Pacca / Semi Pacca Storage Tanks	@ Par
4	Surface Drain, Bricks Pavement, Masonry Feeding Channel, Catch Pit, Soak Pit	10% Above
5	RCC Covered Nala	@ Par
6	Compound Wall, Pump House, Staff Quarter	5% above
7	RCC Clear Water Tank, Sumo Well	@ Par
8	RCC Collecting Tank, Securing Chamber	5% above
9	Slow Sand Filter	@ Par
10	Shallow Tube Well (by percussion method), Mechanical Filter Plants, Oxidation Ponds, Katcha Storage Tanks, Deep Tube Well (through rig)	10@ above
11	Rapid Gravity Filter & RCC High Service Reservoir	5% above
12	AC/PVC/PE/GI// Black Steel & RCC ASTM Pipes	20% Above
13	Repair Work of all Civil Structures	10% above

During audit, it was observed that Executive Engineer, PHED Tando Muhammad Khan, paid Rs 11.312 million, during financial years 2017-19, by allowing extra premium on estimated cost of Rs 0.917 million beyond ceiling fixed for each category.

Audit is of the view that the undue favour was extended to contractor on account of premium allowed beyond fixed ceiling which resulted into loss to public exchequer due to weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for allowing premium over and above the ceiling fixed. Besides, recovery of same may be made under intimation to audit.

[AIR Para: 13]

8.2.3.88 Procurement without constitution of procurement committee Rs 0.339 million

According to Rule 7 of SPPRA 2010, “The procuring agency shall, with approval of its Head of the Department, Constitute as many procuring committees, as it deems fit, each comprising odd number of persons and headed by the gazette officer not below the rank of BPS-18, or if not available, the officer of the highest grade, and shall ensure that at least one third of the members of a procurement committee are from the agencies or departments other than the procuring agency”.

During audit, it was observed that Secretary, PHE & RDD incurred an expenditure of Rs 0.339 million, during financial year 2018-19, without constituting procurement committee to examine rates offered by contractors/suppliers. Detail is as under:

(Amount in rupees)

Sr.	Voucher #	Description of Expenditure	Contractor / Supplier	Bill #	Sanction Order	Gross Amount
1	Sep,18	Various M&R Work	M/S Sarwan Enterprises	Nil 17-09-19	Nil dt: Nil	88,000
2	Sep,18	Various M&R Work	M/S Sajad Auto Workshop	Nil 12-04-19	Nil dt: Nil 2019	251,000
Total						339,000

Audit is of the view that expenditure incurred on various M/R works on artificial rates without assessment/examination by procurement committee which constituted weak financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meeting on 10-12-2019 allowed Secretary PHE & RDD to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for procurement on artificial rates without recommendation of procurement committee, under intimation to audit.

[Air Para: 1]

8.2.3.89 Un-justified expenditure on account of excess payment made to contractor - Rs 0.260 million

According to Rule 88 of Sindh Financial Rules Volume I & II “Every public officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in spending his own money. The drawing officer is responsible for seeing (1) that vouchers are prepared according to rules, (2) that the money is either required for immediate disbursement or has already been paid from the permanent advance, (3) that the expenditure is within the available appropriation, (4) that the steps have been taken with a view to obtain an additional appropriation , if the original appropriation has either been exceeded or is likely to be exceeded and (5) that in the case of contract contingencies, the proposed expenditure does not cause any excess over the amount fixed for these contingencies”.

During audit, it was observed that Chief Engineer, Public Health Engineering Department, Hyderabad purchased furniture amounting to Rs 0.035 million, during financial year 2017-18. However, payment of Rs 0.295 million was made to contractor which resulted into excess payment of Rs 0.260 million made to contractor. Detail is as under;

[Amount in rupees]

Description	Name of Supplier	Cheque No & Date	Amount
Purchase of chairs (01 at Rs 35,500/-)	M/s Osma Enterprises	2962322 dated 22.01.2018	295,928

Audit is of the view that expenditure on account of excess payment made to contractor was irregular which constituted weak financial management.

The matter was reported to the management during August 2019, but failed to provide departmental point of view. PAO also failed to convene DAC meeting despite repeated pursuance by audit.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular expenditure. Besides, recovery of excess payment from the contractor be made, under intimation to audit.

[AIR Para: 02]

8.2.3.90 Non-functioning of Reverse Osmosis & Ultra Filtration plants

According to Section (I) of Appendix 18-A of Sindh Financial Rules Volume I & II "Means should be devised to ensure that every government servant realizes fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or culpable negligence".

During audit, it was observed that following offices of PHE Department, Sindh installed 59 reverse osmosis plants and ultra-filtration plants for the benefit of the local public, during financial year 2018-19. However, these plants were non-functioning since long time and the number may increase in future due to non-maintenance of plants.

F.Y.	Para #	Name of offices	No of Non-functioning Plants
2017-19	9	PHE Tando Allahyar	41 Reverse .Osmosis. Plants
2018-19	12	PHE Ghotki	18 Ultra Filtration Plants

Audit is of the view that non-functioning of 41 reverse osmosis plants resulted into poor performance and lack of interest on part of management to provide basic facilities of clean water to public which constituted weak financial and administrative management.

The matter was reported to the management during September and November 2019. But, the management failed to provide departmental point of view. PAO convened DAC meeting on 29-11-2019. XEN PHE Tando Allahyar replied that rehabilitation is a continuous process whenever and wherever non-functionality is reported rehabilitation is ensure by the concerned XEN, PHE. DAC meeting on 10-12-2019 in which XEN PHE Ghotki replied that all UF plants were recently handed over to PHE and same will be made functional very soon. DAC did not agree with departmental point of view and directed the concerned to furnish proper justification for non-functional RO plants, and produce documentary evidence regarding the functioning of UF plants within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for non-functioning of 41 reverse osmosis plants, under intimation to audit.

[AIR Paras: 9, 12]

8.2.3.91 Non-preparation of Annual Development Plan

According to SPPRA Procurement Regulation (Works) Guideline - 2.9 Procurement Plan (Rule 11 of SPPRA 2010) states that “(1) (2) Procurement Plan shall contain the following information: 1. Serial Number, 2. Name of Scheme/Project along with Estimated Cost & date of approval, 3. Allocated Funds, 4. Funds reserved for on-going works. (Rolling Plan), 5. Estimated cost of on-going works (Rolling Plan), 6. Funds Reserved for remaining components (to be procured), 7. Estimated Cost of remaining components, 8. Nature of Procurement, 9. Method of Procurement, 10. Anticipated Date of Advertisement, 11. Anticipated Date of Start, 12. Anticipated Date of Completion.

During audit, it was observed that Secretary, PHE&RDD Sindh, did not provide annual development plan, mechanism for planning in detail all proposed procurements in view of the requirement within its available resources and hoist the same in advance on Authority’s website or its own website, during 2018-19.

Audit is of the view that non-preparation of Annual Development Plan resulted into weak financial & administrative management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC meeting on 10-12-2019, which allowed Secretary PHE&RDD to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for non-preparation of Annual Development Plan. Besides, the same may be prepared for each year and be hoisted on website before commencement of respective financial year, under intimation to audit.

[AIR Para.:1]

8.2.3.92 Unauthorized retention of Govt. vehicles by ex-officers

According to Rule 11 of Staff Car Rules, 1980 (amended up to 2008), states that, “A staff car belonging to an attached department or a subordinate office of a division shall not be used by the administrative department except (as provided) under rule 10 and every department of office shall be responsible for any miss-use or irregularity committed in this behalf”.

During audit, it was observed that Project Director, PMU, working under the control of Secretary, PHE&RDD Sindh, Karachi, failed to retrieve vehicles of the department from ex-officers, during financial year 2018-19. Detail is as under;

Sr..	Vehicle	Model	Registration #	Allotted to	Remarks	Status
1	Vigo	2018	GSE-261	Dr. Riaz Hamed Memon, Secretary PHED Sindh	On Road	Not Returned
2	Toyota XLI	2012	GSA-813	Dr. M Bux alias Raj Dharejo, P.D PMU, PHED	On Road	Not Returned
3	Suzuki Mehran	2013	GSB-234	Mr. Sohail Khan Dharejo, A.E.N	On Road	Not Returned

Audit is of the view that non retention of Govt. vehicles from Ex-officers constituted weak administrative & financial management.

The matter was reported to the management during November 2019, but failed to provide departmental point of view. DAC in its meeting on 10-12-2019, allowed Secretary PHE & RDD to furnish reply within a week, but no compliance of DAC directives was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for retention of govt vehicles, besides, retrieval of vehicles, under intimation to audit.

[AIR Para: 4]

8.2.3.93 Non-functioning of assets due to poor maintenance

Rule 88 of Sindh Financial Rules Vol-I states that, “Every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.”

During audit of Drinking Water Hubs (Phase-I, II & III), it was observed that during physical verification of plants conducted by survey team of PHE&RD Department and subsequent joint physical verification by Audit and representatives of the Government of Sindh, following discrepancies were noted;

- i. During joint verification, 54% plants were found non-functional (Annex-PHE11).
- ii. Two units were reported “non-existent” on given locations provided by the Sindh Government (Annex-PHE12).

- iii. Out of sample selected 318 locations, on 229 (72%) locations TDS meters were not available to check the quality of water, both raw as well as produced water (Annex-PHE13).
- iv. Membranes were choked thereby affecting the quality and quantity of water.
- v. The filters were bypassed at many plants owing to leakages.

Audit is of the view that despite incurring huge expenditure on creation of assets, the management failed to achieve intended objective of the project.

The matter was reported to the management during December 2018. The management replied that majority of O&M contracts expired in June 2018 and confusion prevailed afterwards about responsible authority required to carry out O&M of installed plants. Moreover, salaries of the staff were also not paid, who shut down the RO plants. The reply was not satisfactory as concerned administrative department was required to take control of installed plants after expiry of contract terms. DAC meeting held on 10.07.2019, wherein the para was not discussed.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[SID Para:4.1.3.1]

8.2.3.94 Award of work without international competitive bidding

According to Rule 15(2) (a) of Sindh Public Procurement Regulatory Authority (SPPRA) Rules 2010, “(i) International Competitive Bidding is open to all interested parties, firms or individuals, whether national or international, but subject to Rule 29; (ii) International Competitive Bidding shall be the default method of procurement for all procurements with an estimated cost equivalent to US\$ 10 million or above. However, as per Rule 15 (2) (b) (iii) of SPPRA, “the head of department of the procuring agency may opt for national competitive bidding by recording reasons and justification for his decision.”

During audit of Special Initiative Department (Defunct), it was observed that following schemes were awarded through National Competitive Bidding (NCB) instead of International Competitive Bidding (ICB) without recording cogent reasons. Further scrutiny of tender documents revealed that against four NITs during the years 2012 to 2014, each time the work was awarded to a single contractor M/s Pak Oasis Industries (Pvt) Ltd, leading to the reasonable doubt that tender documents were tailor-made for that specific contractor.

[Rs. in million]

Sr.	Name of Schemes	Name of Contractor	Status	Amount
1.	Drinking Water Hub Phase-I	M/s Pak Oasis Industries (Pvt) Ltd.	Completed	2,444.70
2.	Drinking Water Hub Phase-II		On-going	3,837.31
3.	Drinking Water Hub Phase-III		On-going	5,490.37
4.	Solar Power Generation for Phase-I & II		On-going	2,080.00
			Total	13,852.378

Audit is of the view that management deliberately opted for national bidding to facilitate one contractor i.e. M/s Pak Oasis Company.

The matter was reported to the management during November 2018. The management replied that the NIT contained scope of work and bidding documents as per SPPRA; plants locations were mentioned in the bid document and competent authority had approved the selection of NCB. The reply was not satisfactory as management was required to record reasons and justifications for selection of NCB instead of ICB. DAC meeting held on 10.07.2019, wherein the management stated that Rule 15(2)(b)(iii) of SPPRA 2010 allowed national competitive bidding for procurement with an estimated cost equivalent to US\$ 10 million or above. DAC directed the management to produce documentary evidence showing reasons / justification for NCB to audit for verification. However, no compliance was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[SID Para:4.1.4.4]

8.2.3.95 Payment made without requisite certificates

According to Clause G1.4 of bidding documents Volume II of scheme, “Establishment of Drinking Water Hubs (Phase-I) All District of Sindh Province”, the following certificates were required along the project life.

1. Tube well sustainable water availability certificates from the Engineers and/or independent agency.
2. Verification of electricity supply from WAPDA
3. Commissioning, testing and verification certificate by the Employer.
4. Verification of operational cost at the end of operating contract by the employer
5. Plant Warranty for 1,095 days from Handover Certificate.

During audit of Establishment of Drinking Water Hubs (Phase-I), it was observed that payment of Rs 3,017.06 million was made to M/s Pak Oasis on account of “Procurement & Installation of Nano Filtration/Ultra Filtration/Reverse Osmosis Filtration Plants” which was held irregular on following grounds:

- i. Certificate regarding quality and quantity of processed water was not available on record.
- ii. Certificate regarding satisfactory completion of work was not available on record.
- iii. Availability of electricity supply from HESCO, SEPCO & KESC was not ensured before commencement of work.
- iv. Laboratory tests of quality of water from third party were also not conducted.
- v. Plant warranty certificate was also not obtained from the contractor.

Audit is of the view that payment without obtaining above required certificates was against principles of financial propriety and also deemed to be failure of internal controls.

The matter was reported to the management during November 2018. The management replied that the contractor had submitted certificate for one-year defect liability and three years warranty and did not charge any amount during currency of the contract. The reply submitted was not to the point as it failed to respond to specific audit observations. DAC meeting held on 10.07.2019, wherein the management stated that all certificates are available. DAC directed the management to produce the documentary evidence to audit for verification. However, no compliance was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault for irregular execution of work, under intimation to audit.

[SID Para:4.1.4.5]

8.2.3.96 Expenditure on filtration plants in absence of laboratory reports

As per Contract Agreement Volume-I IB.26.2 ‘Mandatory Requirements’ para N/4 “Certificate from technology providers must be provided with the technical bid confirming...technical specifications and comprehensive warranty terms are fully supported based on the design submitted by the bidder on the basis of their technology to treat and convert the Raw/Feed water to potable water meeting WHO standards.” Further, as per Contract Agreement Volume-II G3.1.05 Laboratory Facilities (A) Contractor is to get water sample tests done from PCSIR or any other independent laboratory approved

by the engineer during water exploration, and tube well commissioning. (B) Contractor is to establish water test laboratory at each plant site for regular water tests of both feed and produced water. A log of results from such tests will be maintained during the O&M period. Such water sample tests are also to be done weekly by approved outside laboratory.

During audit of Drinking Water Hubs Phase-II, it was observed that management did not obtain laboratory test reports regarding required TDS while releasing the payment of Rs 3,132.07 million to the contractor. The contractor was required to establish laboratory for each plant which was not done on site during O&M period. Moreover, contractor was required to get water sample tested from PCSIR or any other independent laboratory. Management failed to produce log of test reports as required per agreement. The details are as under:

[Rs. in million]

Description	No. of plants	Amount
Nano Filtration plant of raw water with TDS<3500 ppm	311	1,245.441
RO plants for treatment of raw water with TDS from >3500 and 15000<ppm	274	1,312.460
RO plants for treatment of raw water TDS >15000 and 30000< ppm	57	310.896
Ultra-Filtration Plant (TSS)	132	263.277
Total	774	3,132.074

Audit is of the view that the lapse indicated weak internal controls.

The matter was reported to the management during November 2018. The management replied that certificates from the technology provider were given which can be checked from technology provider. Moreover, centralized laboratories were developed at Mithi, Nawab Shah and Karachi and handy lab kits were provided to monitoring officers for quality verification. The reply was not satisfactory as the management was required to get TDS tested from PCSIR / independent laboratory. Moreover, documentary evidence regarding existence of centralized laboratories and monthly monitoring reports by such laboratories were not furnished. DAC meeting held on 10.07.2019, wherein the management stated that that Laboratory test of each plant being conducted at site on random basis on regular intervals by the contractors with Handy TDS and PH Meters and monitor by the presently, O&M Wing of the PHED. Moreover, similar tests have been conducted by teams of Deputy Commissioners under Supreme Court Orders. DAC directed the management to get verified the test reports as per Volume-I IB.26.2 and compliance of Contract Agreement Volume-I G3.1.05 Laboratory Facilities (A) from audit. However, no compliance was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[SID Para: 4.1.4.6]

8.2.3.97 Defective evaluation of technical proposal

According to clause (h) of sub-rule (1) of rule 21 of Sindh Public Procurement (SPP) Rules, 2010, “the bidding documents shall include detailed and unambiguous evaluation criteria”. Further, according to sub-rule (1) of rule 42 of SPP Rules 2010, “all bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the bidding documents”. Moreover, according to clause (e) of sub-rule (2) of rule 46 of SPP Rules 2010, “procuring agency shall evaluate the technical proposal in a manner prescribed in advance, without reference to the price and reject any proposal which does not confirm to the specified requirements”.

During audit of Drinking Water Hub Phase-III, it was observed that M/s Pak Oasis Industries (Pvt) Limited was awarded work “Design, procurement, installation, testing and commissioning of water filtration plants” to be operated on solar power system amounting to Rs 5,490.375 million. Following irregularities were noticed:

1. Required documents to verify the turnover of the bidder as per technical evaluation criteria were not available.
2. Details of manufacturers of plant, production capacity, industry ranking, and details of last 05 years import of plants by bidder were not available.
3. Documentary evidence regarding other conditions mentioned in advertisement including legal status of firm, company profile and other criteria were not taken into consideration for evaluation of technical proposal.

Audit is of the view that management extended undue favour to the contractor.

The matter was reported to the management during November 2018. The management replied that the procurement committee carried out the technical evaluation as per criteria given in the bidding documents. The reply was not satisfactory as it failed to respond to audit observations mentioned above. DAC meeting held on 10.07.2019, wherein the management stated that the Procurement Committee is competent and authorized to perform the function as per SPPRA Rule-2010 (Amended-2017). The technical evaluation has been carried out as per criteria given in the bidding documents.

As per technical evaluation criteria each member of the procurement committee awarded the marks and the final marks under each category was the average of the marks given by each committee member. DAC showed concern over marks allocated by the procurement committee in fractions and directed the management to produce the documentary evidence to audit for verification. However, no compliance was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[SID Para: 4.1.4.12]

8.2.3.98 Non-utilization of bill of quantity prepared by consultant

According to Rule 13 of Sindh Financial Rules, “In the discharge of his ultimate responsibilities for the administration of an appropriation or part of an appropriation placed at his disposal every Controlling officer must satisfy himself not only that adequate provisions exist within the departmental organization for systematic internal checks calculated to prevent and detect errors and irregularities in the financial proceedings of its subordinate officers and to guard against waste and loss of public money and stores but also that the prescribed checks are effectively applied.”

During audit of “Supply and Installation of Reverse Osmosis Water Desalination Plant at Manora Island”, it was observed that management hired the services of consultant M/s G-3 Engineering for preparation of bidding documents along with BOQ with detailed specifications of the work to be carried out. However, management issued bidding documents with BOQ of general nature instead of using the detailed BOQ prepared by the consultant for which consultant was paid.

Audit is of the view that the management compromised the quality of work by accepting the generalized BOQ without specifications instead of the BOQ prescribed by the consultant.

The matter was reported to the management during November 2018. The management replied that bidding documents and BOQ as prepared by the consultant were handed over to the bidder for submitting the bid on composite rate basis. The reply was not satisfactory as the work was not executed using the detailed BOQ prepared by the consultant. DAC meeting held on 10.07.2019, wherein the management stated that payment made to the contractor has duly verified by the consultant as per contract

agreement and the department released the payment accordingly. DAC directed the management to produce the documentary evidence to audit for verification. However, no compliance was made till the finalization of report.

Audit recommends that responsibility may be fixed on person(s) at fault, under intimation to audit.

[SID Para: 4.1.4.13]

ANNEXURES

**MEMORANDUM FOR DEPARTMENTAL ACCOUNTS COMMITTEE
(MFDAC)**

**Part-i Paras related to current financial year 2018-19
LGD, KMC & KW&SB**

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
1.	5	LGD	2018-19	Secretary Local Government Department Housing & Town Planning	Improper maintenance of cash book	0.000
2.	6	LGD	2018-19	-do-	Irregular expenditure on account of repair & maintenance of vehicles	0.635
3.	7	LGD	2018-19	-do-	Undue favor to specific supplier/contractor	1.245
4.	9	LGD	2018-19	-do-	Failure to prepare annual procurement plan	0.000
5.	10	LGD	2018-19	-do-	Irregular payment of allowances	0.432
6.	12	LGD	2018-19	-do-	Non -verification of service books	0.000
7.	2	LGD	2018-19	Secretary Local Government Board, Sindh	Irregular expenditure on account of payment of medical re-imbursment without fulfilment of codal formalities	0.915
8.	3	LGD	2018-19	-do-	Non-utilization of funds/ non-surrendering of savings	26.299
9.	5	LGD	2018-19	-do-	Irregular expenditure on account payment of conveyance charges	0.181
10.	7	LGD	2018-19	-do-	Non-maintenance of TA/DA register	0.205
11.	8	LGD	2018-19	-do-	Non-maintenance of dead stock register	0.000
12.	9	LGD	2018-19	-do-	Non-compliance of Supreme Court order regarding early payment of pensionary dues	0.000
13.	10	LGD	2018-19	-do-	Irregular Expenditure without Supporting Vouchers	0.554
14.	11	LGD	2018-19	-do-	Irregular posting of Non-SCUG employee as	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
					Director-I	
15.	12	LGD	2018-19	Secretary Local Government Board, Sindh	Non-account of procured items into relevant stock register	0.291
16.	4	LGD	2018-19	Director General Karachi Development Authority	Non-verification of degrees and diploma certificates of employees from respective universities/institutions and Higher Education Commission	0.000
17.	8	LGD	2018-19	Director General Karachi Development Authority	Non-maintenance of cash book	0.000
18.	9	LGD	2018-19	Director General Karachi Development Authority	Irregular expenditure on account of repair & maintenance of vehicles	0.173
19.	14	LGD	2018-19	Director General Karachi Development Authority	Expenditure without approval of budget estimates from Government	0.000
20.	19	LGD	2018-19	Director General Karachi Development Authority	Failure to furnish mandatory income tax statement	0.000
21.	21	LGD	2018-19	Director General Karachi Development Authority	Irregular payment to employee instead of concerned vender	1.478
22.	22	LGD	2018-19	Director General Karachi Development Authority	Non-account of procured items into relevant stock registers	1.017
23.	24	LGD	2018-19	Director General Karachi Development Authority	Irregular expenditure on account of payment of financial assistance	19.600
24.	25	LGD	2018-19	Director General Karachi Development Authority	Irregular expenditure on account final payments of developments works without availability of completion reports	2.954
25.	26	LGD	2018-19	Director General Karachi Development Authority	Non-maintenance of dead stock register	0.000
26.	27	LGD	2018-19	Director General	Non-conducting of annual	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Karachi Development Authority	physical verification of stock & stores	
27.	28	LGD	2018-19	Director General Karachi Development Authority	Non-conducting of internal audit & inspection	0.000
28.	29	LGD	2018-19	Director General Karachi Development Authority	Irregular expenditure on account of advance payment of security deposit	1.500
29.	30	LGD	2018-19	Director General Karachi Development Authority	Irregular expenditure by way of splitting work orders	0.471
30.	4	LGD	2018-19	DG Sehwan Development Authority	Irregular payments of bills without pre-audit	62.796
31.	7	LGD	2018-19	DG Sehwan Development Authority	Non-prevention of SDA land/property from encroachment	0.000
32.	10	LGD	2018-19	DG Sehwan Development Authority	Non-production of record related to project director SDA Jamshoro	0.000
33.	11	LGD	2018-19	DG Sehwan Development Authority	Non-conducting of annual physical verification of stock and stores	0.000
34.	8	LGD	2018-19	DG, MDA	Irregular expenditure to work charged staff	16.797
35.	11	LGD	2018-19	DG, MDA	Non-reconciliation of income tax with DC Inland Revenue	14.237
36.	12	LGD	2018-19	DG, MDA	Irregular payment of financial assistant without supporting documents	4.413
37.	14	LGD	2018-19	DG, MDA	Irregular payment without contract agreement	9.786
38.	18	LGD	2018-19	DG, MDA	Non-clearing of submitted cases of mutation, etc and transfer during 2018-19	0.000
39.	20	LGD	2018-19	DG, MDA	Unjustified expenditure on security charges	1.043
40.	6	LGD	2018-19	DG, SBCA	Irregular expenditure on account of refund of security deposit	4.534
41.	9	LGD	2018-19	DG, SBCA	Irregular issuance of NOC for sale of public projects	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
					without obtaining NOC from civil aviation authority	
42.	12	LGD	2018-19	DG, SBCA	Irregular approval of vetting report without mentioning details of live load	0.000
43.	13	LGD	2018-19	DG, SBCA	Irregular approval of building plans without environmental screening certificates	0.000
44.	15	LGD	2018-19	DG, SBCA	Irregular issuance of NOC for sale and advertisement of flats & shops without obtaining ABAD licenses	0.000
45.	20	LGD	2018-19	DG, SBCA	Irregular payment of advances to employees without adjustments	1.516
46.	21	LGD	2018-19	DG, SBCA	Non-disposal of un-serviceable/condemned vehicles	0.000
47.	14	LGD	2018-19	MD, ZDA	Function of authority without development activities & non-preparation of master plan as well as phased master-plan by the Authority	0.000
48.	15	LGD	2018-19	MD, ZDA	Non-execution of development works at site	0.000
49.	16	LGD	2018-19	MD, ZDA	Irregular award of security services to company without SRB registration	0.109
50.	23	LGD	2018-19	MD, ZDA	Non-conducting of Governing body meeting and executive committee meeting as per ZDA Act	0.000
51.	30	LGD	2018-19	MD, ZDA	Movement of official vehicles out of head quarter without justification	0.000
52.	31	LGD	2018-19	MD, ZDA	Irregular expenditure incurred on repair of vehicles	0.529
53.	32	LGD	2018-19	MD, ZDA	Wastage of authority funds on procuring vehicles unnecessarily	0.000
54.	33	LGD	2018-19	MD, ZDA	Irregular appointment of too many cooks unnecessarily	0.000
55.	6	LGD	2018-19	MD, SSWMB	Non preparation of security deposit register	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
56.	10	LGD	2018-19	MD, SSWMB	Irregular payment to employee instead of concerned vender	0.570
57.	11	LGD	2018-19	MD, SSWMB	Non hiring the services of consulting firm for third party monitoring & evaluation	0.000
58.	12	LGD	2018-19	MD, SSWMB	Irregular expenditure by way of splitting work order	0.310
59.	14	LGD	2018-19	MD, SSWMB	Non availing the opportunity of generating revenue through recycling of waste	0.000
60.	4	LGD	2018-19	DG, H.D.A (Main Secretariat)	Unjustified expenditure on account of payment of advance salaries	3.255
61.	6	LGD	2018-19	DG H.D.A (Main Secretariat)	Payment of salaries without pay fixation in service books	0.000
62.	7	LGD	2018-19	DG H.D.A (Main Secretariat)	Non-accountal of procured items/material into relevant stock register(s)	1.278
63.	9	LGD	2018-19	MD WASA, H.D.A	Unjustified expenditure without monitoring on ADP schemes without third party monitoring report	10.298
64.	17	LGD	2018-19	MD WASA, H.D.A	Un-authorized Expenditure on account of Payment Utility Allowance	44.972
65.	18	LGD	2018-19	MD WASA, H.D.A	Payment of salaries without verification of service books	0.000
66.	19	LGD	2018-19	MD WASA, H.D.A	Non-accountal of procured items/material into relevant stock register(s)	4.130
67.	4	LGD	2018-19	PD Housing-I, H.D.A	Non reconciliation of deposition of taxes – Rs 3.086 million	3.086
68.	7	LGD	2018-19	PD Housing-I, H.D.A	Unjustified refund of security deposit to contractor without completion certificate	2.801
69.	4	LGD	2018-19	Director P&DC, H.D.A	Unjustified expenditure on account of payment utility allowance	8.604
70.	5	LGD	2018-19	Director P&DC, H.D.A	Unjustified expenditure on account of payment of advance salaries	2.982

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
71.	6	LGD	2018-19	Director P&DC, H.D.A	Unjustified payment against salaries to staff posting on detailment	7.834
72.	9	LGD	2018-19	Director Finance & Accounts	Un-authorized advance payment on account of heat stroke and other misc, items without adjustment	0.577
73.	11	LGD	2018-19	Director Finance & Accounts	Non-deposit of deducted income tax from salaries into relevant head of account	0.931
74.	12	LGD	2018-19	Director Finance & Accounts	Un-authorized opening & maintenance of bank accounts in private banks instead of govt. designated banks	0.000
75.	15	LGD	2018-19	Director Finance & Accounts	Payments of charges for Independence day celebration	1.000
76.	7	LGD	2018-19	Director Recovery, KDA	Loss to government due to poor performance of management	0.000
77.	8	LGD	2018-19	Director Recovery, KDA	Joining without fulfilling of codal formalities	0.000
78.	9	LGD	2018-19	Director Recovery, KDA	Unauthorized operation of financial transaction in private banks	0.000
79.	10	LGD	2018-19	Director Recovery, KDA	Unauthorized expenditure on purchases without providing delivery challans	0.099
80.	9	LGD	2018-19	Director H&TP, Hyderabad	Un-authorized allotment of vehicles without and above the entitlement	0.000
81.	10	LGD	2018-19	Director H&TP, Hyderabad	Non-conducting of annual physical verification of stock and stores	0.000
82.	4	LGD	2018-19	Executive Engineer Special Development Package Engineering Department, KDA	Doubtful / invalid procurement committee	0.000
83.	9	LGD	2018-19	Executive Engineer Special Development Package Engineering Department, KDA	Improper maintenance of cash book	0.000
84.	5	LGD	2017-18	DG, SBCA	Un-authorized retention of government vehicles	0.000
85.	8	LGD	2017-18	DG, SBCA	Irregular approval of vetting	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
					report without mentioning details of live load	
86.	10	LGD	2017-18	DG, SBCA	Un-authorized advance payment to employee on construction of building without obtaining approval of technical sanction & administrative approval	0.800
87.	11	LGD	2017-18	DG, SBCA	Irregular approval of building plans without environmental screening certificates	0.000
88.	12	LGD	2017-18	DG, SBCA	Irregular issuance of NOC for sale of public projects without obtaining NOC from civil aviation authority	0.000
89.	13	LGD	2017-18	DG, SBCA	Unauthorized payment on account of OPD charges allowed to employees	3.091
90.	14	LGD	2017-18	DG, SBCA	Unauthorized expenditure on account of outsourcing of demolishing without calling tender	4.395
91.	17	LGD	2017-18	DG, SBCA	Irregular payment made to employees instead of vendors	0.348
92.	21	LGD	2017-18	DG, SBCA	Non-disposal of un-serviceable/condemned vehicles, machinery and old parts	0.000
93.	22	LGD	2017-18	DG, SBCA	Non -verification of service books	0.000
94.	4	LGD	2017-18	PD, LERP	Unjustified payment made to Nazir High Court	0.156
95.	5	LGD	2017-18	PD, LERP	Expenditure incurred on POL without preparation of log books	0.695
96.	7	LGD	2017-18	PD, LERP	Irregular payment made to contractor without verification from deputy commissioner	0.510
97.	8	LGD	2017-18	PD, LERP	Irregular registration of govt. vehicle in private number	0.000
98.	9	LGD	2017-18	PD, LERP	Non-maintenance of dead stock register	0.000
99.	4	LGD	2017-18	Director, PM&E	Expenditure incurred on	0.227

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Department	POL without preparation of log books	
100.	5	LGD	2017-18	Director, PM&E Department	Irregular drawl of POL on Private vehicle	0.227
101.	6	LGD	2017-18	Director, PM&E Department	Non-maintenance of dead stock register	0.000
102.	7	LGD	2017-18	Director, PM&E Department	Improper maintenance of cash book	0.000
103.	10	LGD	2017-18	CMO, KDA	Suspicious payment of medical advance to retired employees	1.783
104.	11	LGD	2017-18	CMO, KDA	Non adjustment of previously paid medical advance	13.237
105.	16	LGD	2017-18	CMO, KDA	Non accountal of purchased items	0.357
106.	17	LGD	2017-18	CMO, KDA	Non conducting of annual physical verification of stock item/ articles	0.000
107.	5	LGD	2018-19	PD, Local Government, Karachi	Non-maintenance of Work Register	0.000
108.	6	LGD	2018-19	PD, Local Government, Karachi	Non-reconciliation of expenditure	0.000
109.	9	LGD	2018-19	PD, Local Government, Karachi	Non-maintenance of Cash Book	0.000
110.	10	LGD	2018-19	PD, Local Government, Karachi	Unauthorized award of work on less deposition of Performance Security or Bank Guarantee	80.329
111.	11	LGD	2018-19	PD, Local Government, Karachi	Un-justified Payments without Physical Progress of Works	0.000
112.	12	LGD	2018-19	PD, Local Government, Karachi	Procurements without constitution & hoisting of Complaint Redressal Committee (CRC)	0.000
113.	2	LGD	2018-19	SE, Local Government, Project Hyderabad	Un-authorized creation of liabilities	3.899
114.	5	LGD	2018-19	SE, Local Government, Project Hyderabad	Irregular expenditure on account of payment of running bills without signature of concerned contractors on running bills	98.002

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
115.	9	LGD	2018-19	SE, Local Government, Project Hyderabad	Irregular expenditure on account final payments of developments works without availability of completion reports	3.934
116.	10	LGD	2018-19	SE, Local Government, Project Hyderabad	Irregular payment without check measurement	65.497
117.	11	LGD	2018-19	SE, Local Government, Project Hyderabad	Irregular refund of security deposit to contractors without observing codal formalities	12.000
118.	12	LGD	2018-19	SE, Local Government, Project Hyderabad	Non-Imposition of Penalty on delay in completion of works	52.391
119.	13	LGD	2018-19	SE, Local Government, Project Hyderabad	Irregular award of work over and above the estimated cost	63.778
120.	14	LGD	2018-19	SE, Local Government, Project Hyderabad	Non-utilization of funds/ non-surrendering of savings	20.052
121.	5	LGD	2018-19	Senior Director, Master Plan (SBCA)	Irregular grant of NOC for amalgamation of Plots	0.000
122.	6	LGD	2018-19	Senior Director, Master Plan (SBCA)	Non-maintenance of cash book	0.000
123.	8	LGD	2018-19	Senior Director, Master Plan (SBCA)	Irregular grant of NOC for sub-division	0.000
124.	9	LGD	2018-19	Senior Director, Master Plan (SBCA)	Non-finalization of disciplinary case against officer	0.000
125.	11	LGD	2018-19	Senior Director, Master Plan (SBCA)	Irregular grant of NOC for change of land use	0.000
126.	15	LGD	2018-19	Senior Director, Master Plan (SBCA)	Failure to prepare annual procurement plan	0.000
127.	12	KMC	2018-19	Metropolitan Commissioner	Improper maintenance of cash book	0.000
128.	13	KMC	2018-19	Metropolitan Commissioner	Non-surrender of saving on time	8.493
129.	14	KMC	2018-19	Metropolitan Commissioner	Non-conducting of annual physical verification of stocks and stores	0.000
130.	15	KMC	2018-19	Metropolitan Commissioner	Non-maintenance of stock register for medical equipment	0.000
131.	10	KMC	2018-19	Director General, Technical Services	Irregular expenditure without supporting vouchers	28.138
132.	11	KMC	2018-19	Director General,	Irregular expenditure on	724.774

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Technical Services	account of execution of works without maintenance of contractor ledger	
133.	15	KMC	2018-19	Director General, Technical Services	Irregular payment without check measurement	69.842
134.	16	KMC	2018-19	Director General, Technical Services	Non-recording financial transactions in cash book	28.138
135.	18	KMC	2018-19	Director General, Technical Services	Non-publication of notice inviting tender in leading newspapers	75.301
136.	20	KMC	2018-19	Director General, Technical Services	Irregular expenditure on account of execution of works without signatures of contractors on running bills	134.991
137.	11	KMC	2018-19	Director General, Park & Horticulture	Non-development of public parks & open places	0.000
138.	4	KMC	2018-19	Senior Director, Municipal Services	Non-adjustment for advance payment against expenditure on shab-e-barat	0.967
139.	8	KMC	2018-19	Senior Director, Municipal Services	Irregular award of work without obtaining performance security from contractors	4.800
140.	9	KMC	2018-19	Senior Director, Municipal Services	Non-surrender of un-utilized budget in time	46.260
141.	12	KMC	2018-19	Senior Director, Municipal Services	Improper maintenance of cash book	0.000
142.	14	KMC	2018-19	Senior Director, Municipal Services	Irregular award of work without constituting procurement committee	48.080
143.	2	KMC	2018-19	Senior Director, Finance & Accounts, KMC	Unjustified procurement without constitution of procurement committee	0.287
144.	3	KMC	2018-19	Senior Director, Finance & Accounts, KMC	Non accountal articles into store / stock register	0.892
145.	7	KMC	2018-19	Senior Director, Finance & Accounts, KMC	Unjustified utilization of monthly imprest	0.841
146.	9	KMC	2018-19	Senior Director, Finance & Accounts, KMC	Unreconciled deposition of taxes with public exchequer	0.776
147.	3	KMC	2018-19	Senior Director, Information Technology	Unjustified payment of liability	0.099
148.	5	KMC	2018-19	Senior Director, Information	Non utilization of funds	0.751

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Technology		
149.	5	KMC	2018-19	Senior Director, Transport & Communication	Irregular award of work without constituting procurement committee	65.000
150.	6	KMC	2018-19	Senior Director, Transport & Communication	Irregular award of work without obtaining performance security from contractors	6.500
151.	7	KMC	2018-19	Senior Director, Transport & Communication	Non-conducting of annual physical verification of stocks and stores	0.000
152.	8	KMC	2018-19	Senior Director, Transport & Communication	Improper maintenance of cash book	0.000
153.	9	KMC	2018-19	Senior Director, Transport & Communication	Non-maintenance of stock register for purchase of various items	0.000
154.	2	KMC	2018-19	Senior Director, Katchiabadi	Irregular posting of officers/ officials working on deputation/ detailment basis to other departments	0.000
155.	5	KMC	2018-19	Senior Director, Katchiabadi	Non accountal of procured items into relevant stock register	0.100
156.	7	KMC	2018-19	Senior Director, Katchiabadi	Non reconciliation of receipts challans with bank & accounts department	72.768
157.	8	KMC	2018-19	Senior Director, Katchiabadi	Non preparation of amelioration plan	0.000
158.	9	KMC	2018-19	Senior Director, Katchiabadi	Non revision of lease fees	0.000
159.	7	KMC	2018-19	Director Land Management	Irregular transfer/ mutation of property without maintaining land register	0.122
160.	9	KMC	2018-19	Director Land Management	Loss due to charging mutation charges (2%) on old declared value of property on sale/ other deed	0.000
161.	10	KMC	2018-19	Director Land Management	Non transparency in transfer/ mutation due to no proof/ system of physical appearance of transfer	0.000
162.	12	KMC	2018-19	Director Land Management	Non-surrender of un-utilized budget in time	0.801
163.	15	KMC	2018-19	Director Land Management	Non-maintenance of cash book	0.304
164.	16	KMC	2018-19	Director Land	Loss to government due	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Management	non-recovery of income tax from payments of salaries at the time of payment	
165.	4	KMC	2018-19	Principal, Karachi Medical Dental College	Irregular free ship awarded to students	0.982
166.	6	KMC	2018-19	Principal, Karachi Medical Dental College	Difference in monthly closing balances of cash book and bank statement	83.863
167.	8	KMC	2018-19	Principal, Karachi Medical Dental College	Award of work by giving undue favour to contractor without fulfilling qualifying mandatory requirements of the bid	8.164
168.	6	KMC	2017-18	Senior Director, Anti Encroachment	Failure to provide proof for depositing of deducted income tax and gst into government account	1.357
169.	7	KMC	2017-18	Senior Director, Anti Encroachment	Non reconciliation of recovery statement without revenue receipt department,	0.630
170.	8	KMC	2017-18	Senior Director, Anti Encroachment	Irregular posting of staff to their department on detailment basis	0.000
171.	9	KMC	2017-18	Senior Director, Anti Encroachment	Non accountal of purchased stationary items	0.150
172.	10	KMC	2017-18	Senior Director, Anti Encroachment	Non maintenance of cash book	0.212
173.	4	KMC	2017-18	Director, Medical Services	Non-maintenance of cash book	0.345
174.	5	KMC	2017-18	Director, Medical Services	Irregular posting of staff on detailment basis	0.000
175.	6	KMC	2017-18	Director, Store & Procurement	Irregular auction of vehicles on weight basis instead of lot	0.000
176.	7	KMC	2017-18	Director, Store & Procurement	Non-maintenance of cash book	1.825
177.	8	KMC	2017-18	Director, Store & Procurement	Non-accountal of purchased items	2.277
178.	9	KMC	2017-18	Director, Store & Procurement	Non-conducting of physical verification of stock items / articles	0.000
179.	10	KMC	2017-18	Director, Store & Procurement	Internal audit & inspection not conducted by controlling officer	0.000
180.	4	KMC	2017-18	Medical Superintendent,	Non-reconciliation of receipts/challans from	1.199

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Landhi Medical Complex	Bank/treasury	
181.	5	KMC	2017-18	Medical Superintendent, Landhi Medical Complex	Un-authorized occupation of Landhi medical complex flats by Sindh government employees of health department	0.000
182.	6	KMC	2017-18	Medical Superintendent, Landhi Medical Complex	Posting and payment of salary to officers posted against out of cadre posts in contravention to orders of honorable supreme court of Pakistan	16.595
183.	7	KMC	2017-18	Medical Superintendent, Landhi Medical Complex	Irregular payment of salary to staff posted in other department on detailment basis	28.587
184.	7	KMC	2017-18	Medical Superintendent, Gizri Maternity Hospital	Non-reconciliation of payment to revenue receipt department, KMC	1.466
185.	2	KMC	2018-19	ED, KIHD	Irregular expenditure on account of janitorial & washing services without approval of competent authority	8.552
186.	6	KMC	2018-19	ED, KIHD	Non-accountal of procured items into relevant stock register	12.512
187.	8	KMC	2018-19	ED, KIHD	Non-achievement of targeted receipts	10.625
188.	10	KMC	2018-19	ED, KIHD	Non-cancelation of memorandum of understanding (MoU) due to non-compliance of terms & conditions of MOC	0.000
189.	13	KMC	2018-19	ED, KIHD	Non-reconciliation of receipts	34.620
190.	3	KW&SB	2018-19	Managing Director, KW&SB	Non accountal of miscellaneous items	0.781
191.	6	KW&SB	2018-19	Managing Director, KW&SB	Irregular expenditure on a/c of stationary due to non-obtaining NOC from govt. press	0.171
192.	8	KW&SB	2018-19	Managing Director, KW&SB	Lack of trainings/H.R/refresher course/higher studies	0.000
193.	9	KW&SB	2018-19	Managing Director, KW&SB	Lack of internal control due to non-conducting of	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
					internal audit	
194.	15	KW&SB	2018-19	Managing Director, KW&SB	Non-installation of CCTV camera monitoring system in MD (KW&SB) Karachi	0.000
195.	3	KW&SB	2018-19	Deputy Managing Director, Finance	Non-installation of fire alarm system / smoke detectors & fire-extinguishers at DMD-finance, KW&SB, Karachi	0.000
196.	4	KW&SB	2018-19	Deputy Managing Director, Finance	Non-installation of CCTV camera monitoring system in DMD-finance, KW&SB, Karachi.	0.000
197.	12	KW&SB	2018-19	Deputy Managing Director, Finance	Non-facilitations to consumers in depositing of bills in all banks and through mobile application	0.000
198.	15	KW&SB	2018-19	Deputy Managing Director, Finance	lack of trainings/H.R/refresher course/higher studies	0.000
199.	16	KW&SB	2018-19	Deputy Managing Director, Finance	lack of internal control due to non-conducting of internal audit	0.000
200.	18	KW&SB	2018-19	Deputy Managing Director, Finance	Loss to government due to non-insurance of official vehicles & without tracker device	0.000
201.	3	KW&SB	2018-19	Deputy Managing Director, HRD&A	Lapse of government money due to non-surrendering of savings	0.153
202.	6	KW&SB	2018-19	Deputy Managing Director, HRD&A	Lack of trainings/H.R/refresher course/higher studies	0.000
203.	8	KW&SB	2018-19	Deputy Managing Director, HRD&A	Non-Reconciliation Of Utility Charges	0.183
204.	9	KW&SB	2018-19	Deputy Managing Director, HRD&A	Non-maintenance of consumption account of stationery	0.124
205.	15	KW&SB	2018-19	Deputy Managing Director, HRD&A	Non-verification of degrees of staff working under the umbrella Of (HRD&A Department) KW&SB, Karachi	0.000
206.	17	KW&SB	2018-19	Deputy Managing Director, HRD&A	Non-installation of CCTV camera monitoring system in DMD (HRD&A department) KW&SB, Karachi.	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
207.	18	KW&SB	2018-19	Deputy Managing Director, HRD&A	Recovery of general sales tax (GST) on purchase of various items	0.075
208.	20	KW&SB	2018-19	Deputy Managing Director, HRD&A	Irregular expenditure incurred under the head of account repair & maintenance of vehicles by way of splitting to avoid open tender	0.468
209.	21	KW&SB	2018-19	Deputy Managing Director, HRD&A	Non-framing of contract agreement on account of POL With M/S Pakistan State Oil	0.620
210.	22	KW&SB	2018-19	Deputy Managing Director, HRD&A	Negligence on part of Deputy Managing Director HRD&A Department, KW&SB, Karachi drivers working without valid driving licenses	0.000
211.	23	KW&SB	2018-19	Deputy Managing Director, HRD&A	Irregular & unjustified retention of govt. Accommodation by retired employees of KW&SB	0.000
212.	24	KW&SB	2018-19	Deputy Managing Director, HRD&A	Loss to government due to non-recovery and misuse of government vehicles from ex-officers worth	0.000
213.	3	KW&SB	2018-19	Deputy Managing Director, RRG	Ex-Pakistan leave without passport copies and leave account certificate	0.000
214.	6	KW&SB	2018-19	Deputy Managing Director, RRG	Loss to government due to non-insurance of official vehicles & without tracker device	0.000
215.	8	KW&SB	2018-19	Deputy Managing Director, RRG	Non-installation of fire alarm system / smoke detectors & fire-extinguishers at DMD-RRG department, KW&SB, Karachi	0.000
216.	9	KW&SB	2018-19	Deputy Managing Director, RRG	Non-installation of CCTV camera monitoring system in DMD-RRG department, KW&SB, Karachi.	0.000
217.	15	KW&SB	2018-19	Deputy Managing Director, RRG	Allotment of official vehicles without allotment orders and justification / entitlement	0.000

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
218.	17	KW&SB	2018-19	Deputy Managing Director, RRG	Doubtful and unjustified payment of pays and allowances under the head of account “ overtime allowance”	0.610
219.	11	KW&SB	2018-19	Project Director, K-IV	Non-supply of furniture for PMU central office as per engineer’s estimate agreement	6.000
220.	12	KW&SB	2018-19	Project Director, K-IV	Non-reconciliation of monthly expenditure from concerned accounts office	2,240.952
221.	13	KW&SB	2018-19	Project Director, K-IV	Non-maintenance of stock register.	0.000
222.	14	KW&SB	2018-19	Project Director, K-IV	Non-conducting of annual physical verification of stocks and stores.	0.000
223.	6	KW&SB	2018-19	Project Director, S-III	Unauthorized provision of vehicles in each contract	51.000
224.	11	KW&SB	2018-19	Project Director, S-III	Irregular payment to consultant on consultancy services without renewal of contract agreement	116.578
225.	12	KW&SB	2018-19	Project Director, S-III	Irregular expenditure on account of execution of extra items/works	15.792
226.	14	KW&SB	2018-19	Project Director, S-III	Irregular expenditure without pre-qualification of contractors	376.792
227.	18	KW&SB	2018-19	Project Director, S-III	Irregular refund of 50% security deposit	2.087
228.	2	KW&SB	2018-19	Executive Engineer, Water Korangi Town	Recovery of HRA paid over and above 45% to employees	0.159
229.	4	KW&SB	2018-19	Executive Engineer, Water Korangi Town	Non-recovery of professional tax	0.100
230.	6	KW&SB	2018-19	Executive Engineer, Water Korangi Town	Irregular expenditure by violating Govt. rules and procedures	0.768
231.	7	KW&SB	2018-19	Executive Engineer, Water Korangi Town	Non-surrendering of savings	0.271
232.	2	KW&SB	2018-19	Executive Engineer, Sewerage Korangi Town	Recovery of HRA paid over and above 45% to employees	0.890
233.	4	KW&SB	2018-19	Executive Engineer, Sewerage Korangi Town	Non-recovery of professional tax	0.006

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
234.	6	KW&SB	2018-19	Executive Engineer, Sewerage Korangi Town	Irregular expenditure by violating Govt. rules and procedures	0.110
235.	7	KW&SB	2018-19	Executive Engineer, Sewerage Korangi Town	Non-surrendering of savings	0.290
236.	2	KW&SB	2018-19	Executive Engineer, E&M Korangi Town	Recovery of HRA paid over and above 45% to employees	0.370
237.	3	KW&SB	2018-19	Executive Engineer, E&M Korangi Town	Loss to government due to non-remittance of income tax into public exchequer	0.450
238.	4	KW&SB	2018-19	Executive Engineer, E&M Korangi Town	Non-recovery of professional tax	0.005
239.	4	KW&SB	2018-19	Executive Engineer, Water Jamshed Town	Recovery of HRA paid over and above 45% to employees	0.183
240.	6	KW&SB	2018-19	Executive Engineer, Water Jamshed Town	Non-recovery of professional tax	0.018
241.	7	KW&SB	2018-19	Executive Engineer, Water Jamshed Town	Irregular expenditure by violating Govt. rules and procedures	0.456
242.	8	KW&SB	2018-19	Executive Engineer, Water Jamshed Town	Non-surrendering of savings	0.207
243.	4	KW&SB	2018-19	Executive Engineer, Sewerage Jamshed Town	Recovery of HRA paid over and above 45% to employees	0.531
244.	6	KW&SB	2018-19	Executive Engineer, Sewerage Jamshed Town	Non-recovery of professional tax	0.017
245.	7	KW&SB	2018-19	Executive Engineer, Sewerage Jamshed Town	Irregular Expenditure by violating Govt. rules and procedures	0.299
246.	8	KW&SB	2018-19	Executive Engineer, Sewerage Jamshed Town	Non-surrendering of savings	0.075
247.	3	KW&SB	2018-19	Executive Engineer, E&M Jamshed Town	Recovery of HRA paid over and above 45% to employees	0.765
248.	5	KW&SB	2018-19	Executive Engineer, E&M Jamshed Town	Irregular Expenditure by violating Govt. rules and procedures	0.302
249.	6	KW&SB	2018-19	Executive Engineer, E&M Jamshed Town	Non-surrendering of savings	0.868
250.	2	KW&SB	2018-19	Executive Engineer,	Irregular award of works to	1.185

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Hub Trunk Main Division	contractors not registered with Sindh revenue board	
251.	4	KW&SB	2018-19	Executive Engineer, Hub Trunk Main Division	Non-surrender of funds	31.815
252.	8	KW&SB	2018-19	Executive Engineer, Hub Trunk Main Division	Annual physical verification of dead stock items not conducted	0.000
253.	3	KW&SB	2018-19	Executive Engineer, Hub Division Civil	Irregular execution of work without obtaining technical sanction	0.998
254.	4	KW&SB	2018-19	Executive Engineer, Hub Division Civil	Non-surrender of funds	13.455
255.	3	KW&SB	2018-19	Executive Engineer, KD Civil - II	Irregular expenditure without revision of technical sanction	1.765
256.	4	KW&SB	2018-19	Executive Engineer, KD Civil - II	Non-surrender of funds	3.095
257.	4	KW&SB	2018-19	Executive Engineer, Sewerage Landhi Town	Irregular award of works to contractors not registered with Sindh Revenue Board	0.974
258.	5	KW&SB	2018-19	Executive Engineer, Sewerage Landhi Town	Non-surrender of funds	26.295
259.	7	KW&SB	2018-19	Executive Engineer, Sewerage Landhi Town	Irregular payment of House Rent Allowance to employees allotted government residence	0.073
260.	3	KW&SB	2018-19	Executive Engineer, Water Landhi Town	Irregular award of works to contractors not registered with Sindh revenue board	1.088
261.	4	KW&SB	2018-19	Executive Engineer, Water Landhi Town	Non-surrender of funds	14.096
262.	6	KW&SB	2018-19	Executive Engineer, Water Landhi Town	Irregular payment of House Rent Allowance to employees allotted government residence	0.129
263.	4	KW&SB	2018-19	Executive Engineer, E&M Landhi Town	Irregular expenditure in excess of budget allocation	4.187
264.	1	KW&SB	2018-19	Executive Engineer, Water Saddar Town	Non-maintenance of cash book	0.000
265.	4	KW&SB	2018-19	Executive Engineer, Water Saddar Town	Misuse of emergency clause-16(B)(Viii) rthead with 2(1)(R) Of SPPRA 2010 And para 58 CPWD-Code in award of contracts	5.511
266.	5	KW&SB	2018-19	Executive Engineer,	Non-reconciliation of	112.895

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Sewerage Saddar Town	expenditure from finance department of KW&SB	
267.	7	KW&SB	2018-19	Executive Engineer, Sewerage Saddar Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	0.497
268.	1	KW&SB	2018-19	Executive Engineer, E&M Saddar Town	Non-maintenance of cash book	0.000
269.	5	KW&SB	2018-19	Executive Engineer, E&M Saddar Town	Non-reconciliation of expenditure from finance department of KW&SB	27.854
270.	3	KW&SB	2018-19	Executive Engineer, Sewerage Lyari Town	Non-Surrendering of savings	10.480
271.	5	KW&SB	2018-19	Executive Engineer, Sewerage Lyari Town	Undue Favor to Contractors Due to Non-Obtaining of Bid Security	0.074
272.	6	KW&SB	2018-19	Executive Engineer, Sewerage Lyari Town	Execution of contract agreement after completion of work	3.229
273.	7	KW&SB	2018-19	Executive Engineer, Sewerage Lyari Town	Deliberate keeping expenditure within quotation limit	0.986
274.	9	KW&SB	2018-19	Executive Engineer, Sewerage Lyari Town	Non-deposition of water charges into bulk recovery head of account	0.069
275.	3	KW&SB	2018-19	Executive Engineer, Water Lyari Town	Doubtful Re-appropriation of funds without approval of Managing Director	12.666
276.	5	KW&SB	2018-19	Executive Engineer, Water Lyari Town	Undue Favor to Contractors Due to Non-Obtaining of Bid Security	0.093
277.	6	KW&SB	2018-19	Executive Engineer, Water Lyari Town	Execution of contract agreement after completion of work	1.172
278.	7	KW&SB	2018-19	Executive Engineer, Water Lyari Town	Deliberate keeping expenditure within quotation limit	0.994
279.	9	KW&SB	2018-19	Executive Engineer, Water Lyari Town	Non-deposition of water charges into bulk recovery head of account of Rs.0.109 million.	0.040
280.	3	KW&SB	2018-19	Executive Engineer, E&M Lyari Town	Expenditure incurred in excess of budget grant	9.929
281.	5	KW&SB	2018-19	Executive Engineer, E&M Lyari Town	Deliberate keeping expenditure within quotation limit	0.995

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
282.	7	KW&SB	2018-19	Executive Engineer, E&M Lyari Town	Non-remittance of KW&SB revenue into bulk recovery head of account.	0.117
283.	6	KW&SB	2017-18	DMD HRD&A	Irregular payment of leave encashment without maintaining the leave record	2.086
284.	10	KW&SB	2017-18	DMD HRD&A	Non-accountal of stationery and other material	0.669
285.	5	KW&SB	2017-18	Managing Director, KW&SB	Irregular posting of Mr. Khalid Mahmood Shaikh officer of bps-19 in higher scale bps-20 as managing director, KW&SB	0.000
286.	7	KW&SB	2017-18	Managing Director, KW&SB	Un-authorized holding imprest cash	0.284
287.	8	KW&SB	2017-18	Managing Director, KW&SB	Non-accountal of purchased stationery material	0.160
288.	4	KW&SB	2017-18	Project Director, Reverse Osmosis Water Deslination Plants	Irregular expenditure without supporting vouchers	28.020
289.	5	KW&SB	2017-18	Project Director, Reverse Osmosis Water Deslination Plants	Failure to furnish mandatory income tax statements returns	0.000
290.	6	KW&SB	2017-18	Project Director, Reverse Osmosis Water Deslination Plants	Non preparation of monthly analysis reports	0.000
291.	4	KW&SB	2017-18	DMD Technical Services	Non-utilization of funds	0.419
292.	5	KW&SB	2017-18	DMD Technical Services	Unauthorized payment of house rent allowance alongwith accommodation	0.022
293.	6	KW&SB	2017-18	DMD Technical Services	Unjustified payment of overtime to staff without exigency	0.031
294.	5	KW&SB	2017-18	Chief Engineer, Bulk Transmission & Distribution	Unjustified payment of overtime to staff without exigency	0.102
295.	6	KW&SB	2017-18	Chief Engineer, Bulk Transmission & Distribution	Irregular expenditure incurred without maintaining of cash book and reconciliation made	36.048
296.	2	KW&SB	2017-18	Chief Engineer, District Central	Irregular payment on account of leave encashment	1.323

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
297.	5	KW&SB	2017-18	Chief Engineer, District Central	Non reconciliation of expenditure	1.739
298.	6	KW&SB	2017-18	Chief Engineer Malir	Irregular expenditure incurred without maintaining of cash book and reconciliation made	39.052
299.	8	KW&SB	2017-18	Chief Engineer Malir	Non-compliance of rule 50 of SPPRA 2010	9.610
300.	5	KW&SB	2017-18	EE Hub Filter Plant	Non-reconciliation of expenditure from finance department of KW&SB	57.877
301.	2	KW&SB	2017-18	EE (E&M) North Nazimabad Town	Irregular payment on account of leave encashment	5.345
302.	5	KW&SB	2017-18	EE (E&M) North Nazimabad Town	Non-reconciliation of expenditure from finance department of KW&SB	84.079
303.	5	KW&SB	2017-18	EE Hub Pumping Station	Non reconciliation of expenditure from finance department of KW&SB	80.361
304.	4	KW&SB	2017-18	EE Sewerage New Karachi Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	2.593
305.	2	KW&SB	2017-18	EE E&M Lyari Town	Irregular payment on account of leave encashment to officers/ officials	0.658
306.	5	KW&SB	2017-18	EE E&M Lyari Town	Deliberate keeping expenditure within quotation limit	1.586
307.	6	KW&SB	2017-18	EE E&M Lyari Town	Loss to government due to non-deposit of deducted income tax into government account	0.118
308.	2	KW&SB	2017-18	EE Water Lyari Town	Doubtful appropriation of funds without approval of managing director	1.370
309.	5	KW&SB	2017-18	EE Water Lyari Town	Deliberate keeping expenditure within quotation limit	1.866
310.	6	KW&SB	2017-18	EE Water Lyari Town	Loss to government due to non-deposit of deducted income tax into government account	0.825
311.	9	KW&SB	2017-18	EE Water Lyari Town	Non transparency in government spending on	0.513

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
					account of POL	
312.	2	KW&SB	2017-18	EE Sewerage Lyari Town	Irregular appropriation of fund by mis classification of budget heads	3.734
313.	5	KW&SB	2017-18	EE Sewerage Lyari Town	Deliberate keeping expenditure within quotation limit	0.993
314.	7	KW&SB	2017-18	EE Sewerage Lyari Town	Non deposition of water charges into bulk recovery head of account	0.168
315.	9	KW&SB	2017-18	EE Sewerage Lyari Town	Non transparency in government spending on account of POL	0.547
316.	3	KW&SB	2017-18	EE Sewerage Keamari Town	Deliberate keeping expenditure within quotation limit to avoid tender	2.176
317.	5	KW&SB	2017-18	EE Sewerage Keamari Town	Non deposition of water charges into bulk recovery head of account	0.053
318.	6	KW&SB	2017-18	EE Sewerage Keamari Town	Undue favor to contractors due to non-obtaining of bid security	0.062
319.	7	KW&SB	2017-18	EE Sewerage Keamari Town	Non maintenance of cash book	32.582
320.	3	KW&SB	2017-18	EE Water Keamari Town	Expenditure in excess of budget grant	2.889
321.	5	KW&SB	2017-18	EE Water Keamari Town	Irregular expenditure by violating government rule and procedures	41.294
322.	6	KW&SB	2017-18	EE Water Keamari Town	Unjustified payment against the scheme completed within 3 days with completion period of 25 days	0.690
323.	2	KW&SB	2017-18	EE E&M Keamari Town	Irregular payment on account of leave encashment	0.495
324.	3	KW&SB	2017-18	EE E&M Keamari Town	Expenditure in excess of budget grant	2.394
325.	5	KW&SB	2017-18	EE E&M Keamari Town	Irregular expenditure by violating government rule and procedures	14.109
326.	4	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	Non-installation of trackers in official vehicles	0.000
327.	6	KW&SB	2017-18	EE Sewer Cleaning	Irregular payments on	3.608

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Equipment & Services Division	account of leave encashment to the employees	
328.	8	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	Irregular expenditure incurred without maintaining of cash book and reconciliation	110.647
329.	6	KW&SB	2017-18	Executive Engineer, Canal Maintenance Division	Irregular expenditure incurred without maintaining of cash book and reconciliation made	49.814
330.	6	KW&SB	2017-18	Resident Engineer, Pipri (P&F)	Irregular expenditure incurred without maintaining of cash book and reconciliation made	135.257
331.	1	KW&SB	2017-18	Executive Engineer, (Water) Malir Town	Irregular retention of public funds	0.255
332.	6	KW&SB	2017-18	Executive Engineer, (Water) Malir Town	Non-Recovery of house rent from staff allotted accommodation	0.198
333.	7	KW&SB	2017-18	Executive Engineer, (Water) Malir Town	Non-maintenance maintenance of cash book	0.256
334.	5	KW&SB	2017-18	Executive Engineer, (E&M) Malir Town	Non-maintenance maintenance of cash book	0.998
335.	3	KW&SB	2017-18	Executive Engineer, STP - I	Non-maintenance maintenance of cash book	0.658
336.	4	KW&SB	2017-18	Executive Engineer, STP - I	Wasteful expenditure against salary	0.360
337.	5	KW&SB	2017-18	Executive Engineer, STP - I	Non utilization of funds	0.302
338.	2	KW&SB	2017-18	Executive Engineer, STP - II	Non transparency of government spending	0.194
339.	4	KW&SB	2017-18	Executive Engineer, STP - II	Non-maintenance maintenance of cash book	0.460
340.	5	KW&SB	2017-18	Executive Engineer, STP - II	Non-accountal of procured articles in store/stock register	0.199
341.	3	KW&SB	2017-18	Executive Engineer, STP - III	Non-maintenance maintenance of cash book	0.115
342.	4	KW&SB	2017-18	Executive Engineer, STP - III	Wasteful expenditure against salary	0.916
343.	5	KW&SB	2017-18	Executive Engineer, STP - III	Non utilization of funds	0.401
344.	3	KW&SB	2017-18	Executive Engineer, Halaji Division	Unauthorized expenditure incurred without recording written reasons of emergency	2.414

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
345.	5	KW&SB	2017-18	Executive Engineer, Halaji Division	Irregular expenditure incurred without maintaining of cash book and reconciliation made	5.558
346.	3	KW&SB	2017-18	Executive Engineer, SPD-I	Deliberate keeping expenditure within quotation limit	1.690
347.	6	KW&SB	2017-18	Executive Engineer, SPD-I	Undue favor to contractors due to non-obtaining of bid security	0.167
348.	3	KW&SB	2017-18	Executive Engineer, SPD-II	Irregular payment of liability	1.299
349.	6	KW&SB	2017-18	Executive Engineer, SPD-II	Non deposition of water charges into bulk recovery head of account	0.031
350.	3	KW&SB	2017-18	Executive Engineer, Sewerage Saddar Town	Irregular payment on account of leave encashment	3.013
351.	4	KW&SB	2017-18	Executive Engineer, Sewerage Saddar Town	Irregular expenditure on spot quotation basis instead of inviting open tender	5.817
352.	1	KW&SB	2017-18	Executive Engineer, Water Saddar Town	Irregular expenditure on spot quotation basis instead of inviting open tender	5.394
353.	4	KW&SB	2017-18	Executive Engineer, Water Liaquatabad Town	Splitting of work orders to avoid tender	0.396
354.	5	KW&SB	2017-18	Executive Engineer, Water Liaquatabad Town	Irregular expenditure in excess of budget allocation	4.652
355.	6	KW&SB	2017-18	Executive Engineer, Water Liaquatabad Town	Non-surrender of funds	3.432
356.	4	KW&SB	2017-18	Executive Engineer, Sewerage Liaquatabad Town	Non-utilization of funds	8.349
357.	5	KW&SB	2017-18	Executive Engineer, Sewerage Liaquatabad Town	Irregular expenditure in excess of budget allocation	3.506
358.	7	KW&SB	2017-18	Executive Engineer, Sewerage Liaquatabad Town	Less-deduction of income tax	0.042
359.	3	KW&SB	2017-18	Executive Engineer, E&M Liaquatabad Town	Execution of electric work through un-registered contractors	0.399
360.	5	KW&SB	2017-18	Executive Engineer, E&M Liaquatabad	Less-deduction of income tax	0.045

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Town		
361.	3	KW&SB	2017-18	Executive Engineer, Water Gulshan e Iqbal Town	Unjustified expenditure on emergency work without inviting open tender	1.026
362.	4	KW&SB	2017-18	Executive Engineer, Water Gulshan e Iqbal Town	Un-authorized expenditure on non-scheduled items	0.620
363.	2	KW&SB	2017-18	Executive Engineer, Sewerage Gulshan e Iqbal Town	Execution of works without technical sanction	1.989
364.	3	KW&SB	2017-18	Executive Engineer, Sewerage Gulshan e Iqbal Town	Irregular award of work after bid validity period	0/978
365.	6	KW&SB	2017-18	Executive Engineer, Sewerage Gulshan e Iqbal Town	Irregular expenditure in excess of budget allocation	0.378
366.	3	KW&SB	2017-18	Executive Engineer, E&M Gulshan e Iqbal Town	Non-surrender of unspent funds	15.956
367.	4	KW&SB	2017-18	Executive Engineer, E&M Gulshan e Iqbal Town	Irregular expenditure in excess of budget	9.451
368.	2	KW&SB	2017-18	Executive Engineer, Sewerage Malir	Unjustified spot quotation instead of open competitive bidding	0.971
369.	5	KW&SB	2017-18	Executive Engineer, Sewerage Malir	Non- maintenance of log book	0.000
370.	6	KW&SB	2017-18	Executive Engineer, Sewerage Malir	Non-accountal of procured articles in store/stock register	0.247
371.	2	KW&SB	2017-18	Executive Engineer, Water Orangi Town	Non-reconciliation of expenditure from DMD Finance	56.751
372.	3	KW&SB	2017-18	Executive Engineer, Water Orangi Town	Non-maintenance of cash book	12.667
373.	4	KW&SB	2017-18	Executive Engineer, Water Orangi Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	0.398
374.	2	KW&SB	2017-18	Executive Engineer, Sewerage Orangi Town	Non-hoisting of bid evaluation report on SPPRA web site	0.987
375.	3	KW&SB	2017-18	Executive Engineer, Sewerage Orangi Town	Non-reconciliation of expenditure from DMD Finance	46.242
376.	4	KW&SB	2017-18	Executive Engineer, Sewerage Orangi	Irregular expenditure by keeping estimate within	0.496

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Town	quotation limit to avoid tender	
377.	1	KW&SB	2017-18	Executive Engineer, E&M Orangi Town	Non-hoisting of bid evaluation report on SPPRA website	1.909
378.	2	KW&SB	2017-18	Executive Engineer, E&M Orangi Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	0.397
379.	3	KW&SB	2017-18	Executive Engineer, E&M Orangi Town	Non-reconciliation of expenditure from DMD Finance	35.961
380.	1	KW&SB	2017-18	Executive Engineer, Meter Workshop Division	Irregular expenditure due to non-ratification of board	7.605
381.	3	KW&SB	2017-18	Executive Engineer, Meter Workshop Division	Non-deposit of income tax into public exchequer	0.570
382.	4	KW&SB	2017-18	Executive Engineer, Meter Workshop Division	Non-reconciliation of expenditure from DMD Finance	73.421
383.	5	KW&SB	2017-18	Executive Engineer, Meter Workshop Division	Non-maintenance of cash book	7.730
384.	10	KW&SB	2017-18	Executive Engineer, Meter Workshop Division	Internal audit & inspection not conducted	0.000
385.	3	KW&SB	2017-18	Executive Engineer Water Site Town	Non-hoisting of bid evaluation report on SPPRA website	0.998
386.	4	KW&SB	2017-18	Executive Engineer Water Site Town	Non-maintenance of cash book	19.153
387.	5	KW&SB	2017-18	Executive Engineer Water Site Town	Non-reconciliation of expenditure from DMD Finance	70.415
388.	6	KW&SB	2017-18	Executive Engineer Water Site Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	0.993
389.	7	KW&SB	2017-18	Executive Engineer Water Site Town	Non-deposit of income tax	0.662
390.	10	KW&SB	2017-18	Executive Engineer Water Site Town	Internal audit & inspection not conducted	0.000
391.	2	KW&SB	2017-18	Executive Engineer Sewerage Site Town	Non-hoisting of bid evaluation report on SPPRA website	0.995
392.	3	KW&SB	2017-18	Executive Engineer	Non-maintenance of cash	8.900

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Sewerage Site Town	book	
393.	4	KW&SB	2017-18	Executive Engineer Sewerage Site Town	Non-reconciliation of expenditure from DMD Finance	39.381
394.	5	KW&SB	2017-18	Executive Engineer Sewerage Site Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	0.995
395.	6	KW&SB	2017-18	Executive Engineer Sewerage Site Town	Non-deposit of income tax	0.456
396.	7	KW&SB	2017-18	Executive Engineer Sewerage Site Town	Non-accountal of items in relevant stock register	0.244
397.	10	KW&SB	2017-18	Executive Engineer Sewerage Site Town	Internal audit & inspection not conducted	0.000
398.	2	KW&SB	2017-18	Executive Engineer E&M Site Town	Irregular expenditure by keeping estimate within quotation limit to avoid tender	0.499
399.	3	KW&SB	2017-18	Executive Engineer E&M Site Town	Non-reconciliation of expenditure from DMD Finance	29.700
400.	4	KW&SB	2017-18	Executive Engineer E&M Site Town	Non-maintenance of cash book	9.400
401.	2	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Unjustified expenditure on account of execution of work	0.095
402.	3	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Irregular expenditure on account of execution of works due to non-publication of tender notice in print media	3.913
403.	6	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Irregular award of works without obtaining performance security from contractors	0.925
404.	7	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Non-deduction sales tax on services	1.430
405.	8	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Irregular expenditure of due to non-maintenance of work register/security deposit register	9.970
406.	9	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Irregular expenditure on account of execution of works without execution of contract agreements	2.450
407.	10	KW&SB	2017-18	Executive Engineer,	Irregular payment of leave	0.842

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				Karachi Division Pumping	encashment -	
408.	11	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Unjustified payment to contractors through first & final bills	8.549
409.	12	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Non-deposit of tender/quotation fee	0.034
410.	13	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Non-Maintenance of Cash Book	0.000
411.	14	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Non-utilization of funds/ non-surrendering of savings	2.219
412.	15	KW&SB	2017-18	Executive Engineer, Karachi Division Pumping	Non-conducting of annual physical verification of stock & stores	0.000
413.	3	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Irregular expenditure on account of execution of works without execution of contract agreement before completion of works	5.067
414.	4	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Irregular expenditure by keeping estimate within quotation limit to avoid inviting open tender	1.393
415.	6	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Irregular expenditure on account of execution of works without inviting open tenders	5.067
416.	7	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Non-deduction sales tax on services	0.839
417.	8	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Irregular expenditure on account of execution of work without execution of contract agreements	1.393
418.	9	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Non-maintenance of cash book	0.000
419.	10	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Unjustified expenditure through quotations	1.393
420.	11	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Non-conducting of annual physical verification of stock & stores	0.000
421.	12	KW&SB	2017-18	Executive Engineer,	Unjustified payment to	5.067

[Rupees in million]

Sr.	Para	Deptt	Year	Name of Office	Observation	Amount
				E&M (Civil) Sewerage	contractors	
422.	13	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Irregular award of works without obtaining performance security from contractors	0.646
423.	14	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Failure to prepare annual procurement plan	0.000
424.	15	KW&SB	2017-18	Executive Engineer, E&M (Civil) Sewerage	Irregular expenditure of due to non-maintenance of work register/security deposit register	6.460
425.	2	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Irregular expenditure by keeping estimate within quotation limit to avoid inviting open tender	1.685
426.	5	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Non deduction of sales tax on services	0.349
427.	6	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Irregular expenditure on account of execution of work without execution of contract agreements	1.685
428.	7	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Non maintenance of cash book	0.000
429.	8	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Unjustified payment to contractors	1.000
430.	9	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Irregular award of work without obtaining performance security from contractors	0.249
431.	10	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Irregular expenditure of due to non-maintenance of work register/security deposit register	1.000
432.	11	KW&SB	2017-18	Executive Engineer, E&M (Civil) Water	Non deposit of tender/quotation fee into relevant head of account	0.012

MFDAC KARACHI DIVISION

[Rupees in million]

Sr.	Year	Name of Office	Para No	Observation	Amount
1.	2018-19	District Municipal Corporation (East)	10	Less recovery of various taxes/dues	50.566
2.	2018-19	District Municipal Corporation (East)	11	Irregular expenditure on electric material for street lights	26.816
3.	2018-19	District Municipal Corporation (East)	12	Irregular award of works to contractors not registered with SRB	12.356
4.	2018-19	District Municipal Corporation (East)	13	Unauthorized allotment of vehicles and POL quota without entitlement	0
5.	2018-19	District Municipal Corporation (East)	14	Violation of Supreme Court of Pakistan orders regarding absorption of employees and accepting joining of employees posted from other councils	0
6.	2018-19	District Municipal Corporation (East)	15	Non-accountal of purchased material	11.255
7.	2018-19	District Municipal Corporation (East)	16	Non-maintenance of record of consumption account of medicines and flowers	1.746
8.	2018-19	District Municipal Corporation (East)	17	Un-authorized sanction of Ex-Pakistan Leave by Chairman/MC beyond powers	0
9.	2018-19	District Municipal Corporation (West)	2	Non-hoisting of contract evaluation form, award of contract and bill of quantities on SPPRA website	77.152
10.	2018-19	District Municipal Corporation (West)	10	Unauthorized award of procurement of electric material	5.823
11.	2018-19	District Municipal Corporation (West)	12	Irregular expenditure on account of procurement of goods & services from general contractors instead of qualified contractors	34.297
12.	2018-19	District Municipal Corporation (West)	14	Wasteful payments on account of legal fees	1.35
13.	2018-19	District Municipal Corporation (West)	16	Irregular award of work without constitution of procurement committee	3.920
14.	2018-19	District Municipal Corporation (West)	17	Irregular expenditure of work deliberately on quotation basis	2.221
15.	2018-19	District Municipal Corporation (West)	18	Irregular expenditure on account of overtime allowance	2.714
16.	2018-19	District Municipal Corporation (West)	19	Payment of development works with less deduction of security deposits	0.981
17.	2018-19	District Municipal	20	Unauthorized clearance of	32.309

[Rupees in million]

Sr.	Year	Name of Office	Para No	Observation	Amount
		Corporation (West)		liabilities	
18.	2018-19	District Municipal Corporation (West)	24	Irregular payment of leave encashment	3.982
19.	2018-19	District Municipal Corporation (West)	25	Irregular payment of financial assistance	7.875
20.	2018-19	District Municipal Corporation (Central)	11	Non-publication of notice inviting tender in print media	11.845
21.	2018-19	District Municipal Corporation (Central)	12	Irregular expenditure on account payment of special allowance for delayed sitting	2.275
22.	2018-19	District Municipal Corporation (Central)	13	Irregular execution of work without sanction of estimate	6.017
23.	2018-19	District Municipal Corporation (Central)	14	Payment of works without maintenance of measurement books	4.813
24.	2018-19	District Municipal Corporation (Central)	15	Irregular expenditure without obtaining sanction of rate analysis	22.507
25.	2018-19	District Municipal Corporation (Central)	17	Unauthorized award of works without technical sanction and administrative approval	7.582
26.	2018-19	District Municipal Corporation (Central)	18	Irregular payment of leave encashment	16.022
27.	2018-19	District Municipal Corporation (Central)	19	Irregular expenditure on repair & maintenance of vehicles	4.299
28.	2018-19	District Municipal Corporation (Central)	21	Irregular expenditure of due to non-maintenance of works & Security Deposit register	-
29.	2018-19	District Municipal Corporation (Central)	22	Non verification of Service Books	0
30.	2018-19	District Municipal Corporation (Central)	23	Non maintenance of dead stock register	-
31.	2018-19	District Municipal Corporation (Central)	24	Non maintenance of designed MAP of municipal property	-
32.	2018-19	District Municipal Corporation (Malir)	7	Irregular expenditure on account of execution of works without maintenance of contractor ledger	-
33.	2018-19	District Municipal Corporation (Malir)	8	Irregular expenditure on account of repair & maintenance of vehicles	2.856
34.	2018-19	District Municipal Corporation (Malir)	13	Improper maintenance of cash book	-
35.	2018-19	District Municipal Corporation (Malir)	14	Irregular expenditure on account of final payments of developments works without availability of completion report	16.018
36.	2018-19	District Municipal	16	Irregular expenditure on account	4.269

[Rupees in million]

Sr.	Year	Name of Office	Para No	Observation	Amount
		Corporation (Malir)		payment of Hajj	
37.	2018-19	District Municipal Corporation (Malir)	17	irregular expenditure on account of payment of imprest without adjustment account	2.912
38.	2018-19	District Municipal Corporation (South)	5	Loss to Government due to less recovery of targeted revenue receipts on account of various sources of revenues	344.347
39.	2018-19	District Municipal Corporation (South)	9	Non-verification of offer letter of appointments made on deceased quota	-
40.	2018-19	District Municipal Corporation (South)	11	Unauthorized payment on account of overtime	1.079
41.	2018-19	District Municipal Corporation (South)	13	Non-remittance of income tax into Government exchequer	12.801
42.	2018-19	District Municipal Corporation (South)	14	Illegal award of work to contractors not having electrical license	19.022
43.	2018-19	District Municipal Corporation (South)	16	Non-maintenance of stock register	26.634
44.	2018-19	District Municipal Corporation (South)	17	Non-conduction of annual physical verification of stock and stores	-
45.	2018-19	District Municipal Corporation (South)	18	Un-authorized expenditure of without approval of competent authority	14.688
46.	2018-19	District Municipal Corporation (Korangi)	8	Unauthorized award of work by allowing contractor to include provision of taxes in offer rates	14.284
47.	2018-19	District Municipal Corporation (Korangi)	14	Irregular expenditure on of repair of vehicles	11.783
48.	2018-19	District Municipal Corporation (Korangi)	15	Non -Verification of Service Books	0

MFDAC HYDERABAD DIVISION

[Rupees in million]

Sr.	Para No	Year	Para	Amount
TMA-81			Chairman/CMO/ Municipal Committee, Badin	
1.	17	2017-18	Non-deduction of benevolent fund, provident fund & group insurance from salary of council employees	-
2.	18	2017-18	Non-deduction of Benevolent Fund, Provident Fund & Group Insurance from Salary of SCUG employees	-
3.	19	2017-18	Use of vehicles without registration	-
4.	20	2017-18	Loss due to non-maintenance of council vehicles	-
TMA-82			Chairman/TO/ Town Committee, Kadhan	
5.	9	2017-18	Non-payment of internal audit fee	0.100
6.	10	2017-18	Non-maintenance of property registers	
7.	11	2017-18	Non-maintenance of map of immovable property	
8.	12	2017-18	Non-verification of stock and property of the council	
9.	13	2017-18	Non-issuance of licenses by the council	
TMA-87			Chairman/CMO/ Municipal Committee Matli	
10.	9	2017-18	Non-taking over of previous NADRA-CRMS record from union council	-
11.	10	2017-18	Non-payment of internal audit fee	0.200
12.	17	2017-18	Improper maintenance of service books	-
13.	23	2017-18	Suspected discrepancy in the balances	0.200
14.	24	2017-18	Non-verification of stock and property of the council	-
15.	25	2017-18	Non-maintenance of property registers	-
16.	26	2017-18	Non-submission of quarterly progress report of cases to government	-
17.	27	2017-18	Non-issuance of licenses to public bathhouses	-
18.	28	2017-18	Non-maintenance of Map of immovable property	-
19.	29	2017-18	Non-issuance of licenses by the council	-
20.	30	2017-18	Use of vehicles without registration	-
TMA-88			Chairman/TO/ Town Committee Shaheed Fazil Rahu	
21.	1	2017-18	Non-deduction of income tax	0.020
22.	2	2017-18	Non-deduction of sales tax on services	0.016
23.	3	2017-18	Non-deduction of sales tax on auctions	0.401
24.	4	2017-18	Non-deduction of income tax on auctions	0.281
25.	5	2017-18	Un-justified payment of conveyance allowance	0.060
26.	9	2017-18	Hiring of daily wages staff beyond procedure	0.344
27.	11	2017-18	Refund of security deposit & call deposits without maintenance of registers	8.850
28.	14	2017-18	Irregular expenditure without maintenance of history sheet	2.215
29.	15	2017-18	Wastage of local council funds on grants	0.500
30.	16	2017-18	Un-authorized hiring of legal advisor	0.200
31.	17	2017-18	Non-deduction of pension contribution, benevolent fund, provident fund & group insurance from salary of SCUG employees	-
32.	18	2017-18	Non-deduction of pension contribution, benevolent fund, provident fund & group insurance from salary of council employees	-

[Rupees in million]

Sr.	Para No	Year	Para	Amount
33.	19	2017-18	Use of vehicles without registration	-
34.	20	2017-18	Non-issuance of licenses by the council	-
TMA-89		Chairman/TO/ Town Committee Tando Bagho		
35.	18	2017-18	Un-authorized hiring of legal adviser	0.240
36.	19	2017-18	Non-deposit of pension contribution into separate deposit fund account	12.389
37.	20	2017-18	Un-authorized utilization of public funds	14.352
38.	21	2017-18	Non-deposit of call deposit & security deposit into separate deposit fund account	1.107
39.	22	2017-18	Non-recovery of deductions from salary	4.318
40.	23	2017-18	Payment of different bills without reconciliation & verification	1.028
41.	24	2017-18	Non-transparency in spending from public funds	8.866
42.	25	2017-18	Non-deduction of pension contribution	0.120
43.	26	2017-18	Un-authorized appointments during ban period	-
44.	27	2017-18	Un-authorized appointment of white-collar staff on reserved seats	3.024
45.	28	2017-18	Wastage of local council funds on grants	0.205
46.	29	2017-18	Non-payment of internal audit fee	0.500
47.	30	2017-18	Un-authorized payment of 06 months advance salary	1.029
48.	31	2017-18	Un-authorized repair of transformers beyond jurisdictions	0.265
49.	32	2017-18	Use of vehicles without registration	-
50.	33	2017-18	Non-issuance of licenses by the council	-
51.	34	2017-18	Non-provision of maintenance budget for immovable council property	12.000
52.	35	2017-18	Non-maintenance of property registers	-
53.	36	2017-18	Non-maintenance of map of immovable property	-
54.	37	2017-18	Non-verification of stock and property of the council	-
55.	38	2017-18	Non-submission of quarterly progress report of cases to government	-
TMA-91		Chairman/TO/ Town Committee, Thari Muhabat		
56.	3	2017-18	Undue favor to contractor due to non deduction of security deposit	0.123
57.	4	2017-18	Split up work in parts to avoid tender	1.605
58.	5	2017-18	Unjustified outsourcing of sanitation work to contractor	2.417
59.	6	2017-18	Non maintenance of log books	-
60.	7	2017-18	Conflict of interest due to grant in aid to press club	0.300
61.	8	2017-18	Less deduction of income tax from non filers	0.082
62.	11	2017-18	Irregular hire of legal advisor	0.100
63.	12	2017-18	Non collection of own source revenue	-
64.	13	2017-18	Non maintenance of cash book	-
TMA-92		Chairman/TO/ Town Committee, Sita Road		
65.	1	2017-18	Non posting of annual procurement plan in advance on SPPRA website	-

[Rupees in million]

Sr.	Para No	Year	Para	Amount
66.	2	2017-18	Non preparation of PD-I of scheme	5.950
67.	4	2017-18	Non completion of works within stipulated time period	6.385
68.	5	2017-18	Non transparency in development works on quotations	2.106
69.	7	2017-18	Non accountal of procured articles in store/stock register	1.418
70.	8	2017-18	Unjustified outsourcing of sanitation work to contractors	1.656
71.	9	2017-18	Non transparency in POL spending	0.118
72.	12	2017-18	Non deposition of security of contractors into separate deposit account	1.707
73.	13	2017-18	Non maintenance of dead stock register	-
TMA-97			Chairman/TO/TC Radhan Station	
74.	1	2017-18	Unauthorized expenditure over & above the budgetary allocation	2.636
75.	3	2017-18	Non-completion of works within stipulated time period	3.452
76.	5	2017-18	Undue favour to contractors due to non-deduction of security deposit	0.045
77.	6	2017-18	Non-accountal purchased articles in stores	0.523
78.	7	2017-18	Unjustified & doubtful M&R of machinery	0.523
79.	8	2017-18	Unjustified outsourcing of sanitation work to contractors	2.361
80.	9	2017-18	Loss on account of non-affixing of stamp duty	0.014
81.	11	2017-18	Less deduction of income tax from non-filers	0.114
82.	13	2017-18	Non-deposition of pension contribution into separate pension fund account	0.250
TMA-99			Chairman/CMO/ MC Sehwan Sharif	
83.	2	2017-18	Irregular award of contract without publication of the award of contract on SPPRA website	44.556
84.	6	2017-18	Execution of contract without executing integrity pact between parties	13.272
85.	11	2017-18	Unjustified use of fire tenders	2.313
86.	12	2017-18	Irregular payment of salaries to branch incharge instead of actual payees	3.340
87.	14	2017-18	Irregular expenditure in excess of budget allocation	7.148
TMA-102			Chairman/TO/ TC Nasarpur	
88.	3	2017-18	Unauthorized award of works/schemes to contractors without obtaining credentials	46.000
89.	5	2017-18	Irregular payment of salary without biometric verification	10.437
90.	6	2017-18	Unjustified expenditure on account of contract employees	8.104
91.	9	2017-18	Unauthorized expenditure on account of POL without maintaining log book	2.492
92.	10	2017-18	Non accountal of purchased items	2.357
93.	12	2017-18	Irregular payment made on account of pension without obtaining life certificate/ no marriage certificate	1.755
94.	16	2017-18	Unauthorized provisional payment due to non obtaining approval of budget estimates	-
95.	17	2017-18	Non maintenance of important registers	-
96.	18	2017-18	Non submission of monthly sales tax return to collector of	

[Rupees in million]

Sr.	Para No	Year	Para	Amount
			sales tax by DDO	-
97.	21	2017-18	Non – maintenance of important registers	-
TMA-104		Chairman/TO/ TC Jati		
98.	4	2017-18	Loss due to non-revision / increases of shops rent	-
99.	18	2017-18	Non-Maintenance of Cash Book	-
100.	20	2017-18	Non-maintenance of dead stock register	-
101.	21	2017-18	Non-disposal of unserviceable/ condemned items	-
102.	22	2017-18	Non-conducting of annual physical verification of stock and stores	-
TMA-110		Chairman/TO/ TC Oderolal Station		
103.	4	2017-18	Irregular expenditure by keeping estimate within quotation limit to avoid inviting open tender	0.386
104.	5	2017-18	Non revision of shops rent	-
105.	6	2017-18	Irregular expenditure without supporting vouchers	0.181
106.	8	2017-18	Improper maintenance of cash book	-
107.	9	2017-18	Non verification of service books	-
108.	10	2017-18	Non accountal of procured items into relevant stock registers	0.525
109.	11	2017-18	Non maintenance of property register	-
110.	12	2017-18	Irregular expenditure without approval of budget from government	9.088
TMA-111		Chairman/TO/ TC Husri District Hyderabad		
111.	11	2017-18	Use of vehicles without Registration	-
112.	12	2017-18	Failure of conducting regular annual inspection by the provincial local government commission	-
TMA-114		Chairman/MC/ TC Bolhari District Jamshoro		
113.	7	2017-18	Irregular payment of salaries without necessary deductions	44.150
114.	9	2017-18	Non-deduction of security deposit	0.394
115.	11	2017-18	Non-accountable of procured articles into dead stock register	1.513
116.	15	2017-18	Non-recovery of trade license fee due non-issuance of trade licenses	1.860
117.	16	2017-18	Non-creation of web-site of municipal committee	
TMA-115		Chairman/TO/ TC Bhit Shah District Matiari		
118.	4	2017-18	Non-achievement of targeted receipts	1.549
119.	6	2017-18	Non revision of shops rent of shops	-
120.	10	2017-18	Wasteful expenditure on account of out-sourcing	1.500
121.	11	2017-18	Non-accountal of procured items into relevant stock registers	1.411
122.	12	2017-18	Irregular expenditure on account of hiring legal consultant	0.162
TMA-120		Chairman/TO/ TC Chambar District Tando Allahyar		
123.	1	2017-18	Unauthorized award of works/schemes to contractors without obtaining credentials	62.000

[Rupees in million]

Sr.	Para No	Year	Para	Amount
124.	7		Unjustified payment without pre-audit of bills	5.739
125.	10	2017-18	Irregular payment made on account of pension without obtaining life certificate/no marriage certificate	2.375
126.	17	2017-18	Improper maintenance of cash book without bank reconciliation	-
127.	18	2017-18	Non – maintenance of important registers	-
TMA-121		Chairman/TO/ TC Jamshoro District Jamshoro		
128.	15	2017-18	Irregular & unauthorized excess expenditure from the budget grant	10.189
129.	18	2017-18	Un-authorized occupation of government property	-
130.	19	2017-18	Non-accountal of purchased items	26.895
TMA-5		Chairman/ TO,TC Piyaro Lund, District Tando Allahyar		
131.	5	2018-19	Irregular expenditure on account of pol and repair & maintenance of fire brigade vehicles	0.336
132.	7	2018-19	Non-maintenance of work register/security deposit registers	12.409
133.	8	2018-19	Improper maintenance of cash book	-
134.	9	2018-19	Irregular expenditure on account of repair & maintenance of vehicles	0.536
135.	10	2018-19	Non -verification of pay and allowances of officers/officials from concerned accounts office	-
136.	12	2018-19	Non-maintenance of dead stock register	-
TMA-6		Chairman/ CMO,MC Tando Allahyar		
137.	7	2018-19	Irregular expenditure on account final payments of developments works without availability of completion reports	8.383
138.	10	2018-19	Irregular expenditure on account of payment of advance salaries	0.280
139.	13	2018-19	Improper Maintenance of Cash Book	-
140.	14	2018-19	Non-conducting of annual physical verification of stock & stores	-
TMA-9		Chairman/ TO, TC Saeedabad District Matiari		
141.	3	2018-19	Unjustified purchase of electric material	0.346
142.	9	2018-19	Excess payment on account of POL used beyond prescribed ceiling (limit) per month	0.360
143.	13	2018-19	Unauthorized purchases without constitution of procurement committee	0.867
TMA-10		Chairman/ CODC, Dadu		
144.	7	2018-19	Non-reconciliation of submitted taxes into government exchequers	10.068
145.	8	2018-19	Unjustified payment on account of grant in aid	1.895
146.	11	2018-19	Non-recovery of government arrears rent of shops.	9.076
147.	12	2018-19	Irregular construction of musafirkhana without following the codal formalities	11.000
148.	13	2018-19	Non-accountal of purchased store articles	1.972
149.	14	2018-19	Internal audit & inspection not conducted by controlling	

[Rupees in million]

Sr.	Para No	Year	Para	Amount
			officer	
150.	15	2018-19	Improper maintenance of cash book	279.844
151.	16	2018-19	Non-verification of service books of employees from LFA	
TMA-11		Chairman/ CMO/ MC, Dadu		
152.	6	2018-19	Payment of pension without supporting documents	17.067
153.	9	2018-19	Irregular & unjustified appointment of contractual staff	12.000
154.	12	2018-19	Irregular expenditure without preparing annual procurement plan	33.220
155.	13	2018-19	Non-accountal of purchases in relevant stock register	10.039
156.	14	2018-19	Improper maintenance of cash book-	0.000
157.	15	2018-19	Non-verification of service books of employees from LFA	162.778
TMA-13		Chairman/ TO, TC Thana Bula Khan		
158.	6	2018-19	Irregular Expenditure without maintaining Work Register	38.900
159.	9	2018-19	Loss due to non-maintenance of council vehicles	-
160.	10	2018-19	Failure of conducting regular annual inspection by the provincial local government commission	-
161.	11	2018-19	Non-submission of quarterly progress report of cases to government	-
TMA-14		Chairman/ CODC, Jamshoro		
162.	6	2018-19	Irregular Expenditure without maintaining Work Register	46.382
163.	8	2018-19	Failure of conducting regular annual inspection by the provincial local government commission	-
TMA-15		Chairman/ CODC, Matiari		
164.	4	2018-19	Non-reconciliation of immovable property tax from concerned sub-registrar department	2.049
165.	8	2018-19	Execution of work without contractor's acknowledgement & irregular execution of contract agreement on non-judicial stamp paper &	1.690
166.	9	2018-19	Unjustified payment against the scheme completed within short span of time with completion period of four months	1.192
167.	12	2018-19	Wasteful expenditure on salaries of staff without utilizing services	1.040
168.	14	2018-19	Unauthorized purchase of physical assets during ban period	0.360
169.	15	2018-19	Improper maintenance of cashbook.	-
TMA-18		Chairman/ CODC, Badin		
170.	7	2018-19	Non-maintenance of registers	
171.	9	2018-19	Non-verification of stock and property of the council	
TMA-19		Chairman/ CMO, MC Ktori		
172.	8	2018-19	Irregular expenditure without maintenance of history sheet	1.337
173.	9	2018-19	Wastage of local council funds on grants	0.100
174.	10	2018-19	Non-maintenance of map of immovable property	-
175.	11	2018-19	Failure of conducting regular annual inspection by the provincial local government commission	-
176.	12	2018-19	Non-submission of quarterly progress report of cases to government	-
177.	13	2018-19	Use of vehicles without registration	-

[Rupees in million]

Sr.	Para No	Year	Para	Amount
178.	14	2018-19	Loss of property due to non-clearance of council vehicle	-
179.	15	2018-19	Non-maintenance of property registers	-
TMA-20			Chairman/ CMO, MC Johi	
180.	8	2018-19	Non reconciliation of deposited income tax/ sales tax	3.401
181.	10	2018-19	Payment of pension without supporting documents	2.405
182.	11	2018-19	Irregular expenditure without comparing market rates through quotations	0.491
183.	12	2018-19	Irregular expenditure without preparing annual procurement plan	14.347
184.	14	2018-19	Improper maintenance of cashbook	-
185.	15	2018-19	Non verification of service books of employees from LFA	-
TMA-25			Chairman/ Chief Municipal Officer, Municipal Committee, Badin	
186.	7	2018-19	Non-Imposition of 10%Penalty due to delay in completion of works	1.400
187.	9	2018-19	Non-utilization of funds	68.789
188.	11	2018-19	Unjustified expenditure on outsourcing of silt clearance work	0.247
189.	12	2018-19	Improper maintenance of cash book	0.000
190.	13	2018-19	Non maintenance budget control registers (Appropriation Accounts)	0.000
191.	14	2018-19	Non-maintenance of dead stock registers	0.000
192.	15	2018-19	Non-verification of stock registers	0.000
193.	16	2018-19	Non-conducting of internal audit and inspection	0.000
TMA-26			Chairman/ Chief Municipal Officer, Municipal Committee, Matli, District Badin	
194.	2	2018-19	Non-maintenance of tender opening register	130.702
195.	12	2018-19	Unauthorized expenditure over & above the budgetary allocation	0.500
196.	19	2018-19	Non-verification of stock and property of the council	0.000
197.	20	2018-19	Non-maintenance of property registers	0.000
198.	21	2018-19	Non-submission of quarterly progress report of cases to government	0.000
199.	22	2018-19	Non-issuance of licenses to public bathhouses	0.000
TMA-28			Chairman/ Chief Officer, District Council, Tando Muhammad Khan	
200.	9	2018-19	Distribution of items without following procedure	2.443
201.	10	2018-19	Unjustified payment of bills without authorization from accounts officer of council	1.638
202.	11	2018-19	Unjustified payment of liability	1.638
203.	12	2018-19	Irregular refund of Security Deposit	1.492
204.	13	2018-19	Non maintenance of dead stock register	-
205.	14	2018-19	Wastage of public funds by paying salaries to idle staff	-
TMA-29			Chairman/ TO, Town Committee, Bulri Shah Kaream	

[Rupees in million]

Sr.	Para No	Year	Para	Amount
206.	5	2018-19	Irregular payment of salaries without necessary deductions	124.407
207.	8	2018-19	Payment of pension without supporting documents	1.372
208.	9	2018-19	Un-authorized appointment of legal advisor	0.300
209.	11	2018-19	Non maintenance of dead stock register	-
TMA-33		Chairman/ CMO/ MC, Tando Muhammad Khan		
210.	6	2018-19	Non-imposition of penalty for late completion of work	0.983
211.	8	2018-19	Irregular payment of salaries without necessary deductions	131.026
212.	9	2018-19	Non maintenance of security deposit register / work registers	6.340
213.	10	2018-19	Payment of pension without supporting documents	31.894
214.	12	2018-19	Non-recovery of stamp duty	0.083
215.	13	2018-19	Unjustified deduction of union fund from salaries of employees	0.163
216.	14	2018-19	Irregular award of work without technical sanction	3.000
TMA-36		Chairman/ CMO, MC Hala, District Matiari		
217.	2	2018-19	Irregular refund of security deposits	0.035
218.	5	2018-19	Wasteful expenditure on celebration charges	0.414
TMA-42		Chairman/ Town Officer, Town Committee Bhitshah		
219.	3	2018-19	Irregular payment to contractors without obtaining completion reports	16.532
220.	4	2018-19	Irregular MBs recording without mentioning measurements' date	11.620
221.	9	2018-19	Irregular expenditure without supporting vouchers on account of purchase of sewing machines of	3.096
TMA-43		Chairman/ Town Officer, Town Committee Manjhand		
222.	1	2018-19	Non-deduction of professional tax	0.001
223.	7	2018-19	Use of vehicles without Registration	0.000
224.	8	2018-19	Failure of conducting regular annual inspection by the provincial local government commission	0.000
TMA-48		Chairman/ CMO MC Tando Jam		
225.	2	2018-19	Non-completion of works within stipulated time period	0.767
226.	3	2018-19	Unjustified procurement without constituting procurement committee	1.586
227.	4	2018-19	Non-accountal of procured articles in store/stock register	0.243
228.	5	2018-19	Irregular repair & maintenance of vehicle	0.770
229.	8	2018-19	Unjustified payment of salaries to bifurcated staff	17.192
230.	9	2018-19	Irregular hiring and extension to contractual staff	1.714
231.	10	2018-19	Unauthorized hiring of legal advisor	1.200
232.	11	2018-19	Irregular payment of pension without codal formalities	7.023
TMA-49		Chairman/ CODC Hyderabad		
233.	2	2018-19	Non-completion of works within stipulated time period	0.225
234.	3	2018-19	Non-accountal articles into store/stock register	1.793
235.	6	2018-19	Unauthorized up-gradation of compounders	31.194
236.	7	2018-19	Non-utilization of services of medical staff	52.145
237.	9	2018-19	Non-maintenance of dead stock registers	-

[Rupees in million]

Sr.	Para No	Year	Para	Amount
TMA-50		Chairman/ TO, TC, Bhan Sayedabad		
238.	6	2018-19	Non-provision of maintenance budget for immovable council property	2.892
239.	8	2018-19	Un-authorized joining to other council employees	-
240.	9	2018-19	Non-submission of quarterly progress report of cases to government	-
241.	10	2018-19	Failure of conducting regular annual inspection by the provincial local government commission	-
TMA-51		Mayor/ Municipal Commissioner, Hyderabad Municipal Corporation		
242.	7	2018-19	Irregular payment made on account of pension without obtaining life certificate/no marriage certificate	319.952
243.	8	2018-19	Illegal creations of posts BS-16 to BS-17 & BS-17 to BS-18	-
244.	9	2018-19	Inconvenience to general public due to non-completion schemes	191.057
245.	16	2018-19	Wasteful expenditure on account of salaries to medical and vaccination staff without utilizing their services	54.318
246.	18	2018-19	Non-cancellation of un-started works	38.375
247.	22	2018-19	Non-imposition of penalty due to delay in completion	16.018
248.	23	2018-19	Non-accountal of procured articles in store/stock register	12.222
249.	27	2018-19	Payment made to contractors' on account of supplies without producing contractors' accounts, documents and record	8.885
250.	31	2018-19	Unjustified expenditure on quotations without calling open tender	4.540
251.	32	2018-19	Non-transparency in procurement of uniform/liveries on quotation basis	4.318
252.	34	2018-19	Irregular hiring of legal advisor without approval of law department and without open tender	3.300
253.	38	2018-19	Non-retention of general sales tax on account of purchases of sanitation vehicles	0.884
254.	39	2018-19	Unauthorized allowed POL quota over and above the entitlement	0.377
255.	40	2018-19	Illegal absorbed contract employees in firefighting department for drawing undue benefit of overtime	0.270
256.	43	2018-19	Non-reporting of unserviceable off road vehicles/items	-
257.	44	2018-19	Non-registration of vehicles of HMC	-
258.	45	2018-19	Irregular allotment of vehicle beyond entitlement	-
TMA-54		Chairman/ CODC Tando Allahyar		
259.	7	2018-19	Irregular expenditure on account of payment of house building advance	0.262
260.	8	2018-19	Irregular expenditure on account of execution of works without maintenance of contractor ledger	169.978
261.	10	2018-19	Improper maintenance of cash book	-
262.	11	2018-19	Non-accountal of materials in stock registers	4.673

[Rupees in million]

Sr.	Para No	Year	Para	Amount
263.	12	2018-19	Non-maintenance of establishment check register	-
264.	13	2018-19	Irregular expenditure on account of POL quota over and above the entitlement	0.744
265.	14	2018-19	Failure to furnish mandatory income tax statements	-
266.	15	2018-19	Non-conducting of annual physical verification of stock & stores	-
TMA-56		Chairman/ TO, Town Committee, Gharo		
267.	2	2018-19	Unauthorized provisional payment due to obtaining late approval of budget estimates	13.334
268.	4	2018-19	Irregular payment made on account of pension without obtaining life certificate/no marriage certificate	5.517
269.	7	2018-19	Irregular payments on account of purchases without specifying required quantities of articles in notice of quotation	2.368
270.	8	2018-19	Non-accountal of purchases in relevant stock register	1.990
271.	13	2018-19	Irregular procurement of goods made through un-registered contractor	0.289
TMA-57		Chairman/ TO, Town Committee, Mirpur Sakro		
272.	3	2018-19	Irregular payment of liabilities without obtaining approval of scrutiny committee	4.916
273.	7	2018-19	Irregular procurement of goods made through un-registered contractor	3.371
274.	9	2018-19	Irregular payments on account of purchases without specifying required quantities of articles in notice of quotation	2.293
275.	12	2018-19	Non maintenance of important registers	-
TMA-59		Chairman/ TO, Town Committee, Sann, District Jamshoro		
276.	4	2018-19	Non-maintenance of cash book	54.400
277.	10	2018-19	Non-reporting of missing vehicle	-
278.	11	2018-19	Non-maintenance of Property Registers	-
279.	12	2018-19	Failure of conducting Regular Annual Inspection by the Provincial Local Government Commission	-
TMA-61		Chairman/ TO, Town Committee, Old Hala, District Matiari		
280.	2	2018-19	Unjustified disbursement of salary to officers/ officials against awaiting period without providing details	0.302
281.	8	2018-19	Payment of Sindh Sales tax without reconciliation from concerned authority	0.446
TMA-63		Chairman/ Chief Officer, District Council Thatta		
282.	3	2018-19	Irregular payment of salary without biometric verification	46.700
283.	5	2018-19	Irregular payment made on account of pension without obtaining life certificate/no marriage certificate	17.164
284.	6	2018-19	Excess expenditure incurred over and above budget grant	15.809
285.	8	2018-19	Non-accountal of purchases in relevant stock register	6.912

[Rupees in million]

Sr.	Para No	Year	Para	Amount
286.	10	2018-19	Unjustified payments on account of scholarships	4.105
287.	14	2018-19	Unauthorized expenditure on account of POL without maintaining Log Book	
288.	16	2018-19	Unauthorized record of detailed measurement by sub-engineer without proper authority	-
TMA-65			Chairman/ Town Officer, Town Committee, Sultanabad	
289.	3	2018-19	Non-hoisting of annual procurement plan on SPPRA website	
290.	8	2018-19	Irregular distribution of material without obtaining acknowledgement receipts	2.324
291.	10	2018-19	Irregular expenditure without constitution of procurement committee	4.422
292.	11	2018-19	Improper maintenance of cash book	22.225
293.	12	2018-19	Internal audit & inspection not conducted by controlling officer	
TMA-62			Chairman/ TO, Town Committee, Khaibar, District Matiari	
294.	5	2018-19	Non reconciliation of deposited income tax with income tax department	1.548
295.	8	2018-19	Running of business of Town Committee without posting regular Town Officer	-
296.	9	2018-19	Unauthorized appointment of employees on fix pay basis	5.112
297.	10	2018-19	Improper maintenance of cash book	-
298.	11	2018-19	Non maintenance of important registers	-
299.	12	2018-19	Annual physical verification of stock and stores not conducted	-
TMA-70			Town Committee, Sanjer Chang	
300.	3	2018-19	Non-hoisting of Annual Procurement Plan on SPPRA Website-	-
301.	6	2018-19	Irregular Distribution of Material without obtaining Acknowledgement Receipts.	2.041
302.	7	2018-19	Irregular expenditure without comparing market rates through quotations.	0.891
303.	8	2018-19	Payment of Pension without supporting documents.	0.268
304.	11	2018-19	Improper Maintenance of Cash Book.	22.225
305.	12	2018-19	Non-Verification Of Service Books of Employees from LFA	12.000
306.	13	2018-19	Internal audit & inspection not conducted by controlling officer.	-
TMA			Chairman / Town Officer, Town Committee, Makli	
307.	2	2018-19	Non-publication of the award of contracts on authority's website	18.376
308.	5	2018-19	Irregular payment to contractors without check measurement	8.594
309.	7	2018-19	Irregular payment made on account of Pension without obtaining Life Certificate/No Marriage Certificate	3.699

[Rupees in million]

Sr.	Para No	Year	Para	Amount
310.	10	2018-19	Non-accountal of purchases in relevant stock register	1.578
311.	11	2018-19	Unjustified expenditure on quotations without calling open tender	0.807
312.	13	2018-19	Non-revision of schedule of fee/Taxes & Charges	-
TMA			Town Committee, Tando Ghulam Hyder	
313.	3	2018-19	Irregular payment of salaries without necessary deductions	11.882
314.	7	2018-19	Irregular award of work to contractors not registered with Sindh Revenue Board	18.249
315.	9	2018-19	Loss to government due to shortfall in the targeted Recovery	0.300
316.	10	2018-19	Non Maintenance Of Dead Stock Register	
317.	13	2018-19	Unauthorized expenditure without approval of budget from the Government	21.410
318.	15	2018-19	Execution of works without obtaining technical sanction	1.332
TMA			O/o Chairman / Town Officer, Town Committee, Matiari, Distt Matiari	
319.	4	2018-19	Non-revision of shops rent of shops	-
320.	6	2018-19	Un-authorized operation of bank account in ABL instead of Sindh Bank Limited.	-
321.	7	2018-19	Irregular payment of pension to retired employees Rs 7.753 Million approximately.	7.753
322.	8	2018-19	Non-adjustment / non-recovery of advances granted to Officials – Rs.0.980 million	0.980
323.	10	2018-19	Unauthorized award of work due to non-publication of tender notice in print media Rs.19.500 million	19.500
324.	11	2018-19	Improper maintenance of cash book	-
TMA			Chairman / Town Officer, Town Committee, Oderolal Station, Distt Matiari	
325.	4	2018-19	Unjustified payment made to various contractor in 1 st running bill Rs. 6.439 million	6.439
326.	6	2018-19	Un-authorized operation of bank account in MCB instead of Sindh Bank Limited.	-
327.	9	2018-19	Irregular payment of pension to retired employees Rs 2.349 Million approximately.	2.349
328.	10	2018-19	Unauthorized appointment of daily wages staff Rs.2.184 million	2.184
329.	11	2018-19	Non-verification of bid security on account of sanitation charges from bank Rs.0.012 million	0.012
330.	12	2018-19	Irregular refund of security deposits – Rs 0.224 million	0.224

MFDAC MIRPURKHAS DIVISION

[Rupees in million]

S. No.	Para #	Abstract of Paras	Amount
I	TMA-95	Chairman/C.O District Council Mirpurkhas	
1	7	Irregular payment of pension	35.273
2	11	Non-accountal of various store items into relevant stock register	0.496
3	12	Non-revision of shop rent	-
4	13	Illegal possession of government quarters	-
5	14	Annual physical verification of stock and stores not conducted	-
II	TMA-96	Chairman/T.O, Town Committee Jhudo	
6	14	Unjustified expenditure on repair of vehicles	2.304
7	19	Loss due to non-revision / increases of rent	-
8	20	Improper constitution of procurement committee against expenditure through quotations	5.467
9	26	Annual physical verification of stock and stores not conducted	-
III	TMA-98	Chairman/T.O, Town Committee Mirwah Gorchani	
10	7	Un-authorized late joining of duty	-
11	9	Un-authorized appointment of legal adviser	0.240
12	11	Non-accountal of Purchases in the Stock Register	3.775
13	12	Use of vehicles without Registration	-
14	13	Non-submission of quarterly progress report of cases to government	-
15	14	Non-maintenance of property registers	-
16	15	Non-verification of stock and property of the council	-
IV	TMA-107	Chairman/T.O, Town Committee Digri	
17	14	Unauthorized payments of previous liability	2.638
V	TMA-108	Chairman/T.O, Town Committee Kot Ghulam Muhammad	
18	13	Irregular payment of pension	15.885
VI	TMA-123	Chairman/CMO, Municipal Committee Mirpurkhas	
19	20	Unjustified expenditure on repair of vehicles without maintaining history sheet of un-registered vehicles.	4.553
20	22	Unjustified pension payment to retired employees without obtaining valid life & no marriage certificates	72.874
21	23	Non removal of encroachment from municipal committee jurisdiction	-
22	25	Loss due to non-revision of shop rent	-
23	26	Non-Maintenance of Property Record	-
24	29	Annual physical verification of stock and stores not conducted	-
25	30	Internal audit & inspection not conducted by controlling officer	-
VII	TMA-68	Chairman/ T.O, Town Committee Pithoro	
26	1	Non-hoisting of annual procurement plan on SPPRA website	-
27	3	Unauthorized inclusion of works in NIT without administrative approval	28.717
28	5	Non-hoisting of bid evaluation reports on SPPRA website	2.262
29	6	Award of works to unregistered contractors with FBR/SRB	0.538
30	8	Non-accountal of procured articles in store/stock register	0.595
31	9	Non-transparency in POL Spending	2.442
32	10	Non-recovery of taxes on auctioneer services	0.110
33	12	Irregular payment of pension without codal formalities	0.767
34	13	Non-deduction of pension contribution of employees	5.490

[Rupees in million]

S. No.	Para #	Abstract of Paras	Amount
35	15	Non-maintenance property record/register of council	-
VIII	TMA-69	Chairman/ CMO, Municipal Committee Umerkot	
36	1	Irregular award of work without technical sanction	9.782
37	2	Award of work without credential certificates of contractors	31.047
38	3	Non-hoisting of bid evaluation report on SPPRA website	22.552
39	5	Unauthorized creation of liabilities	35.000
40	7	Non-accountal of procured articles in store/stock register	3.934
41	8	Non-transparency in POL Spending	4.581
42	11	Irregular hiring of legal advisor	0.525
43	12	Unauthorized reimbursement of medical charges	0.560
44	13	Irregular payment of pension without codal formalities	19.779
IX	TMA-70	Chairman/T.O, Town Committee, Samaro	
45	1	Non-hoisting of annual procurement plan on SPPRA Website	-
46	3	Wastage of public funds on advertisement charges of NIT	0.846
47	4	Irregular award of work without credential certificates of contractors	12.089
48	5	Non-hoisting of bid evaluation report on SPPRA website	1.730
49	6	Award of work without executing contract agreements with contractors	15.387
50	7	Unjustified refund of security deposit to contractors	1.114
51	9	Non-accountal of procured articles in store/stock register	0.936
52	10	Non-transparency in POL Spending	3.820
53	14	Irregular payment of pension without codal formalities	1.298
54	15	Non-collection of revenue to achieve targeted receipts	0.966
X	TMA-71	Chairman/C.O, District Council, Umerkot	
55	2	Irregular payment of pension without codal formalities	42.401
56	5	Non-hoisting of bid evaluation reports on SPPRA website	8.430
57	6	Non-completion of work within stipulated time period	1.253
58	8	Non-maintenance of dead stock register	-
XI	TMA-79	Chairman/T.O, Town Committee, Nabisar Road	
59	1	Non-hoisting of annual procurement plan on SPPRA website	-
60	3	Non-cancellation of work un-started within bid validity	-
61	4	Non-accountal of procured articles in store/stock register	0.336
62	8	Non-deposition of pension contribution in separate pension fund account	1.355
XII	TMA-80	Chairman/T.O, Town Committee, Kunri	
63	1	Non-hoisting of annual procurement plan on SPPRA website	-
64	3	Award of work without credential certificates of contractors	22.347
65	4	Award of works to contractor without registration in Pakistan Engineering Council (PEC)	20.759
66	5	Non-hoisting of bid evaluation reports on SPPRA website	8.134
67	7	Non-accountal of procured articles in store/stock register	0.129
68	8	Non-transparency in POL Spending	2.121
69	9	Loss due to non-affixing of stamp duty	0.051
70	12	Irregular payment of pension without codal formalities	25.200
71	14	Non-maintenance property record/register of council	-
XIII	TMA-100	Chairman/T.O, Town Committee Chelhar	

[Rupees in million]

S. No.	Para #	Abstract of Paras	Amount
72	4	Irregular payment to inland revenue without reconciliation	0.101
73	15	Un justified award of development works without signatures on contract agreements	7.766
74	17	Irregular final payment in absence of completion certificate	10.225
75	18	Irregular procurement without Integrity Pact	7.500
76	22	Un justified progress of fire brigade	-
XIV	TMA-101	Chairman/T.O, Town Committee Diplo	
77	5	Outstanding arrears from contractor	0.012
78	20	Un justified expenditure on a/c of repair and maintenance of vehicles	1.895
79	22	Un justified progress of fire brigade	-
80	23	Un-Disposal of unserviceable /Condemned vehicles	-
81	24	Non-maintenance of cash book	-
82	25	Non-maintenance of dead stock register	-
XV	TMA-106	Chairman/T.O, Town Committee Khem-jo-par	
83	12	Wasteful expenditure on construction of shopping Centre	17.720
84	15	Improper maintenance of cash book	-
85	16	Non-verification of service books of employees from LFA	-
XVI	TMA-106	Chairman/T.O, Town Committee Nagarparkar	
86	5	Unjustified Purchase Of Electric Material	1.482
87	9	Improper Maintenance of Cash Book	-
88	13	Non-Verification Of Service Books of Employees from LFA	-
89	14	Internal audit & inspection not conducted by controlling officer.	-
XVII	TMA-68	Chairman/T.O, Town Committee Naukot	
90	2	Award of work without fulfillment of Pre-Requisite Condition of NIT.	5.000
91	6	Irregular Technical Sanction of Non-schedule Items.	2.250
92	7	Irregular Distribution of Material without obtaining Acknowledgement receipts.	1.300
93	8	Non-Accountal of Purchased Store Articles.	6.014
94	10	Non-hoisting of Annual Procurement Plan on SPPRA Website-	-
95	11	Non-deduction of GST on taxable goods/supplies.	0.726
96	12	Irregular expenditure without comparing market rates through quotations.	1.207
97	13	Irregular Appointment of Contract staff.	9.346
98	14	Improper Maintenance of Cash Book-	-
99	15	Internal Audit & Inspection Not Conducted By Controlling Officer	-
XVIII	TMA-78	Chairman/T.O, Town Committee Tando Jan Muhammad	
100	1	Non-posting of Annual Procurement Plan on SPPRA in advance	-
101	3	Award of work without technical Sanction of Estimates	5.031
102	5	Non-completion of works within stipulated time period	2.521
103	7	Irregular payment of pension to pensioners	3.270
104	9	Unjustified cash payment on account of liveries to staff	0.696
105	10	Non-prevention of contractor's security in separate deposit account	1.241
106	11	Loss to council due to non-recovery of dues from contractors	0.179
XIX	TMA-91	Chairman/T.O, Town Committee Mirwah Gorchani	
107	2	Non-preparation of Annual Procurement Plan	-

[Rupees in million]

S. No.	Para #	Abstract of Paras	Amount
108	3	Non-start/execution of work within bid validity period	9.566
109	4	Unjustified prequalification of contractors without credentials	7.794
110	7	Non-accountal articles into store/Stock Register	0.635
111	8	Unauthorized outsourcing of sanitation services to contractor	0.728
112	9	Non-transparency in POL Spending	2.212
113	10	Non-prevention of contractors security by opening of separate deposit account	1.670
114	11	Unjustified payment to staff relieved to Public Health Department	2.052
115	13	Improper maintenance of cash book	-
XX	TMA-74	Chairman/C.O, District Council Mirpurkhas	
116	6	Non-enhancement of schedule of taxes rates on annual basis	-
117	7	Wastage of local council funds on grants	0.200
118	8	Non-deduction of Pension Contribution, Benevolent Fund, Provident Fund & Group Insurance from Salary of SCUG Employees	-
119	9	Non-submission of Quarterly Progress Report of Cases to Government	-
120	10	Non-deduction of Pension Contribution, Benevolent Fund, Provident Fund & Group Insurance from Salary of Council Employees	-
XXI	TMA-73	Chairman/T.O, Town Committee Kot Ghulam Muhammad	
121	10	Use of vehicles without Registration	-
122	11	Non-deduction of Pension Contribution, Benevolent Fund, Provident Fund & Group Insurance from Salary of SCUG Employees	-
123	12	Failure of conducting Regular Annual Inspection by the Provincial Local Government Commission	-
124	13	Non-deduction of Pension Contribution, Benevolent Fund, Provident Fund & Group Insurance from Salary of Council Employees	-
XXII	TMA-88	Chairman/CMO Municipal Committee Mirpurkhas	
125	10	Use of vehicles without Registration	-
XXIII	TMA-44	Chairman/ C.O, District Council Umerkot	
126	2	Suspicious deposited income tax	4.901
127	3	Suspicious deposited Sindh sales tax on services to Sindh revenue board	0.919
XXIV	TMA-45	Chairman/ CMO, Municipal Committee, Umerkot	
128	11	Un-justified pension payment to retired employees without obtaining mandatory certificates	2.648
129	12	Targeted/budgeted recovery not effected	9.897
130	13	Non-conducting of physical verification of stock items / articles	-
131	14	Non-accountal of purchased items	3.694
XXV	TMA-64	Chairman/ T.O, Town Committee, Kunri	
132	1	Award of work without credential certificates of contractor	10.828
133	7	Payment of Pension without supporting documents	33.630
134	8	Award of works without executing integrity pact	10.828
135	9	Non-hoisting of annual procurement plan on SPPRA website	-
136	12	Improper maintenance of cash book	-
XXVI	TMA-81	Chairman/ T.O, Town Committee Samaro	
137	5	Irregular expenditure on purchases without constitution of purchase committee	1.459

[Rupees in million]

S. No.	Para #	Abstract of Paras	Amount
138	6	Non-reconciliation of deposited income tax with income tax department	1.483
139	7	Irregular expenditure on development work without physically verification of the schemes	1.564
140	10	Un-justified pension payment to retired employees without obtaining mandatory certificates	3.079
141	12	Unjustified & irregular payment without supporting documents	0.475
142	13	Unjustified payment against un-signed bills from concerned accounts officer	0.110
143	14	Non-accountal of purchased items	1.459
XXVII	TMA-80	Chairman/ T.O, Town Committee Dhoronaro	
144	6	Non-reconciliation of tax deposited with income tax department	0.177
145	9	Unjustified payment against un-signed bills from concerned accounts officer/accountant	12.192
146	12	Irregular award of works without constitution of procurement committee	1.739
147	13	Irregular & unjustified purchase of electric material	0.787
148	14	Non-conducting of physical verification of stock items / articles	-
149	15	Non-accountal of purchased items	2.085
150	16	Non-accountal of collected security deposits	0.997
XXVIII	TMA-81	Chairman/ T.O, Town Committee Chhore City	
151	15	Irregular purchase of furniture / air conditioner / computer & Rickshaw	0.664
152	16	Non-starting / execution of development schemes	1.958
153	17	Irregular & un-authorized distribution of hand pumps	2.759
154	19	Irregular & un-justified expenditure on refreshment	0.310
155	20	Non-accountal of purchased items	0.942
156	21	Non-accountal of collected deposits	6.236
XXIX	TMA-3	Chairman/ C.O, District Council Tharparkar	
157	3	Unauthenticated / invalid / doubtful contract agreements	6.177
158	5	Non-accountal purchased articles in stores	0.189
159	8	Wasteful salaries to Medical Staff due to non-functionalize dispensaries	16.713
XXX	TMA-4	Chairman/ CMO, Municipal Committee Mithi	
160	2	Unjustified / Unrealistic estimation of cartage of material	0.889
161	3	Non-cancellation works un-awarded within bid validity periods	2.000
162	4	Non-obtaining of Performance Security from Contractors	2.473
163	7	Non-accountal of procured articles in store/stock register	5.462
164	9	Loss on account of non-affixing of stamp duty	0.010
165	13	Non-maintenance of dead stock register	-
XXXI	TMA-12	Chairman/ T.O, Town Committee Islamkot	
166	1	Non-posting of annual procurement plan on SPPRA website in advance	-
167	2	Unjustified advertisement of new NIT instead of completing ongoing NIT's	44.749
168	4	Improper / unauthenticated / unverified technical sanction of works	10.000
169	7	Unauthorized premium ceiling beyond permissible limit	0.754

[Rupees in million]

S. No.	Para #	Abstract of Paras	Amount
170	8	Unjustified carriage of material without lead chart	6.600
171	12	Irregular award of works without performance security	4.475
172	14	Doubtful / invalid complaint redressal committee	-
173	15	Award of works without executing contract agreements with contractors	44.749
174	16	Misappropriation of funds on private property	5.014
175	23	Unjustified award of works to un-registered contractors in SRB/FBR	4.225
176	26	Collusive practices due to avoid of quotations	0.151
177	27	Non-accountal of Store articles into Stock Register	4.093
178	28	Doubtful repair & maintenance of vehicle	1.198
179	29	Doubtful repair & maintenance of machinery	4.873
180	30	Unverified payment of encroachment claims	1.494
181	31	Unjustified outsourcing of sanitation work to contractors	2.971
182	32	Non-registration of govt. vehicles to avoid annual tax of vehicles	-
183	44	Utilization of contractors security due to non-opening of separate deposit account	1.784
184	45	Non-opening of separate pension fund account	-
185	46	Irregular hire & extension to contractual staff	1.052
186	47	Unjustified payment of pension to pensioners	3.982
187	48	Non-deduction of pension contribution from salaries of Council staff	-
188	50	Non-prevention of councils interest by obtaining of bank guarantee	4.862
189	54	Improper maintenance of cash book	-
190	55	Non-maintenance of dead stock registers	-
191	56	Non-conducting of annual physical verification of physical store	-
192	57	Non-conducting of annual inspection by controlling officer	-
XXXII	TMA-30	Chairman/ T.O, Town Committee Chelhar	
193	4	Irregular expenditure on account of execution of works without signatures of contractors on running bills	4.604
194	5	Non maintenance of establishment check register	6.447
195	7	Irregular expenditure on account of execution of works without maintenance of contractor ledger	4.604
196	8	Non-accountal of procured items into relevant stock register	0.287
197	9	Non maintenance of cash book	-
198	10	Failure to prepare annual procurement plan	-
199	11	Failure to furnish mandatory income tax statement	-

MFDAC SHAHEED BENAZIRABAD

[Rupees in million]

S.No.	Para #	Name of Formation	Amount
I	TMA-1	Chairman/ Chief Officer, District Council Naushero Feroze	
1	10	Wastage of Local council funds on grants	0.150
2	11	Non submission of quarterly progress report of cases to government	-
II	TMA-2	Chairman/ TO, TC Kandiaro, District Naushero Feroze	
3	16	Use of vehicles without registration	-
4	17	Non maintenance, administration & registration of burial places by the council	-
5	18	Non submission of quarterly progress report of cases to government	-
6	19	Non maintenance of property registers	-
III	TMA-31	Chairman/TO, Bhiria City, District Naushero Feroze	
7	13	Wastage of local council funds on grants	0.200
8	14	Use of vehicles without Registration	-
9	15	Failure of conducting regular annual inspection by the provincial local government commission	-
IV	TMA-34	Chairman/ TO, TC Naushehro Feroze	
8	9	Exceed of authority beyond financial & administrative powers by the chairman	0.142
9	11	Wastage of local council funds on grants	0.150
10	12	Failure of conducting regular annual inspection by the provincial local government commission	-
11	13	Use of vehicles without registration	-
12	14	Non-submission of quarterly progress report of cases to government	-
13	15	Non-maintenance of property registers	-
V	TMA-35	Chairman/ CMO, MC Moro, District Naushehro Feroze	
14	11	Irregular expenditure without maintenance of history sheet	5.776
15	12	Un-authorized appointment of legal adviser	0.151
16	13	Wastage of local council funds on grants	0.100
17	14	Non-submission of quarterly progress report of cases to government	-
18	15	Failure of conducting regular annual inspection by the provincial local government commission	-
VI	TMA-47	Chairman/ TO,TC Mehrabpur	
16	12	Expenditure prior to approval of budget	9.999
17	13	Non-submission of quarterly progress report of cases to government	-
18	14	Non-deduction of pension contribution, benevolent fund, provident fund & group insurance from salary of SCUG Employees	-
19	15	Non-deduction of pension contribution, benevolent fund, provident fund & group insurance from salary of council employees	-
VII	TMA-40	Chairman/ Chief Officer, District Council Shaheed Benazirabad	
20	4	Irregular technical sancation of non-schedule Items	7.000
21	5	Irregular payment of pension without codal formalities	66.650
22	7	Non-accountal of purchased store articles	29.545
23	8	Irregular distribution of material without obtaining acknowledgement receipts	30.975
24	10	Irregular expenditure without preparing annual procurement plan	2.174
25	11	Award of work without execution of integrity pact	15.115

[Rupees in million]

S.No.	Para #	Name of Formation	Amount
26	12	Internal audit & inspection not conducted by controlling officer	-
27	13	Unauthorized drawl of pol by vice chairman without entitlement	0.252
28	14	Non-verification of service books of employees from LFA	-
VIII	TMA-41	Chairman/ Chief Municipal Officer, Municipal Committee Nawabshah	
29	2	Irregular technical sanction of non-schedule items	2.771
30	5	Award of work without fulfillment of pre-requisite condition of NIT	27.857
31	10	Irregular payment of pension without codal formalities	78.800
32	13	Irregular expenditure without preparing annual procurement plan	5.911
33	14	Internal audit & inspection not conducted by controlling officer	-
34	15	Non-verification of service books of employees from LFA	-
IX	TMA-39	Chairman/ TO, Town Committee, Sakrand	
35	5	Non-transparency in government spending on account Of POL	3.075
36	7	Payment of pension without supporting documents	15.616
37	8	Award of works without executing integrity pact	85.003
38	10	Loss due to less-revision of rent of Government property	17.410
39	11	Improper maintenance of cash book	-
X	TMA-76	Chairman/ D.C, Sanghar	
40	8	Wastage of local council funds on grants	0.485
41	9	Non-maintenance of property registers	-
42	10	Un-authorized operation of bank account with private bank	-
XI	TMA-60	Chairman/ CMO, Municipal Committee, Sinjhero, District Sanghar	
43	6	Non provision of maintenance budget for immovable council property	0.5
44	7	Use of vehicles without registration	0
45	8	Failure of conducting Regular Annual Inspection by the Provincial Local Government Commission	0
46	9	Non maintenance of propety registers	0
47	10	Non deduction of pension contribution, benevolent fund, providient fund & group insurance from slary of SCUG employees	0
48	11	Non deduction of pension contribution, benevolent fund, providient fund & group insurance from slary of council employees	0
XII	TMA-89	Chairman/ CMO, Municipal Committee, Khipro	
49	8	Non-deduction of pension contribution, benevolent fund, provident fund & group insurance from salary of SCUG employees	-
50	9	Non-deduction of pension contribution, benevolent fund, provident fund & group insurance from salary of council employees	-
51	10	Non-maintenance of property registers	-
52	11	Failure of conducting regular annual inspection by the Provincial Local Government Commission	-
XII	TMA-55	Chairman/ CMO, Municipal Committee, Shahdadpur	
53	6	Irregular expenditure without maintenance of History Sheet	3.299
54	9	Use of vehicles without registration	-
55	10	Non-maintenance of property registers	-
56	11	Failure of conducting regular annual inspection by the provincial local government commission	-
XIV	TMA-87	Chairman/ CMO, Municipal Committee, Tando Adam	

[Rupees in million]

S.No.	Para #	Name of Formation	Amount
57	27	Non-recovery of claimable Fees	-
58	28	Illegal occupancy over Council's Property	-
59	29	Non-maintenance of Property Registers	-
60	30	Failure of conducting regular annual inspection by the Provincial Local Government Commission	-
61	31	Un-authorized operation of bank account with private bank	-
62	32	Use of vehicles without registration	-
63	33	Loss due to non-maintenance of council vehicles	-
XV	TMA-75	Chairman/Chief Officer, Shaheed Benazirabad	
64	8	Non revision of shops rent	0.720
65	9	Failure to provide proof of deposition of deducted taxes	17.375
66	12	Payment of arrears/difference claims without permission and justification	1.369
67	14	Payment of salaries without deduction of pension contribution	73.403
68	16	Non-accountal of materials in stock register	43.154
69	18	Non-recovery of professional tax	0.0275
XVI	TMA-77	Chairman/CMO/ Municipal Committee, Nawab Shah Dist: Shaheed Benazirabad	
70	6	Non-execution/start of works	1.495
71	7	Payment of salaries without deduction of pension contribution	161.886
72	10	Non-execution of item of works	1.162
73	11	Non-achievement of targeted receipts	17.615
74	12	Payment of income tax without reconciliation	19.308
75	14	Non accountal/non-deposit of call deposit fee in bank account	11.578
76	15	Non-accountal of materials in stock register	12.851
XVII	TMA-78	Chairman/TO/ Town Committee, Sakrand	
77	12	Loss due to less affixing of stamp duty	20,719
XVIII	TMA-76	Chairman/TO, Town Committee, Kazi Ahmed	
78	4	Payment of pension without fulfilling codal formalities	5.149
79	5	Recovery of unauthorized payment of computer allowance	0.018
80	8	Non-accountal of materials in stock register	2.868
81	9	Appointment of legal advisor and expenditure on account of legal fees	0.360
82	10	Non-achievement of targeted receipts	1.214
83	11	Non constitution of purchase committee	3.878
XIX	TMA-116	Chairman/TO/ TC Halani District Naushehro Feroze	
84	5	Un-authorized purchase and use of air conditioners, by the management of town committee	-
85	21	Unjustified expenditure on earth filling	2.071
86	33	Non-conducting of annual physical verification of stock and stores	-
XX	TMA-118	Chairman/TO/ TC Tharoo Shah District Naushehro Feroze	
87	4	Un-authorized purchase and use of air conditioner, by the managemet of town committee	0.084
88	21	Irregular payment of development works without maintenance of work register	29.093

[Rupees in million]

S.No.	Para #	Name of Formation	Amount
89	27	Non-conducting of annual physical verification of stock and stores	-
XXI	TMA-119	Chairman/TO/ TC Mithiani District Naushehro Feroze	
90	6	Unjustified expenditure by out-sourcing	1.073
91	12	Irregular purchase of material without constitution of purchase committee	0.847
XXII	TMA	Chairman/TO/ TC Padidan District Naushehro Feroze	
92	10	Non-maintenance of cash book	136.000
93	12	Non-maintenance of Property Registers	-
94	13	Failure of conducting Regular Annual Inspection by the Provincial Local Government Commission	-

MFDAC SUKKUR DIVISION

[Rupees in million]

S.No	Year	Name of Office	Para No	Heading of para	Amount
1	2018-19	CODC Sukkur	3	Irregular payment of salaries without necessary deductions	-
2	2018-19	CODC Sukkur	5	Un-authorized expenditure without approval of budget estimates	258.981
3	2018-19	CODC Sukkur	10	Improper maintenance of Cashbook	-
4	2018-19	SMC	2	Payment of pension without fulfilling codal formalities	54.449
5	2018-19	SMC	4	Irregular payment of awaiting period salary	1.287
6	2018-19	SMC	5	Irregular payment of salaries without necessary deductions	-
7	2018-19	SMC	11	Payment of income tax without reconciliation	75.62
8	2018-19	SMC	12	Improper maintenance of Cashbook	-
9	2018-19	SMC	16	Wasteful expenditure on account of legal fees	1.166
10	2018-19	SMC	19	Execution of schemes without contract agreement	509.261
11	2018-19	SMC	24	Wasteful expenditure by paying salaries to idle staff	79.375
12	2018-19	SMC	25	Doubtful refund of call deposit	1.864
13	2018-19	SMC	26	Non-accountal of purchases in relevant stock register	5.147
14	2018-19	MC Rohri	8	Irregular expenditure on repair of Government vehicle	1.756
15	2018-19	MC Rohri	12	Non-completion of development scheme within stipulated date of completion	0.300
16	2018-19	MC Rohri	13	Non-accountal of purchases in relevant stock register	3.601
17	2018-19	MC Rohri	15	Improper maintenance of cashbook	-
18	2018-19	MC Rohri	16	Payment of income tax without	2.235

[Rupees in million]

S.No	Year	Name of Office	Para No	Heading of para	Amount
				reconciliation	
19	2018-19	TC Saleh Pat	4	Irregular payment of salaries without necessary deductions	-
20	2018-19	TC Saleh Pat	6	Irregular payment without maintaining work and tender register	1.068
21	2018-19	TC Saleh Pat	7	Payment of income tax without reconciliation with income tax department	0.399
22	2018-19	TC Saleh Pat	10	Irregular appointment of un-trained fire fighting staff	4.450
23	2018-19	TC Saleh Pat	12	Improper maintenance of cashbook	-
24	2018-19	TC Saleh Pat	13	Non-accountal of purchases in relevant stock register	1.279
25	2018-19	TC Saleh Pat	14	Improper sanitation system within jurisdiction of town committee	-
26	2018-19	TC Pano Akil	5	Irregular payment of salaries without necessary deductions	-
27	2018-19	TC Pano Akil	9	Non-accountal of purchases in relevant stock register	8.262
28	2018-19	TC Pano Akil	10	Improper maintenance of cashbook	-
29	2018-19	TC Pano Akil	11	Payment of income tax without reconciliation with income tax department	6.600
30	2018-19	TC Pano Akil	16	Irregular purchases without constitution of procurement committee	5.412
31	2016-19	TC Bagarji	8	Un-justified expenditure on sanitation work	0.233
32	2016-19	TC Bagarji	9	Non-accountal of purchases in relevant stock register	0.794
33	2016-19	TC Bagarji	10	Improper maintenance of Cashbook	-
34	2016-19	TC Bagarji	11	Irregular payment of Income Tax	0.235
35	2017-19	CODC Ghotki	4	Irregular payment of leave encashmen twithout codal formalities	2.832
36	2017-19	CODC Ghotki	11	Failure to execute different development schemes	2.000
37	2018-19	MC Ghotki	6	Un-authorized occupation of government property	-
38	2018-19	MC Ghotki	8	Unauthorised salary expenditure without pre-audit of vouchers	1.547
39	2018-19	MC Ghotki	10	Non-reconciliation of deposited income tax with income tax department	3.398
40	2018-19	MC Ghotki	11	Irregular expenditure on development work without	13.622

[Rupees in million]

S.No	Year	Name of Office	Para No	Heading of para	Amount
				physically verification of the schemes	
41	2018-19	MC Ghotki	12	Irregular payment on execution of cc pavor work without obtaining laboratory report	7.908
42	2018-19	MC Ghotki	13	Non-availability of land fill site/station for disposal of refusal/garbage	-
43	2018-19	MC Ghotki	15	Non-starting / execution of development schemes	11.398
44	2018-19	CODC Khairpur	7	Irregular & unauthorised expenditure on social welfare activities	6.350
45	2018-19	CODC Khairpur	11	Unauthorised salary payment to staff without utilization of their services	20.166
46	2018-19	CODC Khairpur	12	Irregular payments on account of leave encashment	0.992
47	2018-19	CODC Khairpur	13	Non-accountal of purchased items	5.383
48	2018-19	MC Pir jo Goth	7	Irregular award of works to contractors without registration with FBR/SRB	
49	2018-19	MC Pir jo Goth	10	Irregular payment of salaries without necessary deductions	80.089
50	2018-19	MC Pir jo Goth	14	Non-utilization of development funds	109.985
51	2018-19	MC Pir jo Goth	18	Unauthorized expenditure on account of legal fees	0.030
52	2018-19	MC Pir jo Goth	19	Distribution of liveries without acknowledgement	0.565
53	2018-19	MC Pir jo Goth	20	Internal Audit & Inspection not conducted	-
54	2018-19	MC Pir jo Goth	21	Irregular appointment of un-trained fire fighting staff	-
55	2018-19	MC Pir jo Goth	22	Improper maintenance of cashbook	-
56	2018-19	MC Pir jo Goth	23	Non maintenance of property register	-
57	2018-19	MC Pir jo Goth	24	Non-maintenance of dead stock register	-
58	2018-19	MC Pir jo Goth	25	Non conducting of annual physical verification	-
59	2018-19	TC Nara	4	Irregular award of works to contractors without registration with FBR/SRB	
60	2018-19	TC Nara	10	Irregular appointment of un-trained fire fighting staff	
61	2018-19	TC Nara	12	Non-preparation of budget estimates	

[Rupees in million]

S.No	Year	Name of Office	Para No	Heading of para	Amount
				as per prescribed format and manner	
62	2018-19	TC Nara	13	Unauthorized expenditure on account of legal fees	0.050
63	2018-19	TC Nara	15	Over-staffing of employees in Town Committee Nara	-
64	2018-19	TC Nara	18	Improper maintenance of cashbook	
65	2018-19	TC Nara	19	Non maintenance of property register	
66	2018-19	TC Nara	21	Non-maintenance of dead stock register	-
67	2018-19	TC Nara	22	Non conducting of annual physical verification	-
68	2018-19	TC Nara	23	Internal audit & inspection not conducted	-
69	2017-18	MC Gambat	11	Unauthorized running of government vehicle without having registration number	-
70	2017-18	MC Gambat	18	Non deposit of call deposit	2.445
71	2017-18	MC Gambat	22	Irregular expenditure on development work without physical verification of schemes	11.657
72	2017-18	MC Gambat	23	Unjustified purchased of electric material	4.057
73	2017-18	MC Gambat	25	Suspicious/ irregular distribution of hand pumps/ swing machines	1.199
74	2017-18	MC Gambat	27	Improper maintenance of cash book	
75	2017-18	TC Nara	3	Non-reconciliation of amount drawn by inland revenue/ FBR	0.544
76	2017-18	TC Nara	7	Non-deposit of tender fee in bank	0.638
77	2017-18	TC Nara	13	Non-deposit of call deposit	1.696
78	2017-18	TC Nara	22	Non-deduction of general provident fund	3.123
79	2017-18	TC Nara	29	Non-prevention of government property & non-removal of illegal encroachment from town	-
80	2017-18	TC Nara	30	Unauthorized payment to legal advisor without consultation of law department	0.600
81	2017-18	TC Faiz Ganj	11	Purchase of physical assets despite of ban	0.477
82	2017-18	TC Faiz Ganj	15	Unauthorized payment of conveyance allowance	0.06
83	2017-18	TC Faiz Ganj	16	Unauthorized running of government vehicles without having registration numbers	-
84	2017-18	TC Faiz Ganj	20	Suspicious /irregular distribution of hand pumps/ swing machines	3.652

[Rupees in million]

S.No	Year	Name of Office	Para No	Heading of para	Amount
85	2017-18	TC Faiz Ganj	22	Irregular expenditure on development work without physically verification of the schemes	11.604
86	2017-18	TC Faiz Ganj	24	Loss due to non-affixing of stamp duty	0.035
87	2017-18	TC Faiz Ganj	25	Non-accountal of procured articles into dead stock/ stock register	4.246
88	2017-18	TC Faiz Ganj	26	Annual physical verification of dead stock items not conducted	-
89	2017-18	TC Faiz Ganj	27	Improper maintenance of cash book	-

MFDAC LARKANA DIVISION

[Rupees in million]

S.N.	Para No	Para Caption	Amount
Chairman/ CODC Kashmore @ Kandhkot FY 2018-19			
1	4	Non-imposition of penalty	0.211
2	5	Failure to execute different development schemes	4.224
3	6	Irregular expenditure on account final payments of developments works without availability of completion reports	1.280
4	7	Non-recovery of rent of shops	0.259
5	9	Non-accountal of procured items into relevant stock registers	0.279
6	10	Non -verification of pay and allowances of officials from concerned accounts office	-
7	11	Non revision of shops rent	-
8	12	Non-conducting of internal audit & inspection	-
Chairman/ CMO, MC Kandhkot, Kashmore @ Kandhkot FY 2018-19			
9	7	Non maintenance of security deposit registers	-
10	9	Irregular expenditure on account final payment of development work without availability of completion report	4.873
11	10	Non-accountal of procured items into relevant stock registers	9.435
12	11	Non verification of pay and allowances of officials from concerned accounts office	-
13	12	Wasteful expenditure on account of out sourcing	4.453
14	14	Non maintenance of dead stock register	-
Chairman/ CODC, Jacobabad FY 2018-19			
15	1	Non-production of record	-
16	3	Irregular payment of pension	28.994
17	4	Non-auctioning of off road vehicles	
18	5	Irregular expenditure on account of leave encashment	0.459
19	7	Non-maintenance of dead stock register	
20	9	Non maintenance of property register	
21	10	Non-conducting of annual physical verification.	
22	12	Non accountal of purchased material in the relevant stock register	0.619
23	13	Distribution of leviars without acknowledgement	0.092

[Rupees in million]

S.N.	Para No	Para Caption	Amount
24	14	Expenditure in excess of budget grant	29.466
Chairman/ Chief Municipal Officer, Municipal Committee, Thull, District Jacobabad FY 2018-19			
25	2	Irregular payment of pension	9.641
26	3	Non-maintenance of dead stock register	-
27	5	Non-maintenance of property register	-
28	6	Non-conducting of annual physical verification.	-
29	8	Non accountal of purchased material in the relevant stock register	0.364
30	10	Non preparation of procurement plan	1.401
31	14	Payment of income tax without reconciliation	0.684
32	15	Unjustified payment on a/c of difference	0.174
33	16	Unauthorised expenditure on account of legal fees	0.600
34	17	Non conduct internal audit	-
Chairman/ TO, Town Committee, Kashmore FY 2018-19			
35	7	Non-maintenance of establishment check register	6.447
36	8	Non-accountal of procured items into relevant stock registers	3.070
37	9	Un-justified expenditure on account of purchase of beck oil engine	0.523
38	10	Un-authorized operation of bank account with private bank	
39	11	Non -verification of pay and allowances of officials from concerned accounts office	
40	12	Failure to prepare annual procurement plan	
41	13	Non-conducting of internal audit & inspection	
Chairman/ TO, Town Committee, Qubo Saeed Khan FY 2018-19			
42	4	Procurement without preparing annual procurement plan	2.099
43	5	Non-accountal of procured items into relevant stock registers	2.099
44	7	Irregular award of works to contractors without registration with FBR/SRB	20.196
45	10	Irregular payment of salaries without necessary deductions	222.146
46	15	Non-utilization of development funds	9.4
47	16	Doubtful expenditure on purchase of electric item	0.7
48	19	Suspicious expenditure on account of repair and maintenance charged on fire brigade	0.189
49	20	Unauthorized expenditure on account of legal fees	0.05
50	21	Internal audit & inspection not conducted	-
51	22	Over-staffing of Junior Clerks in Town Committee Qubo Saeed Khan	-
52	23	Irregular appointment of un-trained fire fighting staff	-
53	24	Improper maintenance of cash book	-
54	25	Non maintenance of property register	-
55	26	Non-maintenance of dead stock register	-
56	27	Non conducting of annual physical verification	-
57	29	Un-authorized expenditure without approval of budget estimates	-
Chairman/CODC Jacobabad FY 2017-18			
58	3	Non-revision of schedule of rates of cattle ponds	-
59	5	Non-auctioning of un-serviceable vehicles	0.750
60	4	Irregular payment of pay & pension	11.881
61	7	Non-maintenance of stock register	-

[Rupees in million]

S.N.	Para No	Para Caption	Amount
62	8	Non-conducting of annual physical verification of stock and stores	-
Chairman/ TO, Town Committee Garhi Khairo FY 2017-18			
63	9	Irregular non-publishing of NIT in leading newspapers	6.000
64	10	Unauthorized execution of work without administrative approval and technical sanction	2.656
65	12	Non-maintenance of cashbook	-
66	13	Irregular payment of pay & pension	2.085
67	14	Non-maintenance of property record	-
68	15	Irregular payment without acknowledgment receipts	0.496
Chairman/ CMO, Municipal Committee Jacobabad FY 2017-18			
69	8	Award of work without publishing NIT in leading NP	19.458
70	9	Unauthorized execution of development work without administrative approval and technical sanction	2.656
71	10	Irregular expenditure by keeping estimate within quotation limit to avoid tender	6.623
72	12	Irregular procurement on withheld ID by SPPRA	15.296
73	13	Award of works without executing integrity pact	34.755
74	14	Irregular payment of pay & pension	99.709
75	15	Irregular expenditure of due to non-maintenance of work register/security deposit Register	-
76	16	Non-maintenance of stock register	-
77	17	Non-maintenance of property record	-
78	18	Non-conducting of annual physical verification of stock and stores	-
Chairman/ TO, Town Committee Thull FY 2017-18			
79	5	Non-maintenance of consumption account	1.807
80	6	Irregular payment of pay & pension	10.765
81	10	Non-auctioning of un-serviceable vehicles	0.200
82	11	Non-maintenance of cashbook	-
83	12	Non-maintenance of dead stock register	-
84	13	Non-maintenance of property record	-
85	14	Payment without obtaining acknowledgment receipts	0.733
86	15	Non-conducting of annual physical verification of stock and stores	-
Chairman/CMO Municipal Committee, Ratodero FY 2017-18			
87	4	Unauthorized operation of government account with other commercial bank instead of Sindh Bank Limited	3.641
88	6	Non-achievement of targeted receipts	7.907
89	9	Non-accountal of procured items into relevant stock registers	3.882
7890	10	Irregular expenditure without constitution of procurement committee	16.717
Chairman/CMO Municipal Committee, Naudero FY 2017-18			
91	7	Unjustified collection of taxes without formal auction process	0.394
92	9	Appointment of 25 Employees without verification of character and antecedents of candidates	-
93	10	Irregular payment of pension	6.402
94	11	Non-accountal of procured items into relevant stock registers	7.147
95	12	Non maintenance of property register	-
Chairman/Chief Officer, District Council, Larkano FY 2017-18			

[Rupees in million]

S.N.	Para No	Para Caption	Amount
96	5	Undue favor to contractors by unauthorized payment of premium	0.369
97	15	Unauthorized retention of Government vehicle	-
98	17	Improper maintenance of cash book	392.192
99	18	Non-accountal of procured items into relevant stock registers	2.767
Chairman/CMO/ Larkano Municipal Corporation FY 2017-18			
100	3	Non-publication of auction notice in leading and widely circulated newspapers - Rs 2.613 million	2.613
101	7	Non achievement of targeted receipts	33.839
102	9	Non transparency in government spending on account of repair of vehicles/disposals	4.991
103	10	Irregular award of work on the recommendation of unqualified members of procurement committee	208.548
104	13	Unauthorized payment of premium beyond permissible limit	4.514
105	21	Non verification of forfeited amount from bank	1.527
106	24	Non-accountal of procured items into relevant stock registers	12.538
107	28	Irregular expenditure without constitution of procurement committee	14.390
108	32	Non-repatriation of 2 employees to their parent department	-
Chairman/Chief Officer, District Council Kambar Shahdadkot @ Kambar FY 2017-18			
109	8	Irregular expenditure on account of payment through first & final bills	3.396
110	10	Irregular expenditure on account of repair & maintenance of vehicles	1.762
111	14	Non-accountal of procured items/material into relevant stock register(s)	4.921
112	15	Non-maintenance of cash book	-
113	16	Non-conducting of annual physical verification of store & stocks	-
Chairman/CMO/MC Shahdadkot FY 2017-18			
114	6	Payments of pension without supporting vouchers	3.071
115	8	Failure to prepare an Annual procurement plan	-
116	9	Non-verification of service books	-
117	11	Non-maintenance of cash book	-
118	13	Failure to furnish mandatory income tax statements	-
119	14	Irregular expenditure on account of repair & maintenance of vehicles	1.236
120	15	Irregular expenditure due to non-accountal of procured items into relevant head of account	2.873
Chairman/TO/ Town Committee Nasirabad FY 2017-18			
121	2	Non-achievement of targeted receipts	20.688
122	3	Irregular expenditure on account purchase of uniform for lower staff with codal formalities and tender	0.466
123	5	Irregular expenditure on account excess payment of salaries	0.611
124	6	Irregular expenditure payment of salaries of daily wages employees	0.300
125	7	Unauthorized appointments of daily wages without codal formalities	-
126	8	Recovery on account of Conveyance Allowance	0.180
127	10	Non-imposition of penalty on account of non-completion of work within stipulated time period	2.656
128	11	Irregular expenditure in excess of estimated cost of the work	11.563
129	12	Irregular expenditure on account of payment of premium on non-schedule items	2.094
130	13	Non-revision of rent of shops	-

[Rupees in million]

S.N.	Para No	Para Caption	Amount
131	14	Non-maintenance of property record	-
132	15	Unjustified expenditure on account of payment of made of advocate	0.275
Chairman/CMO/ Municipal Committee, Kamber FY 2017-18			
133	9	Irregular expenditure on account of fire brigade vehicles	0.272
134	11	Non-deposit of tender fee into relevant head of account	0.150
135	12	Award of work without executing integrity pact	14.981
136	15	Irregular Expenditure due to non-accountal of procured items into relevant stock registers	1.798
Chairman/TO/ Town Committee, Arija FY 2017-18			
137	6	Irregular expenditure without Constitution of Procurement Committee	26.382
138	8	Non-accountal of procured items into relevant stock registers	2.707
139	10	Non maintenance of Property Register	-
Chairman/TO/ Town Committee, Badah FY 2017-18			
140	7	Non-maintenance of cash books	76.634
141	9	Irregular expenditure without constitution of procurement committee	22.097
142	10	Non maintenance of property register	-
Chairman/TO/ TC Khanpur FY 2017-18			
143	2	Irregular provisional payment due to obtaining late approval of budget estimates	22.894
144	8	Non-accountal of procured items into relevant stock registers	7.854
145	17	Loss to government due to non-registration of govt. vehicles	0.450
146	18	Irregular payment of salary without biometric verification	-
147	19	Non-deduction of pension contribution	-
148	20	Improper maintenance of cash book without Bank Reconciliation	-
149	21	Non – maintenance of important registers	-
Chairman/TO/ TC Behram			
150	6	Unauthorized appointment of daily wages employees	0.792
151	8	Irregular award of work to contractors not registered with Sindh Revenue Board (SRB)	2.811
152	9	Non-maintenance of consumption account of various items	1.547
153	10	Non-maintenance of dead stock register	-
154	11	Non-maintenance of property record	-
155	12	Non-conducting of annual physical verification of store	-
Chairman/TO/ TC Mirokhan District Kambar Shahdadkot			
156	8	Non-obtaining of acknowledgment receipts	1.071
157	9	Non-maintenance of property record	-

MFDAC PUBLIC HEALTH ENGINEERING

[Rupees in million]

Sr.	Paras	Caption of paras	Amount
PHE-1			
Executive Engineer, Public Health Engineering, Tharparkar			
1.	2	Unauthenticated / Invalid / Doubtful contract agreements	20.157
2.	5	Irregular & unjustified payment of un-laid pipes	0.656
3.	6	Irregular release of Security Deposit of Contractor before defect liability period	5.00
4.	7	Doubtful Technical Sanction of estimates without approval of	11.736

[Rupees in million]

Sr.	Paras	Caption of paras	Amount
		Section/Design & lead chart	
5.	9	Unjustified expenditure due to overlapping of funds	4.301
6.	12	Unjustified payment without installation of Electric Meter	1.141
PHE-2		Executive Engineer, Public Health Engineering, Larkana	
7.	5	Irregular award of works without executing integrity pact with contractors	165.095
PHE-3		Executive Engineer, Public Health Engineering, Tando Allahyar	
8.	4	Irregular award of work on the recommendation of procurement committee other than notified by the department	60.887
9.	6	Irregular expenditure on account of payment of third-party monitoring of development schemes without validation reports	0.324
10.	8	Irregular expenditure on account of execution of works without signatures of contractors on running bills	32.721
11.	11	Award of work without executing integrity pact	15.073
12.	12	Non-conducting of annual physical verification of stock & stores	-
PHE-4		Executive Engineer, Public Health Engineering, Badin	
13.	3	Non-maintenance of tender opening register	38.66
14.	5	Non reconciliation of deposited income tax with income tax department	6.621
15.	6	Non-adjustment of collected various deposits in relevant head of account	20.065
16.	7	Non-reconciliation of expenditure from DAO	120.31
17.	9	Irregular payment to operation division, HESCO for installing of power connections without obtaining completion certificates	1.001
18.	10	Non-registration of Govt. vehicles	-
PHE-5		Executive Engineer, Public Health Engineering, Dadu	
19.	7	Cancellation of NIT without proper Justification	60.796
20.	12	Unjustified Creation of Liabilities by withholding amount from contractor bills	5.427
PHE-7		Executive Engineer, Public Health Engineering, Karachi	
21.	5	Irregular withheld of amount due to non-availability of funds	8.595
PHE-8		Executive Engineer, Public Health Engineering, Jamshoro	
22.	8	Non-publication of advertisements in widely circulated leading dailies	0.185
23.	9	Excess expenditure over & above sanctioned appropriation	0.148
24.	10	Non-surrendering of savings	1.08
25.	11	Un-authorized expenditure without maintenance of contractor ledger	226.893
26.	12	Appointment of staff over and above age limit	-
PHE-9		Executive Engineer, Public Health Engineering, Khairpur-I	
27.	3	Purchase of physical assets despite of ban	8.34
28.	6	Award of contract to contractors without execution of contract agreements	26.915
29.	7	Non-reconciliation of expenditure	336.78
30.	11	Unauthorized running of government vehicles without having registration numbers	-
PHE-10		Executive Engineer, Public Health Engineering, Shaheed Benazirabad	
31.	6	Cancellation of bid without Justification	35.7
32.	10	Non-deduction/ affixation of stamp duty	0.081
33.	11	Un-authorized execution of works out of purview	28.399
34.	12	Non payment/ deposition of government tax in public exchequer	1.696
35.	13	Award of work without execution of integrity pact	30.913

[Rupees in million]

Sr.	Paras	Caption of paras	Amount
PHE-11		Executive Engineer, Public Health Engineering, Sanghar	
36.	10	Excess expenditure over & above budget allocation	0.053
PHE-12		Executive Engineer, Public Health Engineering, Ghotki	
37.	11	Non-execution of surface drains works	9.758
38.	13	Irregular payment to m/s pak oasis pvt ltd for functional ro plants without supporting documents	0.65
39.	15	Non-adjustment of pw advances	1.192
40.	16	Irregular running/functioning of water supply & drainage schemes by villagers instead of public health staff	0
41.	18	Irregular payment on execution of cc pavor work without obtaining laboratory report	12.049
PHE-13		Secretary, Public Health Engineering & Rural Development Department	
42.	4	Non-accountal articles into store/stock register	0.512
43.	7	Non-surrender of excess/saving report	29.128
44.	8	Un-reconciled head-wise expenditure	206.779
45.	10	Doubtful repair & maintenance of vehicle	0.376
46.	13	Misuse of public funds on the hire of office building in expensive area	0.885
47.	15	Unjustified over fixation of monthly salary	6.564
48.	17	Non-maintenance of cash book	-
49.	18	Non-maintenance of dead stock registers	-
50.	19	Annual Physical Verification of stocks & stores not conducted	-
51.	20	Non-surrender of excess/saving report	26.547
52.	21	Non-reconciliation of expenditure with accounts office	51.552
53.	25	Non-maintenance of cash book	-
54.	26	Non-maintenance of dead stock registers	-
55.	27	Annual physical verification of stocks & stores not conducted	-
56.	28	Non-surrender of excess/saving report	70.97
57.	29	Non-reconciliation of expenditure with accounts office	36.646
PHE-14		Executive Engineer, Public Health Engineering, Tando Muhammad Khan	
58.	1	Non preparation of annual procurement plan to hoist in advance on SPPRA website	67.253
59.	2	Incurrence of expenditure against various ADP schemes without placing of PC- I before competent forum for approval	53.649
60.	11	Inefficiency of Divisional Accountant to watch documentation before award of works	9.111
61.	15	Irregular payment of non-schedule item without allied documents	6.953
62.	16	Unjustified final payment without completion report & inspection	7.71
63.	21	Unjustified payment of bills without authenticating of M.B's	7.895
64.	25	Unjustified payment in absence of supporting documents	3.114
65.	29	Unjustified overlapping of public funds	1.454
66.	33	Unjustified rush of expenditure during June	25.628
67.	35	Unjustified payment for acquisition of land	0.69
68.	36	Non-accountal of procured articles in store/stock register	6.954
69.	37	Non-reconciliation of expenditure	138.96
70.	39	Non-maintenance of dead stock register	-
71.	40	Non-inspection of important building & works in division by executive	-

[Rupees in million]

Sr.	Paras	Caption of paras	Amount
		engineer annually	
PHE-15		Executive Engineer, PHE Sukkur	
72.	3	Non-reconciliation of expenditure from District Accounts Office	232.402
73.	5	Payment on non-schedule items without rate analysis approved from competent authority	2.531
74.	8	Execution of works without approval of technical sanction	18.027
75.	9	Non-deposition of tender fee into Government account	0.144
PHE-16		Executive Engineer, PHE Mirpurkhas	
76.	11	Irregular expenditure on development work without completion certificates of the schemes	5.824
PHE-17		Executive Engineer, PHE Hyderabad	
77.	9	Non-provision of record	557.354
78.	10	Irregular payment to contractor without check measurements	34.81
79.	11	Irregular payment due to non-maintenance of contractor ledger	48.519
80.	12	Internal audit & inspection not conducted by controlling officer	-
PHE-18		Executive Engineer, PHE Jacobabad	
81.	5	Undue favour to contractor by not forfeiting call deposit due to non-execution of works	158.582
82.	7	Award of works without executing Integrity Pact	606.072
83.	9	Doubtful/Irregular purchase of vehicles	3.11
84.	10	Doubtful purchase of solar system	1.88
PHE-19		Director General, Rural Development Department (RDD)	
85.	5	Favour made to contractors by allowing payments in advance/over prescribed limit	35.026
86.	6	Irregular Payments without Signatures of Contractors on Bills	78.431
87.	11	Payment without completion certificates	167.371
88.	12	Improper maintenance of cash book	-
89.	13	Irregular expenditure of due to non-maintenance of work register	142.796
PHE-22		Executive Engineer, Public Health Engineering, Sujawal 2017-18	
90.	5	Failure to prepare annual procurement plan	-
91.	6	Improper maintenance of cash book	-
92.	7	Irregular payment on account of contractor security deposit	0.329
93.	8	Non-reconciliation of income tax deducted and deposited into relevant head of account	1.26
94.	9	Non-conducting of annual physical verification of stock & stores	-
95.	11	Non-Maintenance of dead stock register	-
96.	12	Non-conducting of internal audit & inspection	-
PHE-23		Chief Engineer, Public Health Engineering, Hyderabad 2017-18	
97.	1	Irregular expenditure due to non-maintenance of log book	1.194
98.	4	Non -verification of service books	-
99.	6	Non-accountal of procured items into relevant stock registers	0.175
100.	7	Non-conducting of annual physical verification of stock & stores	-
101.	9	Improper maintenance of cash book	-
102.	10	Non-conducting of internal audit & inspection	-
PHE-24		Executive Engineer, Public Health Engineering, Matiari 2017-18	
103.	4	Non recovery of compensation from contractor on delayed work	1.418

[Rupees in million]

Sr.	Paras	Caption of paras	Amount
104.	5	Non placement of PC-I before PDWP for approval	59.968
105.	7	Irregular payment to contractor without checking measurement	1.253
106.	8	Unauthorized award of work prior to hoisting of BERs on SPPRA website	14.327
PHE-25		Executive Engineer, Public Health Engineering, Naushehro Feroze 2017-18	
107.	3	Un-justified award of work without signing integrity pact	14.322
108.	8	Un-justified award of extra premium	0.112
109.	9	Un-authorized expenditure without maintenance of contractor ledger	172.139

Annex-SLG1
[Para No.1.2.1.1]

Non-production of record

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	Secretary LGD H&TP	1	-
2	LGD	2018-19	Secretary Local Government Board, Sindh	1	-
3	LGD	2018-19	SE, Local Government Project, Hyderabad	1	-
4	LGD	2018-19	DG KDA	1	-
5	LGD	2018-19	DG Malir Development Authority	1	37.082
6	LGD	2018-19	DG SBCA	14	-
7	LGD	2018-19	DG H.D.A (Main Secretariat)	1	-
8	LGD	2018-19	MD Zulfikarabad Development Authority	1	-
9	LGD	2018-19	MD Sindh Solid Waste Management Board	1	-
10	LGD	2018-19	PD WSSP, H.D.A	1	-
11	LGD	2018-19	Director Finance & Accounts	1	-
12	LGD	2018-19	Director Recovery, KDA	1	-
13	LGD	2018-19	Senior Director, Master Plan SBCA	1	-
14	LGD	2017-18	DG, SBCA	1	-
15	LGD	2017-18	CMO, MeMedical Department, Poly Clinic KDA	1	-
16	KMC	2018-19	Metropolitan Commissioner	1	-
17	KMC	2018-19	DG, Technical Services	1	-
18	KMC	2018-19	Senior Director, Municipal Services	1	-
19	KMC	2018-19	Senior Director, Katchiabadi	1	-
20	KMC	2018-19	Director Land Management	1	-
21	KMC	2017-18	MS, Landhi Medical Complex	1	-
22	KMC	2017-18	MS, Gizri Maternity Hopital	1	-
23	KW&SB	2018-19	DMD, Finance	1	-
24	KW&SB	2018-19	DMD, HRD&A	1	-
25	KW&SB	2018-19	DMD, RRG	1	-
26	KW&SB	2018-19	EE, Sewerage Lyari Town	1	-
27	KW&SB	2018-19	EE, Water Lyari Town	1	-
28	KW&SB	2018-19	EE, E&M Lyari Town	1	-
29	KW&SB	2017-18	DMD HRD&A	1	-
30	KW&SB	2017-18	DMD Technical Services	1	-
31	KW&SB	2017-18	EE E&M Lyari Town	1	-
32	KW&SB	2017-18	EE Water Lyari Town	1	-
33	KW&SB	2017-18	EE Sewerage Lyari Town	1	-
34	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	1	-
35	KW&SB	2017-18	EE, E&M Liaquatabad Town	1	8.173
36	KW&SB	2017-18	EE, Karachi Division Pumping	1	-
37	KW&SB	2017-18	EE, E&M (Civil) Sewerage	1	-
38	KW&SB	2017-18	EE, E&M (Civil) Water	1	-
Total					45.255

Annex-SLG2
[Para No.1.2.2.3]

Non-recovery of utility charges and occupancy value

[Amount in rupees]

S.No	Sq. Yrds.	Quota	Plot occupancy value	Total No. of plots Allotted	Total utility charges Receivable	Utility charges Received	Utility charges Balance
1	80	Gen.Public	40,000	24,762	742,860,000	124,611,404	618,248,596
2	80	Govt.Emp.	40,000	3,095	92,850,000	12,466,029	80,383,971
3	80	Govt.Emp.	80,000	588	17,640,000	1,936,300	15,703,700
4	120	Gen.Public	120,000	19,587	1,175,220,000	176,365,140	998,854,860
5	120	Govt.Emp.	120,000	4,221	253,260,000	33,579,700	219,680,300
6	240	Gen.Public	528,000	3,144	328,233,600	44,740,858	283,492,742
7	240	Govt. Emp.	528,000	754	78,717,600	9,226,548	69,491,052
8	400	Gen. Public	1,200,000	1,818	316,332,000	34,285,922	282,046,078
9	400	Govt. Emp.	1,200,000	422	73,428,000	8,036,800	65,391,200
Total			3,856,000	58391	3,078,541,200	470,248,701	2,608,292,499

Annex-SLG3
[Para No.1.2.2.5]

Un-authorized payment of various allowances

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para	Particulars	Amount
1	LGD	2018-19	DG Karachi Development Authority	2	Utility Allowance, Secretariat Allowance	5.878
2	LGD	2018-19	DG Sindh Building Control Authority	11	Utility Allowance	202.704
3	LGD	2018-19	MD Zufikarabad Development Authority	6	Adhoc Allowance, Indexed Pay	0.440
4	LGD	2018-19	MD Sindh Solid Waste Management Board	2	Various Allowances	0.920
5	LGD	2018-19	DG Malir Development Authority	5	Utility Allowance	12.012
6	LGD	2018-19	DG HDA (Main Secretariat)	5	Medical Allowance	5.208
7	LGD	2018-19	PD Housing-II, Hyderabad Development Authority	3	Medical Allowance	2.113
8	LGD	2018-19	Senior Director Master Plan, SBCA	2	Utility Allowance	15.600
9	LGD	2018-19	Director P&DC, Hyderabad Development Authority	3	Medical Allowance	3.720
10	LGD	2018-19	Director Recovery, Karachi Development Authority	5	Special Audit, Utility & Secretariat Allowance	4.449
11	LGD	2018-19	Director Finance & Accounts	13	Utility Allowance	10.572
12	LGD	2018-19	Director Finance & Accounts	7	Secretariat Allowance	3.845
13	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	5	Special Audit, Utility & Technical Allowance	0.269
14	LGD	2017-18	DG, Sindh Building Control Authority	9	Utility Allowance	105.268
15	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	4	Utility Allowance	1.296
16	KMC	2018-19	Director General, Park & Horticulture	3	Various Allowances	0.088
17	KMC	2018-19	Senior Director, Municipal Services	11	Conveyance Allowance	0.060
18	KMC	2018-19	Principal, Karachi Medical Dental College	2	Conveyance Allowance	8.724
19	KMC	2017-18	Director, Store & Procurement	2	Computer Allowance	0.018
20	KW&SB	2018-19	MD, KW&SB	12	Over Time	0.792
21	LGD	2018-19	MD, WASA, H.D.A	17	Utility allowance	44.972
22	LGD	2018-19	Director, P&DC, H.D.A	4	Utility allowance	8.604
Total						437.552

Annex-SLG4
[Para No.1.2.2.7]

Irregular payment of Leave Encashment

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KW&SB	2018-19	DMD, HRD&A	4	2.211
2	KW&SB	2018-19	DMD, RRG	13	6.049
3	KW&SB	2018-19	EE, Water Korangi Town	1	3.917
4	KW&SB	2018-19	EE, Sewerage Korangi Town	1	5.712
5	KW&SB	2018-19	EE, E&M Korangi Town	1	1.219
6	KW&SB	2018-19	EE, Water Jamshed Town	3	0.327
7	KW&SB	2018-19	EE, Sewerage Jamshed Town	3	5.218
8	KW&SB	2018-19	EE, E&M Jamshed Town	2	2.418
9	KW&SB	2018-19	EE, Hub Trunk Main Division	3	5.445
10	KW&SB	2018-19	EE, Hub Division Civil	2	2.864
11	KW&SB	2018-19	EE, KD Civil – II	2	4.847
12	KW&SB	2018-19	EE, Sewerage Landhi Town	3	3.748
13	KW&SB	2018-19	EE, Water Landhi Town	2	2.000
14	KW&SB	2018-19	EE, E&M Landhi Town	3	0.825
15	KW&SB	2018-19	EE, Water Saddar Town	2	5.545
16	KW&SB	2018-19	EE, Sewerage Saddar Town	3	4.350
17	KW&SB	2018-19	EE, E&M Saddar Town	2	2.593
18	KW&SB	2018-19	EE, Sewerage Lyari Town	2	4.664
19	KW&SB	2018-19	EE, Water Lyari Town	2	-
20	KW&SB	2018-19	EE, E&M Lyari Town	2	0.849
21	KW&SB	2017-18	DMD Technical Services	3	0.440
22	KW&SB	2017-18	CE, Bulk Transmission & Distribution	3	1.086
23	KW&SB	2017-18	Chief Engineer Malir	4	0.828
24	KW&SB	2017-18	EE Hub Filter Plant	1	2.326
25	KW&SB	2017-18	EE Hub Pumping Station	1	2.613
26	KW&SB	2017-18	EE Water Lyari Town	8	2.308
27	KW&SB	2017-18	EE Sewerage Lyari Town	8	3.058
28	KW&SB	2017-18	EE Sewerage Keamari Town	2	0.912
29	KW&SB	2017-18	EE Water Keamari Town	2	1.399
30	KW&SB	2017-18	EE, Canal Maintenance Division	3	4.042
31	KW&SB	2017-18	Resident Engineer, Pipri (P&F)	3	3.000
32	KW&SB	2017-18	EE, (Water) Malir Town	5	4.008
33	KW&SB	2017-18	EE, (E&M) Malir Town	4	1.765
34	KW&SB	2017-18	EE, STP – I	2	1.755
35	KW&SB	2017-18	EE, STP – II	3	1.955
36	KW&SB	2017-18	EE, STP – III	2	0.233
37	KW&SB	2017-18	EE, Water Liaquatabad Town	3	4.946
38	KW&SB	2017-18	EE, Sewerage Liaquatabad Town	2	3.928
39	KW&SB	2017-18	EE, Water Gulshan e Iqbal Town	5	5.816
40	KW&SB	2017-18	EE, Sewerage Gulshan e Iqbal Town	5	2.126
41	KW&SB	2017-18	EE, E&M Gulshan e Iqbal Town	2	5.475

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
42	KW&SB	2017-18	EE, E&M Gulshan e Iqbal Town	5	1.569
43	KW&SB	2017-18	EE, Sewerage Malir	4	3.302
44	KW&SB	2017-18	EE, Water Orangi Town	5	3.065
45	KW&SB	2017-18	EE, Sewerage Orangi Town	5	1.981
46	KW&SB	2017-18	EE, E&M Orangi Town	4	2.214
47	KW&SB	2017-18	EE, E&M Orangi Town	5	0.235
48	KW&SB	2017-18	EE, Meter Workshop Division	7	4.287
49	KW&SB	2017-18	EE Water Site Town	8	3.083
50	KW&SB	2017-18	EE Sewerage Site Town	8	1.688
51	KW&SB	2017-18	EE E&M Site Town	5	0.861
				Total	141.105

Annex-SLG5
[Para No.1.2.2.9]

Over payment of House Rent Allowance

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG Karachi Development Authority	5	4.335
2	LGD	2018-19	DG Malir Development Authority	6	18.206
3	LGD	2018-19	DG Sindh Building Control Authority	10	28.059
4	LGD	2018-19	PD Housing-I, Hyderabad Development Authority	6	1.030
5	LGD	2018-19	PD Housing-II, Hyderabad Development Authority	4	0.947
6	LGD	2018-19	Director P&DC, Hyderabad Development Authority	2	2.004
7	LGD	2018-19	Director Finance & Accounts	5	3.446
8	LGD	2018-19	Director Recovery, Karachi Development Authority	4	0.992
9	LGD	2017-18	DG, Sindh Building Control Authority	7	17.089
10	KMC	2018-19	Senior Director, Municipal Services	5	0.215
11	KMC	2018-19	Director Land Management	4	1.609
12	KMC	2018-19	Principal, Karachi Medical Dental College	1	13.287
13	KMC	2017-18	Director, Medical Services	2	0.441
14	KMC	2017-18	MS, Gizri Maternity Hospital	3	0.076
15	KMC	2017-18	MS, Landhi Medical Complex	2	2.491
16	KW&SB	2017-18	DMD HRD&A	8	0.395
17	KW&SB	2017-18	Chief Engineer, Bulk Transmission & Distribution	4	0.184
18	KW&SB	2017-18	Chief Engineer, District Central	1	0.280
19	KW&SB	2017-18	Chief Engineer Malir	5	0.286
20	KW&SB	2017-18	EE (E&M) North Nazimabad Town	6	0.357
21	KW&SB	2017-18	EE Sewerage New Karachi Town	1	1.113
22	KW&SB	2017-18	EE, Meter Workshop Division	9	0.872
23	KW&SB	2017-18	EE E&M Site Town	7	0.208
24	KW&SB	2017-18	EE Sewerage Keamari Town	1	0.421
25	KW&SB	2017-18	EE Water Keamari Town	1	1.025
26	KW&SB	2017-18	EE E&M Keamari Town	1	0.223

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
27	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	7	1.166
28	KW&SB	2017-18	EE, Canal Maintenance Division	4	0.623
29	KW&SB	2017-18	Resident Engineer, Pipri (P&F)	4	1.175
30	KW&SB	2017-18	EE, (Water) Malir Town	4	1.471
31	KW&SB	2017-18	EE, STP – I	1	0.850
32	KW&SB	2017-18	EE, STP – II	1	0.599
33	KW&SB	2017-18	EE, SPD-I	1	0.680
34	KW&SB	2017-18	EE, SPD-II	1	0.382
35	KW&SB	2017-18	EE, Sewerage Saddar Town	1	1.351
36	KW&SB	2017-18	EE, Water Saddar Town	4	1.608
37	KW&SB	2017-18	EE, Water Saddar Town	6	0.182
38	KW&SB	2017-18	EE, E&M Saddar Town	1	0.519
39	KW&SB	2017-18	EE, Water Liaquatabad Town	7	1.602
40	KW&SB	2017-18	EE, Sewerage Liaquatabad Town	6	1.500
41	KW&SB	2017-18	EE, Water Gulshan e Iqbal Town	6	1.748
42	KW&SB	2017-18	EE, Sewerage Gulshan e Iqbal Town	7	0.903
43	KW&SB	2017-18	EE, Sewerage Malir	3	1.125
44	KW&SB	2017-18	EE, Water Orangi Town	6	0.263
45	KW&SB	2017-18	EE, Sewerage Orangi Town	6	0.139
46	KW&SB	2017-18	EE, Meter Workshop Division	8	0.674
47	KW&SB	2017-18	EE Water Site Town	9	0.390
48	KW&SB	2017-18	EE Sewerage Site Town	9	0.125
49	KW&SB	2017-18	EE E&M Site Town	6	0.156
50	LDG	2018-19	DM, WASA, H.D.A	16	7.248
				Total	126.070

Annex-SLG6
[Para No.1.2.2.10]

Allowing excess rate beyond schedule rates

[Rupees in million]

PD K-IV, AIR Para #, Financial Year 2018-19										
Name of Work	Name of Contractor	Description	Qty Executed (a)	Rate Executed (b)	Schedule rate 2012 [c]	Rate after 30% Cushion [c]*130% (d)	Excess Rate (b-d)	Actual Amount Paid (a*b)	Amount as per schedule rate (a*d)	Excess amount paid
Earth Work Embankment from borrow pits including allaying in 6" layers cold breaking ramming dressing complete , including all lead and lifys (allowed 95%)	M/s Frontier Works Organization	Bill No.02 (6)	604,384.551	278.04	78	101.4	176.64	168.043	61.284	106.758

Annex-SLG7
[Para No.1.2.2.12]

Non-deduction of Sales Tax on Services

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG Malir Development Authority	13	2.637
2	LGD	2018-19	DG Malir Development Authority	16	5.148
3	LGD	2017-18	PD Lyari Expressway Resettlement Project	2	0.106
4	KMC	2018-19	DG, Parks & Horticulture	1	0.135
5	KMC	2018-19	Principal, Karachi Medical Dental College	10	0.229
6	KW&SB	2018-19	PD, S-III	9	17.486
7	KW&SB	2018-19	EE, Hub Trunk Main Division	5	1.011
8	KW&SB	2018-19	EE, Hub Division Civil	5	1.062
9	KW&SB	2018-19	EE, KD Civil – II	5	2.064
10	KW&SB	2018-19	EE, Sewerage Landhi Town	6	0.643
11	KW&SB	2018-19	EE, Water Landhi Town	5	1.083
12	KW&SB	2018-19	EE, E&M Landhi Town	5	0.391
13	KW&SB	2017-18	Chief Engineer Malir	3	0.251
14	LGD	2018-19	MD, ZDA	24	0.085
15	LGD	2018-19	PD, Housing-H.D.A	2	1.568
Total					33.899

Annex-SLG8
[Para No.1.2.2.15]

Non-recovery of house rent from staff allotted accommodation

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KW&SB	2018-19	EE, Hub Trunk Main Division	6	0.606
2	KW&SB	2018-19	EE, Hub Division Civil	6	0.434
3	KW&SB	2018-19	EE, KD Civil – II	6	0.408
4	KW&SB	2017-18	Chief Engineer, Bulk Transmission & Distribution	2	0.149
5	KW&SB	2017-18	Chief Engineer, District Central	3	0.177
6	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	5	0.494
7	KW&SB	2017-18	EE, Canal Maintenance Division	2	0.498
8	KW&SB	2017-18	Resident Engineer, Pipri (P&F)	2	1.341
9	KW&SB	2017-18	EE, (E&M) Malir Town	3	0.090
10	KW&SB	2017-18	EE, STP – III	1	0.069
11	KW&SB	2017-18	EE, SPD-I	2	0.198
12	KW&SB	2017-18	EE, SPD-II	2	0.112
13	KW&SB	2017-18	EE, Sewerage Saddar Town	2	0.160

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
14	KW&SB	2017-18	EE, Water Saddar Town	5	0.432
15	KW&SB	2017-18	EE, E&M Saddar Town	2	0.155
Total					5.323

Annex-SLG9
[Para No.1.2.2.16]

Less deduction of income tax from payments of salaries

[Rupees in Million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	Director Recovery, KDA	11	0.570
2	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	3	0.366
3	KMC	2018-19	Senior Director, Municipal Services	6	0.370
4	KMC	2018-19	Director Land Management	5	0.226
5	KMC	2017-18	Director, Store & Procurement	1	0.351
6	KMC	2017-18	MS, Gizri Maternity Hospital	2	0.319
7	KMC	2017-18	Senior Director, Anti Encroachment	1	1.240
Total					3.442

Annex-SLG10
[Para No.1.2.2.18]

Non-achievement of targeted receipts

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG Sehwan Development Authority	1	1,137.044
2	LGD	2018-19	DG Malir Development Authority	7	5.963
3	LGD	2018-19	DG SBCA	5	1,074.273
4	LGD	2018-19	MD WASA, H.D.A	14	474.970
5	LGD	2018-19	Senior Director, Master Plan SBCA	4	421.093
6	LGD	2018-19	Director Finance & Accounts	2	27.000
7	LGD	2018-19	Director Recovery, KDA	2	1,069.010
8	LGD	2017-18	DG, SBCA	3	550.575
9	KMC	2018-19	Senior Director, Municipal Services	13	5.540
10	KMC	2018-19	Senior Director, Katchiabadi	6	7.231
11	KMC	2018-19	Director Land Management	11	988.592
12	KMC	2017-18	Senior Director, Anti Encroachment	5	58.749
13	KW&SB	2018-19	DMD, RRG	4	3,544.707
Total					9,364.747

Annex-SLG11
[Para No.1.2.2.20]

Irregular execution of un-approved scheme

[Rupees in million]

Director, Planning Monitoring & Evaluation Department, AIR Para # 02, Financial Year 2017-18											
Sr.	ADP 17-18	Status Date of Approval	Target Date for Completion	Estimated Cost	Throw forward as on 01-07-17	Allocation for 2017-18			Release 2017-18	Current Year Exp Upto 30.06.2018	Cumulative Exp:
						Capital	Rev	Total			
1	1577	Name of Scheme: Construction of various Union Councils, Town Committee / Municipal Committees and District Coucil Buildings in Sindh (SDG # 9)									
		Un-Approved	June-19	800.000	800.000	200.000	0.000	200.000	50.000	44.918	44.918
2	1803	Name of Scheme: Construction of link road providing road facilities to various villages of UC Lakha road, Hoat Khan Jalbani, Nauabad Bhelani & Jhando Rajpor, Taluka Mehrabpur (20 Kms) (SDG # 9)									
		Un-Approved	June-19	200.000	200.000	50.000	0.000	50.000	50.000	50.000	50.000
3	1834	Name of scheme: Procurement of Fire brigade, and Tractor & Trolleys for Town and Municipal Committees in Sindh (SDG # 15)									
		Un-approved	June-18	2000.000	2000.000	0.000	1000.000	1000.000	0.000	0.000	0.000
4	1835	Name of scheme: Procurement of Refuse trucks and Bins for Municipal Committees of Sindh (SDG # 15)									
		Un-approved	June-18	900.000	900.000	0.000	450.000	450.000	0.000	0.000	0.000
5	1836	Name of scheme: Conversion of conventional pumps on solar energy in Town and Municipal Committees (SDG # 15)									
		Un-approved	June-18	100.000	100.000	0.000	50.000	50.000	0.000	0.000	0.000
6	1837	Name of scheme: Procurement of Snarkel for HMC, Qasimabad MC, Nawabshah, Sukkur, Mirpurkhas and Larkana (SDG # 15)									
		Un-approved	June-18	1500.000	1500.000	0.000	700.000	700.000	0.000	0.000	0.000

[Rupees in million]

Director, Planning Monitoring & Evaluation Department, AIR Para # 02, Financial Year 2017-18											
Sr.	ADP 17-18	Status Date of Approval	Target Date for Completion	Estimated Cost	Throw forward as on 01-07-17	Allocation for 2017-18			Release 2017-18	Current Year Exp Upto 30.06.2018	Cumulative Exp:
						Capital	Rev	Total			
7	1861	Name of scheme: Improvement and Rehabilitation of Hussainabad Park (SDG # 8)									
		Un-Approved	June-19	50.000	50.000	12.500	0.000	12.500	0.000	0.000	0.000
8	1862	Name of scheme: RO Plant on Sea intake for Shaheed Benazir Bhutto Town and allocated area of KPC (SDG # 15)									
		Un-Approved	June-19	200.000	200.000	50.000	0.000	50.000	0.000	0.000	0.000
9	1865	Name of scheme: Construction of floating jetties and Auction sheds at Manjar goth near Mubarak village / Suhnera, Ibrahim Hyderi and Rehri goth Karachi (SDG # 15)									
		Un-Approved	June-19	150.000	150.000	37.500	0.000	37.500	0.000	0.000	0.000
10	1867	Name of scheme: Improvement / Rehabilitation of different Parks in NA-248, Karachi (SDG # 11)									
		Un-Approved	June-19	27.500	27.500	6.875	0.000	6.875	1.718	1.699	1.699
11	1868	Name of scheme: Allocation for improvement of major Cities / Towns.									
		Un-Approved	June-18	1000.000	1000.000	1000.000	0.000	1000.000	250.000	0.000	0.000
12	1915	Name of scheme: Construction of SWD from Star Gate to Chakora Nallah Shahrae Faisal, Karachi (SDG # 9)									
		Un-Approved	June-18	200.000	200.000	200.000	0.000	200.000	0.000	0.000	0.000
Total				7,127.500	-	-	-	-	351.718	96.617	96.617

Annex-SLG12
[Para No.1.2.2.21]

Irregular expenditure without supporting vouchers

[Rupees in million]

S.No	Deptt:	Year	Name of Offices	AIR Para #	Amount
1	LGD	2018-19	Secretary LGD H&TP	4	5,977.745
2	LGD	2018-19	DG KDA	15	64.341
3	LGD	2018-19	DG MDA	19	14.317
4	KW&SB	2018-19	DMD, Finance	8	19.900
5	KW&SB	2018-19	Project Director, S-III	5	16.618
6	KW&SB	2018-19	Project Director, S-III	13	91.518
Total					6,184.439

Annex-SLG13
[Para No.1.2.2.25]

Irregular expenditure without inviting open tenders

[Rupees in million]

S.No.	Deptt:	Year	Name of Offices	AIR Para #	Amount
1	LGD	2018-19	DG Malir Development Authority	21	1.529
2	LGD	2018-19	MD, ZDA	5	1.009
3	LGD	2018-19	MD, ZDA	13	3.168
4	LGD	2018-19	MD, WASA, H.D.A	2	800.020
5	LGD	2018-19	MD, WASA, H.D.A	11	9.881
6	KW&SB	2017-18	PD, RO Water Deslination Plants	2	3.492
7	KW&SB	2017-18	EE, Water Liaquatabad Town	2	2.427
8	KW&SB	2017-18	EE, Sewerage Gulshan e Iqbal Town	1	7.927
9	KW&SB	2017-18	EE, Sewerage Gulshan e Iqbal Town	4	0.968
10	KW&SB	2017-18	EE, E&M (Civil) Water	4	0.592
Total					831.013

Annex-SLG14
[Para No.1.2.2.33]

Non-maintenance of Log Book

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	Secretary Local Government Board, Sindh	6	0.941
2	LGD	2018-19	DG KDA	6	6.022
3	LGD	2018-19	DG Sehwan Development Authority	8	1.320
4	LGD	2018-19	DG Malir Development Authority	10	16.515
5	LGD	2018-19	DG SBCA	4	30.268
6	LGD	2018-19	MD, ZDA	11	6.621

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
7	LGD	2018-18	MD, ZDA	17	2.376
8	LGD	2018-19	MD Sindh Solid Waste Management Board	3	7.988
9	LGD	2018-19	DG H.D.A (Main Secretariat)	2	1.383
10	LGD	2018-19	MD WASA, H.D.A	15	4.778
11	LGD	2018-19	PD Housing-I, H.D.A	5	0.317
12	LGD	2018-19	PD WSSP, H.D.A	2	0.012
13	LGD	2018-19	Director Finance & Accounts	10	1.846
14	LGD	2018-19	Director Recovery, KDA	6	0.596
15	LGD	2018-19	Director Housing & Town Planning Hyderabad	8	0.477
16	LGD	2017-18	DG, SBCA	6	23.573
17	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	7	0.479
18	KMC	2018-19	Metropolitan Commissioner	5	3.273
19	KMC	2018-19	DG, Park & Horticulture	10	20.000
20	KMC	2018-19	DG, Technical Services	6	24.766
21	KMC	2018-19	Senior Director, Municipal Services	10	89.282
22	KMC	2018-19	Senior Director, Finance & Accounts, KMC	5	7.550
23	KMC	2018-19	Senior Director, Information Technology	1	1.000
24	KMC	2018-19	Senior Director, Katchiabadi	3	1.500
25	KMC	2018-19	ED, KIHD	5	3.000
26	KMC	2018-19	Director Land Management	13	3.440
27	KMC	2017-18	Senior Director, Anti Encroachment	3	10.000
28	KMC	2017-18	Director, Store & Procurement	5	1.192
29	KMC	2017-18	MS, Gizri Maternity Hopital	5	0.203
30	KW&SB	2018-19	DMD, RRG	16	2.760
31	KW&SB	2018-19	EE, Water Saddar Town	6	1.094
32	KW&SB	2018-19	EE, Sewerage Saddar Town	2	0.380
33	KW&SB	2018-19	EE, Sewerage Lyari Town	4	0.564
34	KW&SB	2018-19	EE, Water Lyari Town	4	0.529
35	KW&SB	2018-19	EE, E&M Lyari Town	4	0.353
36	KW&SB	2017-18	DMD HRD&A	3	2.520
37	KW&SB	2017-18	MD, KW&SB	9	2.517
38	KW&SB	2017-18	Chief Engineer, District Central	4	0.513
39	KW&SB	2017-18	EE Hub Filter Plant	3	1.546
40	KW&SB	2017-18	EE (E&M) North Nazimabad Town	4	0.288
41	KW&SB	2017-18	EE Hub Pumping Station	3	4.289
42	KW&SB	2017-18	EE E&M Lyari Town	3	0.342
43	KW&SB	2017-18	EE Water Keamari Town	4	0.228
44	KW&SB	2017-18	EE E&M Keamari Town	4	0.205
45	KW&SB	2017-18	EE Sewer Cleaning Equipment & Services Division	2	44.982
46	KW&SB	2017-18	EE, Meter Workshop Division	6	2.664
				Total	336.492

Annex-SLG15
[Para No.1.2.2.35]

Doubtful/Un-authorized appointments

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	MD, ZDA	10	-
2	LGD	2018-19	MD, ZDA	18	-
3	LGD	2018-19	MD, ZDA	19	-
4	LGD	2018-19	MD, ZDA	21	-
5	LGD	2018-19	MD, ZDA	22	-
6	LGD	2018-19	MD Sindh Solid Waste Management Board	8	8.401
7	LGD	2018-19	DG Malir Development Authority	9	252.629
8	LGD	2018-19	Director Finance & Accounts	4	10.224
9	LGD	2018-19	Director Housing & Town Planning Hyderabad	7	1.180
10	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	6	2.556
11	KMC	2018-19	ED, KIHD	9	0
12	KMC	2017-18	Senior Director, Anti Encroachment	2	0
13	KW&SB	2018-19	DMD, Finance	11	5.640
14	KW&SB	2017-18	DMD HRD&A	11	0
Total					280.63

Annex-SLG16
[Para No.1.2.2.43]

Irregular expenditure on account of execution of non-schedule items

[Amount in Rupees]

DG Technical Services, AIR Para # 13, Financial Year 2018-19					
S #	Description	Paid To	Token No	Date	Amount of Non-schedule Items
1	Improvement/rehabilitation of water & sewerage system in different area of Jamshed zone at district east, KMC	M/S G.M Enterprises	240042	13.06.2019	2,326,740
2	Construction of KMC Engineering department building behind Dawood Engineering college	M/S Ammar Enterprises	158061	25.03.2019	50,644,349
3	Rehabilitation & improvement	M/S Electro line	162216	01.04.2019	13,888,730

[Amount in Rupees]

DG Technical Services, AIR Para # 13, Financial Year 2018-19					
S #	Description	Paid To	Token No	Date	Amount of Non-schedule Items
	of street lights in KMC roads	Engineering			
4	Construction of cc street at different area of UC-01 to UC-39 Orangi Town	M/S Soneri Builders & Developers	170768	09.04.2019	16,186,820
5	P/I & commissioning of diesel tre 3 backup power system for FA KMC	M/S Ali Shujrah Jv Al-Maqbool Associates	88622	26.12.20218	20,000,000
Total					103,046,639

[Amount in rupees]

Resident Engineer Pipri, (P&F), AIR Para # 01, Financial Year 2017-18						
Sr.	Name of Work	Rate	Per Qty	Qty executed	Amount	N/Contractor
01	Dismantling and re-assembling of 12.5 MGD weir pumps (Scotland UK) including parts i-e pump shaft, impeller shaft with impeller, bearing, water seal etc and complete servicing as per instruction of engineer in-charge	20,700	Job	3	62,100	M/S Rohan Construction
02	Local manufacturing and fixing of stainless steel weir pimp shaft sizes L=2525mm (8') and dia 125mm (5") typically machined and turned i/c buffing, polishing and finishing from outer dia with required degree as per instruction of engineer in-charge	163,700	Each	3	491,100	
03	Engineering Servicing land overhauling of 3 phase AC Electric Motor 132KW / 177 HP with ohmaline insulating varnish complete drying and baking in oven as required i.c testing with insulation	99	HP	53	52,569	
04	Cleaning & washing decarburization of all assemble pumps parts as per instruction of engineer in-charge	3,550	Job	3	10,650	

[Amount in rupees]

Resident Engineer Pipri, (P&F), AIR Para # 01, Financial Year 2017-18						
Sr.	Name of Work	Rate	Per Qty	Qty executed	Amount	N/Contractor
05	P/F of Ball bearing No. 6315 (SKF) or equivalent for pumps top sides. The cost of talking out the damaged bearing from the pump and included the GST as per instruction of engineer in-charge	17,100	Each	3	51,300	
06	P/F Ball / roller bearing No. N319 (FAG) for pump bottom sided. The cost of talking out the damaged bearing from the pump and included the GST as per instruction of engineer in-charge	73,600	Each	3	220,800	
07	Local Manufacturing and fixing of stainless steel impeller shaft sizes 4' – 10" and 3" dia, matching from outer dia, making key way i/c buffering, polishing and finishing outer dia with required degree as per sample as required of engineer in-charge	32,900	Each	3	98,700	
Total					987,219	-

Annex-SLG17
[Para No.1.2.2.44]

Award of contracts without evaluating eligibility criteria as prescribed by procuring agency

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KMC	2018-19	DG Parks & Horticulture	6	20.000
2	KW&SB	2018-19	EE, Water Jamshed Town	1	16.474
3	KW&SB	2018-19	EE, Sewerage Jamshed Town	1	18.163
4	KW&SB	2017-18	Chief Engineer Malir	7	1.977
5	KW&SB	2017-18	EE Water Site Town	2	0.999
6	KW&SB	2017-18	EE Sewerage Site Town	1	0.998
7	KW&SB	2017-18	EE, Halaji Division	1	3.267
8	KMC	2018-19	Senior Director, Finance & Accounts	1	1.287
9	KW&SB	2018-19	EE, Hub Division Civil	1	1.180
10	KW&SB	2018-19	EE, KD Civil – II	1	1.744
11	KW&SB	2018-19	EE, E&M Landhi Town	2	0.995
12	KW&SB	2017-18	EE Sewerage New Karachi Town	3	15.463
13	KW&SB	2017-18	EE, Water Liaquatabad Town	1	4.698
14	KW&SB	2017-18	EE, Sewerage Liaquatabad Town	1	4.484
15	KW&SB	2017-18	EE, E&M Liaquatabad Town	2	1.286
16	KW&SB	2017-18	EE, E&M Gulshan e Iqbal Town	1	1.487
17	KW&SB	2018-19	EE, WD, Landhi Town	1	4.890
Total					99.392

Annex-SLG18
[Para No.1.2.2.45]

Transfer of funds without justification

[Amount in rupees]

Sr.	From Account No.	To	Date	Amount
1	384456	384359	02.08.2018	1,200,000
2		384359	30.08.2018	12,200,000
3	1662-36	-	17.06.2019	1,000,000
4	1662-36	-	20.06.2019	1,000,000
5	1662-36	-	24.06.2019	1,000,000
6	1662-36	-	25.04.2019	2,500,000
7	1662-36	-	27.06.2019	3,200,000
8	384278	384359	13.08.2018	900,000
9	384081	384359	27.08.2018	1,000,000
10	384324	384359	16.08.2018	2,600,000

[Amount in rupees]

Sr.	From Account No.	To	Date	Amount
11	384324	384359	27.08.2018	1,000,000
12	384097	384359	29.08.2018	500,000
13	384097	384359	30.08.2018	900,000
14	384348	-	09.04.2019	4,000,000
15	384146	-	09.04.2019	1,700,000
16	384146	-	09.04.2019	4,000,000
17	384828	384359	03.09.2018	4,300,000
18	384383	384359	10.09.2018	5,500,000
19	384049	384359	09.04.2019	4,000,000
20	384488	384359	24.04.2019	300,000
21	13831-7	1987-3	03.05.2019	1,000,000
22	13831-7	1987-3	16.05.2019	700,000
23	13831-7	1987-3	17.05.2019	1,000,000
24	13831-7	1987-3	25.05.2019	1,500,000
25	13831-7	1987-3	28.05.2019	500,000
26	13831-7	1987-3	29.05.2019	1,000,000
27	384332	384359	09.08.2018	1,000,000
28	384022	384359	13.09.2018	900,000
29	384391	384359	06.04.2018	5,000,000
Total				65,400,000

Annex-SLG19
[Para No.1.2.2.50]

Irregular expenditure by way of splitting procurement(s) into groups to avoid tenders

[Rupees in Million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	MD, ZDA	28	1.693
2	LGD	2018-19	MD WASA, H.D.A	13	4.107
3	KMC	2017-18	Director, Store & Procurement	4	2.891
4	KW&SB	2017-18	EE, (Water) Malir Town	2	0.495
5	KW&SB	2017-18	EE, (E&M) Malir Town	2	0.194
6	KW&SB	2017-18	EE, Sewerage Liaquatabad Town	3	1.070
7	KW&SB	2017-18	EE, Water Gulshan e Iqbal Town	2	1.827
8	LGD	2018-19	Secretary LGD H&TP	2	0.976
9	LGD	2018-19	DG KDA	10	0.939
10	LGD	2018-19	DG SBICA	1	2.552
11	LGD	2018-19	DG H.D.A (Main Secretariat)	3	3.123
12	LGD	2018-19	PD Housing-I, H.D.A	1	3.960
13	LGD	2018-19	PD Housing-II, H.D.A	1	2.335
14	KW&SB	2018-19	EE, Water Saddar Town	3	1.899
15	KW&SB	2018-19	EE, E&M Saddar Town	3	3.486

[Rupees in Million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
16	KW&SB	2017-18	EE Hub Filter Plant	2	2.383
17	KW&SB	2017-18	EE (E&M) North Nazimabad Town	3	3.152
18	KW&SB	2017-18	EE Hub Pumping Station	2	2.381
19	KW&SB	2017-18	EE, (Water) Malir Town	3	3.929
20	KW&SB	2017-18	EE, (E&M) Malir Town	1	1.387
21	KW&SB	2017-18	EE, (Sewerage Malir Town	2	3.971
22	KW&SB	2017-18	EE, SPD-II	4	2.186
23	KW&SB	2017-18	EE, Sewerage Orangi Town	1	1.000
24	KW&SB	2017-18	EE, Karachi Division Pumping	5	2.450
Total					54.386

Annex-SLG20
[Para No.1.2.2.53]

Un-authorized clearance of liabilities

[Rupees in million]

S.No.	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG, KDA	7	0.263
2	LGD	2018-19	PD WSSP, H.D.A	3	2.313
3	LGD	2018-19	Senior Director, Master Plan, SBCA	14	4.139
4	LGD	2017-18	PD Lyari Expressway Resettlement Project	6	1.510
5	LGD	2017-18	CMO, Medical Department, Poly Clinic KDA	13	7.745
6	KMC	2018-19	Senior Director, Municipal Services	3	2.111
7	KMC	2018-19	ED, KIHD	3	5.392
8	KMC	2017-18	Director, Medical Services	1	1.800
9	KMC	2017-18	MS, Gizri Maternity Hospital	6	0.205
10	KW&SB	2017-18	PD, RO Water Desalination Plants	3	18.130
Total					43.608

Annex-SLG21
[Para No.1.2.2.54]

Un-authorized expenditure incurred without recording written reasons of emergency and approval of board

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	KW&SB	2018-19	EE, Water Korangi Town	5	8.399
2	KW&SB	2018-19	EE, Sewerage Korangi Town	5	5.621
3	KW&SB	2018-19	EE, E&M Korangi Town	5	0.930

4	KW&SB	2018-19	EE, Water Jamshed Town	2	9.320
5	KW&SB	2018-19	EE, Sewerage Jamshed Town	2	15.555
6	KW&SB	2018-19	EE, E&M Jamshed Town	1	3.485
Total					43.310

Annex-SLG22
[Para No.1.2.2.57]

Allotment of vehicles & POL beyond/without entitlement

[Rupees in million]

S.No	Deptt:	Year	Name of Office	AIR Para #	Amount
1	LGD	2018-19	DG KDA	18	4.260
2	LGD	2018-19	MD, ZDA	7	4.426
3	LGD	2018-19	Director Finance & Accounts	6	1.587
4	KMC	2018-19	Senior Director, Finance & Accounts	6	5.576
5	KMC	2017-18	Senior Director, Anti Encroachment	4	5.743
6	KW&SB	2017-18	DMD HRD&A	4	7.094
Total					28.686

Annex-SLG23
[Para No.1.2.2.75]

Irregular & un-authorized payment of salaries without age relaxation on upper age limit

[Amount in rupees]

MS Gizri Maternity Hospital, AIR Para # 09, Financial Year 2017-18										
Sr. No	Emp. ID	Name	F/Name	Desig	Grade	Date of Birth	Apptt. Order No. & Date	Age at the Time of Appointment (YY-MM-DD)	Joining Order No. & Ddate	Yry: Salary Drawn
1	993061	Jehan Zeenat	Abdul Rashid	RMO	17	10.10.1966	Sr.Dir(Med-Health)/ KMC/2012/9356 Dt.28.6.2012	45-04-18	MS/GMH/Estt./ 823/12 Dt.2.8.2012	1,212,455
2	993063	Farzana	Mukaram Ali	RMO	17	28.03.1969	Sr.Dir(Med-Health)/ KMC/2012/9355 Dt.28.6.2012	43-03-00	MS/GMH/Estt./ 821/12 Dt.12.8.2012	1,212,455
3	993064	Sajida Waqasi	Zakaullah Waqasi	RMO	17	22.08.1965	Sr.Dir(Med-Health)/ KMC/2012/9357 Dt.28.6.2012	46-02-06	MS/GMH/Estt./ 822/12 Dt.2.8.2012	1,212,455
Total										3,637,365

Annex-SLG24
[Para No.1.2.2.87]

Irregular sale of public housing schemes without approval of SBCA

DG, Sindh Building Control Authority, AIR Para 17, Financial Year 2018-19			
S.No	Name of Project	Area	Region
1	Hadeed City	Bin Qasim Town	Karachi
2	Zeenat Square	Zeenat Lawn Garden East	Karachi
3	Sehar Housing Society	Sch-33, Gadap Town	Karachi
4	Kolachi Comforts	Nazimabad	Karachi
5	Deenar Residency	Block-10, Kamran Chowrangi	Karachi
6	Al-Eman Residency	Gadap Town	Karachi
7	Northern City	Gadap Town	Karachi
8	Gul Mahar Garden	Gadap Town	Karachi
9	Nawab Town	Gadap Town	Karachi
10	Ammar Bungalows	Sector-29, Sch-33	Karachi
11	Araava Residency	Gulshan-e-Iqbal	Karachi
12	Nothern Awami Market	Gadap Town	Karachi
13	Khayaban-e-Bilal	Gadap Town	Karachi
14	Savare Residency	Deh Shahi Chip Gadap Town	Karachi
15	Barakas City	Gadap Town	Karachi
16	Hadeed Park City	Gadap Town	Karachi
17	Baghy Waroo Modern Village	Gadap Town	Karachi
18	Maymar Royal Residency	Gulshan-e-Maymar Gadap Town	Karachi
19	Royal Vision Maketing	Gulshan-e-Iqbal	Karachi
20	Gulshan-e-Ayesha Model Village	Gadap Town	Karachi
21	Gulshan-e-Fatima	Gadap Town	Karachi
22	Danish Crystal City	Gadap Town	Karachi
23	H.Q.M Housing Society Phase-II	Gadap Town	Karachi
24	Crystal Residencia	Gulshan-e-Iqbal, Scheme No. 24 Karachi	Karachi
25	Ammar Royal City	Near ASF Housing Scheme, Gadap Town	Karachi
26	Gulistan-e-Hadeed	Bin Qasim Town	Karachi

Irregular regularization of contractual staff

Senior Director Katchi Adabi, AIR Para # 04, Financial Year 2018-19			
S.NO	NAME	DESIGNATION	REMARKS
01.	Majid Ali Siddiqui	Land Surveyor (BPS-14)	Salary is Regular
02.	Abdul Rehman	Land Surveyor (BPS-14)	
03.	Naveed Khan	Accountant (BPS-11)	
04.	Syed Atif Abdullah	Land Surveyor (BPS-14)	
05.	Abdul Sami	Technical Assistant (BPS-11)	
06.	Syed Hassan Raza Rizvi	Dispatch Rider (BPS-04)	
07	Asif	Chowkidar (BPS-01)	Under process of regularization
08	Amna Fargooqi	Land Surveyor (BPS-14)	
09	Shoaib Ahmed	Dispatch Rider	

Failure of authority to demolish dangerous buildings

DG, Sindh Building Control Authority, AIR Para # 02, Financial Year 2018-19		
S.N.	Region	Number of Dangerous Buildings
01	Headquarter SBCA Karachi	378
02	Hyderabad	80
03	Mirpurkhas	07
04	Sukkur	05
05	Larkana	04
Total		474

DG, Sindh Building Control Authority, AIR Para # 02, Financial Year 2017-18		
S.N.	Region	Number of Dangerous Buildings
01	Headquarter SBCA Karachi	372
02	Hyderabad	80
Total		452

Annex-SLG27
[Para No.1.2.2.94]

Un-authorized issuance of revised NOCs for sale of public projects in violation of orders off Honorable Supreme Court of Pakistan

DG, Sindh Building Control Authority, AIR Para # 03, Financial Year 2018-19					
S.No	Name of Project	Address	Date of NOC	No/Date of Approved Building Plan	Remarks
01	Chapal Court yard	Plot No. G, Sector No. 29, Scheme-33, Karachi	No.SBCA/DD/SCH-36/G.T-I/2016/7127 /677/518 dated 20-07-18	No.SBCA/DD/SCH-33/G.T-I/ 2018/153 dated 07-03-18	G+(Shops + Parking) + First Floor (Recreation + Flats) 2 nd to 5 th Floor (Residential Flats)
02	Hooria Residency	Plot No. 07, Block-V-D, Nazimabad, Karachi	-	No.SBCA/DD/N.N. T/Prop/2017/108/20 19/197 dated 26-06-19	Basement-2 (Parking + ARS) + Basement-1 (Parking) + Ground Floor (Show Rooms) + First Floor (Recreation + Flats) 2 nd to 10 th Upper Floors top of the Floor Solar Panel only

DG, Sindh Building Control Authority, AIR Para # 20, Financial Year 2017-18					
S #	Name of Project	Address	Date of Application for Revised NOC	No/Date of Approved Building Plan	Remarks
01	Square Towers	Plot No. FL-11, Sector No. 01 & 03, Scheme 45, Gadap Town, Karachi	17.05.2018	KBKA/DCB-II/Gadap Town/Pro/3104/97/442/619/07 dated 09.01.2018	G+9 Floors
02	Jafco Plaza	Plot No. A, Survey No. 45, Tappo Landhi, Shah Latif Town, Bin Qasim, Karachi	05.06.2018	SBCA/DD(BQT)/Prop/2011/1 815/116/12/30 dated 28.05.2012	G+6 Floors

**Non-cancellation of NOCs of Layout Plan on account of non-completion of Schemes
within Stipulated Time Period**

Director Housing & Town Planning Hyderabad, AIR Para # 04, Financial Year 2018-19					
S #	Name of scheme	Location	Date of approval	Remarks	
				Acres	Ghuntas
01	Ghulam Nabi Town	Mirpurkhas	07.06.2007	01 – 34	
02	Gulshan-e-Mustafa H/S	-do-	19.07.2007	17 – 25	
03	Khayaban-e-Yousuf	-do-	21.07.2007	21 – 09	
04	S.D.S. Town	-do-	22.12.2008	04 – 05	
05	Faisal Town Phase-I	-do-	22.12.2008	05 – 20	
06	Khayaban-e-Noor	-do-	22.12.2008	12 – 15	
07	Sun Shine	-do-	23.12.2008	10 – 00	
08	Sultan Town	-do-	23.12.2008	10 – 37	
09	Mir Nayaz Town	-do-	14.01.2009	13 – 00	
10	Shehra-e-ZamZam& P-I	-do-	03.02.2009		
11	Rajistan City H/Scheme	-do-	03.02.2009	26 – 35	
12	Gulshan-e-Mustafa H/S	-do-	06.02.2009		
13	Dubai City H/Scheme	-do-	14.02.2009	03 – 19	
14	Bhitai Town H/S/Revised	Shaheed Benazirabad	07.06.2007	20 – 36	
15	Afzal Town Ph-I	-do-	13.06.2007	2-3.63	
16	Jahanzeb H/S (Revised)	-do-	21.06.2007	148 – 26	
17	Imdadia Model Town	-do-	22-06-2008	04 – 20	
18	Rajput Model Town	-do-	06.01.2009	14 – 39	
19	Al-Mubashir Garden City	-do-	28.01.2009	15 – 03	
20	Revised Ali Shah Bungalows Scheme	-do-	31.01.2009		
21	Gulshan-e-Abbas HS	-do-	19.01.2010	09 - 16.5	
22	Taha HS	-do-	17.04.2010	01 – 01	
23	Gulistan-e-Johar HS	-do-	28.01.2011	07 – 14	
24	Lal Muhammad City HS	-do-	07.03.2011	14 – 28	
25	Hussainabad HS	-do-	03.05.2011	08 – 00	
26	Gulshan Imdad Town HS	-do-	09.05.2011	06 – 31	
27	Azeem City HS	-do-	12.12.2011	23 – 11	
28	Farwah A One City HS	-do-	17.12.2011	20 – 00	
29	Amjad Rasheed Model City	-do-	24.01.2012	02 – 38	
30	A-One Green City	-do-	24.01.2012	28 – 12	
31	Al-Madina H/S Ph-II	T. M. Khan	13.12.2007	26 – 18	

Director Housing & Town Planning Hyderabad, AIR Para # 04, Financial Year 2018-19					
S #	Name of scheme	Location	Date of approval	Remarks	
				Acres	Ghuntas
32	Ahmed Jan H/S	-do-	22.03.2008	10 – 37	
33	Sughra Town	Hyderabad	20.09.2008	08 – 03	
34	Al-Hamd Green City	-do-	30.09.2008	04 – 30	
35	Gulshan-e-Shadman H/S	-do-	18.02.2009	09 – 25	
36	Faiz Sun City H/Scheme	-do-	23.02.2009	03 – 21	
37	Bagh-e-Sakhi HS	Hyderabad	20.04.2010	01 – 35	
38	Shan City HS	-do-	18.05.2010	09 – 04	
39	Gulshan-e-Muhammad Saleh	-do-	15.12.2010	02 – 31	
40	Shakooran Residency	-do-	24.01.2011	01 – 00	
41	Roshan Town HS	-do-	04.02.2011		
42	Subhan Allah City	-do-	24.01.2012	02 – 00	
43	Mir Muhammad Wassan	Sanghar	15.11.2008	22 – 31	
44	A-One HS	-do-	30.06.2009	10 – 29	
45	Gulshan-e-Ibrahim	-do-	04.02.2010		
46	Shafi Roshan HS	-do-	04.02.2010		
47	Gulshan-e-Suleman HS	-do-	05.05.2010	04 – 32	
48	Kumail Bungalows	-do-	02.09.2010	10 – 38	
49	A-One Garden City HS	-do-	14.02.2011	10 – 00	
50	Anmol Town HS	-do-	07.03.2011	04 – 23	
51	Satellite Town Tando Adam	-do-	24.01.2012	77 – 04	
52	Gulshan-e-Mehran P-I	N'Feroze	24.07.2009	02 – 35	
53	Shaia's Model Town	-do-	06.08.2011	08 – 30	
54	Syed Ahtesham Ali Shah Town	-do-	04.09.2009	05 – 07	
55	Al-Mustafa Town	Matiari	13.12.2007	06 – 22	
56	Sakhi Hashim Shah City	-do-	30.08.2008	09 – 17	
57	Shah Latif Town	-do-	30.06.2009		
58	Muhammadi Colony	-do-	05.08.2010	34 – 00	
59	Sain Muhammad Shah Paradise HS	-do-	04.02.2011	03 – 15	
60	Universal Paradise	Ghotki	20.02.2008	07 – 02	
61	Sindh Green City	-do-	26.11.2010	02 – 01	
62	Gulshan-e-Bhitai HS	-do-	14.04.2011	08 – 12	
63	Motwani Town	Umerkot	13.07.2009	07 – 03	
65	Sher Muhammad HS	-do-	05.08.2010	05 – 11	
66	Bilal Town HS	-do-	31.03.2011	06 – 26	
67	Bismillah Model Town HS	-do-	14.04.2011	07 – 33	
68	Shayaz's River Way	Larkana	10.01.2012	20 – 32	
69	Rosoolabad HS	Badin	15.02.2009	05 – 05	
70	Fatima Ki Basti	-do-	23.09.2010	08 – 28	
71	Haji Ramzan Leghari Town	-do-	16.03.2011	04 – 32	

Director Housing & Town Planning Hyderabad, AIR Para # 04, Financial Year 2018-19					
S #	Name of scheme	Location	Date of approval	Remarks	
				Acres	Ghuntas
72	Indus Valley HS	Sukkur	17.12.2007	09 – 18	
73	Bismillah City H/Scheme	-do-	07.02.2009	67 – 09	
74	Rohri Township	-do-	25.11.2010	06 – 02	
75	Crystal Model Town HS	-do-	31.05.2011	05 – 03	
76	Karima Town	T-Allahayr	13.01.2009	05 – 05	
77	Kareema Town	-do-	05.08.2010	00 – 04	
78	Gulshan-e-Nasar HS	-do-	09.05.2011	16 – 07	
79	Rehmat Town	-do-	17.02.2012	05 – 16	

Annex-SLG29
[Para No.1.2.2.100]

Non-initiating of action against un-authorized operations of public projects without approval of layout plan for public housing schemes

Director Housing & Town Planning Hyderabad, AIR Para # 05, Financial Year 2018-19		
Sr. #	Names	Nos
01	Unapproved Housing Scheme in District Mirpurkhas	71
02	Unapproved Housing Scheme in District Sujawal	02
03	Unapproved Housing Scheme in District Hyderabad	08
04	Unapproved Housing Scheme in District Larkana	53
05	Unapproved Housing Scheme in District Tando Allahyar	72
06	Unapproved Housing Scheme in District Tando Muhamamd Khan	42
07	Unapproved Housing Scheme in District Matiari	32
08	Unapproved Housing Scheme in District Badin	62
09	Unapproved Housing Scheme in District Khairpur	14
10	Unapproved Housing Scheme in District Ghotki	31
11	Unapproved Housing Scheme in District Shaheed Benazirabad	99
12	Unapproved Housing Scheme in District Sukkur	23
Total		509

Annex-DMC1
[Para No.2.2.2.4]

Unauthorized payment of various allowances

[Amount in rupees]

Sr.	Emp. No.	Zone	Name	Designation	Drawn	Rate	Months	Amount	Remarks
DMC, West, Karachi (Para-23) F.Y 2018-19									
Orangi Zone									
1	NA0309	IS Orangi	Saeed Ahmed	Helper	Adhoc Allowance 2010	1518	24	36,432	Discontinued in 01-07-2017
2	NA0282	Gen Admin	S. Shfaat Hussain	Clerk	Adhoc Allowance 2010	1765	24	42,360	Discontinued in 01-07-2017
3	DCK012	Gen Admin	Ashfaqe A. Mallah	Mpl Comm	Adhoc Allowance 2010	22750	24	546,000	Discontinued in 01-07-2017
4	SO7683	Gen Admin	M. Zahid Hussain	Director	Adhoc Allowance 2010	6405	24	153,720	Discontinued in 01-07-2017
5	W00664	Gen Admin	Khalid Jalal Siddqui	Head Clerk	Adhoc Allowance 2010	2423	24	58,152	Discontinued in 01-07-2017
6	NA0355	Gen Admin	M. Ayub	Clerk	Adhoc Allowance 2010	1765	24	42,360	Discontinued in 01-07-2017
					Adhoc Relief Allowance 2011	530	48	25,440	Discontinued in 01-07-2017
7	W00690	Gen Admin	M. Shakir	Clerk	Adhoc Allowance 2010	3665	24	87,960	Discontinued in 01-07-2017
8	NA0408	Gen Admin	M. Arif	Driver	Adhoc Allowance 2010	2159	24	51,816	Discontinued in 01-07-2017
9	W04548	Gen Admin	Emmanuel	SG	Washing Allowance	200	24	4,800	Discontinued in 01-07-2017
10	NA0621	Gen Admin	Asif	SW	Adhoc Allowance 2010	1485	24	35,640	Discontinued in 01-07-2017
11	NA0623	Gen Admin	Hina	Peon	Adhoc Allowance 2010	1485	24	35,640	Discontinued in 01-07-2017
12	W03200	Gen Admin	Asif	Munshi	Adhoc Allowance 2010	2268	24	54,432	Discontinued in 01-07-2017

[Amount in rupees]

Sr.	Emp. No.	Zone	Name	Designation	Drawn	Rate	Months	Amount	Remarks
DMC, West, Karachi (Para-23) F.Y 2018-19									
13	NA0365	Gen Admin	Imran Ali	Clerk	Adhoc Allowance 2010	1485	24	35,640	Discontinued in 01-07-2017
14	W00116	IS Orangi	Niaz Ahmed Khan	Jr. Clerk	Typing Allowance	50	216	10,800	Discontinued in 01-07-2017
15	W27584	IS Orangi	M. Shafaquat	Clerk	Adhoc Allowance 2010	2118	24	50,832	Discontinued in 01-07-2017
16	W03361	IS Orangi	KC Faisal Mehmood	Charge man	Adhoc Allowance 2010	2230	24	53,520	Discontinued in 01-07-2017
					Adhoc Relief Allowance 2011	892	48	42,816	Discontinued in 01-07-2017
17	W00039	IS Orangi	M. Ayub	Jamadar (Ash)	Personal Allowance -1	780	24	18,720	Not Allowed
18	W00036	IS Orangi	S.M. Irshad Alam	Cooly	Personal Allowance -1	2970	24	71,280	Not Allowed
19	W00101	IS Orangi	Nadeem Uddin	Khalasi	Personal Allowance -1	990	24	15,840	Not Allowed
Sub-total								1,474,200	
Site Zone									
1	W00154	IS Site	Lal Khan	Painter	Personal Allowance -1	880	24	21,120	Not Allowed
2	W01278	Gen Admin	M. Ibrahim	Daftri	Personal Allowance -1	990	24	23,760	Not Allowed
3	E03559	Library Site	Ishrat Afroze	DTO Library	Personal Allowance -1	13800	24	331,200	Not Allowed
Sub-total								376,080	
Site Zone									
1	W00357	M&E	S. Ateeq Ali	Supervisor	Efficiency Allowance	500	12	12,000	Not Allowed
2	8LCS	M&E	Babar Ali	Cooly	Efficiency Allowance	150	12	3,600	Not Allowed
Sub-total								15,600	
Total								1,865,880	

Annex-DMC2
[Para No.2.2.2.17]

Irregular appointment of contract/daily wages staff

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
1	C0177	HANIFA	MID WIFE	0	15,000	180,000
2	C0178	ABDUL SHAKOOR	WARD BOY	0	15,000	180,000
3	C0179	BILAL SHAH	DISPENSER	0	15,000	180,000
4	C0180	AGHA JAWED	DISPENSER	0	15,000	180,000
5	C0181	DANIYAL	DISPATCH RIDER	0	15,000	180,000
6	C0182	IFRAH SAMI	FEMALE ATTANDENT	0	15,000	180,000
7	C0183	SADAM HUSSAIN	WARD BOY	0	15,000	180,000
8	LT05875	GHAZALA	TEACHER	0	15,000	180,000
9	LT05876	ABDUL HAMEED	TEACHER	0	15,000	180,000
10	LT05877	SHAHZAIB	TEACHER	0	15,000	180,000
11	LT05879	YASMEEN QURESHI	TEACHER	0	15,000	180,000
12	DW0039	MARYAM	LADY PEON	0	13,000	156,000
13	DW0040	BABO	PEON	0	13,000	156,000
14	LM06558	ZEESHAN	COMPOUNDER	0	15,000	180,000
15	LM06570	NAILA	COOK	0	15,000	180,000
16	LM06604	ZUBAIDA	AYAH	0	15,000	180,000
17	LM06606	KEHLASH KUMAR	X-RAY TECH	0	15,000	180,000
18	LM06607	HAMEEDA	MID WIFE	0	15,000	180,000
19	LM06654	MUHAMMAD NASIR KHAN	COMPOUNDER	0	15,000	180,000
20	LM06661	MUMTAZ	NURSE AID	0	15,000	180,000
21	LM06662	NAVEEDA GUL	NURSE AID	0	15,000	180,000
22	LM06664	MUHAMMAD AMIN	DRIVER	0	15,000	180,000
23	LM06666	RAMEEZ	GENRAL SERVENT	0	15,000	180,000
24	LM06667	SHAMA PARVEEN	AYAH	0	15,000	180,000
25	DW0041	SAMREEN	PEON	0	13,000	156,000
26	LM06668	ASMA	AYAH	0	15,000	180,000
27	LM6669	GUL YASMEEN	AYAH	0	15,000	180,000
28	LM6670	HUSN BANO	AYAH	0	15,000	180,000
29	LM06671	SHAZIA AYUB	AYAH	0	15,000	180,000
30	LM06672	BABAR GUL	SWEEPER	0	15,000	180,000
31	LT06799	HUMAIRA	TEACHER	0	15,000	180,000
32	LT06800	KOUSAR ALI	TEACHER	0	15,000	180,000
33	LT06196	SAEEDA BANO	TEACHER	0	15,000	180,000
34	LT06197	SAEEDA BANO	TEACHER	0	15,000	180,000
35	DW0002	SAIRA BANO	LADY PEON	0	13,000	156,000
36	DW0003	HAMEEDA BIBI	LADY PEON	0	13,000	156,000
37	DW0015	SOBIA	LADY PEON	0	13,000	156,000
38	DW0016	SANGEETA BARIA	LADY PEON	0	13,000	156,000
39	DW0018	HASEEB-UL-HASSAN	PEON	0	13,000	156,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
40	DW0019	BABAR ALI	PEON	0	13,000	156,000
41	DW0020	AVINASH	LADY PEON	0	13,000	156,000
42	DW0022	GULNAZ BIBI	LADY PEON	0	13,000	156,000
43	DW0023	SAIRA	LADY PEON	0	13,000	156,000
44	DW0024	MAHIRA	LADY PEON	0	13,000	156,000
45	DW0025	KISHWAR	LADY PEON	0	13,000	156,000
46	DW0026	SHAZIA	LADY PEON	0	13,000	156,000
47	DW0027	JAMEELA	LADY PEON	0	13,000	156,000
48	DW0029	DURDANA	LADY PEON	0	13,000	156,000
49	DW0004	NAEEM AHMED QURESHI	PEON	0	13,000	156,000
50	DW0005	JAMEELA	LADY PEON	0	13,000	156,000
51	DW0007	KHAIR-UN-NISA	LADY PEON	0	13,000	156,000
52	DW0008	NAN BAI	LADY PEON	0	13,000	156,000
53	DW0009	NUSRAT NAZ	LADY PEON	0	13,000	156,000
54	DW0010	SADIA	LADY PEON	0	13,000	156,000
55	DW0011	MARYAM BANO	LADY PEON	0	13,000	156,000
56	DW0012	DANISH	PEON	0	13,000	156,000
57	DW0013	MEHR-UN-NISA	LADY PEON	0	13,000	156,000
58	DW0033	ANITA RAVI	LADY PEON	0	13,000	156,000
59	DW0034	SAFIA NAZ	LADY PEON	0	13,000	156,000
60	DW0035	NAILA	LADY PEON	0	13,000	156,000
61	DW0036	SABAH	LADY PEON	0	13,000	156,000
62	DW0037	JIYA	LADY PEON	0	13,000	156,000
63	DW0038	FARZANA TARIQ	LADY PEON	0	13,000	156,000
64	DW0031	SHABANA	LADY PEON	0	13,000	156,000
65	DW0032	SUNITA	LADY PEON	0	13,000	156,000
66	C0166	ABIDA	AYAH	0	15,000	180,000
67	C0167	SABIYA	AYAH	0	15,000	180,000
68	C0168	MUHAMMAD SALMAN	NAIB QASID	0	15,000	180,000
69	C0169	AKBAR ALI	NAIB QASID	0	15,000	180,000
70	C0170	JAN ALAM	CHOWKIDAR	0	15,000	180,000
71	C0171	MUHAMMAD SHAKEEL	CHOWKIDAR	0	15,000	180,000
72	LT05884	AYESHA SULEMAN	TEACHER	0	15,000	180,000
73	LT05886	RUKHSANA	TEACHER	0	15,000	180,000
74	LT05887	NABEELA	TEACHER	0	15,000	180,000
75	LT05888	MUHAMMAD HARIS	TEACHER	0	15,000	180,000
76	LT05889	NAVEED ALI	TEACHER	0	15,000	180,000
77	LT05890	SHAMIM	TEACHER	0	15,000	180,000
78	LT05891	NABILA NAZ	TEACHER	0	15,000	180,000
79	LT05893	ABDUL WAHEED	TEACHER	0	15,000	180,000
80	LT05894	USRA	TEACHER	0	15,000	180,000
81	LT05896	ZULIKHA	TEACHER	0	15,000	180,000
82	LT06164	AFSHAN SARHADI	TEACHER	0	15,000	180,000
83	LT05895	SAFIYA	TEACHER	0	15,000	180,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
84	LT06165	AMNA	TEACHER	0	15,000	180,000
85	LT05897	MEHRUNISA	TEACHER	0	15,000	180,000
86	LT06166	ANWAR SHEHZAD	TEACHER	0	15,000	180,000
87	LT05900	MAHGUL	TEACHER	0	15,000	180,000
88	LT06167	AROOSA	TEACHER	0	15,000	180,000
89	LT05901	ATIYA NOOR	TEACHER	0	15,000	180,000
90	LT06168	ASIYA	TEACHER	0	15,000	180,000
91	LT05902	JANNAT	TEACHER	0	15,000	180,000
92	LT05903	HUMAIRA	TEACHER	0	15,000	180,000
93	LT6169	NAHEED AKHTAR	TEACHER	0	15,000	180,000
94	LT06170	SHEZEENA	TEACHER	0	15,000	180,000
95	LT05905	ASMA AHMED	TEACHER	0	15,000	180,000
96	LT06171	ATIQ-UR-REHMAN	TEACHER	0	15,000	180,000
97	LT06172	PREM	TEACHER	0	15,000	180,000
98	LT05906	MEHWISH	TEACHER	0	15,000	180,000
99	LT05907	SHABANA	TEACHER	0	15,000	180,000
100	LT06174	BASRI	TEACHER	0	15,000	180,000
101	LT05908	NADIA	TEACHER	0	15,000	180,000
102	LT06175	FEHMEEDA BANO	TEACHER	0	15,000	180,000
103	LT05909	AYESHA	TEACHER	0	15,000	180,000
104	LT05911	NAZIA	TEACHER	0	15,000	180,000
105	C0154	SEEMA AYAZ	CONTRACT EMPLOYEES	0	15,000	180,000
106	C0156	SHER MUHAMMAD	CONTRACT EMPLOYEES	0	15,000	180,000
107	C0157	NOSHAD ALI	CONTRACT EMPLOYEES	0	15,000	180,000
108	C0159	SADIA KAUSAR	STAFF NURSE	0	15,000	180,000
109	C0160	AROOMA SHAKEEL	MID WIFE	0	15,000	180,000
110	C0138	LAXMAN	CONTRACT EMPLOYEES	0	15,000	180,000
111	C0136	AKBER ALI	CONTRACT EMPLOYEES	0	15,000	180,000
112	C0137	SHER ALI	CONTRACT EMPLOYEES	0	15,000	180,000
113	C0140	AMEER BUKSH	CONTRACT EMPLOYEES	0	15,000	180,000
114	C0141	GHULAM SARWAR	CONTRACT EMPLOYEES	0	15,000	180,000
115	LT6227	AMNA	TEACHER	0	15,000	180,000
116	LT4829	MEHER-UN-NISA	LADY PEON	0	15,000	180,000
117	LT4826	MUSHTAQ AHMED	CHOWKIDAR	0	15,000	180,000
118	LT06226	NAILA	TEACHER	0	15,000	180,000
119	LT4827	MUHAMMAD RASHEED LASI	CHOWKIDAR	0	15,000	180,000
120	LT4828	SAKINA	LADY PEON	0	15,000	180,000
121	LT06228	IMRAN	TEACHER	0	15,000	180,000
122	LT06229	SHAISTA BANO	TEACHER	0	15,000	180,000
123	LT6230	SADIA	TEACHER	0	15,000	180,000
124	LT06231	RABIA	TEACHER	0	15,000	180,000
125	LT06232	ROZINA CHANDIO	TEACHER	0	15,000	180,000
126	LT06234	NAZIA	TEACHER	0	15,000	180,000
127	LT06235	ASIF	PEON	0	15,000	180,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
128	LT06236	KANEEZ FATIMA	TEACHER	0	15,000	180,000
129	LT06242	GUL BANO	TEACHER	0	15,000	180,000
130	LT06243	AZRA	TEACHER	0	15,000	180,000
131	LT06244	GULNAZ	TEACHER	0	15,000	180,000
132	LT06245	NARGIS FATIMA	TEACHER	0	15,000	180,000
133	LT06246	JAMSHED	TEACHER	0	15,000	180,000
134	LT06249	NASREEN	SWEEPER	0	15,000	180,000
135	LT06251	NAZIA	TEACHER	0	15,000	180,000
136	LT06252	MUMTAZ WACHANI	TEACHER	0	15,000	180,000
137	LT06253	LUBNA KANWAL	TEACHER	0	15,000	180,000
138	LT06255	ANILA	TEACHER	0	15,000	180,000
139	LT06258	SHUMAILA	TEACHER	0	15,000	180,000
140	LT06259	KULSOOM	TEACHER	0	15,000	180,000
141	LT06260	SHAZIA	TEACHER	0	15,000	180,000
142	LT06261	SHOAIB AHMED	TEACHER	0	15,000	180,000
143	LT06263	ASIA NIZAR	TEACHER	0	15,000	180,000
144	LT06786	NIGHAT RIAZ	TEACHER	0	15,000	180,000
145	LT06787	NAUMAN KHAN	TEACHER	0	15,000	180,000
146	LT06788	SABIR ALI	TEACHER	0	15,000	180,000
147	LT06795	KIRAN NAZ	TEACHER	0	15,000	180,000
148	C0112	ABDUL REHMAN	CONTRACT EMPLOYEES	0	15,000	180,000
149	C0113	SAMEENA	CONTRACT EMPLOYEES	0	15,000	180,000
150	C0126	NOOR BIBI	CONTRACT EMPLOYEES	0	15,000	180,000
151	C0127	NADIA	CONTRACT EMPLOYEES	0	15,000	180,000
152	C0128	MAHRUKH	CONTRACT EMPLOYEES	0	15,000	180,000
153	C0130	FAHEEM	CONTRACT EMPLOYEES	0	15,000	180,000
154	C0131	KAHSIF NAVEED	CONTRACT EMPLOYEES	0	15,000	180,000
155	C0114	KIRAN	CONTRACT EMPLOYEES	0	15,000	180,000
156	C0118	SUMAIRA	CONTRACT EMPLOYEES	0	15,000	180,000
157	C0120	ASIYA KANWAL	CONTRACT EMPLOYEES	0	15,000	180,000
158	C0122	NASEEMA	CONTRACT EMPLOYEES	0	15,000	180,000
159	C0123	AGHA SHOAIB AHMED	CONTRACT EMPLOYEES	0	15,000	180,000
160	C0125	ASIF AHMED	CONTRACT EMPLOYEES	0	15,000	180,000
161	C0132	MEHMOOD RAZA	CONTRACT EMPLOYEES	0	15,000	180,000
162	C0133	NAJMA NAZ	CONTRACT EMPLOYEES	0	15,000	180,000
163	C0135	SHAHNAWAZ	CONTRACT EMPLOYEES	0	15,000	180,000
164	LT06201	SAMREEN	TEACHER	0	15,000	180,000
165	LT06202	SAMREEN	TEACHER	0	15,000	180,000
166	LT06204	SANA	TEACHER	0	15,000	180,000
167	LT06205	SANIYA	TEACHER	0	15,000	180,000
168	LT06206	SEEMA	TEACHER	0	15,000	180,000
169	LT06207	SOBIA QADIR	TEACHER	0	15,000	180,000
170	LT06790	LARAIB KHAN	TEACHER	0	15,000	180,000
171	LT06209	SHAFIA	TEACHER	0	15,000	180,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
172	LT4804	MARYAM	TEACHER	0	15,000	180,000
173	LT06210	SHAISTA	TEACHER	0	15,000	180,000
174	LT4800	MAHJABEEN	TEACHER	0	15,000	180,000
175	LT4801	ANEESA	TEACHER	0	15,000	180,000
176	LT06211	SIDRA	TEACHER	0	15,000	180,000
177	LT4802	MUHAMMAD SHOAB	TEACHER	0	15,000	180,000
178	LT4806	AMREEN	TEACHER	0	15,000	180,000
179	LT4807	SHER BANO	TEACHER	0	15,000	180,000
180	LT06213	ZULAIKHA	TEACHER	0	15,000	180,000
181	LT4808	NADIA	TEACHER	0	15,000	180,000
182	LT4809	RAHILA	TEACHER	0	15,000	180,000
183	LT4810	MARIA	TEACHER	0	15,000	180,000
184	LT4811	BAKHTAWAR	TEACHER	0	15,000	180,000
185	LT06216	ASMA HIRA	TEACHER	0	15,000	180,000
186	LT4812	ARSLAN BALOCH	TEACHER	0	15,000	180,000
187	LT4813	NIDA	TEACHER	0	15,000	180,000
188	LT4815	ABDUL MUTHAL	TEACHER	0	15,000	180,000
189	LY06217	FOUZIA	TEACHER	0	15,000	180,000
190	LT4817	MUHAMMAD SAEED	TEACHER	0	15,000	180,000
191	LT06218	QURRATULAIN	TEACHER	0	15,000	180,000
192	C0117	SHEHZAD	CONTRACT EMPLOYEES	0	15,000	180,000
193	C0139	NOSHAD SHAKOOR	CONTRACT EMPLOYEES	0	15,000	180,000
194	LT5010	SAIMA	TEACHER	0	15,000	180,000
195	LT5011	MUHAMMAD USMAN	DISPATCH RIDER	0	15,000	180,000
196	LT05975	ASIF	CHOWKIDAR	0	15,000	180,000
197	LT05885	REHANA	TEACHER	0	15,000	180,000
198	LT06794	MALIK KHATOON	TEACHER	0	15,000	180,000
199	LT05881	ADNAN HUSSAIN	TEACHER	0	15,000	180,000
200	LT05882	MUHAMAMD YOUSUF	TEACHER	0	15,000	180,000
201	C0174	FARIZDA	STAFF NURSE	0	15,000	180,000
202	C0147	SHAZIA	CONTRACT EMPLOYEES	0	15,000	180,000
203	C0148	ZUBAIDA	CONTRACT EMPLOYEES	0	15,000	180,000
204	LT05912	WAQAR	TEACHER	0	15,000	180,000
205	LT06178	IQBAL DANISH	TEACHER	0	15,000	180,000
206	LT05914	FARZANA	TEACHER	0	15,000	180,000
207	C0142	JAMSHED	CONTRACT EMPLOYEES	0	15,000	180,000
208	C0143	MUSHTAQ HUSSAIN	CONTRACT EMPLOYEES	0	15,000	180,000
209	C0145	TALYAN NAZ	CONTRACT EMPLOYEES	0	15,000	180,000
210	C0146	MEHNAZ	CONTRACT EMPLOYEES	0	15,000	180,000
211	C0151	NAZIA	CONTRACT EMPLOYEES	0	15,000	180,000
212	C0161	ASMA	MID WIFE	0	15,000	180,000
213	C0165	RABIA SHARIF	AYAH	0	15,000	180,000
214	LT06219	ANEESA	TEACHER	0	15,000	180,000
215	LT4819	SARFARAZ	PEON	0	15,000	180,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
216	LT06220	HAJIRA	TEACHER	0	15,000	180,000
217	LT4820	MUHAMMAD AADIL	TEACHER	0	15,000	180,000
218	LT4821	NUSRAT JABEEN	TEACHER	0	15,000	180,000
219	LT06223	SAFDAR ABBAS	TEACHER	0	15,000	180,000
220	LT4822	SAKINA	TEACHER	0	15,000	180,000
221	LT06224	SAJIDA QAZI	TEACHER	0	15,000	180,000
222	LT4823	QAMAR ALI	CHOWKIDAR	0	15,000	180,000
223	LT4824	AZIZA	LADY PEON	0	15,000	180,000
224	LT4825	MUHAMMAD KHAN	CHOWKIDAR	0	15,000	180,000
225	C0104	JAHANIA SHAH	CONTRACT EMPLOYEES	0	15,000	180,000
226	C0106	AHMED RAZA	CONTRACT EMPLOYEES	0	15,000	180,000
227	C0107	ZAMEER AHMED	CONTRACT EMPLOYEES	0	15,000	180,000
228	C0108	ABIDA	CONTRACT EMPLOYEES	0	15,000	180,000
229	C0101	MUHAMMAD MUSLIM	CONTRACT EMPLOYEES	0	15,000	180,000
230	C0102	MUHAMMAD TARIQ AZIZ	CONTRACT EMPLOYEES	0	15,000	180,000
231	LT5971	WASEEM SARBAZI	TEACHER	0	15,000	180,000
232	LT5972	MUHAMMAD AYAZ	PEON	0	15,000	180,000
233	LT5973	SHAKEEL	SWEEPER	0	15,000	180,000
234	LT5974	SHAKEEL AHMED	CHOWKIDAR	0	15,000	180,000
235	LT5976	NOOR MUHAMMAD	CHOWKIDAR	0	15,000	180,000
236	LT5977	MUHAMMAD HASSAN	TEACHER	0	15,000	180,000
237	C0109	MUHAMMAD SADDIQ	CONTRACT EMPLOYEES	0	15,000	180,000
238	C0110	WASEEM GUL	CONTRACT EMPLOYEES	0	15,000	180,000
239	C0111	HAUSA	CONTRACT EMPLOYEES	0	15,000	180,000
240	C0175	UZMA RAZI	TEACHER	0	15,000	180,000
241	LT5978	NIGHAT ARA	LADY PEON	0	15,000	180,000
242	LT5979	SAIRA BANO	LADY PEON	0	15,000	180,000
243	LT5981	ASIA	LADY PEON	0	15,000	180,000
244	LT5982	RASHID HUSSAIN	PEON	0	15,000	180,000
245	LT5983	NASEEMA	LADY PEON	0	15,000	180,000
246	LT5984	KHUDA BAKSH	CHOWKIDAR	0	15,000	180,000
247	LT5985	RAJESH	SWEEPER	0	15,000	180,000
248	LT5992	URRAM SHEHZAD	SWEEPER	0	15,000	180,000
249	LT5994	HAMEDA	LADY PEON	0	15,000	180,000
250	LT06191	NOUSHEEN SHAH	TEACHER	0	15,000	180,000
251	LT06193	ROZAN	TEACHER	0	15,000	180,000
252	LT06195	SABEEN NAZ	TEACHER	0	15,000	180,000
253	LT5995	MADIHA	TEACHER	0	15,000	180,000
254	LT5996	SAIMA AMJID	TEACHER	0	15,000	180,000
255	LT4803	SHANILA	TEACHER	0	15,000	180,000
256	LT06198	SAIMA	TEACHER	0	15,000	180,000
257	LT06199	SALMAN	TEACHER	0	15,000	180,000
258	LT06124	HAUSA JABEEN	TEACHER	0	15,000	180,000
259	LT06184	MADIHA	TEACHER	0	15,000	180,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
260	LT06125	FIZA	TEACHER	0	15,000	180,000
261	LT06185	MAHAJABEEN	TEACHER	0	15,000	180,000
262	LT6126	SULEMAN ARIF	PEON	0	15,000	180,000
263	LT06127	TASMIA	TEACHER	0	15,000	180,000
264	LT6128	ZUBAIR AHMED	TEACHER	0	15,000	180,000
265	LT06188	NAHEED NOOR	TEACHER	0	15,000	180,000
266	LT06189	NAJMA	TEACHER	0	15,000	180,000
267	LT06179	IRSA SHEIKH	TEACHER	0	15,000	180,000
268	LT05915	FAIZA	TEACHER	0	15,000	180,000
269	LT05916	FARAH NAZ	TEACHER	0	15,000	180,000
270	LT06789	MEHWISH	TEACHER	0	15,000	180,000
271	LT06181	KHALIDA SUBHAN	TEACHER	0	15,000	180,000
272	LT05917	SHABANA	TEACHER	0	15,000	180,000
273	LT05918	ABDUL MAJEED	TEACHER	0	15,000	180,000
274	LT05919	AZRA BANO	TEACHER	0	15,000	180,000
275	LT06183	KULSOOM	TEACHER	0	15,000	180,000
276	C0100	BABUL RAJA	CONTRACT EMPLOYEES	0	15,000	180,000
277	LT06190	NASIRA	TEACHER	0	15,000	180,000
278	DW0001	ZAINAB	LADY PEON	0	13,000	156,000
279	DW0017	MUHAMMAD TUFAIL	PEON	0	13,000	156,000
280	C0115	KHAWAR	CONTRACT EMPLOYEES	0	15,000	180,000
281	C0158	ASIYA GULSHER	CONTRACT EMPLOYEES	0	15,000	180,000
282	LT06237	ABDUL HAI	TEACHER	0	15,000	180,000
283	LT06793	ASRA SHOAB	TEACHER	0	15,000	180,000
284	LT4805	YOUSUF ANWAR	TEACHER	0	15,000	180,000
285	LT06192	AZRA BIBI	TEACHER	0	15,000	180,000
286	LT06194	RUKHSANA BROHI	TEACHER	0	15,000	180,000
287	LT06200	SAMINA	TEACHER	0	15,000	180,000
288	LT06212	SHAISTA	TEACHER	0	15,000	180,000
289	LT06215	SHABEENA	SWEEPER	0	15,000	180,000
290	LT4814	SHEHZEENA	TEACHER	0	15,000	180,000
291	LT4818	YAR MUHAMMAD	CHOWKIDAR	0	15,000	180,000
292	LT06221	FAIZA	TEACHER	0	15,000	180,000
293	LT06791	SHUMAILA	TEACHER	0	15,000	180,000
294	LM06674	RUKHSANA	SWEEPER	0	15,000	180,000
295	LT05874	ASMA MURAD	TEACHER	0	15,000	180,000
296	LT05880	ZAHID HUSSAIN	TEACHER	0	15,000	180,000
297	LT05904	BENISH KHAN	TEACHER	0	15,000	180,000
298	LT6173	FAIZA SHEIKH	TEACHER	0	15,000	180,000
299	LT05910	RUKHSANA JABEEN	TEACHER	0	15,000	180,000
300	LT05913	ZAHIDA	TEACHER	0	15,000	180,000
301	LT06186	MUHAMMAD IQBAL	TEACHER	0	15,000	180,000
302	LT6233	FAISAL MALIK	TEACHER	0	15,000	180,000
303	LT06241	BABAR	SWEEPER	0	15,000	180,000

[Amount in rupees]

S.No	Emp_no	Name	Designation	BPS	Gross P.M	Gross P.A
DMC, South, Karachi (Para-15) F.Y 2018-19						
304	LT06248	MUHAMMAD AYAZ	PEON	0	15,000	180,000
305	LT06256	SHAISTA IQBAL	TEACHER	0	15,000	180,000
306	LT06785	KHATIJA ANWAR	TEACHER	0	15,000	180,000
307	LT06797	NOUREEN	TEACHER	0	15,000	180,000
308	LT06254	ASMA	TEACHER	0	15,000	180,000
309	DW0014	ASIF	PEON	0	13,000	156,000
310	DW0021	ASHA	LADY PEON	0	13,000	156,000
311	DW0028	NASEEMA	LADY PEON	0	13,000	156,000
312	C0172	TULSA	SWEEPER	0	15,000	180,000
313	LM06658	ERUM	MID WIFE	0	15,000	180,000
314	DW0006	SHAZIA	LADY PEON	0	13,000	156,000
315	DW0030	SABEEN SHAKOOR	LADY PEON	0	13,000	156,000
316	C0149	LATIFA	CONTRACT EMPLOYEES	0	15,000	180,000
317	LT05898	USMAN ABBAS	TEACHER	0	15,000	180,000
318	LT06176	GENERAL YOUNUS	TEACHER	0	15,000	180,000
319	LT06784	IMDAD HUSSAIN	TEACHER	0	15,000	180,000
320	LT05899	SHAZIA	TEACHER	0	15,000	180,000
321	LT06177	HUMEIRA AFSHA	TEACHER	0	15,000	180,000
322	LT06187	KHURSHEED AHMED	TEACHER	0	15,000	180,000
323	LT06792	TEHMINA	TEACHER	0	15,000	180,000
324	LT06796	RUBINA	TEACHER	0	15,000	180,000
TOTAL					57,336,000	

Annex-DMC3
[Para No.2.2.2.18]

Un-authorized payment of 1ST and final bill to contractors

DMC, South, Karachi (Para-02) F.Y 2018-19					
S.No	Vender	Work	Date of work start & Completion	Sanctioned Amount	Expenditure Amount
1	M/s Jan Muhammad &Co	Imp... of st. by cc flooring suleman azad road & hanifia masjid road & ghousia masjid UC-1		3,032,234	3,031,211
2	M/s Ahmed & Co	Imp. Of CC flooring in streets of Mirza Adam khan road UC-10 lyari		2,831,382	2,830,770
3	M/S Niaz Muhammad Const.	Imp. of street by paver block in different areas of Lyari Division		17,499,870	17,499,870
4	M/s Tayyab Khan Babar & brothers	Imp. of flooing in streets of phool pati lane, UC-08 Lyari.		2,831,832	2,831,832
5	M/s Bhatti Enterprises	Imp. of internal street of chand bibi road uc-23		2,935,213	2,924,665
6	M/s Hani Traders	Imp. of street of bdshahi road UC-18		2,054,159	2,052,562
7	M/s M.A Qureshy Builders	P/F cost iron benches for parks of lyari		O/R	1,628,000
8	M/s M.H Khan & Brothers	Imp. of street by paver at street #4,5,6, Haji Ismail Road, UC-04, Lyari Division DMC South.		2,504,582	2,504,582
9	M/s Waheed & Sons	Imp. of Street lighting system at khayaban-e-firdousi road sadder		7,189,008	7,182,208
10	M/s Hani Traders	Rep/maint. of Girls/boys primary & lower secondary school	18/3/19 3/5/19	2,957,633	2,955,854
11	M/s M.S Builders	Imp. of roads & flooring at usmanabad & Jinnahabad	18/3/19 10/6/19	2,799,620	2,799,388
12	M/s Four Dots Construction Co.	Imp/repair hussain dalima street chappal gali landa bazaar & surrounding area thattai compound sadder	18/1/18 27/7/18	3,042,362	3,039,652
TOTAL					51,280,594

Annex-DMC4
[Para No.2.2.2.21]

Irregular expenditure on account of payment of leave encashment and financial assistance

DMC Malir, Karachi (Para-11) F.Y 2018-19				
Leave Encashment				
S.N.	Paid to	Voucher No	Date	Amount
1	Mrs.Raj Bibi	22	7/8/2018	272,772
2	Mst.Haleema	25	7/8/2018	220,972
3	Mst.Shamim Ara Sher	32	7/8/2018	304,917
4	Mst.Nargis Bibi	33	7/8/2018	204,957
5	Mr.Amant Masih	7	1/10/2018	275,230
6	Mr.Zafar Masih	8	1/10/2018	221,520
7	Mst.Raisa Bani	9	1/10/2018	430,028
8	Mst.Gul Bano	10	1/10/2018	394,739
9	Mr.Ashraf Ali Palijo	48	1/10/2018	19,787
10	Mr.Muhammad Idress	181	8/10/2018	233,154
11	Mst.Ishrat Jahan	189	8/10/2018	462,042
12	Mst.Saleema Bibi	190	8/10/2018	199,824
13	Mst.Parveen Bibi	29	11/12/2018	114,606
14	Mst.Basoora	30	11/12/2018	530,302
15	Mst.Nazreen Begum	33	11/12/2018	250,389
16	Mst.Anila Shokat Ali	34	11/12/2018	222,335
17	Mr.Muhammad Sulttan Khan	35	11/12/2018	5,560
18	Mr.Tariq Masih	36	11/12/2018	216,216
19	Mr.Muhammad Ishaq	38	11/12/2018	238,941
20	Mr.Bashir Gill	39	11/12/2018	300,000
21	Mst.Zubaida Bano	40	11/12/2018	168,501
22	Mst.Bakhtawar	42	11/12/2018	234,158
23	Mr.Mehboob Anwar	43	11/12/2018	53,153
24	Mst.Parveen	107	11/12/2018	222,960
25	Mr.Ghaffar	109	11/12/2018	203,180
26	Mst.Sakina Bibi	85	16-01-2019	181,643
27	Mr.Bashir Gill	101	16-01-2019	200,000
28	Mr.Gulzar Masih	111	16-01-2019	174,418
29	Mr.Hameed Chaman	130	16-01-2019	256,590
30	Mst.Nasreen Akhter	145	16-01-2019	200,000
31	Mr.Tariq Ghulam	153	18-01-2019	216,216
32	Mr.Amanat Saleem	154	18-01-2019	275,230
33	Mr.Bashir Gill	224	8/2/2019	100,000
34	Mst.Kiran	234	8/2/2019	180,814
35	Mr.Muhammad Jilani	252	8/2/2019	62,124
36	Mr.Amanat Masih	256	8/2/2019	100,000
37	Mst.Shamim Bano	266	8/2/2019	100,000
38	Mst.Nasreen Akhter	267	8/2/2019	100,000
39	Mr.Muhammad Iqar	69	12/3/2019	100,000

DMC Malir, Karachi (Para-11) F.Y 2018-19

Leave Encashment

S.N.	Paid to	Voucher No	Date	Amount
40	Mst.Gul Bano	70	12/3/2019	100,000
41	Mr.Mirza Kaleem Baig	71	12/3/2019	100,000
42	Mst.Margret Bibi	79	12/3/2019	100,000
43	Mst.Margret	80	12/3/2019	100,000
44	Mr.Asad Masih	82	12/3/2019	100,000
45	Mst.Shamim Bano	83	12/3/2019	100,000
46	Mr.Amanat Masih	84	12/3/2019	105,110
47	Mst.Nasreen Akhter	85	12/3/2019	250,598
48	Mr.Bashir Gill	92	12/3/2019	100,000
49	Mr.Nawab Gill	93	12/3/2019	100,000
50	Mr.Muhammad Payal	109	12/3/2019	111,794
51	Mst.Fouzia Bano	112	12/3/2019	100,000
52	Mst.Fouzia Bano	4	1/4/2019	100,000
53	Mr.Nawab Gill	7	1/4/2019	73,090
54	Mr.Bashir Gill	8	1/4/2019	96,967
55	Mst.Shamim Bano	14	1/4/2019	50,000
56	Mst.Margret Bibi	15	1/4/2019	75,000
57	Mst.Margreat	16	1/4/2019	50,000
58	Mst.Gul Bano	17	1/4/2019	50,000
59	Mr.Mirza Kaleem Baig	18	1/4/2019	75,000
60	Mr.Muhammad Iqrar	20	1/4/2019	100,000
61	Mst.Nasreen	28	1/4/2019	100,000
62	Mr.Asif Masih	50	1/4/2019	100,000
63	Mr.Asif Masih	51	1/4/2019	44,507
64	Mr.Tahir Jamil	54	1/4/2019	100,000
65	Mst.Jamila Bibi	55	1/4/2019	100,000
66	Mr.Maqbool Masih	57	1/4/2019	100,000
67	Mst.Aasma Begum	62	1/4/2019	100,000
68	Mr.Muhammad Khursheed	68	1/4/2019	100,000
69	Mst.Mehmooda Ashraf	496	11/4/2019	214,529
70	Mst.Naseem Khanum	54	6/5/2019	405,249
71	Mst.Fouzia Bano	63	6/5/2019	81,648
72	Mst.Shamim Bano	69	13-05-2019	78,243
73	Mst.Margret Bibi	70	13-05-2019	40,490
74	Mst.Margreat	71	13-05-2019	55,546
75	Mst.Gul Bano	72	13-05-2019	75,314
76	Mr.Mirza Kaleem Baig	73	13-05-2019	86,491
77	Mr.Muhammad Iqrar	75	13-05-2019	100,000
78	Mst.Nasreen	76	13-05-2019	100,000
79	Mr.Asif Masih	77	13-05-2019	105,110
80	Mr.Tahir Jamil	79	13-05-2019	100,000
81	Mst.Jamila Bibi	81	13-05-2019	133,022
82	Mr.Maqbool Masih	83	13-05-2019	100,000
83	Mst.Aasma Begum	84	13-05-2019	142,106
84	Mr.Muhammad Khursheed	85	13-05-2019	100,000

DMC Malir, Karachi (Para-11) F.Y 2018-19

Leave Encashment

S.N.	Paid to	Voucher No	Date	Amount
85	Mr.Inayat	113	13-05-2019	100,000
86	Mst.Nasreen	118	13-05-2019	100,000
87	Mr.Abdul Sattar	119	13-05-2019	200,000
88	Mst.Zainab	137	13-05-2019	100,000
89	Mr.Yousif Bhatti	139	13-05-2019	100,000
90	Mr.Mehmood Masih	140	13-05-2019	100,000
91	Mr.Mehmood Masih	214	31-06-2019	50,000
92	Mr.Muhammad Khursheed	221	31-06-2019	78,951
93	Mr.Muhammad Iqrar	224	31-06-2019	107,629
94	Mr.Tahir Jamil	226	31-06-2019	58,900
95	Mr.Maqbool Masih	227	31-06-2019	43,142
96	Mst.Asma Begum	228	31-06-2019	100,000
97	Mst.Seema Nazar	245	31-06-2019	50,000
Total				14,135,714
				Financial Assistance
1	Mr.Gulzar Masih	38	7/8/2018	600,000
2	Mr.Nazeer Masih	40	7/8/2018	600,000
3	Mrs.Reshma	447	17-08-2018	750,000
4	Mr.Bashir Gill	474	30-08-2030	750,000
5	Mr.Bashir Gill	2	1/10/2018	750,000
6	Mst.Reshma	3	1/10/2018	750,000
7	Mst.Raj Bibi	37	11/12/2018	300,000
8	Mst.Haleema	41	11/12/2018	200,000
9	Mst.Parveen	105	11/12/2018	300,000
10	Mst.Parveen	106	11/12/2018	600,000
11	Mr.Ghaffar	108	11/12/2018	200,000
12	Mst Basoora	99	16-01-2019	300,000
13	Mst Raj Bibi	100	16-01-2019	300,000
14	Mst Haleema	102	16-01-2019	200,000
15	Mst.Anila Shokat Ali	137	16-01-2019	200,000
16	Mst.Haleema	223	8/2/2019	100,000
17	Mst.Raj Bibi	225	8/2/2019	100,000
18	Mst.Basoora	226	8/2/2019	100,000
19	Mst.Anila Shokat Ali	227	8/2/2019	100,000
20	Miss Rija Ali	253	8/2/2019	100,000
21	Mst.Bakhtawar	257	8/2/2019	100,000
22	Mr.M.Ismail	262	8/2/2019	75,000
23	Mst.Parveen Bibi	263	8/2/2019	100,000
24	Mst.Haleema	66	12/3/2019	100,000
25	Mst.Zubaida Bano	78	12/3/2019	100,000
26	Mst.Parveen Bibi	81	12/3/2019	100,000
27	Mst.Bakhtawar	86	12/3/2019	100,000
28	Mr.M Ismail	87	12/3/2019	100,000
29	Miss Rija Ali	88	12/3/2019	200,000
30	Mst.Anila Shokat Ali	89	12/3/2019	100,000

DMC Malir, Karachi (Para-11) F.Y 2018-19

Leave Encashment

S.N.	Paid to	Voucher No	Date	Amount
31	Mst.Basoora	90	12/3/2019	100,000
32	Mst.Raj Bibi	91	12/3/2019	100,000
33	Mst.Sakeena	95	12/3/2019	100,000
34	Mr.Asad Masih	116	12/3/2019	100,000
35	Mr.Asad Masih	2	1/4/2019	100,000
36	Mst.Sakeena	6	1/4/2019	100,000
37	Mst.Raj Bibi	9	1/4/2019	100,000
38	Mst.Basoora	10	1/4/2019	100,000
39	Mst.Anila Shokat Ali	11	1/4/2019	100,000
40	Mst.Bakhtawar	12	1/4/2019	100,000
41	Mst.Parveen Bibi	13	1/4/2019	100,000
42	Mst.Zubaida Bano	19	1/4/2019	100,000
43	Mr.Nawab Gill	53	1/4/2019	100,000
44	Mst.Margret Bibi	56	1/4/2019	100,000
45	Mr.Asad Masih	61	6/5/2019	100,000
46	Mst.Sakeena	64	13-05-2019	100,000
47	Mst.Anila Shokat Ali	66	13-05-2019	100,000
48	Mst.Bakhtawar	67	13-05-2019	100,000
49	Mst.Parveen Bibi	68	13-05-2019	300,000
50	Mst.Zubaida Bano	74	13-05-2019	100,000
51	Mr.Nawab Gill	78	13-05-2019	100,000
52	Mst.Margreat Bibi	82	13-05-2019	100,000
53	Mst.Gul Bano	86	13-05-2019	100,000
54	Mst.Kiran	106	13-05-2019	100,000
55	Mr.Hadi Bukhsh	124	13-05-2019	200,000
56	Mst.Jamila Bibi	132	13-05-2019	100,000
57	Mst.Margret Bibi	133	13-05-2019	100,000
58	Mr.Abbas Masih	145	13-05-2019	100,000
59	Mr.Abbas Masih	215	31-06-2019	100,000
60	Mst.Gul Bano	217	31-06-2019	100,000
61	Mr.Asad Masih	218	31-06-2019	100,000
62	Mst.Sakeena	220	31-06-2019	100,000
63	Mst.Bakhtawar	222	31-06-2019	100,000
64	Mst.Zubaida Bano	223	31-06-2019	100,000
65	Mr.Nawab Gill	225	31-06-2019	100,000
Total				12,175,000
Grant Total				26,310,714

Non-production of record

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/TO, TC Tando Bagho	1	2017-18	143.553
2	Chairman/TO/ TC Nasarpur	1	2017-18	1.407
3	Chairman/TO/ TC Jati	1	2017-18	0
4	Chairman/TO/ TC Oderolal Station	1	2017-18	0
5	Chairman/TO/ TC Bhit Shah	1	2017-18	0
6	Chairman/CMO, MC, Badin	1	2017-18	0
7	Chairman/CMO, MC, Matli	1	2017-18	0
8	Chairman/TO, TC, Kadhan	1	2017-18	0
9	Mayor/ MC, Hyderabad Municipal Corporation	1	2018-19	85.076
10	Chairman/ CMO, MC, Matli	1	2018-19	21.189
11	Town Committee, Sanjer Chang	10	2018-19	0.777
12	Chairman/ CODC, Dadu	3	2018-19	0
13	Chairman/ CODC, Matiari	13	2018-19	0
14	Chairman/ CODC, Badin	1	2018-19	0
15	Chairman/ CODC, Tando Muhammad Khan	1	2018-19	0
16	Chairman/ CODC Tando Allahyar	1	2018-19	0
17	Chairman/ CMO,MC Tando Allahyar	1	2018-19	0
18	Chairman/ CMO/ MC Dadu	8	2018-19	0
19	Chairman/ CMO, MC Ktori	1	2018-19	0
20	Chairman/ CMO, MC Johi	13	2018-19	0
21	Chairman/ CMO, MC Badin	1	2018-19	0
22	Chairman/ TO,TC Piyaro Lund	1	2018-19	0
23	Chairman/ TO, TC Saeedabad	12	2018-19	0
24	Chairman/ TO, TC, Bulri Shah Kaream	1	2018-19	0
25	Chairman/ TO, TC, Bhitshah	1	2018-19	0
26	Chairman/ TO, TC, Sann	1	2018-19	0
27	Chairman/ TO, TC, Old Hala	11	2018-19	0
28	Chairman/ TO, TC, Khaibar, District Matiari	1	2018-19	0
29	Chairman/ TO, TC, Tando Ghulam Hyder	1	2018-19	0
30	Chairman / TO, TC, Matiari	1	2018-19	0
31	Chairman / TO, TC, Oderolal Station	1	2018-19	0
Total				252.002

Annex-HYD2
[Para No.3.2.3.1]

Non-recovery of outstanding dues

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO/ MC, Badin	11	2017-18	36.736
2	Chairman/TO, TC Husri	12	2017-18	5.092
3	Chairman/CMO, MC Sehwan Sharif	15	2017-18	0.867
4	Chairman/TO, TC Shaheed Fazil Rahu	6	2017-18	4.629
5	Chairman/TO, TC Tando Bagho	17	2017-18	3.689
6	Mayor/ MC, Hyderabad Municipal Corporation	19	2018-19	31.506
7	Mayor/ MC, Hyderabad Municipal Corporation	28	2018-19	8.471
8	Chairman/ CMO/ MC, Dadu	10	2018-19	12.000
9	Chairman/ CMO/ MC, Tando Muhammad Khan	2	2018-19	10.577
10	Chairman/ CMO, MC Kotri	4	2018-19	6.217
11	Chairman/ CMO, MC Hala	13	2018-19	3.896
12	Chairman/ CMO, MC Johi	7	2018-19	1.170
13	Chairman/ CODC, Jamshoro	1	2018-19	6.721
14	Chairman/ CODC Thatta	11	2018-19	3.708
15	Chairman/ TO, TC Thana Bula Khan	1	2018-19	6.584
16	Chairman / TO, TC,Matiali	3	2018-19	4.793
17	Chairman / TO, TC Makli	6	2018-19	4.235
18	Chairman/ TC, Bhan Sayedabad	1	2018-19	1.391
19	Chairman/ TO, TC, Gharo	10	2018-19	1.034
20	Chairman/ TO, TC Saeedabad	14	2018-19	0.262
21	Chairman/ TO, TC, Old Hala	7	2018-19	0.019
Total				153.597

Annex-HYD3
[Para No.3.2.3.2]

Non-recovery of Taxes

[Rupees in million]

Sr.	Name of Office	Para #	Year	Nature	Amount
1	Chairman/CMO/ MC, Badin	2	2017-18	SST	0.672
2	Chairman/CMO, MC Matli	3	2017-18	SST	0.110
3	Chairman/CMO/ MC, Badin	5	2017-18	SST	0.076
4	Chairman/ TO, TC, Tando Bagho	2	2017-18	SST	14.636
5	Chairman/TO, TC Chambar	8	2017-18	SST	4.284
6	Chairman/TO, TC Husri	13	2017-18	SST	2.899
7	Chairman/TO, TC Jamshoro	3	2017-18	SST	2.146
8	Chairman/TO, TC Nasarpur	11	2017-18	SST	1.240
9	Chairman/ TO, TC, Kadhan	3	2017-18	SST	0.202
10	Chairman/TO, TC Jati	7	2017-18	SST	0.169

[Rupees in million]

Sr.	Name of Office	Para #	Year	Nature	Amount
11	Chairman/TO/TC Radhan Station	10	2017-18	SST	0.135
12	Chairman/TO, TC Husri	1	2017-18	SST	0.049
13	Chairman/ TO, TC, Tando Bagho	3	2017-18	SST	0.019
14	Chairman/ TO, TC, Sita Road	10	2017-18	SST	1.158
15	Mayor/ MC, Hyderabad Municipal Corporation	35	2018-19	SST	3.044
16	Chairman/ CMO, MC, Matli	5	2018-19	SST	0.455
17	Chairman/ CODC, Tando Muhammad Khan	3	2018-19	SST	1.007
18	Chairman/ TO, TC, Mirpur Sakro	10	2018-19	SST	0.533
19	Chairman/TO/ TC Nasarpur	8	2017-18	GST	2.951
20	Chairman/TO/ TC Jamshoro	2	2017-18	GST	2.769
21	Chairman/TO/ TC Husri	14	2017-18	GST	1.694
22	Chairman/CMO/ MC Sehwan Sharif	16	2017-18	GST	0.461
23	Chairman/TO/ TC Chambar	14	2017-18	GST	0.261
24	Chairman/ CODC, Thatta	13	2018-19	GST	1.096
25	Chairman/ CMO, MC, Matli	4	2018-19	GST	0.487
26	Chairman/TO/ Town Committee, Kadhan	2	2017-18	I.Tax	0.202
27	Chairman/TO/ TC Jati	8	2017-18	I.Tax	0.157
28	Chairman/CMO/ Municipal Committee, Badin	3	2017-18	I.Tax	0.064
29	Chairman/TO/ Town Committee Tando Bagho	5	2017-18	I.Tax	0.024
30	Mayor/ MC, Hyderabad Municipal Corporation	36	2018-19	I.Tax	2.922
31	Chairman, District Council, Tando Muhammad Khan	8	2018-19	I.Tax	2.453
32	Chairman/TO, TC Nasarpur	15	2017-18	P.Tax	0.115
33	Chairman/TO, TC Chambar	14	2017-18	P.Tax	0.066
34	Chairman/TO, TC Jati	9	2017-18	P.Tax	0.015
35	Mayor/ MC, Hyderabad Municipal Corporation	41	2018-19	P.Tax	0.217
36	Chairman/ CMO, MC, Matli Badin	17	2018-19	P.Tax	0.009
37	Chairman/TO/ TC Tando Bagho	4	2017-18	I.Tax	0.060
38	Chairman/TO/TC Radhan Station	12	2017-18	I.Tax	0.036
39	Chairman/TO/ TC Chambar	16	2017-18	I.T (Salaries)	0.019
40	Chairman/CMO/ MC, Badin	4	2017-18	I.T (Salaries)	0.017
41	Chairman/ CODC Hyderabad	5	2018-19	I.T (Salaries)	0.215
42	Chairman/ CMO MC Tando Jam	7	2018-19	I.T (Salaries)	0.064
43	Chairman/CMO, MC Badin,	15	2017-18	P.Tax	0.263
Total					49.471

Annex-HYD4
[Para No.3.2.3.11]

Non-achievement of targeted receipts

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC, Badin	12	2017-18	29.574
2	Chairman/TO, TC Jati	3	2017-18	0.677
3	Chairman/TO, TC Oderolal Station	3	2017-18	0.540
4	Mayor/ MC, Hyderabad Municipal Corporation	6	2018-19	355.443
5	Chairman/ CMO, MC Kotri	6	2018-19	12.439
6	Chairman/ CMO, MC Hala, District Matiari	12	2018-19	7.041
7	Chairman/ CMO/ MC, Tando Muhammad Khan	3	2018-19	5.122
8	Chairman/ CMO/ MC, Dadu	5	2018-19	3.266
9	Chairman/ CMO, MC, Badin	2	2018-19	2.610
10	Chairman/ CMO, MC Johi	6	2018-19	1.927
11	Chairman/ CMO MC Tando Jam	12	2018-19	0.305
12	Chairman/ CODC, Jamshoro	3	2018-19	13.244
13	Chairman/ CODC, Matiari	2	2018-19	11.000
14	Chairman/ CODC Hyderabad	8	2018-19	7.157
15	Chairman/ CODC, Matiari	1	2018-19	1.589
16	Chairman/ TO, TC, Khaibar	4	2018-19	13.028
17	Chairman / TO, TC, Oderolal Station	7	2018-19	50.231
18	Chairman/ TO, TC, Gharo	6	2018-19	3.175
19	Chairman/ TO, TC Thana Bula Khan	2	2018-19	2.337
20	Chairman/ TO, TC Saeedabad	1	2018-19	2.309
21	Chairman / TO, TC, Matiari	2	2018-19	2.248
22	Chairman/ TO, TC, Sultanabad	6	2018-19	1.000
23	Chairman/ TO, TC, Bhitshah	12	2018-19	0.701
24	Chairman/ TO, TC, Manjhand	2	2018-19	0.464
25	Chairman / TO, TC, Oderolal Station,	8	2018-19	0.499
26	Chairman / TO, TC, , Makli	12	2018-19	0.462
27	Chairman/ TO, TC, Mirpur Sakro	11	2018-19	0.286
28	Chairman/ TO, TC, Old Hala	6	2018-19	0.132
Total				528.806

Annex-HYD5
[Para No.3.2.3.18]

Non-transparency in spending from public funds

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC, Badin	13	2017-18	15.622
2	Chairman/CMO, MC Sehwan Sharif	9	2017-18	9.350
3	Chairman/CMO, MC Matli	7	2017-18	4.357
4	Chairman/TO, TC Husri	8	2017-18	4.694
5	Chairman/TO, TC Jati	13	2017-18	4.453
6	Chairman/TO, TC Jamshoro	9	2017-18	3.947
7	Chairman/TO, TC Shaheed Fazil Rahu	13	2017-18	3.819
8	Chairman/TO, TC Chambar	9	2017-18	3.418
9	Chairman/TO, TC, Kadhan	6	2017-18	1.464
10	Chairman/TO, TC Husri	7	2017-18	1.379
11	Mayor/ MC, Hyderabad Municipal Corporation	14	2018-19	90.313
12	Chairman/ CMO,MC Tando Allahyar	3	2018-19	26.087
13	Chairman/ CMO, MC, Badin	6	2018-19	17.796
14	Chairman/ CMO/ MC, Dadu	4	2018-19	14.221
15	Chairman/ CMO, MC Johi	3	2018-19	13.028
16	Chairman/ CMO, MC Kotri	5	2018-19	7.638
17	Chairman/ CMO, MC Hala	6	2018-19	1.975
18	Chairman/ CODC, Tando Muhammad Khan	2	2018-19	4.425
19	Chairman/ CODC, Badi	5	2018-19	1.277
20	Chairman / TO, TC, Makli	4	2018-19	9.089
21	Chairman/ TO, TC, Tando Ghulam Hyder	2	2018-19	8.518
22	Chairman/ TO, TC , Sanjer Chang	4	2018-19	4.772
23	Chairman/ TO, TC, Sann,	7	2016-19	4.141
24	Chairman/ TO, TC, Gharo	5	2018-19	3.761
25	Chairman/ TO, TC, Bulri Shah Kaream	2	2018-19	3.176
26	Chairman/ TO,TC Piyaro Lund	2	2018-19	2.987
27	Chairman/ TO, TC, Mirpur Sakro	8	2018-19	2.651
28	Chairman/ TO, TC, Khaibar	2	2018-19	2.375
29	Chairman/ TO, TC Saeedabad	8	2018-19	1.823
30	Chairman/ TO, TC Manjhand	3	2018-19	1.141
31	Chairman/ TO, TC, Old Hala	4	2018-19	1.030
32	Chairman/ TO, TC, Sultanabad	5	2018-19	0.341
Total				275.068

Annex-HYD6
[Para No.3.2.3.23]

Irregular expenditure by splitting

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Sehwan Sharif	3	2017-18	4.939
2	Chairman/CMO, MC, Badin	7	2017-18	2.552
3	Chairman/TO, TC Tando Bagho	11	2017-18	37.422
4	Chairman/TO, TC Jamshoro District Jamshoro	7	2017-18	13.756
5	Chairman/TO, TC Husri District Hyderabad	4	2017-18	6.649
6	Chairman/TO, TC Shaheed Fazil Rahu	8	2017-18	1.305
7	Chairman/TO, TC, Kadhan	5	2017-18	1.389
8	Chairman/TO, TC, Sita Road	6	2017-18	1.612
9	Chairman/TO, TC Husri District Hyderabad	9	2017-18	0.667
10	Chairman/ CMO, MC, Matli, District Badin	6	2018-19	7.064
11	Chairman/ CMO,MC Tando Allahyar	5	2018-19	6.276
12	Chairman/ CMO/ MC, Dadu	7	2018-19	3.862
13	Chairman/ CMO/ MC, Tando Muhammad Khan	1	2018-19	1.697
14	Chairman/ CMO, MC Johi	5	2018-19	1.527
15	Chairman/ CODC, Matiari	3	2018-19	24.588
16	Chairman/ CODC Tando Allahyar	5	2018-19	5.280
17	Chairman/ CODC, Dadu	9	2018-19	0.887
18	Chairman/ TO, TC, Sann, District Jamshoro	2	2018-19	16.954
19	Chairman TO, TC, Tando Ghulam Hyder	5	2018-19	11.490
20	Chairman/ TO, TC, Bulri Shah Kaream	3	2018-19	3.020
Total				152.936

Annex-HYD7
[Para No.3.2.3.31]

Irregular expenditure without inviting open tenders

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
1	Chairman/CMO, MC Sehwan Sharif	13	2017-18	1.360
2	Chairman/TO, TC Nasarpur	7	2017-18	7.718
3	Chairman/TO, TC Husri District Hyderabad	6	2017-18	2.838
4	Chairman/TO, TC, Thari Muhabat	2	2017-18	1.234
5	Chairman/TO, TC Chambar District Tando Allahyar	13	2017-18	1.662
6	Chairman/TO/TC Radhan Station	4	2017-18	0.455

[Rupees in million]

Sr.	Name of Office	Para #	Year	Amount
7	Chairman/ CMO, MC Hala, District Matiari	1	2018-19	2.921
8	Chairman/ CMO, MC Hala, District Matiari	7	2018-19	2.147
9	Chairman/ CODC Thatta	12	2018-19	3.071
10	Chairman/ CODC, Matiari	7	2018-19	1.053
12	Chairman/ TO, TC, Gharo	3	2018-19	9.245
13	Chairman/ TO, TC, Mirpur Sakro	4	2018-19	4.806
14	Chairman/ TO, TC Bhitshah	11	2018-19	2.922
15	Chairman/ TO, TC Saeedabad District Matiari	7	2018-19	2.428
16	Chairman / TO, TC, Matiari	9	2018-19	1.139
Total				44.999

Annex-MPK1
[Para No.4.2.3.1]

Non-recovery of outstanding dues

[Rupees in million]

Sr.	Para #	Year	Name of offices	Outstanding	Collected	Remaining
1	9	2017-18	CODC Mirpurkhas	172.509	0.099	0.074
2	9	2017-18	T.C Jhudo	30.867	29.112	1.755
3	17	2017-18	T.C Jhudo	8.,642	0.286	8.356
4	1	2016-18	T.C Mirwah Gorchani	0.466	0.515	0.981
5	2	2016-18	T.C Mirwah Gorchani	0.296	0	0.296
6	11	2017-18	T.C Dighri	5.978	0.219	5.759
7	10	2017-18	M.C Mirpurkhas	89.955	0	89.955
8	15	2017-18	M.C Umerkot	1.243	0.859	0.384
9	4	2017-18	T.C Diplo	0.133	0.102	0.031
10	11	2016-19	T.C Tando Jan Mohd	0.234	0.054	0.179
11	2	2018-19	CODC Mirpurkhas	0.217	0.223	0.068
12	2	2018-19	M.C Mirpurkhas	21,500	0	21,500
13	2	2018-19	M.C Umerkot	6.025	2.718	3.307
14	51	2018-19	T.C Islamkot	48.625	7.749	40.876
Total				22,506.548	41.936	173.521

Annex-MPK2
[Para No.4.2.3.3]

Non-deduction of Professional Tax & Income Tax

[Rupees in million]

Sr.	Para	Year	Name of offices	Description	Amount
1	11	2017-18	T.C Jhudo	Income Tax on Auction	1.332
2	5	2017-18	M.C Mirpurkhas	Income Tax	0.182
3	10	2017-18	M.C Umerkot	Income Tax on Salary	0.219
4	12	2017-18	T.C Samaro	Income Tax on Salary	0.054
5	3	2017-18	CODC Umerkot	Income Tax on Salary	0.251
6	6	2017-18	T.C Nabisar Road	Income Tax on Salary	0.037
7	10	2017-18	T.C Kureri	Income Tax on Salary	0.209
8	9	2017-18	T.C Chelhar	Professional Tax	0.017
9	8	2017-18	T.C Diplo	Professional Tax	0.050
10	8	2016-18	T.C Khome-jo-par	Income Tax	0.813
11	1	2017-18	T.C Nagarparkar	Income Tax	0.174
12	1	2016-19	T.C Naukot	Income Tax	1.651
13	1	2018-19	CODC Umerkot	Professional Tax	0.096
14	2	2018-19	T.C Samaro	Professional Tax	0.019
15	3	2017-19	T.C Dhoronaro	Income Tax	0.853
16	4	2017-19	T.C Dhoronaro	Professional Tax	0.022
17	2	2017-19	T.C Chhore	Income Tax	0.515
18	4	2017-19	T.C Chhore	Professional Tax	0.036
19	7	2018-19	CODC Tharparkar	Income Tax on Salary	0.042
20	10	2018-19	M.C Tharparkar	Income Tax on Salary	0.049
21	40	2018-19	T.C Islamkot	Income Tax on Salary	0.017
22	42	2018-19	T.C Islamkot	Income Tax on Auction	4.863
Total					11.501

Annex-MPK3
[Para No.4.2.3.7]

Non-achievement of targeted receipts

[Rupees in million]

Sr.	Para #	Year	Name of offices	Targeted	Collection	Shortfall
1	16	2017-18	T.C Jhudo	11.177	1.853	9.325
2	10	2017-18	T.C Dighri	25.258	6.876	18.382
3	10	2017-18	T.C Kot Ghulam Mohd	3.675	2.777	0.898
4	9	2017-18	M.C Mirpurkhas	86.236	13.924	72.311
5	14	2017-18	T.C Pithoro	1.267	0.499	0.768
6	14	2017-18	M.C Umerkot	25.895	17.680	8.215
7	13	2017-18	T.C Kureri	2.127	1.215	0.912

[Rupees in million]

Sr.	Para #	Year	Name of offices	Targeted	Collection	Shortfall
8	3	2017-18	T.C Diplo	0.870	0.117	0.075
9	12	2016-19	T.C Tando Jan Mohd	7.726	2.212	5.535
10	12	2018-19	T.C Mirwah Gorchani	3.087	0.595	2.492
11	6	2018-19	T.C Kureri	13.010	7.280	5.730
12	9	2018-19	CODC Tharparkar	4.500	3.547	0.952
13	12	2018-19	M.C Mithi	29.521	20.294	9.227
14	52	2018-19	T.C Islamkot	3.400	2.465	0.934
Total				217.749	81.334	135.756

Annex-MPK4
[Para No.4.2.3.12]

Non-transparency in POL spending

[Rupees in million]

Sr.	Para #	F.Y	Name of office	Amount
1	5	2017-18	CODC Mirpurkhas	0.485
2	6	2017-18	T.C Jhudo	3.422
3	8	2016-18	T.C Mirwah Gorchani	1.509
4	7	2017-18	T.C Dighri	2.348
5	6	2017-18	T.C Kot Ghulam Mohd	6.886
6	7	2017-18	M.C Mirpurkhas	19.036
7	4	2017-18	CODC Umerkot	0.996
8	5	2017-18	T.C Nabisar Road	1.256
9	7	2017-18	T.C Chelhar	10.746
10	18	2017-18	T.C Diplo	4.630
11	11	2016-18	T.C Kheme-jo-par	2.527
12	8	2017-18	T.C Nagarparkar	5.552
13	9	2016-19	T.C Naukot	5.137
14	8	2016-19	T.C Tando Jan Mohd	1.777
15	8	2018-19	T.C Kot Ghulam Mohd	8.415
16	4	2018-19	CODC Umerkot	2.010
17	5	2018-19	M.C Umerkot	8.872
18	4	2018-19	T.C Kureri	4.713
19	4	2018-19	T.C Samaro	3.947
20	13	2017-19	T.C Chhore	0.769
21	6	2018-19	CODC Tharparkar	0.244
22	33	2018-19	T.C Islamkot	7.253
23	2	2018-19	T.C Chelhar	0.284
Total				102.814

Annex-MPK5
[Para No.4.2.3.21]

Split up of work in parts to avoid open competitive bidding

[Rupees in million]

Sr.	F.Y	Para #	Name of office	Amount
1	3	2017-18	T.C Jhudo	7.357
2	6	2017-18	T.C Dighri	3.031
3	4	2017-18	T.C Kot Ghulam Mohd	2.626
4	6	2017-18	M.C Mirpurkhas	10.304
5	6	2017-18	M.C Umerkot	2.315
6	8	2017-18	T.C Samaro	0.389
7	12	2017-18	T.C Chelhar	0.344
8	13	2017-18	T.C Diplo	0.170
9	9	2016-18	T.C Kheme-jo-par	13.636
10	4	2017-18	T.C Nagarparkar	0.567
11	6	2016-19	T.C Tando Jan Mohd	0.826
12	6	2018-19	T.C Mirwah Gorchani	0.997
13	5	2018-19	T.C Kot Ghulam Mohd	2.415
14	3	2018-19	M.C Umerkot	8.150
15	6	2018-19	M.C Mithi	0.771
16	25	2018-19	T.C Islamkot	0.813
17	3	2018-19	T.C Chelhar	0.477
Total				55.188

Unjustified expenditure on conversion of Vehicles

(Para-03 (M.C Mirpurkhas (2017-18))					
Sr.	Description	Qty	Rate ISUZU Truck	Expenditure on Conversion	Unit Price (Rs.)
1	MERAJ Mobile Jetting Vehicle Model MJV-4000 comprising of 4,000 Ltrs. Water Tank equipped with High Pressure Pump (Make Pratisoli, Italy) mounting on 8.9 Ton GVW Truck Chassis (Japanese Assembled in Pakistan) (ISUZU NPR)	1	2,985,000	4,215,000	7,200,000
2	MERAJ Mobile Suction Vehicle Model MJV-4000 comprising of 4,000 Ltrs. Sluge Tank equipped Heavy Duty Vacuum Pump Make Jurop, Italy, built on your provided Truck Chassis 8.8 ton. (Japanese Assembled in Pakistan) (ISUZU NPR)	1	2,985,000	4,215,000	7,200,000
3	Supply of Mechanical Road Sweeper Origin China mounted on 8.8 Ton GVW on Truck Chassis. (Japanese Assembled in Pakistan) (ISUZU NPR)	1	2,985,000	8,515,000	11,500,000
4	Supply of MERAJ Fire Fighting Vehicle Model MFT-7000 comprising of 6500 liters Water Tank, 500 Liters Foam Tank, 3000 LPM @ 150 PSI (10 bar), FP-750 Pump, 750 US GPM @ 10 bar, Stainless Steel Fire water Monitor MM-305 with imported Protek Nozzle, above mounted on ISUZU FVR m(4x2) Japanese Truck Chassis (Assembled in Pakistan).	1	7,640,000	9,860,000	17,500,000
5	Supply of Fire Fighting Vehicle Model MFT-4500 comprising of 4,000 liters Water Tank, 500 Liters Foam Tank (without filled), Fire Pump Model FP-500, 1000 LPM @ 10 bar Fire Monitor complete with fire accessories. The above will be mount on 4x2 ISUZU NPR Truck Chassis (Japanese Assembled in Pakistan).	1	2,985,000	4,515,000	7,500,000
Total			19,580,000	31,320,000	50,900,000

Annex-MPK7
[Para No.4.2.3.38]

Loss to council due to non-revision of rent of shops

(Para-03) T.C Mirwah Gorchani (2016-18)											
Sr.	Detail of property	Name of Tenant	Date of allotment	P.M Rent	Rate Chart (10% increase year wise shown in decades)						Expected year wise loss
					1973	1980	1990	2000	2010	2018	
Block – A											
01	Shop No. A-01	Abdul Aziz	Since 1970 Approx:	144	158	307	799	2074	5379	11531	136,644
02	Shop No. A-02	Abbas Ali	- do -	72	79	156	407	1056	2741	5877	69,660
03	Shop No. A-03	M. Hanif	- do -	88	97	190	494	1282	3326	7131	84,516
04	Shop No. A-04	Wali Muhammad	- do -	72	79	156	407	1056	2741	5877	69,660
05	Shop No. A-05	Jamshed Ali	- do -	72	79	156	407	1056	2741	5877	69,660
06	Shop No. A-06	Jamshed Ali	- do -	72	79	156	407	1056	2741	5877	69,660
07	Shop No. A-07	InamUllah	- do -	88	97	190	494	1282	3326	7131	84,516
08	Shop No. A-08	Ghulam Qadir	- do -	103	113	220	570	1480	3838	8227	97,488
09	Shop No. A-09	Irfan	- do -	72	79	156	407	1056	2741	5877	69,660
Block – B											
10	Shop No. B-01	Adam Memon	- do -	144	158	307	799	2074	5379	11531	136,644
11	Shop No. B-02	Akhtar	- do -	72	79	156	407	1056	2741	5877	69,660
12	Shop No. B-03	Bashir	- do -	72	79	156	407	1056	2741	5877	69,660
13	Shop No. B-04	Mehtab	- do -	72	79	156	407	1056	2741	5877	69,660
14	Shop No. B-05	M. Khalid	- do -	88	97	190	494	1282	3326	7131	84,516
15	Shop No. B-06	Chand Khan	- do -	72	79	156	407	1056	2741	5877	69,660
16	Shop No. B-07	Abdul Majeed	- do -	72	79	156	407	1056	2741	5877	69,660
17	Shop No. B-08	Ameer Bux	- do -	90	99	194	501	1301	3372	7228	85,656
18	Shop No. B-09	Jawed Iqbal	- do -	79	87	172	448	1162	3015	6465	76,632
19	Cabin B-01	Jawed Iqbal	- do -	79	87	172	448	1162	3015	6465	76,632
20	Cabin B-02	M. Asghar	- do -	79	87	172	448	1162	3015	6465	76,632
Block – C											
21	Shop No. C-01	M.Saleem	- do -	96	106	208	542	1406	3649	7823	92,724
22	Shop No. C-02	Nadeem Akhtar	- do -	72	79	156	407	1056	2741	5877	69,660
23	Shop No. C-03	Haji M.Siddique	- do -	72	79	156	407	1056	2741	5877	69,660
24	Shop No. C-04	Niaz Muhammad	- do -	72	79	156	407	1056	2741	5877	69,660
25	Shop No. C-05	Toqueer	- do -	103	113	220	570	1480	3838	8227	97,488
26	Shop No. C-06	M. Shahid	- do -	72	79	156	407	1056	2741	5877	69,660
27	Shop No. C-07	M. Iqbal	- do -	86	95	188	488	1268	3291	7054	83,616
28	Shop No. C-08	M. Anwar	- do -	86	95	188	488	1268	3291	7054	83,616

(Para-03) T.C Mirwah Gorchani (2016-18)

Sr.	Detail of property	Name of Tenant	Date of allotment	P.M Rent	Rate Chart (10% increase year wise shown in decades)						Expected year wise loss
					1973	1980	1990	2000	2010	2018	
29	Shop No. C-09	Abdul Waheed	- do -	86	95	188	488	1268	3291	7054	83,616
30	Shop No. C-10	M. Adnan	- do -	72	79	156	407	1056	2741	5877	69,660
31	Shop No. C-11	Zafryab	- do -	72	79	156	407	1056	2741	5877	69,660
32	Shop No. C-12	M. Saleem	- do -	79	87	172	448	1162	3015	6465	76,632
Block –D											
33	Shop No. D-01	M. sarwar	- do -	108	119	231	600	1558	4041	8664	102,672
34	Shop No. D-02	A.Rasheed	- do -	118	130	253	657	1706	4428	9491	112,476
35	Shop No. D-03	Farooque Ahmed	- do -	120	132	257	667	1731	4488	9621	114,012
36	Shop No. D-04	M Yousif	- do -	108	119	231	600	1558	4041	8664	102,672
37	Shop No. D-05	Tahir Hussain	- do -	108	119	231	600	1558	4041	8664	102,672
38	Shop No. D-06	Suleman	- do -	144	158	307	799	2074	5379	11531	136,644
39	Shop No. D-07	Arjan	- do -	120	132	257	667	1731	4488	9621	114,012
40	Shop No. D-08	Soomji	- do -	181	199	388	1009	2618	6791	14557	172,512
41	Shop No. D-09	Ramchandrar	- do -	181	199	388	1009	2618	6791	14557	172,512
42	Shop No. D-10	Abdul Majeed	- do -	108	119	231	600	1558	4041	8664	102,672
Block –E											
43	Shop No. E-01	Hemraj	- do -	150	165	322	835	2167	5619	12046	142,752
44	Shop No. E-02	G. Sarwar		115	127	249	644	1671	4334	9291	110,112
45	Shop No. E-03	M. Ismail		144	158	307	799	2074	5379	11531	136,644
46	Shop No. E-04	Shabir	- do -	115	127	249	644	1671	4334	9291	110,112
47	Shop No. E-05	Abdullah	- do -	115	127	249	644	1671	4334	9291	110,112
48	Shop No. E-06	Lal Chand	- do -	127	140	274	708	1838	4767	10220	121,116
49	Shop No. E-07	Barkat Ali Samoo	- do -	115	127	249	644	1671	4334	9291	110,112
50	Shop No. E-08	Loonio	- do -	193	212	413	1068	2770	7186	15407	182,568
51	Shop No. E-09	Sakeena Soomro	- do -	115	127	249	644	1671	4334	9291	110,112
52	Shop No. E-10	Wala	- do -	115	127	249	644	1671	4334	9291	110,112
Total											5,048,736

Un-authorized appointments during ban period

(Para-03) M.C Mirpurkhas (2018-19)				
Sr.	Name of Employee	Designation	BPS	Date of Appointment
01	Mr. Khan Muhammad	Assistant	14	30-04-2013
02	Mr. Farooque Ali	Assistant	14	05-03-2013
03	Mr. Farooque Aziz	Assistant	14	18-06-2012
04	Mr. Arshad Khan	Assistant	14	18-06-2012
05	Mr. Wazeer Ahmed	Accountant	11	04-12-2012
06	Mr. Atif Hussain	Sub Engineer	11	17-01-2013
07	Mr. Zahid Hussain	Town Officer	11	25-03-2013
08	Mr. Kamran Farooque	Jr. Clerk	07	04-12-2012
09	Mr. Mazhar Ali	Jr. Clerk	07	24-12-2012
10	Mr. Faiz Muhammad	Jr. Clerk	07	11-12-2012
11	Mr. Noman Alam	Jr. Clerk	07	12-10-2012
12	Mr. Tarique Ali	Jr. Clerk	07	10-10-2012
13	Mr. Shoaib Ahmed	Jr. Clerk	07	25-01-2013
14	Mr. Mohammad Idrees	Jr. Clerk	07	23-01-2013
15	Mr. Asif Ali	Jr. Clerk	07	23-01-2013
16	Mr. Ismail Khan	Jr. Clerk	07	23-01-2013
17	Mr. Mushtaque Ali	Jr. Clerk	07	23-01-2013
18	Mr. Manthar Ali	Jr. Clerk	07	23-01-2013
19	Mr. Muhammad Ismail	Jr. Clerk	07	23-01-2013
20	Mr. Sanaullah	Jr. Clerk	07	23-01-2013
21	Mr. Abdul Sattar Abbasi	Jr. Clerk	07	23-01-2013
22	Mr. Asadullah Abbasi	Jr. Clerk	07	23-01-2013
23	Mr. Tanveer Ahmed	Jr. Clerk	07	30-01-2013
24	Mr. Asif Ali	Jr. Clerk	07	21-02-2013
25	Mr. Shujaat Ahmed	Jr. Clerk	07	21-02-2013
26	Mr. Mohammad Saleh	Jr. Clerk	07	15-01-2013
27	Mr. Mohsin Hassan Khan	Jr. Clerk	07	27-02-2012
28	Mr. Farhan-ul—Haq	Jr. Clerk	07	15-01-2013
29	Mr. Rashid Ali	Jr. Clerk	07	30-01-2013
30	Mr. Mohammad Nasir	Naib Qasid	01	22-02-2013
31	Mr. Mumtaz	Naib Qasid	01	04-07-2012

Un-authorized possession of municipal flats

(Para-04) M.C Mirpurkhas (2018-19)				
Sr.	Flat No.	Name of Property	Designation	Present Status
		Category-A		
01	02	Mr. Muhammad Ali	Recovery Clerk	Beyond Entitlement
02	03	Mr. Sohail Raza	Recovery Clerk	Beyond Entitlement
03	04	Mr. Shoaib	Recovery Clerk	Beyond Entitlement
04	05	Rana Shahid	Sanitary Inspector	Beyond Entitlement
		Lower Category		
05	01	Mr. Abdul Jabbar	Naib Qasid	Beyond Entitlement
06	02	Mr. Imran Khan	Naib Qasid	Beyond Entitlement
07	04	Mr. Muhammad Rasheed	Fireman	Beyond Entitlement + Outsider living
08	05	Mr. Muhammad Rashid	Pump Driver	Beyond Entitlement
09	07	Mr. Muhammad Kamran	Dresser	Beyond Entitlement + Outsider living
10	09	Mr. Noor Malik	Cleaner	Beyond Entitlement + Outsider living
11	13	Mr. Imran	Naib Qasid	Beyond Entitlement + Outsider living
12	15	Mr. Sohrab	Naib Qasid	Beyond Entitlement + Outsider living
13	16	Syed Abid Ali	Recovery Clerk	Outsider living
14	18	Mr. Aijaz Muhammad	Jr. Clerk	Outsider living
15	20	Mr. Raees Ahmed	Naib Qasid	Outsider living

Non-Production of Record

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
1	13	2017-18	T.C Banshi	0
2	1	2017-18	T.C Bucheri	0
3	1	2017-18	T.C Daud	0
4	1	2016-18	T.C Jam Sahib	0
5	1	2016-18	T.C Halani	23.299
6	1	2016-18	T.C Mithiani	0
7	1	2016-18	T.C Tharushah	0
8	1	2018-19	D.C N.Feroze	0
9	1	2018-19	T.C N. Feroze	0
10	1	2018-19	M.C Moro	0
11	1	2018-19	T.C Kandiaro	0
12	1	2018-19	T.C Mehrabpur	0

[Rupees in million]

Sr.	Para #	F.Y.	Name of offices	Amount
13	1	2018-19	D.C Sanghar	0
14	1	2018-19	M.C Sanghar	0
15	1	2018-19	M.C Shahdadpur	0
16	1	2018-19	M.C Tando Adam	236.553
17	1	2018-19	T.C Padidan	0
18	1	2018-19	T.C Khipro	0
Total				259.852

Annex-SBA2
[Para No. 5.2.3.1]

Non-recovery of outstanding dues

[Rupees in million]

Sr.	Para #	Year	Name of offices	Outstanding Dues
1	13	2017-18	D.C S.Benazirabad	4.777
2	4	2017-18	M.C Nawabshah	11.308
3	8	2017-18	T.C Sakrand	1.186
4	6	2018-19	D.C S.Benazirabad	0.797
5	3	2018-19	M.C. Nawabshah	12.372
6	3	2018-19	D.C N.Feroze	0.700
7	2	2018-19	T.C N. Feroze	0.971
8	4	2018-19	M.C Moro	6.222
9	3	2018-19	T.C Kandiaro	2.996
10	6	2018-19	T.C Bhiria City	0.022
11	2	2018-19	D.C Sanghar	5.829
12	3	2018-19	M.C Shahdadpur	108.961
13	1	2018-19	M.C Sinjhorro	5.000
14	2	2018-19	M.C Tando Adam	3.694
Total				164.835

Annex-SBA3
[Para No. 5.2.3.7]

Loss due to non-affixing of stamp duty

D.C, Shaheed Benazirabad (F.Y 2017-18)				
Sr.	Contractor	Scheme details	Cost	Stamps
1	M. Hanif Rajput 294/11.12.17	Package No.1, Construction of crosses & Culverts at various locations (19 schemes)	43,930,873	153,758
2	M. Hanif Rajput 295/11.12.17	Package No.2, Construction of crosses & Culverts at various locations (25 schemes)	51,126,850	178,944
3	Jaffar Khaki & sons 297/11.12.17	Package No.4, Construction of culverts, crosses etc.(24 schemes) stamps affixed Rs.195,000/- Due Rs.215,922/- Short Rs.20,922/-	61,691,966	20,922
Total			156,749,689	353,624

Annex-SBA4
[Para No. 5.2.3.15]

Un-authorized issuance of corrigendum without allowing minimum timeperiod

(Amount in Rupees)								
Un-authorized issuance of corrigendum without allowing minimum time period								
SPPR A Sr. No.	Name of work	Name of office	NIT Publication		Corrigendum		Minimum Time	Amount
			Advertisement Date	Closing Date	Publication Date	Closing Date		
37456	Development & M&R	Municipal Committee Tando Adam	28-03-2018	19-04- 2018	10-04-2018	19-04- 2018	09 Days	111.119

Annex-SBA5
[Para No. 5.2.3.21]

Award of work without fulfillment of pre-requisite conditions of NIT

S#	W. No.	Name of work (NIT No.442/6-3-2019)	Name of contract	Amount
1	1	Package No. 1 (various works of Culverts, CC toping & Brick Pavement etc)	M/s Waqas Ali	14,118,531
2	7	Package No.7(various works of Culverts, CC toping & Brick Pavement etc)	M/s Fateh& Co.	11,897,455
3	8	Package No.8(various works of Culverts, CC toping & Brick Pavement etc)	M/s NisarSehto	15,138,131
Total				41,154,117

Annex-SBA6
[Para No. 5.2.3.26]

Execution of development schemes without approval of PC-I

W.O. No.	Date	Name of Work	Name of Contractor	Amount
13	31-07-2018	Package-04 (Construction of surface drain Type-I, compound wall, brick payments, CC Block, culverts, UC Ladoran, Gher Gaju, Khahi Maman, Khani Qasim Koat Bahadur, Dali, Belawah Taluka Biriria	M/s Jatoi & Co.	5,066,083
07	31-07-2018	Package-07 (Construction of surface drain Type-I, brick payments, CC Block, culverts, bridge, UC Dangejo & Bhimbri Taluka Naushahro Feroze	M/s Nihal Channa	4,384,007
08	31-07-2018	Package-11 (Construction of surface drain Type-I, brick payments, CC Block, culverts, compound wall, UC Kamaldero, Ghulam Shah, Ghanghra, Mohbatdero Taluka Kandiaro	M/s Niaz Hussain Channa	6,103,714
33	31-07-2018	Package-40 (Construction of culverts, bridge at UC Noorpur, Taluka Naushahro Feroze	M/s A.J Abbasi & brothers	4,429,035
111	30-07-2018	Package-46 (Construction of surface drain Type-I, culverts, UC Ghulam Shah, Moria, Ghanghra, Darbelo, Bhorti, Shekhani Taluka Kandiaro, UC Kotri Kabir, Taluka Mehrabpur, UC Molhan, Talluka Birira, & Brick pavement at UC Bhurand, Vessar, Koor Hassan, Belawah, Abran, Ladorano Taluka Naushahro Feroze, UC Koat Bahadur, Taluka Bhiria	M/s Ali Waris Traders & Construction contractor	9,259,693
Total				29,242,532

Annex-SBA7
[Para No. 5.2.3.32]

Unauthorized continuation of previous year contract without calling fresh tender/auction

T.C, Sakrand (F.Y 2017-18)						
V. No	Cheque No	Date	Description	To Whom paid	Net Amount	Gross
6	19938966	2.8.17	Sanitation charges 7/17	KHB Enterprise	2,190,619	2,489,340
117	19939022	12.10.17	Sanitation charges 16.8.17 to 31.8.17	KHB Enterprise	767,550	872,216
94	19938996	30.8.17	Sanitation charges 1.8.17 to 15.8.17	KHB Enterprise	1,107,550	1,254,478
118	19939022	12.10.17	Sanitation charges 9/17	KHB Enterprise	2,215,100	2,517,159
123	19939028	2.11.17	Sanitation charges 10/17	KHB Enterprise	2,079,548	2,363,123
131	19939037	4.12.17	Sanitation charges 11/17	KHB Enterprise	2,082,098	2,366,020
140	22214877	2.1.18	sanitation 12/17	KHB Enterprise	1,715,101	1,948,978
Total						13,811,314

Annex-SBA8
[Para No. 5.2.3.38]

Splitting of development scheme into portions to avoid preparation & approval of PC-I

(Amount in Rupees)

Splitting of development scheme into portions to avoid preparation & approval of PC-I				
Sr.	Name of Work	Estimated Amount	NIT No.	Date
01	Making & fixing barbed wire at public park Naushahro Feroze	840,000	CO/DC/NF/ 45	28-01-2019
02	Construction of Canteen room at public park Naushahro Feroze	473,000	- do -	- do -
03	Construction of office room at public park Naushahro Feroze	473,000	- do -	- do -
04	Construction of CC topping walking track path at public park Naushahro Feroze	999,700	- do -	- do -
05	Construction of CC topping foot path at public park Naushahro Feroze	999,700	- do -	- do -
06	Construction of earth filling at public park Naushahro Feroze	984,500	- do -	- do -
07	Construction of paver block at public park Naushahro Feroze	998,000	- do -	- do -
08	Installation of solar light in public park Naushahro Feroze	996,250	- do -	- do -
09	Construction & laying of water supply line at public park Naushahro Feroze	998,000	- do -	- do -
	Total	7,762,150	-	-

Annex-SBA9
[Para No. 5.2.3.41]

Non-cancellation of un-started development schemes

Sr.	Name of Scheme	Duration of Work	Name of Agency	Work order No. & Dated	Status of work	Contract Amount
1	Repair/Maintenance all Disposal Works, Municipal Committee, Nawabshah.	06 Month	Habibullah & Co.	2837/ 25-5-18	Work Not Started	2.999
2	Providing & Fixing Solar Lights, poles i/c complete Accessories for Municipal Committee, Nawab shah.	06 Month	Al.Mustafa Electric	2838/ 25-5-18	Work Not Started	0.980
3	Repair / Maintenance of Medical Dispensary Sakrand Road Nawab shah	06 Month	Soomar Khan Brohi	2849/ 25-5-18	Work Not Started	0.492
4	Construction of Fire Brigade Shade & Hydrant Tankey M.C Nawab shah	06 Month	Ayesha Construction	2871/ 25-5-18	Work Not Started	1.485
Total						5.956

Annex-SBA10
[Para No. 5.2.3.49]

Illegal promotion of staff beyond criteria

T.C, Mehrabpur (F.Y 2018-19)											
Name of Employee	Initial Appointment			1st Promotion				2nd Promotion			
	Desig.	BPS	Dated	Desig.	BPS	Dated	Promoted by	Desig.	BPS	Dated	Promoted by
Mr. Ghulam Sarwar Zardari	Secretary	07	20-11-1993	Secretary	08	05-06-2015	Illegally promoted by the board without seniority & service structure	Chief Officer	11	23-09-2015	Illegally promoted by the Minister LG, without seniority, service structure & approval of board
Total (Annual Salary i.e. 41,918 x 12)											503,016

Annex-SBA11
[Para No. 5.2.3.50]

Un-authorized appointment of staff in Higher Scales

M.C, Shahdadpur (F.Y 2018-19)						
Sr.No.	Name of Employee	Designation	Initial appointment		Extra scale awarded	Date of Appointment
			Actual Pay Scale	Pay Scale granted		
01	Mr. Abid Ali	Naib Qasid	01	02	1	23-05-2013
02	Mr. Mushtaque Ahmed	Cleaner	01	02	1	03-08-2012
03	Mr. Muhammad Saleem	Plumber	01	02	1	15-02-2013
04	Mr. Majid Ali	Helper	01	02	1	21-02-2013
05	Mr. Mehar Ali	Helper	01	02	1	15-02-2013
06	Mr. Saleem	Naib Qasid	01	02	1	26-12-2012
07	Mr. Muhammad Zeeshan	Naib Qasid	01	02	1	31-10-2012
08	Mr. Ali Sher	Chowkidar	01	02	1	03-04-2013
09	Mr. Waqar Ahmed	Naib Qasid	01	02	1	31-01-2019
10	Mr. Hakim Ali	Naib Qasid	01	02	1	01-01-2013
11	Mr. Muhammad Sajan	Malhi	01	02	1	01-04-2013
12	Mr. Rashid Ali	Helper	01	02	1	31-10-2012
13	Mr. Saddam Hussain	Naib Qasid	01	02	1	27-01-2012
14	Mr. Javed Iqbal	Naib Qasid	01	02	1	07-03-2013
15	Mr. Ikhtiar Ahmed	Naib Qasid	01	02	1	07-03-2013
16	Mr. Abdul Rehman	Naib Qasid	01	02	1	26-12-2012
17	Mr. Abdul Khalique	Naib Qasid	01	02	1	06-02-2013
18	Mr. Wazeer Ali	Malhi	01	02	1	15-02-2013
19	Mr. Muhammad Dilshad	Naib Qasid	01	02	1	30-11-2012
20	Mr. Muhammad Ismail	Fire Man	01	02	1	15-02-2013

Un-authorized appointment, promotions & change of cadre beyond criteria

M.C Tando Adam (F.Y 2018-19)						
Sr. No.	Name of employee	Designation	BPS	Date of appointment	Remarks	Annual Pay
01	Mr. Nasir Hussain S/o Mazhar Hussain (presently working as Librarian BPS-15)	Octroi Clerk	05	17-04-1982	Suspiciously appointed staff on leave vacancy of employee for 04 months vide order No.GEN/137/82 Dated 17-04-1983	
02	Mr. Muhammad Saleem	Octroi Clerk	05	05-03-1977	Appointed on leave vacancy of 04 months	
03	Mr. Jawaid Iqbal (presently working as Sr. Clerk BPS-16)	Naib Qasid	01	15-07-1992	Appointed on leave vacancy of 04 months	
Total						

M.C Tando Adam (F.Y 2018-19)

Sr. No.	Name of employee	On initial appointment			2nd Appointment			1st Promotion through absorption			2nd Promotion			3rd Promotion		
		Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated
01	Mr. Nasir Ali S/o Rehmatullah	Jr. Clerk	05	12-11- 1989	Recovery Clerk	05	27-12- 1992	Computer Operator	12	30-03- 2004	Assistant TO	14	01-12- 2006	Sr. Assistant	16	10-04- 2013
02	Mr. Muhammad Rahim	Pakhali	01	01-06- 1976	Notice Server	01	16-03- 1984	Recovery Clerk	05	01-10- 1993	Recovery Clerk	11	03-05- 2018	Jr. Clerk	11	03-05- 2018
03	Mr. Ghulam Shabbir	Octroi Naib Qasid	01	13-04- 1989	Octroi Clerk	05	09-09-198	P.S.T	07	07-06- 2006	-	-	-	-	-	-

Sr. No.	Name of employee	On initial appointment			2nd Appointment			1st Promotion through absorption			2nd Promotion			3rd Promotion				
		Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated		
04	Mr. Nasir Hussain	Octroi Clerk	05	17-04-1982				-	-	01-07-1990			-	-	01-07-2004	Librarian	16	22-04-2013
05	Mr. Ahmed Khan	Octroi Clerk	05	05-04-1976	-	-	-	Store Keeper	08	21-04-2013			Steno Typist	12	29-06-2012	Steno Typist	14	23-12-2014
06	Mr. Muhammad Asghar	Octroi Clerk	05	23-05-1981	-	-	-	P.S.T	07	29-04-2006			P.S.T	09	03-11-2010	-	-	-
07	Mr. Sadat Noor	Jr. Clerk	05	01-03-1982	-	-	-	Jr. Clerk	07	01-07-2007			Jr. Clerk	11	04-08-2016	-	-	-
08	Mr. Muhammad Adam	J.S.T	09	01-01-1991	-	-	-	P.T.I	16	19-10-2009			P.T.I	14	16-01-2002	P.T.I	17	07-06-2010
09	Mr. Jameel Ahmed	Octroi Clerk	05	19-03-1981	-	-	-	P.S.T	14	02-04-2009			J.S.T	15	02-07-2007	-	-	-
10	Mr. Dil Sher	Octroi Clerk	05	12-10-1981	-	-	-	P.S.T	07	01-05-2004			J.S.T	09	04-01-2010	J.S.T	09 & 14 at last	-
11	Mr. Sagheer Ahmed	Fitter	01	24-06-1989	-	-	-	-	-	01-10-1993			Fee Clerk	05	29-05-1999	J.S.T	14 & 16 at final	20-05-2004

Sr. No.	Name of employee	On initial appointment			2nd Appointment			1st Promotion through absorption			2nd Promotion			3rd Promotion		
		Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated
12	Mr. Muhammad Yaqoob	Jr. Accounts Clerk	05	01-03-1986	-	-	-	Steno Typist	12	31-07-1990	Steno Granher	15	15-01-2009	Steno Granher	16	31-01-2014
13	Mr. Habib Ahmed	Jr. Clerk	05	22-10-1991	-	-	-	Draftsman	08	22-02-1999	P.A	12	30-03-2004	-	-	-
14	Mr. Muhammad Rahim	Pakhali	01	01-06-1976	-	-	-	Notice Server	02	12-03-1984	Recovery Clerk	05	22-09-1993	Jr. Clerk	11	03-05-2018
15	Mr. Javed Iqbal	Naib Qasid	01	18-08-1993	-	-	-	Octroi Clerk	05	08-09-1998	Sr. Clerk	07	31-05-2006	Sr. Clerk	09 & 14	17-08-2007
16	Mr. Ghulam Haider	Naib Qasid	01	02-05-1988	-	-	-	Jr. Clerk	05	30-07-2003	Jr. Clerk	07	17-08-2007	Jr. Clerk	11	04-08-2016
17	Mr. Ghulam Shabir	Octroi Naib Qasid	01	13-04-1989	-	-	-	Octroi Clerk	05	08-09-1998	P.S.T	07	07-06-2006	P.S.T	09	22-03-2007
18	Mr. Shoukat Ali	Beldar	01	07-07-1990	-	-	-	Jr. Clerk	05	16-12-2002	J.S.T	09	20-05-2004	J.S.T	14 & 15	08-04-2009

Sr. No.	Name of employee	On initial appointment			2nd Appointment			1st Promotion through absorption			2nd Promotion			3rd Promotion		
		Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated	Designation	BPS	Dated
19	Mr. Muhammad Yameen	Pakhali	01	01-07-1990	-	-	-	Recovery Clerk	05	02-03-1999	P.S.T	09	03-06-2003	J.S.T	09 & 15	11-10-2004
20	Mr. Wajid Hussain	Jr. Clerk	05	13-08-1991	-	-	-	J.S.T	14	20-05-2004	J.S.T	15	13-03-2014	J.S.T	16	13-03-2014
21	Mr. Qazi Sharf-ud-din	Naib Qasid	01	01-02-1988	-	-	-	Jr. Clerk	05	18-08-1993	Jr. Clerk	07	17-08-2007	Jr. Clerk	11	04-08-2016
22	Mr. Fakhr-ud-din	Beldar	01	18-01-1988	-	-	-	Jr. Clerk	05	30-03-2004	Jr. Clerk	07	17-08-2007	Jr. Clerk	11	04-08-2016
23	Mr. Imran Ali	Fire Man	02	01-11-2008	-	-	-	Jr. Clerk	05	13-02-2010	P.S.T	07	13-08-2012	P.S.T	09	10-01-2017
24	Mr. Jumma	Pakhali	01	01-03-1990	-	-	-	Notice Server	03	31-12-2015	Dresser	-	-	-	-	-
25	Mr. Muhammad Hassan	Pakhali	01	30-03-2012	-	-	-	Dresser	03	31-12-2015	-	-	-	-	-	-

Non-production of record

S.N.	Office	Para	F.Y	Amount
Complete Auditable Record				
1	CO, District Council Kamber-Shahdadkot	1	2018-19	-
2	TO, Town Committee, Mirpur Burio	1	2018-19	-
3	Town Officer, Town Committee, Warah	1	2017-18	-
Partial Auditable Record				
1	CO, District Council Kashmore @ Kandhkot	1	2018-19	-
2	CMO, Municipal Committee, Kandhkot	1	2018-19	-
3	CMO, Municipal Committee, Thull	1	2018-19	-
4	TO, Town Committee, Kashmore	1	2018-19	
5	TO, Town Committee, Qubo Saeed Khan	28	2018-19	3.872
6	MC, Larkano Municipal Corporation	4	2017-18	-
7	CO, District Council, Larkano	1	2017-18	352.43
8	TO, Town Committee, Garhi Khairo	1	2017-18	-
9	CMO, Municipal Committee, Jacobabad	1	2017-18	-
10	CMO, Municipal Committee, Ratodero	2	2017-18	122.83
11	CMO, Municipal Committee, Naudero	1	2017-18	73.61
12	CO, District Council, Kamber	1	2017-18	-
13	CMO, Municipal Committee, Shahdadkot	1	2017-18	-
14	CMO, Municipal Committee, Kamber	1	2017-18	-
15	TO, Town Committee, Arija	1	2017-18	102.17
16	TO, Town Committee, Badeh	1	2017-18	-
17	TO, Town Committee, Khanpur	1	2017-18	0.328
18	TO, Town Committee, Behram	1	2017-18	-
19	TO, Town Committee, Mirokhan	1	2017-18	-
20	District Council, Jacobabad	1+4	2017-18	0
21	District Council, Jacobabad	1+3	2018-19	0
Total				655.240

Annex-LRK2
[Para No. 7.2.2.2]

Non-recovery of taxes

S.N.	Office	F.Y	Para No	Head	Amount
1	CMO, Municipal Committee, Thull	2018-19	13	GST	0.023
2	TO, Town Committee, Qubo Saeed Khan	2018-19	3	GST	0.356
3	TO, Town Committee, Gharhi Khairo	2017-18	7	GST	0.341
4	CMO, Municipal Committee, Jacobabad	2017-18	5	GST	0.879
5	CMO, Municipal Committee, Thull	2017-18	2	GST	0.307
6	CO, District Council, Larkano	2017-18	12	GST	0.133
7	TO, Town Committee, Arija	2017-18	7	GST	0.428
8	TO, Town Committee, Khanpur	2017-18	9	GST	2.342
9	TO, Town Committee, Behram	2017-18	3	GST	0
10	TO, Town Committee, Mirokhan	2017-18	3	GST	0
11	TO, Town Committee, Gharhi Khairo	2017-18	6	STS	0.325
12	CMO, Municipal Committee, Jacobabad	2017-18	6	STS	0.470
13	CMO, Municipal Committee, Thull	2017-18	3	STS	0.312
14	CMO, Municipal Committee, Ratodero	2017-18	11	STS	2.154
15	CMO, Municipal Committee, Naudero	2017-18	4	STS	1.947
16	MC, Municipal Corporation Larkano	2017-18	18	STS	0.881
17	MC, Municipal Corporation Larkano	2017-18	25	STS	1.569
18	CMO, Municipal Committee, Kamber	2017-18	13	STS	1.079
19	TO, Town Committee, Arija	2017-18	4	STS	2.729
20	TO, Town Committee, Badeh	2017-18	4	STS	6.488
21	TO, Town Committee, Khanpur	2017-18	15	STS	0.825
22	TO, Town Committee, Behram	2017-18	7	STS	0
23	TO, Town Committee, Mirokhan	2017-18	6	STS	0
Total					23.588

Annex-LRK3
[Para No. 7.2.2.6]

Irregular expenditure on POL

[Rupees in million]

S.N.	Formation	F.Y	Para No.	Amount
1	CO, District Council, Jacobabad	2018-19	8	0.298
2	CMO Municipal Committee, Kandhkot	2018-19	3	3.014
3	CMO Municipal Committee, Thull	2018-19	4	5.494
4	TO, Town Committee, Kashmore	2018-19	3	1.801
5	TO, Town Committee, Qubo Saeed Khan	2018-19	2	9.313
6	MC, Larkano Municipal Corporation	2017-18	8	49.333
7	CO, District Council, Larkano	2017-18	11	2.588

[Rupees in million]

S.N.	Formation	F.Y	Para No.	Amount
8	CO, District Council, Kamber @ Shahdadt	2017-18	6	6.00
9	CMO, Municipal Committee, Ratodero	2017-18	5	8.818
10	CMO, Municipal Committee, Naudero	2017-18	5	8.593
11	CMO, Municipal Committee, Jacobabad	2017-18	3	7.530
12	CMO Municipal Committee, Thull	2017-18	1	2.284
13	CMO, Municipal Committee, Kamber	2017-18	5	10.746
14	CMO, Municipal Committee, Shahdadt	2017-18	4	7.528
15	TO, Town Committee, Arija	2017-18	3	6.500
16	TO, Town Committee, Bاده	2017-18	3	3.428
17	TO, Town Committee, Behram	2017-18	2	1.818
18	TO, Town Committee, Mirokhan	2017-18	2	6.770
19	TO, Town Committee, Garhi Khairo	2017-18	2	1.656
20	TO, Town Committee, Nasirabad	2017-18	1	7.079
21	TO, Town Committee, Khanpur	2017-18	5	4.267
Total				154.858

Annex-LRK4

[Para No. 7.2.2.10]

Splitting of works to avoid tender

[Rupees in million]

S.N.	Name of formation	Para	Year	Amount
1	TO, Town Committee, Qubo Saeed Khan	1	2018-19	4.737
2	MC, Larkano Municipal Corporation	12,29	2017-18	21.822
3	CO, District Council, Larkano	10	2017-18	0.827
4	CO, District Council, Kamber @ Shahdadt	5	2017-18	5.752
5	CMO, Municipal Committee, Ratodero	8	2017-18	23.452
6	CMO, Municipal Committee, Naudero	3	2017-18	15.485
7	CMO, Municipal Committee, Kamber	4	2017-18	12.532
8	CMO, Municipal Committee, Shahdadt	10	2017-18	12.056
9	CMO, Municipal Committee, Jacobabad	4	2017-18	3.633
10	TO, Town Committee, Mirokhan	4	2017-18	3.523
11	TO, Town Committee, Behram	4	2017-18	2.712
12	TO, Town Committee, Garhi Khairo	8	2017-18	6.767
13	TO, Town Committee, Arija	2	2017-18	2.707
14	TO, Town Committee, Khanpur	10	2017-18	2.270
Total				118.275

Annex-LRK5
[Para No. 7.2.2.22]

Failure of management to award of work orders

Sr.	Work	Contractor	Work Order No	Bid Opening Date	Bid Validity Date upto	Work Order Date	Sanctioned Cost
1	Construction of CC Drains, CC, Block, Paver Block and Retaining/Edge Walls in U.C Noorabad, U.C Lalu Rounk, U.C Yarodero, U.C Abad, U.C Warah	M/S Ali Raza Khokhar	490	24.11.2017	21.02.2018	12.03.2018	4,663,581
2	Construction of CC Drains, CC, Block, Paver Block and Retaining/Edge Walls in U.C Tharo Wadho, U.C Misri Khan Chandio, U.C Gul Muhammad Chacho, U.C Khabar, Union Council Allah Abad, U.C Karira of Taluka Mirokhan	M/S Pirzada Co Constt.	493	24.11.2017	21.02.2018	12.03.2018	4,789,778
3	Construction of Bridges/Culverts in U.C Junani, U.C Hamal, U.C Mirpur, U.C Khandu, U.C Kalar of Taluka Warah & U.C Tharo Wadho, U.C Misri Khan Chandio, U.C Gul Muhammad Chacho, U.C Khabar of Taluka Mirokhan.	M/S Faheem Brothers	494	24.11.2017	21.02.2018	12.03.2018	4,466,088
Total							13,919,447

Annex-LRK6
[Para No. 7.2.2.23]

Allotment of land on lowest rates

[Amount in rupees]

S. No	Name of Allottee	Area of Plot in Sq.ft	Cost per sq.ft	Excess	Loss to Council	Sanctioning Authority
1	M/S SZABIST Larkano	66,405 sq.ft	350	Bench mark		Taluka Council (2006)
2	M/S ZABIST Larkano, Sachaal Sarmast Township Scheme	47,300	200	150	7,095,000	TMA Dated 24-03-2011
3	M/S Bright Education Society, Sachal Sarmast Township Scheme, Larkano	10,000	200	150	1,500,000	Taluka Council (2010)
4	Haji Fateh Mohammad Shaikh Sarmast Township Scheme, Larkano	3,771	150	200	754,200	LGD, GoS (17-8-2011)
5	M/S Establishment of PTV News Bureau Sachal Sarmast Township Scheme, Larkano	18,000	100	250	4,500,000	LGD, GoS (07-3-2009)
	Total				13,849,200	

Irregular expenditure on repair of vehicles

01. TO, Town Committee, Qubo Saeed Khan

Head of budget	Year	Expenditure
Repair of vehicles	2016-17	259,786
	2017-18	966,388
	2018-19	1,707,992
Total		2,934,166

02. TO, Town Committee, Khanpur

Sr.	Cheque No.	Date	VR. No.	Head of Exp. With Particulars	Total	To Whom Paid
1	21527135	14/12/2017	6/8	M&R Fire Brigade vehicle	99,000	M/S Kamran & Co.
2	21210517	26/10/2017	3/7	M&R Front Loader Tractor vehicle	76,000	M/S Shabir Ahmed & Co.
3	21210502	28/08/2017	2/6	M&R Messy Tractor vehicle	98,570	M/S Shabir Ahmed & Co.
4	21210502	28/08/2017	3/6	M&R Front Loader Tractor vehicle	76,000	M/S Shabir Ahmed & Co.
5	21527119	10/11/2017	3/6	M&R of office vehicle	87,050	M/S Khan & Co.
6	21527122	10/11/2017	6/6	M&R Front Loader Tractor vehicle	76,000	M/S Shabir Ahmed & Co.
7	21527124	13/11/2017	1/6	M&R Refuse van mazda vehicle	76,900	M/S Shabir Ahmed & Co.
8	21210518	26/10/2017	2/7	M&R Refuse van mazda vehicle	76,900	M/S Shabir Ahmed & Co.
9	21210518	26/10/2017	5/7	M&R Refuse van mazda vehicle	76,900	M/S Shabir Ahmed & Co.
10	21800130	11/1/2018	3/7	M&R Messy Tractor vehicle	98,570	M/S Khan & Co.
11	21527130	14/12/2017	3/8	M&R Messy Tractor vehicle	98,570	M/S Khan & Co.
Total					940,460	-

Unauthorized use of Government vehicle beyond entitlement

01. MC, Municipal Corporation, Larkano

Sr.	Name of Officer	Designation	BPS/ Equal	Vehicle #	Make/C C	Allotted Vehicle	Entitlement	POL Sanctioned Per day
1	Mr. Muhammad Aslam Shaikh	Mayor, LMC	20	GSD- 992	Hilus Revo	2982 cc	1000cc	As per requirement
2	Mr. Anwer Ali Nawaz	Deputy Mayor	19	GS-924	GLI	1300cc	1000cc	

02. TO, Town Committee, Mirokhan

Designation	BPS	Period	Make	Allotted	Entitlement
Town Officer	17	2017-18	Cultus	1000cc	800cc

Annex-PHE1
[Para No. 8.2.3.9]

Non-preparation of feasibility report

Secretary, PHED & RDD [AIR Para-2]

S.No./ADP	Name of Scheme	Sector	Location of Schemes	Approved on	Estimated Cost
15/1559	Imp. Ext. and Distribution of W/S/S Mirpurkhas City (SDG # 6)	Hyderabad	Mirpurkhas	25-08-17	586.216
1/1597	Rehabilitation of 17 Filtration Plants for U/&R W/S/S (SDG#6)	Sindh	Sindh	2/5/2018	532.906
Total					1119.122

Defunct SID, GoS 2010-18 [Para-4.1.1.1]

[Rs. in million]

Sr.	Name of Project	Amount
1.	Drinking Water Hubs (Phase-I)	3,017.00
2.	Drinking Water Hubs (Phase-II)	4,000.00
3.	Solar Power Generation for Water Filtration Plants/Drinking Water Hubs (Phase-I & II)	2,135.00
4.	Supply and Installation of Reverse Osmosis Water Desalination Plant of 500,000 GPD at Manora	411.22
5.	i. Installation of 25 RO plants at District Tharparkar/Umerkot. ii. Installation of 31 RO plants at District Tharparkar/Umerkot. iii. Up gradation and enhancement of 02 RO plants at Mithi & Islamkot. iv. Installation of RO water Desalination plant at 25 villages of Tharparkar. v. Installation of Reverse Osmosis water Desalination plant at 06 villages of Tharparkar	3,756.51
Total		13,319.73

Defunct SID, GoS 2010-18 [Para-4.1.1.1 & 4.3.1.1]

[Rs. in million]

Name of office	Amount
XEN, Public Health Engineering Division Thatta	401.797
Total	401.797

Annex-PHE2
[Para No. 8.2.3.18]

**Details of Payments after Honourable Supreme Court Judgement
dated 24.3.2017 till 19.02.2018**

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
1	`02257	`225679	24-03-2017	Hamza Enterprises	61,875	Nil
2	`02257	`225680	27-03-2017	Institute of Tender Management	51,600	Nil
3	`02257	`225681	27-03-2017	Hamza Enterprises	78,675	Nil
4	`02257	`225682	10-04-2017	Hamza Enterprises	80,124	Nil
5	`02257	`225683	10-04-2017	Nand Lal	18,100	Nil
6	`02257	`225684	10-04-2017	Abdul Aziz Shaikh	43,451	Nil
7	`02257	`225685	10-04-2017	Hassan News Agency	4,190	News paper & Others
8	`02257	`225686	10-04-2017	World Call Telecom	3,920	Nil
9	`02257	`225687	10-04-2017	TGM Professional	9,568	Nil
10	`02257	`225688	10-04-2017	AS Traders	1,800	Nil
11	`02257	`225690	10-04-2017	Shama Battery Service	14,720	Nil
12	`02257	`225691	10-04-2017	Baba Fareed Enterprises	54,444	Nil
13	`02257	`225692	10-04-2017	SSGC Ltd	1,730	Nil
14	`02257	`225693	12-04-2017	Hamza Enterprises	21,010	Repair of Transport
15	`02257	`225694	20-04-2017	Pakistan State Oil Co Ltd	118,668	POL
16	`02257	`225695	20-04-2017	Hassan Petroleum	119,042	POL
17	`02257	`225696	20-04-2017	Assistant Superintendent of Stamp Karachi	15,000	Postage
18	`02257	`225697	24-04-2017	Hamza Enterprises	30,871	Others, Repair of Machinery & Stationery
19	`02257	`225698	24-04-2017	Baba Fareed Enterprises	75,501	Others & Repair of Machinery
20	`02257	`225699	24-04-2017	A.T Enterprises	17,380	Repair of Transport
21	`02257	`225700	24-04-2017	Income Tax RTO	108,418	Income tax
22	`02999	`299801	10-05-2017	Income Tax RTO	17,723	Sales Tax
23	`02999	`299802	10-05-2017	Ever New Technologies	289,790	Others
24	`02999	`299803	10-05-2017	A T Enterprises	21,487	Nil
25	`02999	`299804	10-05-2017	Baba Fareed Enterprises	91,459	Nil
26	`02999	`299805	10-05-2017	Hamza Enterprises	65,650	Nil
27	`02999	`299806	10-05-2017	Abdullah Traders	34,905	Nil
28	`02999	`299807	10-05-2017	Muhammad Ilyas	6,717	Nil
29	`02999	`299808	10-05-2017	Qamruddin Chandio	19,536	Medical Charges
30	`02999	`299809	10-05-2017	Nand Lal	10,000	Nil
31	`02999	`299810	10-05-2017	Sobal Khan Dharejo	5,251	Nil
32	`02999	`299811	12-05-2017	Pakistan State Oil Co Ltd	90,000	POL
33	`02999	`299812	12-05-2017	Abdul Haleem Memon	21,000	TA/DA
34	`02999	`299813	12-05-2017	Ashal Printers	13,110	Printing

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
35	`02999	`299814	12-05-2017	Nafees Ahmed Shaikh	105,650	TA/DA
36	`02999	`299815	15-05-2017	Mustafa Autos	36,253	Nil
37	`02999	`299816	15-05-2017	Shah Jee Autos	33,091	Nil
38	`02999	`299817	15-05-2017	JS Autos	18,078	Nil
39	`02999	`299818	30-05-2017	MCB	1,373,833	Nil
40	`02999	`299819	30-05-2017	ABL	277,757	Nil
41	`02999	`299820	30-05-2017	UBL	1,044,184	Nil
42	`02999	`299821	30-05-2017	Faysal Bank Ltd	146,250	Nil
43	`02999	`299822	30-05-2017	Bank Al-Habib	1,263,148	Nil
44	`02999	`299823	30-05-2017	N.B.P	1,657,514	Nil
45	`02999	`299824	30-05-2017	HBL	2,718,799	Nil
46	`02999	`299825	30-05-2017	JS Bank Ltd	42,000	Nil
47	`02999	`299826	30-05-2017	N.B.P	196,609	Deducted GPF, BF & GI
48	`02999	`299827	30-05-2017	K.W.S.B	33,188	Deducted GPF, BF & GI
49	`02999	`299828	30-05-2017	Income Tax RTO	401,000	Salary Income Tax deducted
50	`02999	`299829	30-05-2017	UBL	75,000	Jan to May @ Rs.15000
51	`02999	`299830	30-05-2017	Hassan Petroleum	47,237	Nil
52	`02999	`299831	30-05-2017	HESCO	11,598	Electricity
53	`02999	`299832	31-05-2017	Indus Motor Co Ltd	4,180,383	Nil
54	`02999	`299833	31-05-2017	Income Tax RTO	125,117	Sales Tax
55	`02999	`299834	31-05-2017	Syed Rehan Waseem	604,814	Nil
56	`02999	`299835	31-05-2017	Dr. Khalida skikander	261,360	Nil
57	`02999	`299836	31-05-2017	Fayyaz Hussain Waggan	229,500	Nil
58	`02999	`299837	31-05-2017	Muhammad Panah	285,485	Nil
59	`02999	`299838	01-06-2017	NTC	6,487	Telephone
60	`02999	`299839	01-06-2017	NTC	2,306	Telephone
61	`02999	`299840	01-06-2017	Ghani Petroleum Service	18,189	POL
62	`02999	`299841	01-06-2017	Abdul Aziz Shaikh	13,442	POL
63	`02999	`299842	06-06-2017	K-Electric	132,983	Nil
64	`02999	`299843	06-06-2017	State Bank of Pakistan	4,098,011	Nil
65	`02999	`299844	06-06-2017	F.C Security Service Karachi	101,088	Nil
66	`02999	`299845	06-06-2017	Abdul Aziz Shaikh	30,016	Nil
67	`02999	`299846	06-06-2017	NTC	12,603	Nil
68	`02999	`299847	06-06-2017	NTC	1,518	Nil
69	`02999	`299848	06-06-2017	PTCL	6,570	Nil
70	`02999	`299849	06-06-2017	KMC	3,532	Nil
71	`02999	`299850	06-06-2017	Ghani Petroleum Service	21,071	Nil
72	`02999	`299852	06-06-2017	Hassan News Agency	4,174	Newspapers
73	`02999	`299853	09-06-2017	G 3 Engineering consultants (Pvt) Ltd	2,319,975	Nil
74	`02999	`299854	09-06-2017	Income Tax RTO	257,775	Nil
75	`02999	`299855	09-06-2017	Pak Oasis Industries (Pvt) Ltd	150,705,000	Nil
76	`02999	`299856	09-06-2017	Income Tax RTO	11,721,500	Nil
77	`02999	`299857	12-06-2017	Abdul Aziz Shaikh	52,883	POL

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
78	`02999	`299858	12-06-2017	Qamruddin Chandio	40,831	TA/DA & Others
79	`02999	`299859	12-06-2017	Nand Lal	27,127	TA/DA Medical Charges
80	`02999	`299860	12-06-2017	Abdul Aziz Shaikh	35,648	TA/DA & Others
81	`02999	`299861	12-06-2017	SSGC Ltd	4,840	Nil
82	`02999	`299862	12-06-2017	SSGC Ltd	3,030	Nil
83	`02999	`299863	12-06-2017	MCB	1,006,791	Nil
84	`02999	`299864	12-06-2017	ABL	225,815	Nil
85	`02999	`299865	12-06-2017	UBL	619,230	Nil
86	`02999	`299866	12-06-2017	Faysal Bank Ltd	48,750	Nil
87	`02999	`299867	12-06-2017	Bank Al-Habib	411,087	Nil
88	`02999	`299868	12-06-2017	N.B.P	938,831	Nil
89	`02999	`299869	12-06-2017	HBL	1,648,902	Nil
90	`02999	`299870	12-06-2017	JS Bank Ltd	14,000	Nil
91	`02999	`299871	12-06-2017	Pakistan State Oil Co Ltd	326,472	Nil
92	`02999	`299877	12-06-2017	Muhammad Ilyas	3,982	Nil
93	`02999	`299878	12-06-2017	AT Enterprises	92,901	Stationery, Printing & Repair of Machinery
94	`02999	`299879	12-06-2017	Baba Fareed Enterprises	125,691	Various Heads
95	`02999	`299880	12-06-2017	Hamza Enterprises	80,198	Various Heads
96	`02999	`299881	12-06-2017	N.B.P	45,860	GPF, BF & GI
97	`02999	`299882	12-06-2017	Income Tax RTO	94,500	Income tax
98	`02999	`299883	12-06-2017	K.W.S.B	8,297	GPF, BF & GI
99	`02999	`299884	12-06-2017	Hayee Traders	17,763	Others & Uniform
100	`02999	`299885	12-06-2017	Sobal Khan Dharejo	15,640	Others & POL
101	`02999	`299886	12-06-2017	Ghulam Mustafa ghangro	47,750	TA/DA
102	`02999	`299887	12-06-2017	Irfan ul Haq	29,231	Nil
103	`02999	`299888	12-06-2017	Muhammad Ilyas	28,209	Nil
104	`02999	`299891	12-06-2017	Hamza Enterprises	91,680	Various Heads
105	`02999	`299892	12-06-2017	Humara	500,000	Nil
106	`02999	`299893	28-08-2017	MCB	673,098	Nil
107	`02999	`299894	28-08-2017	ABL	210,526	Nil
108	`02999	`299895	28-08-2017	UBL	642,506	Nil
109	`02999	`299896	28-08-2017	Bank Al-Habib	618,065	Nil
110	`02999	`299897	28-08-2017	N.B.P	1,140,379	Nil
111	`02999	`299898	28-08-2017	HBL	2,175,265	Nil
112	`02999	`299899	28-08-2017	Faysal Bank Ltd	112,126	Nil
113	`02999	`299900	28-08-2017	JS Bank Ltd	32,200	Nil
114	`02877	`287601	29-08-2017	N.B.P	219,575	GPF, BF & GI
115	`02877	`287602	29-08-2017	Income Tax RTO	155,000	Salary Income Tax
116	`02877	`287603	29-08-2017	K.W.S.B	19,520	GPF, BF & GI
117	`02877	`287604	27-09-2017	MCB	410,825	Nil
118	`02877	`287605	27-09-2017	ABL	110,261	Nil
119	`02877	`287606	27-09-2017	UBL	337,923	Nil
120	`02877	`287607	27-09-2017	Faysal Bank Ltd	56,063	Nil

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
121	`02877	`287608	27-09-2017	Bank Al-Habib	317,366	Nil
122	`02877	`287609	27-09-2017	N.B.P	591,852	Nil
123	`02877	`287610	27-09-2017	HBL	1,227,085	Nil
124	`02877	`287611	27-09-2017	N.B.P	46,012	GPF, BF & GI
125	`02877	`287612	27-09-2017	Income Tax RTO	80,500	Income tax
126	`02877	`287613	27-09-2017	K.W.S.B	9,768	GPF, BF & GI
127	`02877	`287614	09-10-2017	Humara	79,500	Mrs. Humaira W/o Late Abdul Hakeem Memon AEN for Medical Charges
128	`02877	`287615	16-10-2017	HBL	10,436	Salary
129	`02877	`287616	30-10-2017	MCB	717,983	Salary
130	`02877	`287617	30-10-2017	UBL	387,357	Nil
131	`02877	`287618	30-10-2017	N.B.P	651,896	Nil
132	`02877	`287619	30-10-2017	HBL	1,552,821	Nil
133	`02877	`287620	30-10-2017	State Bank of Pakistan	46,012	GPF, BF & GI
134	`02877	`287621	30-10-2017	Income Tax RTO	83,500	Income tax
135	`02877	`287622	30-10-2017	K.W.S.B	9,768	GPF, BF & GI
136	`02877	`287623	30-10-2017	Pakistan State Oil Co Ltd	272,768	POL
137	`02877	`287624	30-10-2017	Abdul Haleem Memon	85,000	Electricity
138	`02877	`287625	30-10-2017	HESCO	33,015	Electricity
139	`02877	`287626	30-10-2017	Nestle Pakistan Ltd	22,000	Nil
140	`02877	`287627	30-10-2017	A S Traders	14,314	Nil
141	`02877	`287628	30-10-2017	NTC	36,472	Nil
142	`02877	`287629	30-10-2017	NTC	4,095	Nil
143	`02877	`287630	30-10-2017	Abdul Haleem Memon	107,538	Nil
144	`02877	`287631	30-10-2017	SEPCO	22,417	Nil
145	`02877	`287632	30-10-2017	Hamza Enterprises	87,856	Repair of Transport & Machinery
146	`02877	`287633	30-10-2017	Baba Fareed Enterprises	89,518	Repair of Transport & Others
147	`02877	`287634	30-10-2017	World Call Telecom	2,346	Nil
148	`02877	`287635	30-10-2017	Ghani Petroleum Service	28,344	Nil
149	`02877	`287636	30-10-2017	Muhammad Ilyas	6,748	Nil
150	`02877	`287637	30-10-2017	NTC	3,857	Nil
151	`02877	`287638	30-10-2017	F.C Security Service Karachi	404,352	Nil
152	`02877	`287639	30-10-2017	Dr. Khalida skikander	191,664	Rent
153	`02877	`287640	30-10-2017	Fayyaz Hussain Waggan	153,000	Rent
154	`02877	`287641	30-10-2017	Muhammad Panah	122,350	Nil
155	`02877	`287642	30-10-2017	SEPCO	1,937	Electricity
156	`02877	`287643	30-10-2017	Baba Fareed Enterprises	63,580	Nil
157	`02877	`287644	30-10-2017	PTCL	5,600	Nil
158	`02877	`287645	30-10-2017	Hassan News Agency	9,484	Nil
159	`02877	`287646	30-10-2017	Ghulam Mustafa ghangro	10,474	Nil
160	`02877	`287647	30-10-2017	Director Information	63,727	Nil

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
161	`02877	`287648	30-10-2017	Hamza Enterprises	63,899	Nil
162	`02877	`287649	30-10-2017	Humara	500,000	Financial Assistance
163	`02877	`287650	30-10-2017	Hassan Petroleum	142,855	Nil
164	`02877	`287651	30-10-2017	Indus Motor Co Ltd	100,000	Others
165	`02877	`287652	29-11-2017	Hamza Enterprises	93,471	Repair of Transport
166	`02877	`287653	29-11-2017	Baba Fareed Enterprises	80,701	Repair of Transport & Others
167	`02877	`287654	29-11-2017	Sarwan Enterprises	83,974	Repair of Transport & Others
168	`02877	`287655	29-11-2017	Abdullah Traders	63,954	Repair of Transport & Others
169	`02877	`287656	29-11-2017	NTC	8,142	Telephone
170	`02877	`287657	29-11-2017	Abdul Aziz Shaikh	39,356	Nil
171	`02877	`287658	29-11-2017	Nand Lal	59,544	Nil
172	`02877	`287659	29-11-2017	Rehman Book Centre	5,395	Nil
173	`02877	`287660	29-11-2017	Ghulam Mustafa ghangro	23,414	POL
174	`02877	`287661	29-11-2017	Ghani Petroleum Service	9,877	POL
175	`02877	`287662	29-11-2017	Muhammad Panah	40,785	Rent
176	`02877	`287663	29-11-2017	Abdul Aziz Shaikh	198,350	POL
177	`02877	`287664	29-11-2017	Alhumdullah Subhanullah Battery Sale & Service	3,535	Repair of Transport
178	`02877	`287665	30-11-2017	MCB	703,943	Nil
179	`02877	`287666	30-11-2017	UBL	388,507	Nil
180	`02877	`287667	30-11-2017	N.B.P	468,061	Nil
181	`02877	`287668	30-11-2017	HBL	1,582,807	Nil
182	`02877	`287669	30-11-2017	State Bank of Pakistan	46,012	Nil
183	`02877	`287670	30-11-2017	Income Tax RTO	83,500	Nil
184	`02877	`287671	30-11-2017	K.W.S.B	9,768	Nil
185	`02877	`287672	30-11-2017	Hamza Enterprises	85,041	Repair of Machinery & Others
186	`02877	`287673	30-11-2017	Baba Fareed Enterprises	97,692	Nil
187	`02877	`287674	30-11-2017	Sarwan Enterprises	17,582	Repair of Machinery & Transport
188	`02877	`287675	30-11-2017	Abdullah Traders	35,620	Repair of Transport
189	`02877	`287676	30-11-2017	Hamza Enterprises	23,398	Repair of Transport
190	`02877	`287677	06-12-2017	K-Electric	33,080	Electricity
191	`02877	`287678	06-12-2017	Pakistan State Oil Co Ltd	85,507	Nil
192	`02877	`287679	07-12-2017	N.B.P	185,470	For issuance of Number Plate of govt Vehicle
193	`02877	`287680	12-12-2017	Multi Trading	8,707	Repair of Photocopier
194	`02877	`287681	14-12-2017	HBL	11,500	Salary of Kelash for Nov-2017
195	`02877	`287682	14-12-2017	Ghulam Mustafa ghangro	81,371	Medical Charges
196	`02877	`287683	18-12-2017	G.A Accessories	102,600	Repair of Transport
197	`02877	`287684	18-12-2017	Abdul Haleem Memon	2,000	Publicity &

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
						Advertisement
198	`02877	`287685	18-12-2017	Muhammad Panah	40,785	Rent
199	`02877	`287686	18-12-2017	Fayyaz Hussain Waggan	38,115	Rent
200	`02877	`287687	18-12-2017	HESCO	10,603	Electricity
201	`02877	`287688	18-12-2017	AJM Enterprises	31,206	Repair of Transport
202	`02877	`287689	18-12-2017	Hayee Traders	28,755	Repair of Transport
203	`02877	`287690	18-12-2017	TGM Professional	14,490	Repair of Machinery
204	`02877	`287691	18-12-2017	Ghulam Mustafa ghangro	7,967	POL
205	`02877	`287692	18-12-2017	Super Popular	23,310	Nil
206	`02877	`287693	19-12-2017	Pak Oasis Industries (Pvt) Ltd	39,093,600	Capital
207	`02877	`287694	19-12-2017	Income Tax RTO	3,276,000	Nil
208	`02877	`287695	19-12-2017	Hassan Petroleum	32,345	POL
209	`02877	`287696	28-12-2017	MCB	705,651	Nil
210	`02877	`287697	28-12-2017	UBL	391,764	Nil
211	`02877	`287698	28-12-2017	N.B.P	472,701	Salary
212	`02877	`287699	28-12-2017	HBL	1,610,172	Nil
213	`02877	`287700	28-12-2017	State Bank of Pakistan	40,612	Nil
214	`02508	`250701	28-12-2017	Income Tax RTO	73,500	Salary Income Tax
215	`02508	`250702	28-12-2017	K.W.S.B	9,814	Nil
216	`02508	`250703	29-12-2017	Hamza Enterprises	69,701	Others & Repair of Machinery
217	`02508	`250704	29-12-2017	Baba Fareed Enterprises	64,199	Others & Repair of Machinery
218	`02508	`250705	29-12-2017	Sarwan Enterprises	64,010	Others & Repair of Machinery
219	`02508	`250706	29-12-2017	SPPRA	2,000	Advertisement
220	`02508	`250707	03-01-2018	Syed Rehan Waseem	552,698	Rent
221	`02508	`250708	04-01-2018	K-Electric	15,566	Electricity
222	`02508	`250709	04-01-2018	Pakistan State Oil Co Ltd	104,540	Nil
223	`02508	`250710	04-01-2018	Director Information	744,218	Nil
224	`02508	`250711	04-01-2018	Income Tax RTO	18,016	Sales Tax
225	`02508	`250712	04-01-2018	Income Tax RTO	180,344	Income tax
226	`02508	`250714	04-01-2018	S.B.R (Sales Tax)	12,278	Sales Tax
227	`02508	`250715	09-01-2018	PTCL	1,920	Telephone
228	`02508	`250716	09-01-2018	SEPCO	2,436	Nil
229	`02508	`250717	09-01-2018	NTC	1,446	Telephone
230	`02508	`250718	09-01-2018	SSGC Ltd	2,700	Gas charges
231	`02508	`250719	09-01-2018	Ghulam Mustafa ghangro	45,000	TA/Da
232	`02508	`250720	09-01-2018	Ghani Petroleum Service	10,575	POL
233	`02508	`250721	09-01-2018	Dr. Khalida skikander	95,832	Rent
234	`02508	`250722	09-01-2018	Muhammad Ilyas	1,974	Postage & Other
235	`02508	`250723	09-01-2018	Pak Oasis Industries (Pvt) Ltd	124,907,318	Phase-II
236	`02508	`250724	09-01-2018	Income Tax RTO	10,127,620	Phase-II, Income Tax
237	`02508	`250725	09-01-2018	Fayyaz Hussain Waggan	38,115	Rent
238	`02508	`250726	17-01-2018	State Bank of Pakistan	158,258	Pension Contribution in

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
						r/o Mr. A. Hakam Memon (Late)
239	`02508	`250727	18-01-2018	G 3 Engineering consultants (Pvt) Ltd	590,000	Nil
240	`02508	`250728	24-01-2018	Hassan Petroleum	47,171	POL
241	`02508	`250729	24-01-2018	Sarwan Enterprises	58,531	Nil
242	`02508	`250730	24-01-2018	NTC	13,955	Telephone
243	`02508	`250731	24-01-2018	Ghani Petroleum Service	19,839	POL
244	`02508	`250732	24-01-2018	World Call Telecom	1,893	Telephone
245	`02508	`250733	31-01-2018	MCB	705,651	Nil
246	`02508	`250734	31-01-2018	UBL	391,764	Nil
247	`02508	`250735	31-01-2018	N.B.P	472,701	Nil
248	`02508	`250736	31-01-2018	HBL	1,613,172	Nil
249	`02508	`250737	31-01-2018	State Bank of Pakistan	29,250	G.P Fund Deduction
250	`02508	`250738	31-01-2018	State Bank of Pakistan	7,896	B.Fund Deduction
251	`02508	`250739	31-01-2018	State Bank of Pakistan	3,466	G.In Deduction
252	`02508	`250740	31-01-2018	Income Tax RTO	73,500	Income tax
253	`02508	`250741	31-01-2018	K.W.S.B	9,814	G.F, B.T, & G.I deduction
254	`02508	`250742	02-02-2018	Hamza Enterprises	97,424	Repair of Transport & Machinery
255	`02508	`250743	07-02-2018	Baba Fareed Enterprises	54,198	Repair of Transport & Others
256	`02508	`250744	07-02-2018	Pakistan State Oil Co Ltd	118,304	POL
257	`02508	`250745	07-02-2018	Sarwan Enterprises	47,891	Others
258	`02508	`250746	07-02-2018	Hamza Enterprises	66,915	Others
259	`02508	`250747	07-02-2018	Baba Fareed Enterprises	49,617	Repair of Transport, Machinery & Others
260	`02508	`250748	09-02-2018	PTCL	1,800	Nil
261	`02508	`250749	09-02-2018	Hayee Traders	16,202	Nil
262	`02508	`250752	09-02-2018	Pak Oasis Industries (Pvt) Ltd	119,131,245	Phase-II
263	`02508	`250753	09-02-2018	Income Tax RTO	9,659,290	Nil
264	`02508	`250754	19-02-2018	World Call Telecom	1,923	Nil
265	`02508	`250755	19-02-2018	Chandka Petroleum Service	3,672	Nil
266	`02508	`250756	19-02-2018	SSGC Ltd	1,420	Nil
267	`02508	`250757	19-02-2018	Kousar Pipe & Sanitary Store	4,488	Others
268	`02508	`250758	19-02-2018	TGM Professional	5,049	Others
269	`02508	`250759	28-02-2018	MCB	959,645	Nil
270	`02508	`250760	28-02-2018	UBL	391,764	Nil
271	`02508	`250761	28-02-2018	N.B.P	472,701	Nil
272	`02508	`250762	28-02-2018	HBL	1,651,172	Nil
273	`02508	`250763	28-02-2018	State Bank of Pakistan	29,250	Nil
274	`02508	`250764	28-02-2018	State Bank of Pakistan	7,896	Nil
275	`02508	`250765	28-02-2018	State Bank of Pakistan	3,466	Nil
276	`02508	`250766	28-02-2018	Income Tax RTO	73,500	Nil

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Cheque Amount	Particulars Of Payment
277	`02508	`250767	28-02-2018	K.W.S.B	9,814	Nil
278	`02508	`250768	05-03-2018	Hassan Petroleum	41,987	POL
279	`02508	`250769	05-03-2018	Pakistan State Oil Co Ltd	123,913	POL
280	`02508	`250771	05-03-2018	Abdullah Traders	72,461	Nil
281	`02508	`250774	18-04-2018	F.C Security Service Karachi	101,088	Security
282	`02508	`250775	18-04-2018	NTC	8,876	Telephone
283	`02508	`250776	18-04-2018	NTC	3,639	Telephone
284	`02508	`250778	18-04-2018	K-Electric	22,205	Nil
Total					533,357,376	

Annex-PHE3
[Para No. 8.2.3.18]

**Details of Payment after Closer of SID and Transfer of Schemes to PHE&RD
Department, GoS (19-02-2018 till 05-04-2018)**

[Amount in rupees]

Sr.	Cheque Book No	Cheque No	Cheque Date	Name of Payee	Particulars of Payment	Cheque Amount
1	`02508	`250754	19-02-2018	World Call Telecom	Nil	1,923
2	`02508	`250755	19-02-2018	Chandka Petroleum Service	Nil	3,672
3	`02508	`250756	19-02-2018	SSGC Ltd	Nil	1,420
4	`02508	`250757	19-02-2018	Kousar Pipe & Sanitary Store	Others	4,488
5	`02508	`250758	19-02-2018	TGM Professional	Others	5,049
6	`02508	`250759	28-02-2018	MCB	Nil	959,645
7	`02508	`250760	28-02-2018	UBL	Nil	391,764
8	`02508	`250761	28-02-2018	N.B.P	Nil	472,701
9	`02508	`250762	28-02-2018	HBL	Nil	1,651,172
10	`02508	`250763	28-02-2018	State Bank of Pakistan	Nil	29,250
11	`02508	`250764	28-02-2018	State Bank of Pakistan	Nil	7,896
12	`02508	`250765	28-02-2018	State Bank of Pakistan	Nil	3,466
13	`02508	`250766	28-02-2018	Income Tax RTO	Nil	73,500
14	`02508	`250767	28-02-2018	K.W.S.B	Nil	9,814
15	`02508	`250768	05-03-2018	Hassan Petroleum	POL	41,987
16	`02508	`250769	05-03-2018	Pakistan State Oil Co Ltd	POL	123,913
17	`02508	`250771	05-03-2018	Abdullah Traders	Nil	72,461
Total						3,854,121

Unjustified claim for O& M cost



PAKOASIS

Pak Oasis Industries (Pvt.) Ltd.

Date: 19th July 2016
Ref No./RO-02 Thur /2016-17/02

Director General
Sindh Coal Authority
Coal & Energy Development Department
Clifton, Karachi.

Date: 20-07-16

SUBJECT: OPERATION AND MAINTENANCE OF RO PLANTS AT MISRI SHAH MITHI AND ISLAMKOT TOWN

Dear Sir,

This is to inform that the 2.00 MGD Solar Hybrid RO Plant at Misri Shah Mithi City was installed and commissioned in December 2014 which was inaugurated on 7th January 2015.

The RO Plant at Islam Kot was completed in June 2015 and both the RO Plants are operational and providing hygienic water to Mithi city, Islamkot town and adjoining villages covering the population of more than three hundred thousand.

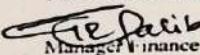
In this regard we have not received the payments against Operation and Maintenance of Both the Plants.
Following is our outstanding Claim which may kindly be paid at the earliest

S. NO	DETAILS	AMOUNT IN PKR
1.	Installation of Solar Panels (900KW*300,000/KW)	270,000,000
2.	Installation of Black Steel Pipe 12" Dia. 2.25 KM from RO Plant to TMA Distribution System at Mithi City.	33,500,000
3.	Installation of Five (05) Additional Tube wells for Raw Water as per requirement of RO Plant at Mithi City.	18,961,255
4.	Installation of Five (05) Additional Submersible Pumps for Raw Water as per requirement of RO Plant at Mithi City.	8,750,000
5.	POL for Operation of Diesel Genset at Mithi & Islamkot (10GenSet*32Ltr/day*365days*90)	10,512,000
6.	Operation and Maintenance of RO Plants At Mithi Site(Six Months) (1MGD*180Days*0.10paisa)	18,000,000
Total		359,723,255/-

In words—Rupees Three Hundred Fifty-Nine Million Seven Hundred Twenty-Three Thousand Two Hundred Fifty-Five Only.

For yours faithfully

For Pak Oasis Industries (Private) Limited



Manager Finance



33-C Khayaban-e-Ittehad, Lane 1, DHA Phase 6, Karachi. Tel: +92-21-35349701-03 Fax: +92-21-35349744
www.pakoasis.com.pk info@pakoasis.com.pk P: Pak Oasis Industries

Annex-PHE5
[Para No. 8.2.3.25]

Details of Refund of Security Deposit

[Amount in rupees]

Sr.	IPC No.	Cheque No.	Dated	Cheque Amount	Name of Contractor	Gross Amount of Bill	Security Deposit Deducted / Retention Money	% of Security Deposit Deducted	Due Amount of Security Deposit @ 8%	Refund of Security Deposit
1	1st	120635	13.08.2014	1,325,884,500	M/s Pak Oasis Industries (Pvt.) Ltd.	1,446,157,500	110,285,500	7.63	115,692,600	
2	2nd	120659	09.10.2014	25,530,000		25,883,000	-	-	2,070,640	
3	3rd	120675	05.11.2014	918,173,250		1,000,885,625	50,044,281	5.00	80,070,850	
4	4th	134410	26.01.2015	924,000,000		1,637,199,500	81,859,975	5.00	130,975,960	
5	Release of with drawl from 4th IPC	134411	28.01.2015	616,000,000		-	-	-	-	
6	5th	157869	16.10.2015	57,118,127		118,582,000		-	9,486,560	
7	Release of with drawl from 5th IPC	157871	20.10.2015	57,118,127		-	-	-	-	95,625,000
8	6th	185223	10.03.2016	207,000,000		207,000,000		-	16,560,000	
9	7th	206712	14.06.2016	214,110,000		230,400,000		-	18,432,000	
10	8th	206744	17.06.2016	211,101,188		228,217,500		-	18,257,400	
11	9th	215816	17.10.2016	253,238,000		272,299,264		-	21,783,941	145,020,469
12	10th	215881	16.12.2016	139,000,000		217,454,125	17,396,330	8.00	17,396,330	
13	Release of with drawl from 11th IPC	215889	19.12.2016	45,836,000		-		-	-	
Total				4,994,109,192		5,384,078,514	259,586,086	4.82	430,726,281	240,645,469

Irregular Cash Payments

[Amount in rupees]

Sr.	Date	Particulars	Instrument No.	Debit
1	18-04-2012	Cash withdrawal	2015001	272,000
2	17-17-2012	Cash withdrawal	2566101	31,168
3	23-10-2012	Cash withdrawal	2566189	81,540
4	19-12-2012	Cash withdrawal	2566180	363,000
5	15-01-2013	Cash withdrawal	3242957	54,810
6	02-07-2013	Cash withdrawal	3242951	81,540
7	31-12-2013	Cash withdrawal	4417833	75,500
8	16-01-2015	Cash withdrawal	4488350	189,863
9	20-04-2015	Cash withdrawal	16000106	116,748
10	20-04-2015	Cash withdrawal	16000158	35,000
11	21-04-2015	Cash withdrawal	16000170	30,000
12	21-04-2015	Cash withdrawal	16000155	43,500
13	21-04-2015	Cash withdrawal	16000174	30,000
14	21-04-2015	Cash withdrawal	16000173	30,000
15	21-04-2015	Cash withdrawal	16000157	35,000
16	21-04-2015	Cash withdrawal	16000445	106,598
17	21-04-2015	Cash withdrawal	16000444	233,496
18	21-04-2015	Cash withdrawal	16000153	31,200
19	21-04-2015	Cash withdrawal	16000176	45,000
20	27-04-2015	Cash withdrawal	16000206	75,600
21	27-04-2015	Cash withdrawal	16000205	75,600
22	27-04-2015	Cash withdrawal	16000207	75,600
23	04-06-2015	Cash withdrawal	16000432	92,106
24	29-06-2015	Cash withdrawal	35139852	30,244
25	30-06-2015	Cash withdrawal	35625601	800,000
26	03-07-2015	Cash withdrawal	35625599	1,894,000
27	06-07-2015	Cash withdrawal	16000349	900,000
28	09-07-2015	Cash withdrawal	35625603	700,000
			Total	6,529,113

Annex-PHE7
[Para No. 8.2.3.61]

Mis-procurement through unauthorized procurement committee

PHE Tando Muhammad Khan [AIR Para: 9]

[Amount in rupees]

S#	Name of Scheme	Name of Contractor	W.Ord#	Date	Amount paid up to date	Contract Amount
1	Construction of surface drains i/c cc block, for rural drainage scheme , Jenhan Soomro, District Tando Muhammad Khan(Part_II)	M/S Shahbaz Construction	33	13.01.17	3,845,544	5,649,359
2	Construction of surface drains i/c cc block, for rural drainage scheme , Jenhan Soomro, District Tando Muhammad Khan(Part_I)	M/S Habibullah & Co	43	17.01.17	5,800,111	5,649,359
3	Silt Clearance from Drains i/c Dewatering & Removal of Debris i/C Construction of CC Block for Rural Drainage Scheme Suleman Soomro, District Tando Muhammad Khan	M/S Amir & Co	208(A)	27.03.17	1,055,346	1,003,124
4	Silt Clearance from Drains i/c Dewatering & Removal of Debris i/C Construction of CC Block for Rural Drainage Scheme Jinhan Soomro, District Tando Muhammad Khan	M/S Amir & Co	209(A)	27.03.17	1,059,346	999,804
5	Rehabilitation of Rural water Supply Scheme, Wasi Malook Shah, District Tando Muhammad Khan	M/S H.B Engineers	669	05.10.18	5,097,702	8,916,654
Total					16,858,049	22,218,300

Annex-PHE8
[Para No. 8.2.3.77]

Unauthorized incurrence of excess expenditure

PHE Tando Muhammad Khan [AIR Para: 6]

S#	Description	Contractor	Total Expenditure	W.O#	Date	Estimated Cost	Excess Over Estimate	Excess%	Remarks
1	Construction of Drains, Type A,B & C, i/c CC Block, for Rural Drainage Scheme, Jenhan Soomro, District Tando Muhammad Khan	M/S Habibullah	5,628,991	43	17.01.17	5,272,300	356,691	6.765	Excess more than 5% of original estimate, hence approval from competent authority required
2	Construction of Disposal Work i/c C/Tank 10" Dia & Oxidation Pond for Rural drainage Scheme Nabi Bux Laghari	M/S Hafiz Riaz Ahmed	6,248,403	55	19.01.17	5,436,500	811,903	14.934	Excess more than 10% of original estimate, hence approval from competent authority required
3	Construction of Drains Type A,B,C i/c cc block for Rural Drainage Scheme Suleman Soomro, District Tando Muhammad Khan Part-II	M/S Hafiz Riaz Ahmed	8,253,817	56	19.01.17	5,025,800	3,228,017	64.229	Excess more than 10% of original estimate hence approval from competent authority required
4	Repair of Existing Civil Work for Rural Drainage Scheme Jinhan Soomro	M/S ICC Pakistan	5,838,347	74	26.02.17	5,060,000	778,347	15.382	Excess more than 10% of original estimate hence approval from competent authority required
Total			25,969,558			20,794,600	5,174,958		

Annex-PHE9
[Para No. 8.2.3.80]

Late deposit of collected earnest money (call deposits) in bank account
PHE Ghotki [AIR Para: 17]

[Amount in rupees]

Sr.	Bill No & Dt.	Date of Deposit CD	Bank in Which Deposited	Contractor	CD No	CD Date	CD Issuing Bank	Amount
1	H-209 Dt.28.6.19	28.06.2019	NBP MPM	M/s A.G. Baloch & Co.	15337671	20.04.2019	UBL Rohri	42,000
2	H-212 Dt.28.6.19	28.06.2019	NBP MPM	M/s Al Madina Enterprises	15337672	29.04.2019	UBL Rohri	42,000
3	H-214 Dt.28.6.19	28.06.2019	NBP MPM	M/s Al Madina Enterprises	15337675	29.04.2019	UBL Rohri	42,000
4	H-219 Dt.28.6.19	28.06.2019	NBP MPM	M/s Abdul Ghaffar & Co.	614453	20.05.2019	NBP Daharki	24,000
5	H-222 Dt.28.6.19	28.06.2019	NBP MPM	M/s Muhammad Azharuddin	368891	20.05.2019	NBP Ghotki	18,000
6	H-223 Dt.28.6.19	28.06.2019	NBP MPM	M/s Nazir Ahmed Kalwar	72571	10.05.2019	Sindh Bank PanoAkil	20,000
7	H-224 Dt.28.6.19	28.06.2019	NBP MPM	M/s Gul Const. & Co.	412864	17.05.2019	Bank Al Habib Sukkur	18,100
8	H-225 Dt.28.6.19	28.06.2019	NBP MPM	M/s Sher Muhammad Barar	91131	17.05.2019	Sindh Bank M/Mathelo	19,700
9	H-226 Dt.28.6.19	28.06.2019	NBP MPM	M/s Ishfaqe Ahmed	72573	20.05.2019	Sindh Bank PanoAkil	21,000
10	H-80 Dt. 22.6.18	22.06.2018	NBP MPM	M/s Mushtaq Ahmed Kolachi	399622	10.02.2018	NBP M.Mathelo	150,000
11	H-81 Dt.22.6.18	22.06.2018	NBP MPM	M/s Mushtaq Ahmed Kolachi	399607	29.01.2018	NBP M.Mathelo	324,000
12	H-83 Dt.22.6.18	22.06.2018	NBP MPM	M/s Shahnawaz Bhatti	5912654	03.11.2017	UBL Larkana	862,389
13	H-84 Dt.22.6.18	22.06.2018	NBP MPM	M/s SK Builders	38575	09.2.2018	Sindh Bank, Ghotki	59,725
14	H-85Dt. 22.6.18	22.06.2018	NBP MPM	M/s SK Builders	38576	09.2.2018	Sindh Bank, Ghotki	59,725
15	H-86 Dt.22.6.18	22.06.2018	NBP MPM	M/s Naseer Ahmed	38573	09.2.2018	Sindh Bank, Ghotki	39,784
16	H-87 Dt.22.6.18	22.06.2018	NBP MPM	M/s Ali Anwar Kalwar	5891281	09.2.2018	UBL Ghotki	39,784
17	H-88 Dt.22.6.18	22.06.2018	NBP MPM	M/s PK Chawla	18894914	06.11.2017	HBL Kashmore	274,100
18	H-89 Dt.22.6.18	22.06.2018	NBP MPM	M/s Ali Anwar Kalwar	5891279	09.2.2018	UBL Ghotki	39,784
19	H-90 Dt.22.6.18	22.06.2018	NBP MPM	M/s Khadim Hussain	18730830	10.2.2018	HBL Ghotki	49,755

[Amount in rupees]

Sr.	Bill No & Dt.	Date of Deposit CD	Bank in Which Deposited	Contractor	CD No	CD Date	CD Issuing Bank	Amount
20	H-91 Dt. 22.6.18	22.06.2018	NBP MPM	M/s Ali Anwar Kalwar	5891280	09.2.2018	UBL Ghotki	39,784
21	H-92 Dt.22.6.18	22.06.2018	NBP MPM	M/s SK Builders	38577	09.2.2018	Sindh Bank Ghotki	39,784
22	H-93 Dt.22.6.18	22.06.2018	NBP MPM	M/s Sindh Const. & Co.	99610	12.2.18	Sindh BankGhotki	99,610
23	H-103 Dt.22.01.18	11.7.2017	NBP MPM	M/s Shahbaz Dino	29518	9.2.17	Sindh Bank Khanpur	1,300,000
24	H-13 Dt. 31.8.18	31.08.2018	NBP MPM	M/s Md. Azharuddin	368648	13.2.18	NBP Ghotki	99,610
25	H-14 Dt. 31.8.18	31.08.2018	NBP MPM	M/s Md. Azharuddin	368649	13.2.18	NBP Ghotki	99,610
Total								3,824,244

Annex-PHE10
[Para No. 8.2.3.84]

Unjustified excess payment over and above the contract cost

PHE Tharparkar [AIR Para: 4]

[Amount in rupees]

Scheme No.	Contractor	Work Order	Contract Cost	C.V #	Cheque #	Bill Sequence	Gross Amount	Previous Payment	Total Payment	Balance
1	Name of work: Const: of Katcha Pond / Tarai at village Padhrrio									
	M/S Concrete Builders	848 16-04-18	1,934,078	D/78 Apr,19	3362244 30-04-19	4th R.A Bill	718,789	1,542,451	2,261,240	(327,162)
2	Name of work: W/S/S village Gandhi Ji Dhani, Village Laplo, Baharo, Village Adam Rind, Tar Abdul Rahim Sama, Bhuro Sandh, Goondhi District Tharparkar (Part-II)									
	M/S K.K Construction Works	370 23-06-16	7,351,159	D/31 June,19	3456875 20-06-19	6th R.A Bill	1,326,998	6,147,385	7,474,383	(123,224)
3	Name of work: W/S/S village Gandhi Ji Dhani, Village Laplo, Baharo, Village Adam Rind, Tar Abdul Rahim Sama, Bhuro Sandh, Goondhi District Tharparkar (Part-I)									
	M/S K.K Construction Works	369 23-06-16	7,628,885	D/32 June,19	3456876 20-06-19	6th R.A Bill	1,110,752	7,835,148	8,945,900	(1,317,015)
4	Name of work: W/S/S village Gandhi Ji Dhani, Village Laplo, Baharo, Village Adam Rind, Tar Abdul Rahim Sama, Bhuro Sandh, Goondhi District Tharparkar									
	M/S K.K Construction Works	371 23-06-16	9,018,839	D/32 June,19	3456877 20-06-19	8th R.A Bill	641,733	8,520,115	9,161,848	(143,009)
				D/46 Apr,19	Nil	6th R.A Bill	1,007,977		1,007,977	(1,007,977)
Total			25,932,961					28,851,348	(2,918,387)	

Annex-PHE11
[Para No. 8.2.3.93]

Non-functional Units

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
1	Talhar	Peero Lashari	RO Plant	Peero Lashari		Non-Functional	Badin	Solar	Nil
2	Tando Bago	Pahar Mari	Ultra-Filtration Plant	Pahar Mari		Non-Functional	Badin	Electricity	Nil
3	Matli	Haji Hashim Panhwar	RO Plant	Nabi Bux Leghari		Non-Functional	Badin	Solar	Nil
4	SF Rahu	Ahmed Rajo	RO Plant	Chak NO. 26		Non-Functional	Badin	Solar	Nil
5	Johi	Drig Bala	RO Plant	Bahawal Babar	2012	Non-Functional	Dadu	Electricity	Nil
6	Johi	Tando Raheem Khan	RO Plant	Tando Raheem Khan	2012	Non-Functional	Dadu	Electricity	Nil
7	Johi	Tando Raheem Khan	RO Plant	Murad Khan Jamali	2012	Non-Functional	Dadu	NILL	Nil
8	Johi	Tando Raheem Khan	RO Plant	Sahib Khan Leghari	2012	Non-Functional	Dadu	Electricity	Nil
9	Johi	Sawro	RO Plant	Village Sawaro	2012	Non-Functional	Dadu	Electricity	Nil
10	K N Shah	Burera	RO Plant	Village Mitho Kario Zangijo	2017	Non-Functional	Dadu	Solar	Nil
11	K N Shah	Town Committee, Sita Road	Ultra-Filtration Plant	Sita Town	1950	Non-Functional	Dadu	Solar	Nil
12	K N Shah	Gozo	RO Plant	Village Ibrahim Chandio	2011	Non-Functional	Dadu	Electricity	Nil
13	Mehar	Qai Arif	RO Plant	Din Muhamma	2017	Non-Functionio	Dadu	solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				d Khoso		nal			
14	Mehar	Thariri Mohabat	RO Plant	Village Malook Kalhoro	1999	Non-Functional	Dadu	Electricity	Nil
15	Deherki	Dad Leghari	RO Plant	Ghulam Hyder Leghari	2012	Non-Functional	Ghotki	Solar	Nil
16	Ghotki	Khohara	RO Plant	Changlani	2012	Non-Functional	Ghotki	Electricity	yes
17	Mirpur Mathelo	Dhangro	RO Plant	Ghulam Hussain Leghari	2012	Non-Functional	Ghotki	solar	Nil
18	Mirpur Mathelo	Jarwar	RO Plant	Sahib Khan Lund	2012	Non-Functional	Ghotki	Solar	yes
19	Hyderabad	Moosa Khatian	RO Plant	RO Plant Khadim Hussain Shah	2014	Non-Functional	Hyderabad	Solar	Meter Not available
20	Hyderabad	Moosa Khatian	RO Plant	Village Moosa Khatian	2014	Non-Functional	Hyderabad	Solar	Meter Not available
21	Hyderabad	Tando Alam Mari	RO Plant	Tando Alam Mari at Main Stop	2014	Non-Functional	Hyderabad	Solar	Meter Not available
22	Hyderabad	Hatri	RO Plant	Kako Mangwano	2014	Non-Functional	Hyderabad	Solar	Nil
23	Latifabad	UC-17/94	RO Plant	Beero Panhwar	2012	Non-Functional	Hyderabad	Solar	Nil
24	Garhi Khairo	Khudaabad	RO Plant	Qutub Khan Brohi		Non-Functional	Jacobabad	Electricity	Nil
25	Jacobabad	Jaffarabad	RO Plant	Hanfia Masjid		Non-Functional	Jacobabad	Solar	Nil
26	Jacobabad	Municipal Committees Jacobabad	RO Plant	Jan Mohd Talani		Non-Functional	Jacobabad	Solar	Nil
27	Jacobabad	Rind wahi	RO Plant	RO Plant Jamandar		Non-Functiono	Jacobabad	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Lakhmir Kharani		nal			
28	Thull	Mubarakpur	RO Plant	RO Plant at Village Abdul Qadir Khoso		Non-Functional	Jacobabad	Electricity	Nil
29	Kotri	Railo Mian	Ultra-Filtration Plant	UF Plant at Village Sain Dino Muhallah, Kotri	2013	Non-Functional	Jamshoro	Solar	Nil
30	Kotri	Morhojabal	RO Plant	RO Plant at Village Akro, UC Morhojabal, Kotri	2013	Non-Functional	Jamshoro	Solar	Nil
31	Kotri	Dabhoon	RO Plant	Dabhoo	2011	Non-Functional	Jamshoro	Solar	Nil
32	Manjhand	Unerpur	Ultra-Filtration Plant	UL Plant at Village Unerpur, Manjhand	2013	Non-Functional	Jamshoro	Solar	Nil
33	Manjhand	Lakha	RO Plant	RO Plant at Village Sirai Solangi, UC Lakha, Manjhand	2013	Non-Functional	Jamshoro	Solar	Nil
34	Manjhand	Sann	RO Plant	RO Plant at Village Allah Bachayo Khoso, UC Sann, Manjhand	2013	Non-Functional	Jamshoro	Solar	Nil
35	Manjhand	Lakha	RO Plant	RO Plant at UC Lakha, Manjhand	2010	Non-Functional	Jamshoro	NILL	Nil
36	Sehwan	Bubak	RO Plant	RO Plant at Village Ahmed Khan Junejo, UC Bubak,	2013	Non-Functional	Jamshoro	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Sehwan					
37	Sehwan	Arazi	RO Plant	RO Plant at Village Aslam Shah Arazi, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
38	Sehwan	Jafarabad	RO Plant	RO Plant at Nagar Khan Brohi, Jaffarabad, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
39	Sehwan	Wahur	RO Plant	RO Plant at Wahur, Qasim Ali Birhmani, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
40	Sehwan	Bubak	RO Plant	RO Plant at MalookMal lah, UC Bubak, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
41	Thano Bula Khan	Sari	RO Plant	RO Plant at Village Sari City, Thana Bula Khan	2011	Non-Functional	Jamshoro	Solar	Nil
42	Kashmore	KS Ali Bilawal	RO Plant	Bux Ali Mazari	2017	Non-Functional	Kashmore	Solar	Nil
43	Kashmore	KS Ali Bilawal	RO Plant	Ghulam Qadir Mazari	2017	Non-Functional	Kashmore	Solar	Nil
44	Tangwani	District Council Kashmore	Ultra-Filtration Plant	Began Khan Bajirani	2015	Non-Functional	Kashmore	Solar	Nil
45	Tangwani	District Council Kashmore	Ultra-Filtration Plant	Abdul Ghaffar Bajkani	2016	Non-Functional	Kashmore	Solar	Nil
46	Gambat	Khemtia	Ultra-Filtration Plant	U.F Plant Karalabad	14	Non-Functional	Khairpur	Solar	Nil
47	Khairpur	Shahdi Shaheed	Ultra-Filtration Plant	U.F Loung Fakir	12	Non-Functional	Khairpur	Electricity	Nil
48	KotDigi	Mohabatwa	RO Plant	RO Plant	13	Non-	Khairpur	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
		h		Dari		Functional			
49	Dokri	Dokri	Ultra-Filtration Plant	Saindad Junejo	2015	Non-Functional	Larkana	Solar	No
50	Dokri	Town Committee, Badah	RO Plant	Dargah Moula	2012	Non-Functional	Larkana	Electricity	No
51	Larkana	Beero Chandio	RO Plant	Fazal Malgani	2016	Non-Functional	Larkana	Solar	Nil
52	Larkana	Dhamrah	RO Plant	Nagar Sangi	2012	Non-Functional	Larkana	Electricity	Nil
53	Larkana	Dhamrah	RO Plant	Mithodero	2012	Non-Functional	Larkana	Electricity	Nil
54	Rato Dero	Tayab	Ultra-Filtration Plant	Taib J 447/560	2013	Non-Functional	Larkana	Solar	Nil
55	Rato Dero	Rato Dero 2	RO Plant	Wassayo Bhutto P500	2012	Non-Functional	Larkana	Solar	yes
56	Gadap Town	Kharkharo	RO Plant	Kamal Khan Jokhio	2012	Non-Functional	Malir Karachi	Solar	Meter not available
57	Ibrahim Hyderi	JummaHimayati	Ultra Filtration Plant	JummaHimayati	2013	Non-Functional	Malir Karachi	Solar	Nil
58	Murad Memon	Murad Memon	RO Plant	Abdul Karim Muhalla, Memon Goth	2013	Non-Functional	Malir Karachi	Electricity	Meter not available
59	Hala	Ajan Shah	RO Plant	Village Kihar Lanjwari	2012	Non-Functional	Matiari	Electricity	Nil
60	Hala	Khando	RO Plant	Village Gahi Lakho	2012	Non-Functional	Matiari	Electricity	Nil
61	Hala	Khando	RO Plant	Sukhio Meer Jat	2012	Non-Functional	Matiari	Electricity	Nil
62	Hala	Khando	RO Plant	Village Nizam	2017	Non-Functiono	Matiari	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Pathan		nal			
63	Hala	Municipal Committee Hala	RO Plant	Vegetable Market Hala	2018	Non-Functional	Matiari	Solar	Nil
64	Hala	Bhanothe	RO Plant	Village Luqman Koreja	2012	Non-Functional	Matiari	NILL	Nil
65	Hala	Town Committee Bhitshah	RO Plant	Tamboora Chowk Bhit Shah	2016	Non-Functional	Matiari	Solar	Nil
66	Matiari	Town Committee Odero Lal	RO Plant	Town Committee Office	2012	Non-Functional	Matiari	Electricity	Nil
67	Matiari	Town Committee Khyber	RO Plant	Near GBPS Water Supply Scheme Khyber	2012	Non-Functional	Matiari	Electricity	Nil
68	Matiari	Town Committee Matiari	RO Plant	Moosa Mohallah Matiari	2012	Non-Functional	Matiari	Electricity	Nil
69	Matiari	Bau Dero	RO Plant	Village Shahmir Ji Wassi	2014	Non-Functional	Matiari	Solar	Nil
70	Digri	Town Committee, Tando Jan Mohammad	RO Plant	Tando Jan Muhammad City	2013	Non-Functional	Mirpurkhas	NILL	Nil
71	Digri	Soofan Shan	RO Plant	Soofan Shan	2013	Non-Functional	Mirpurkhas	Solar	Nil
72	Digri	Mir Fateh Khan	Ultra Filtration Plant	Soofiabad	2013	Non-Functional	Mirpurkhas	Solar	Nil
73	Hussain Bux Mari	Turk Ali Mari	Ultra Filtration Plant	Ratanabad, Rana Shamshad House, Hyd Road, Mirpurkhas	2015	Non-Functional	Mirpurkhas	Solar	Nil
74	Jhudo	Silor Mori	RO Plant	Silor Mori	2013	Non-Functional	Mirpurkhas	Solar	Nil
75	Mirpurkhas	Municipal Committee,	Ultra-Filtration	Eid Gah	2014	Non-Functiono	Mirpurkhas	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
		Mirpurkhas	Plant			nal			
76	Mirpurkhas	Makhan Samo	RO Plant	Molla Dino Khaskheli	2014	Non-Functional	Mirpurkhas	Solar	Nil
77	Shujabad	Mirwah	RO Plant	Allah Rakhio Gorchani	2015	Non-Functional	Mirpurkhas	Solar	Nil
78	Shujabad	Jhulori	Ultra Filtration Plant	Syed Ghulam Hyder Shah	2013	Non-Functional	Mirpurkhas	Solar	Nil
79	Sindhri	Phuladiyou n UF	Ultra Filtration Plant	Phulladiyou n	2013	Non-Functional	Mirpurkhas	Electricity	Nil
80	Bhiria	Chahean Suleman	RO Plant	Muharam Khan Nagore	2015	Non-Functional	Naushahrof erzoe	Solar	yes
81	Bhiria	Chahean Suleman	RO Plant	Sanwanababd	2015	Non-Functional	Naushahrof erzoe	Solar	yes
82	Kandiaro	Manjuth	Ultra-Filtration Plant	Village Sardar Shadi Khan Almani	2015	Non-Functional	Naushahrof erzoe	Solar	yes
83	Kandiaro	Dabhro	Ultra-Filtration Plant	Village Achi Masjid	2015	Non-Functional	Naushahrof erzoe	Solar	Nil
84	Kandiaro	Dabhro	Ultra-Filtration Plant	Village Morath	2015	Non-Functional	Naushahrof erzoe	Solar	Nil
85	Moro	Lalia	Ultra-Filtration Plant	Village Kandhra Colony	2012	Non-Functional	Naushahrof erzoe	Electricity	Nil
86	Moro	Lalia	RO Plant	Village Dargah Noor Shah	2015	Non-Functional	Naushahrof erzoe	Solar	Nil
87	Kamber	Ghabi Dero	RO Plant	Karohar (Hot Khan Marfani)	2014	Non-Functional	Qamber	Solar	Nil
88	Kamber	Ghabi Dero	RO Plant	Sono Khan	2015	Non-Functional	Qamber	Solar	Nil
89	Kamber	Beer Sharif	RO Plant	Beer Sharif	2014	Non-Functional	Qamber	Solar	Nil
90	Qubo Saeed	Qubo Saeed	RO Plant	Jan Mohamma	2012	Non-Functionio	Qamber	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
	Khan	Khan		d Khoso		nal			
91	Qubo Saeed Khan	Qubo Saeed Khan	RO Plant	97000/Phul l	2012	Non-Functional	Qamber	Electricity	Nil
92	Shadadkot	Municipal Committee, Shahdaddock	RO Plant	Qambrani	2014	Non-Functional	Qamber	NILL	Nil
93	Shadadkot	Aitbar Khan Chandio	RO Plant	Dhing	2014	Non-Functional	Qamber	Solar	Nil
94	Shadadkot	Aitbar Khan Chandio	RO Plant	Shah Nawaz Khan Magsi	2012	Non-Functional	Qamber	Solar	Nil
95	Shadadkot	Aitbar Khan Chandio	RO Plant	Village Chakiyani	2014	Non-Functional	Qamber	Solar	Nil
96	Shadadkot	Jamali	RO Plant	Muhamma d Khan Bhutto	2012	Non-Functional	Qamber	Electricity	Nil
97	Warrah	Khandu	RO Plant	Khandu	2012	Non-Functional	Qamber	Electricity	Nil
98	Khipro	Kamil Hingoro	Ultra-Filtration Plant	RO Plant Mehdiyer Samon Rank Dehar		Non-Functional	Sanghar	Solar	Nil
99	Khipro	Kamil Hingoro	RO Plant	RO Plant Ketloor U.C Renak Dehar		Non-Functional	Sanghar	Solar	Nil
100	Khipro	Kamil Hingoro	RO Plant	RO Plant for Mankore Gajo U.C Renak Dehar		Non-Functional	Sanghar	Solar	Nil
101	Khipro	Dhilayar	RO Plant	RO Plant Dhilayar		Non-Functional	Sanghar	Electricity	Nil
102	Shadadpur	Jhol	RO Plant	RO Plant Rukan Burira		Non-Functional	Sanghar	Solar	Nil
103	Shadadpur	Jhol	RO Plant	RO Plant Haji		Non-Functionio	Sanghar	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Suleman Mari		nal			
104	Singhoro	Shah Mardanabad	RO Plant	RO Plant Rawtiani		Non-Functional	Sanghar	Solar	Nil
105	Singhoro	Manak Thaheem	RO Plant	RO Plant Bagho Wadadani		Non-Functional	Sanghar	Solar	Nil
106	Tando Adam	Municipal Committee Tando ADam	RO Plant	RO Plant Fazal Chakrani		Non-Functional	Sanghar	Solar	yes
107	Daur	Obh. Saweri	RO Plant	Ghulam Hyder Leghari	2013	Non-Functional	Shaheed Benazirabad	Solar	Nil
108	Nawabshah	Chanesar-II	RO Plant	Fateh Mohammad Warir	2013	Non-Functional	Shaheed Benazirabad	Solar	Nil
109	Sakrand	Bhoora	RO Plant	Village Budhal Shah	2013	Non-Functional	Shaheed Benazirabad	Solar	Nil
110	Garhi Yasin	Dakkan	Ultra-Filtration Plant	UF Plant at Jindo Dero	2013	Non-Functional	Shikarpur	Solar	Nil
111	Lakhi	Taib	Ultra-Filtration Plant	UF Plant at Taib	2015	Non-Functional	Shikarpur	Solar	Nil
112	Shikarpur	Karan	RO Plant	RO Plant Awal Shah Padhar	2016	Non-Functional	Shikarpur	Solar	Nil
113	Shikarpur	Lodhra	RO Plant	RO Plant Abdul Rahim Machi	2013	Non-Functional	Shikarpur	Not available	Nil
114	Mirpur Bathoro	Jhoke Sharif	RO Plant	Jhoke Sharif City	2013	Non-Functional	Sujawal	Solar	yes
115	Jati	Mureed Khoso	RO Plant	Yaqoob Munhoro	2012	Non-Functional	Sujawal	Solar	Nil
116	Jati	Mureed Khoso	UF Plant	Haji Saleh Muhammad Khoso	2012	Non-Functional	Sujawal	Solar	Nil
117	Pano Aqil	Town Committee	RO Plant	Thikrato	2012	Non-Functional	Sukkur	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
118	Rohri	Kandhra	RO Plant	Kandhra Town	2012	Non-Functional	Sukkur	Only Generator	Nil
119	Salehpat	Lal Jurio Shambrani	RO Plant	Shahbaz Dino Khorkhani	2014	Non-Functional	Sukkur	Solar	Nil
120	Salehpat	Salehpat	RO Plant	Riazabad	2014	Non-Functional	Sukkur	Solar	Nil
121	Salehpat	Salehpat	RO Plant	Sobo Mahar	2014	Non-Functional	Sukkur	Solar	Nil
122	Chamber	Town Committee, Chamber	RO Plant	Shero Sherani	2015	Non-Functional	Tando Allahyar	Solar	Not found
123	Chamber	Dad Jarwar	RO Plant	Dad Jarwar	2012	Non-Functional	Tando Allahyar	Electricity	Nil
124	Chamber	Landhi	RO Plant	Allan Khan Leghari	2013	Non-Functional	Tando Allahyar	Solar	Door Locked
125	Chamber	Landhi	RO Plant	Manthar Otho	2012	Non-Functional	Tando Allahyar	Electricity	Nil
126	Chamber	Rawat Laghari	RO Plant	Noor Muhammad Noondani	2015	Non-Functional	Tando Allahyar	Solar	Nil
127	Jhando Mari	Missan	RO Plant	Missan Wadi	2015	Non-Functional	Tando Allahyar	Solar	Nil
128	Jhando Mari	Missan	RO Plant	Nandhi Missan	2012	Non-Functional	Tando Allahyar	Electricity	Nil
129	Jhando Mari	Shahpur Rizvi	RO Plant	Shahpur Rizvi	2016	Non-Functional	Tando Allahyar	Electricity	Nil
130	Tando Allahyar	Dhingano Bozdar	RO Plant	Dhingano Bozdar	2013	Non-Functional	Tando Allahyar	Electricity	Nil
131	Tando Allahyar	Shah Inayat	RO Plant	Khair Muhammad Jarwar	2017	Non-Functional	Tando Allahyar	Solar	Nil
132	Tando Allahyar	Shaikh Mosa	RO Plant	Village Ditto Kalro	2015	Non-Functional	Tando Allahyar	Solar	Nil
133	Bulri	Mulakatiar	RO Plant	RO	2012	Non-	Tando	Solar	Yes

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
	Shah Kareem			Asgharabad		Functional	Muhammad Khan		
134	Bulri Shah Kareem	Saeed Khan Lund	RO Plant	Khuda Bux Lund	2012	Non-Functional	Tando Muhammad Khan	Solar	Yes
135	Bulri Shah Kareem	Saeed Khan Lund	RO Plant	Haji Ghulam Hussain Abbasi	2012	Non-Functional	Tando Muhammad Khan	Solar	Nil
136	Chachro	Jesse Par Jo	RO Plant	Ismail Samejo Ji Dhani (Taluka Dahli)	2014	Non-Functional	Tharparkar	Solar	Nil
137	Chachro	Parno	RO Plant	Jamalani / Taluka Dahali	2014	Non-Functional	Tharparkar	Solar	Nil
138	Chachro	Chachro	RO Plant	Waral / Taluka Dahali	2015	Non-Functional	Tharparkar	Solar	Nil
139	Chachro	Parno	RO Plant	Luqmanani / Taluka Dahali	2016	Non-Functional	Tharparkar	Solar	Nil
140	Chachro	Chachro	RO Plant	Burkio UC Chachro	2014	Non-Functional	Tharparkar	Solar	Nil
141	Chachro	Sarangiar	RO Plant	Charnor Sameja UC Charnore	2015	Non-Functional	Tharparkar	Solar	Nil
142	Chachro	Rajoro	RO Plant	Allahdad jo Tar	2014	Non-Functional	Tharparkar	Solar	Nil
143	Chachro	Sarangiar	RO Plant	Adam Rind Arbab Paro UC Charnore	2016	Non-Functional	Tharparkar	Solar	Nil
144	Chachro	Sarangiar	RO Plant	Samoon Rind UC Charnore	2014	Non-Functional	Tharparkar	Solar	Nil
145	Chachro	Kantio	RO Plant	Dakidahar	2016	Non-Functional	Tharparkar	Solar	Nil
146	Chachro	Chachro	RO Plant	Bharmal Jo Goth UC Chachro	2015	Non-Functional	Tharparkar	Solar	Nil
147	Chachro	Hirar	RO Plant	Bhane Jo	2015	Non-	Tharparkar	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Tar		Functional			
148	Chachro	Chachro	RO Plant	Jalal Jo Tar UC Chachro	2015	Non-Functional	Tharparkar	Solar	Nil
149	Chachro	Mithrio Charan	RO Plant	Hisham Samejo Ji Dhani	2016	Non-Functional	Tharparkar	Solar	Nil
150	Diplo	Jhirmirio	RO Plant	Meghraj Veri	2016	Non-Functional	Tharparkar	Solar	Nil
151	Diplo	Bhittaro	RO Plant	Mir Ali Nawaz	2014	Non-Functional	Tharparkar	Solar	Nil
152	Diplo	Bolhari	RO Plant	Sarhor	2015	Non-Functional	Tharparkar	Solar	Nil
153	Diplo	Kaloi	RO Plant	Kharik	2015	Non-Functional	Tharparkar	Solar	Nil
154	Mithi	Malanhor Veena	RO Plant	Lakhmair Menghwar Paro	2014	Non-Functional	Tharparkar	Solar	Nil
155	Mithi	Joruo	RO Plant	Mithrio Khokhar Gull Paro / UC Joruo	2015	Non-Functional	Tharparkar	Solar	Nil
156	Mithi	Mohrano	RO Plant	Tobhario Juneja	2015	Non-Functional	Tharparkar	Solar	Nil
157	Mithi	Mithrio Bhatti	RO Plant	Kamro	2015	Non-Functional	Tharparkar	Solar	Nil
158	Mithi	Islamkot	RO Plant	Shahmeer Vikia / UC / Taluka Islamkot	2015	Non-Functional	Tharparkar	Solar	Nil
159	Mithi	Singaro	RO Plant	Menhoon Lanjo	2014	Non-Functional	Tharparkar	Solar	Nil
160	Mithi	Joruo	RO Plant	Harbusar UC Posarko	2014	Non-Functional	Tharparkar	Solar	Nil
161	Nangarparkar	Harho	RO Plant	Jhundan Hussain Bux Paro	2014	Non-Functional	Tharparkar	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
162	Ghorabari	Udasi	RO Plant	Udasi City	2016	Non-Functional	Thatta	Solar	Ni
163	Ghorabari	Town Committee Ghorabari	RO Plant	Gharo City	2012	Non-Functional	Thatta	Solar	Nil
164	Thatta	Jehmpir	RO Plant	Amir Bux Jakhro	2017	Non-Functional	Thatta	Solar	Nil
165	Samaro	Samaro Road	Ultra-Filtration Plant	UF Plant Pir Bux Dhonkai	2013	Non-Functional	Umerkot	Solar	Nil
166	Taluka Kunri	Talhi	RO Plant	Talhi City	2017	Non-Functional	Umerkot	Solar	Nil
167	Taluka Kunri	Bustan	RO Plant	Qazi Sadiq	2015	Non-Functional	Umerkot	Solar	Nil
168	Taluka Kunri	Nabisar Thar	RO Plant	Doulat Khan Chandio	2013	Non-Functional	Umerkot	Solar	Nil
169	Taluka Pithoro	Chhachhro @ Syed Ghulam Hyder Shah	RO Plant	RO Plant Muhammad Ismail Rind	2013	Non-Functional	Umerkot	Solar	Nil
170	Taluka Pithoro	Ghulam Nabi Shah	RO Plant	RO Plant Pir Muhammad Walhari	2013	Non-Functional	Umerkot	Solar	Nil
171	Taluka Umerkot	Gharibabad	RO Plant	RO Plant Faqeer Halo Bheel	2017	Non-Functional	Umerkot	Solar	Nil
172	Taluka Umerkot	Gharibabad	RO Plant	RO Plant Rohal Waha	2013	Non-Functional	Umerkot	Solar	Nil

Annex-PHE12
[Para No. 8.2.3.93]

Non-existent Water Filtration Units

Sr.	Name of district	Name of Taluka	Local Council	Scheme - Category	Name of scheme	Scheme - Year	Status
1.	Hyderabad	Qasimabad	UC-5	RO Plant	Shah Bukhari	2012	Plant not exist
2.	Khairpur	Gambat	Ripri	Ultra-Filtration Plant	U.F Plant Kharalabad	2013	Plant not exist

Annex-PHE13
[Para No. 8.2.3.93]

List of RO / UF Plants without TDS Meters

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
1	Talhar	Peero Lashari	RO Plant	Peero Lashari		Non-Functional	Badin	Solar	Nil
2	Tando Bago	Pahar Mari	Ultra-Filtration Plant	Pahar Mari		Non-Functional	Badin	Electricity	Nil
3	Matli	Haji Hashim Panhwar	RO Plant	Nabi Bux Leghari		Non-Functional	Badin	Solar	Nil
4	SF Rahu	Ahmed Rajo	RO Plant	Chak NO. 26		Non-Functional	Badin	Solar	Nil
5	Johi	Drig Bala	RO Plant	Bahawal Babar	2012	Non-Functional	Dadu	Electricity	Nil
6	Johi	Tando Raheem Khan	RO Plant	Tando Raheem Khan	2012	Non-Functional	Dadu	Electricity	Nil
7	Johi	Tando Raheem Khan	RO Plant	Murad Khan Jamali	2012	Non-Functional	Dadu	NILL	Nil
8	Johi	Tando Raheem Khan	RO Plant	Sahib Khan Leghari	2012	Non-Functional	Dadu	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
9	Johi	Sawro	RO Plant	Village Sawaro	2012	Non-Functional	Dadu	Electricity	Nil
10	K N Shah	Burera	RO Plant	Village Mitho Kario Zangijo	2017	Non-Functional	Dadu	Solar	Nil
11	K N Shah	Town Committee, Sita Road	Ultra-Filtration Plant	Sita Town	1950	Non-Functional	Dadu	Solar	Nil
12	K N Shah	Gozo	RO Plant	Village Ibrahim Chandio	2011	Non-Functional	Dadu	Electricity	Nil
13	Mehar	Qai Arif	RO Plant	Din Muhammad Khoso	2017	Non-Functional	Dadu	solar	Nil
14	Mehar	Thariri Mohabat	RO Plant	Village Malook Kalhoro	1999	Non-Functional	Dadu	Electricity	Nil
15	Deherki	Dad Leghari	RO Plant	Ghulam Hyder Leghari	2012	Non-Functional	Ghotki	Solar	Nil
16	Mirpur Mathelo	Dhangro	RO Plant	Ghulam Hussain Leghari	2012	Non-Functional	Ghotki	solar	Nil
17	Hyderabad	Tando Qaiser	RO Plant	Village Tando Qaiser Bakhrani Muhallah	2014	Partially functional	Hyderabad	Solar	Nil
18	Hyderabad	Hatri	RO Plant	Kako Mangwano	2014	Non-Functional	Hyderabad	Solar	Nil
19	Latifabad	UC-17/94	RO Plant	Beero Panhwar	2012	Non-Functional	Hyderabad	Solar	Nil
20	Qasimabad	UC 05	Ultra-Filtration Plant	Shah Bukhari	2012	Plant not available	Hyderabad	Not available	Nil
21	Garhi Khairo	Khudaabad	RO Plant	Qutub Khan Brohi		Non-Functional	Jacobabad	Electricity	Nil
22	Garhi Khairo	Town Committee Garhi Khairo	RO Plant	Himat Shah Mohallah		Functional	Jacobabad	Solar	Nil
23	Jacobabad	Jaffarabad	RO Plant	Hanfia Masjid		Non-Functional	Jacobabad	Solar	Nil
24	Jacobabad	Municipal Committees Jacobabad	RO Plant	Jan Mohd Talani		Non-Functional	Jacobabad	Solar	Nil
25	Jacobabad	Rind wahi	RO Plant	RO Plant Jamandar Lakhmir		Non-Functional	Jacobabad	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Kharani					
26	Thull	Thull-1	RO Plant	Chandran		Functional	Jacobabad	Solar	Nil
27	Thull	Municipal Committees Thull	RO Plant	Hoat Khan Mangi		Functional	Jacobabad	Electricity	Nil
28	Thull	Mubarakpur	RO Plant	RO Plant at Village Abdul Qadir Khoso		Non-Functional	Jacobabad	Electricity	Nil
29	Thull	Sherwah	Ultra-Filtration Plant	Chook Lashari		Functional	Jacobabad	Electricity	Nil
30	Thull	Thull-2	RO Plant	Waris Dino Nonari		Functional	Jacobabad	Electricity	Nil
31	Kotri	Railo Mian	Ultra-Filtration Plant	UF Plant at Village Sain Dino Muhallah, Kotri	2013	Non-Functional	Jamshoro	Solar	Nil
32	Kotri	Morhojabal	RO Plant	RO Plant at Village Akro, UC Morhojabal, Kotri	2013	Non-Functional	Jamshoro	Solar	Nil
33	Kotri	Dabhoon	RO Plant	Dabhoo	2011	Non-Functional	Jamshoro	Solar	Nil
34	Manjhand	Unerpur	Ultra-Filtration Plant	UL Plant at Village Unerpur, Manjhand	2013	Non-Functional	Jamshoro	Solar	Nil
35	Manjhand	Lakha	RO Plant	RO Plant at Village Sirai Solangi, UC Lakha, Manjhand	2013	Non-Functional	Jamshoro	Solar	Nil
36	Manjhand	Sann	RO Plant	RO Plant at Village Allah Bachayo Khoso, UC Sann, Manjhand	2013	Non-Functional	Jamshoro	Solar	Nil
37	Manjhand	Lakha	RO Plant	RO Plant at UC Lakha, Manjhand	2010	Non-Functional	Jamshoro	NILL	Nil
38	Sehwan	Bubak	RO Plant	RO Plant at Village Ahmed Khan Junejo, UC	2013	Non-Functional	Jamshoro	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Bubak, Sehwan					
39	Sehwan	Arazi	RO Plant	RO Plant at Village Aslam Shah Arazi, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
40	Sehwan	Jafarabad	RO Plant	RO Plant at Nagar Khan Brohi, Jaffarabad, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
41	Sehwan	Wahur	RO Plant	RO Plant at Wahur, Qasim Ali Birhmani, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
42	Sehwan	Bubak	RO Plant	RO Plant at Malook Mallah, UC Bubak, Sehwan	2013	Non-Functional	Jamshoro	Solar	Nil
43	Thano Bula Khan	Sari	RO Plant	RO Plant at Village Sari City, Thana Bula Khan	2011	Non-Functional	Jamshoro	Solar	Nil
44	Kandhkot	District Council Kandhkot	Ultra-Filtration Plant	Sheralabad	2015	Functional	Kashmore	Solar	Nil
45	Kandhkot	District Council Kandhkot	Ultra-Filtration Plant	Noor Hassan Khan Bhangwar	2015	Functional	Kashmore	Solar	Nil
46	Kashmore	KS Ali Bilawal	RO Plant	Bux Ali Mazari	2017	Non-Functional	Kashmore	Solar	Nil
47	Kashmore	KS Ali Bilawal	RO Plant	Ghulam Qadir Mazari	2017	Non-Functional	Kashmore	Solar	Nil
48	Kashmore	Gulanpur	Ultra-Filtration Plant	Haji Raza Muhammad Khoso	2017	Functional	Kashmore	Solar	Nil
49	Tangwani	District Council Kashmore	RO Plant	Mir Mehran Khan Bajirani	2013	Functional	Kashmore	Solar	Nil
50	Tangwani	District Council Kashmore	Ultra-Filtration Plant	Wahid Bux Bajirani	2013	Functional	Kashmore	Electricity	Nil
51	Tangwani	District Council Kashmore	Ultra-Filtration Plant	Began Khan Bajirani	2015	Non-Functional	Kashmore	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
52	Tangwani	District Council Kashmore	Ultra-Filtration Plant	Sheran Bhayo	2017	Functional	Kashmore	Solar	Nil
53	Tangwani	District Council Kashmore	Ultra-Filtration Plant	Abdul Ghaffar Bajkani	2016	Non-Functional	Kashmore	Solar	Nil
54	Gambat	Khemtia	Ultra-Filtration Plant	U.F Plant Karalabad	14	Non-Functional	Khairpur	Solar	Nil
55	Khairpur	Wahda Machyon	Ultra-Filtration Plant	U.F Plant Abdul Aziz	13	Functional	Khairpur	Solar	Nil
56	Khairpur	Shahdi Shaheed	Ultra-Filtration Plant	U.F Loung Fakir	12	Non-Functional	Khairpur	Electricity	Nil
57	Kingri	Pir Jo Goth	Ultra-Filtration Plant	U.F Plant RHC Kingri Mohallah	13	Functional	Khairpur	Solar	Nil
58	KotDigi	Mohabatwah	RO Plant	RO Plant Dari	13	Non-Functional	Khairpur	Electricity	Nil
59	KotDigi	Nasir Faqir	RO Plant	RO Plant BagoDero	13	Functional	Khairpur	Solar	Nil
60	Dokri	Dokri	Ultra-Filtration Plant	Saindad Junejo	2015	Non-Functional	Larkana	Solar	Nil
61	Dokri	Town Committee, Badah	RO Plant	Dargah Moula	2012	Non-Functional	Larkana	Electricity	Nil
62	Larkana	Dhamrah	RO Plant	Darbi Chandio	2015	Functional	Larkana	Solar	Nil
63	Larkana	Beero Chandio	RO Plant	Fazal Malgani	2016	Non-Functional	Larkana	Solar	Nil
64	Larkana	Dhamrah	RO Plant	Nagar Sangi	2012	Non-Functional	Larkana	Electricity	Nil
65	Larkana	Dhamrah	RO Plant	Mithodero	2012	Non-Functional	Larkana	Electricity	Nil
66	Rato Dero	Tayab	Ultra-Filtration Plant	Taib J 447/560	2013	Non-Functional	Larkana	Solar	Nil
67	Gadap Town	Gadap	RO Plant	Bandicha Stop	2013	Functional	Malir Karachi	Solar	Nil
68	Ibrahim Hyderi	Jumma Himayati	Ultra-Filtration Plant	Jumma Himayati	2013	Non-Functional	Malir Karachi	Solar	Nil
69	Hala	Ajan Shah	RO Plant	Village Kihar Lanjwari	2012	Non-Functional	Matiari	Electricity	Nil
70	Hala	Khando	RO Plant	Village Gahi	2012	Non-	Matiari	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Lakho		Functional			
71	Hala	Khando	RO Plant	Sukhio Meer Jat	2012	Non-Functional	Matiari	Electricity	Nil
72	Hala	Khando	RO Plant	Village Nizam Pathan	2017	Non-Functional	Matiari	Solar	Nil
73	Hala	Municipal Committee Hala	RO Plant	Vegetable Market Hala	2018	Non-Functional	Matiari	Solar	Nil
74	Hala	Bhanothe	RO Plant	Village Luqman Koreja	2012	Non-Functional	Matiari	NILL	Nil
75	Hala	Town Committee Bhitshah	RO Plant	Tamboora Chowk Bhit Shah	2016	Non-Functional	Matiari	Solar	Nil
76	Matiari	Town Committee Odero Lal	RO Plant	Town Committee Office	2012	Non-Functional	Matiari	Electricity	Nil
77	Matiari	Town Committee Khyber	RO Plant	Near GBPS Water Supply Scheme Khyber	2012	Non-Functional	Matiari	Electricity	Nil
78	Matiari	Town Committee Matiari	RO Plant	Moosa Mohallah Matiari	2012	Non-Functional	Matiari	Electricity	Nil
79	Matiari	Bau Dero	RO Plant	Village Shahmir Ji Wassi	2014	Non-Functional	Matiari	Solar	Nil
80	Digri	Town Committee, Tando Jan Mohammad	RO Plant	Tando Jan Muhammad City	2013	Non-Functional	Mirpurkhas	NILL	Nil
81	Digri	Soofan Shan	RO Plant	Soofan Shan	2013	Non-Functional	Mirpurkhas	Solar	Nil
82	Digri	Mir Fateh Khan	Ultra-Filtration Plant	Soofiabad	2013	Non-Functional	Mirpurkhas	Solar	Nil
83	Hussain Bux Mari	Turk Ali Mari	Ultra-Filtration Plant	Ratanabad, Rana Shamshad House, Hyd Road, Mirpurkhas	2015	Non-Functional	Mirpurkhas	Solar	Nil
84	Jhudo	Silor Mori	RO Plant	Silor Mori	2013	Non-Functional	Mirpurkhas	Solar	Nil
85	Mirpurkhas	Municipal Committee, Mirpurkhas	Ultra-Filtration Plant	Eid Gah	2014	Non-Functional	Mirpurkhas	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
86	Mirpurkhas	Makhan Samo	RO Plant	Molla Dino Khaskheli	2014	Non-Functional	Mirpurkhas	Solar	Nil
87	Shujabad	Mirwah	RO Plant	Allah Rakhio Gorchani	2015	Non-Functional	Mirpurkhas	Solar	Nil
88	Shujabad	Jhulori	Ultra-Filtration Plant	Syed Ghulam Hyder Shah	2013	Non-Functional	Mirpurkhas	Solar	Nil
89	Shujabad	Mirwah	Ultra-Filtration Plant	Mirwah Gorchani	2012	Functional	Mirpurkhas	Solar	Nil
90	Sindhri	Girhore	RO Plant	Girhor Sharif	2013	Functional	Mirpurkhas	Solar	Nil
91	Sindhri	Phuladiyoun UF	Ultra-Filtration Plant	Phulladiyoun	2013	Non-Functional	Mirpurkhas	Electricity	Nil
92	Kandiaro	Dabhro	Ultra-Filtration Plant	Village Achi Masjid	2015	Non-Functional	Naushahro ferzoe	Solar	Nil
93	Kandiaro	Dabhro	Ultra-Filtration Plant	Village Morath	2015	Non-Functional	Naushahro ferzoe	Solar	Nil
94	Moro	Lalia	Ultra-Filtration Plant	Village Kandhra Colony	2012	Non-Functional	Naushahro ferzoe	Electricity	Nil
95	Moro	Lalia	RO Plant	Village Dargah Noor Shah	2015	Non-Functional	Naushahro ferzoe	Solar	Nil
96	Kamber	Ghabi Dero	RO Plant	Karohar (Hot Khan Marfani)	2014	Non-Functional	Qamber	Solar	Nil
97	Kamber	Ghabi Dero	RO Plant	Sono Khan	2015	Non-Functional	Qamber	Solar	Nil
98	Kamber	Beer Sharif	RO Plant	Beer Sharif	2014	Non-Functional	Qamber	Solar	Nil
99	Qubo Saeed Khan	Qubo Saeed Khan	RO Plant	Jan Mohammad Khoso	2012	Non-Functional	Qamber	Electricity	Nil
100	Qubo Saeed Khan	Qubo Saeed Khan	RO Plant	97000/Phull	2012	Non-Functional	Qamber	Electricity	Nil
101	Shadadkot	Municipal Committee, Shahdaddock	RO Plant	Qambrani	2014	Non-Functional	Qamber	NILL	Nil
102	Shadadkot	Aitbar Khan Chandio	RO Plant	Dhing	2014	Non-Functional	Qamber	Solar	Nil
103	Shadadkot	Aitbar Khan Chandio	RO Plant	Shah Nawaz Khan Magsi	2012	Non-Functional	Qamber	Solar	Nil
104	Shadadkot	Aitbar Khan Chandio	RO Plant	Village Chakiyani	2014	Non-Functional	Qamber	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
105	Shadadkot	Jamali	RO Plant	Muhammad Khan Bhutto	2012	Non-Functional	Qamber	Electricity	Nil
106	Warrak	Khandu	RO Plant	Khandu	2012	Non-Functional	Qamber	Electricity	Nil
107	Khipro	Kamil Hingoro	Ultra Filtration Plant	RO Plant Mehdiyer Samon Rank Dehar		Non-Functional	Sanghar	Solar	Nil
108	Khipro	Kamil Hingoro	RO Plant	RO Plant Ketloor U.C Renak Dehar		Non-Functional	Sanghar	Solar	Nil
109	Khipro	Kamil Hingoro	RO Plant	RO Plant for Mankore Gajo U.C Renak Dehar		Non-Functional	Sanghar	Solar	Nil
110	Khipro	Dhilayar	RO Plant	RO Plant Dhilayar		Non-Functional	Sanghar	Electricity	Nil
111	Shadadpur	Jhol	RO Plant	RO Plant Rukan Burira		Non-Functional	Sanghar	Solar	Nil
112	Shadadpur	Jhol	RO Plant	RO Plant Haji Suleman Mari		Non-Functional	Sanghar	Solar	Nil
113	Singhoro	Shah Mardanabad	RO Plant	RO Plant Rawtiani		Non-Functional	Sanghar	Solar	Nil
114	Singhoro	Manak Thaheem	RO Plant	RO Plant Bagho Wadadani		Non-Functional	Sanghar	Solar	Nil
115	Tando Adam	Manak Thaheem	RO Plant	RO Plant Tayyab Thaheem		Functional	Sanghar	Solar	Nil
116	Daur	Obh. Saweri	RO Plant	Ghulam Hyder Leghari	2013	Non-Functional	Shaheed Benazirabad	Solar	Nil
117	Nawabshah	Chanesar-II	RO Plant	Fateh Mohammad Warir	2013	Non-Functional	Shaheed Benazirabad	Solar	Nil
118	Sakrand	Bhoora	RO Plant	Village Budhal Shah	2013	Non-Functional	Shaheed Benazirabad	Solar	Nil
119	Garhi Yasin	Dakkan	Ultra-Filtration Plant	UF Plant at Jindo Dero	2013	Non-Functional	Shikarpur	Solar	Nil
120	Lakhi	Taib	Ultra-Filtration Plant	UF Plant at Taib	2015	Non-Functional	Shikarpur	Solar	Nil
121	Shikarpur	Karan	RO Plant	RO Plant Awal Shah Padhar	2016	Non-Functional	Shikarpur	Solar	Nil
122	Shikarpur	Lodhra	RO Plant	RO Plant	2013	Non-	Shikarpur	Not	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Abdul Rahim Machi		Functional		available	
123	Jati	Mureed Khoso	RO Plant	Yaqoob Munhoro	2012	Non-Functional	Sujawal	Solar	Nil
124	Jati	Mureed Khoso	UF Plant	Haji Saleh Muhammad Khoso	2012	Non-Functional	Sujawal	Solar	Nil
125	New Sukkur	Small Industries	RO Plant	Qureshi Goth	2012	Functional	Sukkur	Electricity	Nil
126	New Sukkur	Small Industries	Ultra-Filtration Plant	Micro Colony	2012	Functional	Sukkur	Electricity	Nil
127	Pano Aqil	Town Committee	RO Plant	Mubarakpur	2014	Functional	Sukkur	Solar	Nil
128	Pano Aqil	Town Committee	RO Plant	Thikrato	2012	Non-Functional	Sukkur	Solar	Nil
129	Rohri	Arore	RO Plant	Village Fazalabad	2014	Functional	Sukkur	Solar	Nil
130	Rohri	Ali wahan	RO Plant	Ali Wahan	2012	Functional	Sukkur	Solar	Nil
131	Rohri	Kandhra	RO Plant	Kandhra Town	2012	Non-Functional	Sukkur	Only Generator	Nil
132	Salehpat	Lal Jurio Shambrani	RO Plant	Shahbaz Dino Khorkhani	2014	Non-Functional	Sukkur	Solar	Nil
133	Salehpat	Salehpat	RO Plant	Riazabad	2014	Non-Functional	Sukkur	Solar	Nil
134	Salehpat	Salehpat	RO Plant	Sobo Mahar	2014	Non-Functional	Sukkur	Solar	Nil
135	Sukkur	Municiple Corporation Sukkur	Ultra-Filtration Plant	Regent Colony	2012	Functional	Sukkur	Electricity	Nil
136	Chamber	Town Committee, Chamber	RO Plant	Shero Sherani	2015	Non-Functional	Tando Allahyar	Solar	Nil
137	Chamber	Dad Jarwar	RO Plant	Dad Jarwar	2012	Non-Functional	Tando Allahyar	Electricity	Nil
138	Chamber	Landhi	RO Plant	Manthar Otho	2012	Non-Functional	Tando Allahyar	Electricity	Nil
139	Chamber	Rawat Laghari	RO Plant	Noor Muhammad Noondani	2015	Non-Functional	Tando Allahyar	Solar	Nil
140	Jhando Mari	Missan	RO Plant	Missan Wadi	2015	Non-Functional	Tando Allahyar	Solar	Nil
141	Jhando Mari	Missan	RO Plant	Ghulam Ali Leghari	2012	Semi-Functional	Tando Allahyar	Electricity	Nil
142	Jhando Mari	Missan	RO Plant	Nandhi Missan	2012	Non-Functional	Tando Allahyar	Electricity	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
143	Jhando Mari	Shahpur Rizvi	RO Plant	Shahpur Rizvi	2016	Non-Functional	Tando Allahyar	Electricity	Nil
144	Tando Allahyar	Dhingano Bozdar	RO Plant	Dhingano Bozdar	2013	Non-Functional	Tando Allahyar	Electricity	Nil
145	Tando Allahyar	Shah Inayat	RO Plant	Khair Muhammad Jarwar	2017	Non-Functional	Tando Allahyar	Solar	Nil
146	Tando Allahyar	Shaikh Mosa	RO Plant	Village Ditto Kalro	2015	Non-Functional	Tando Allahyar	Solar	Nil
147	Bulri Shah Kareem	Saeed Khan Lund	RO Plant	Haji Ghulam Hussain Abbasi	2012	Non-Functional	Tando Muhammad Khan	Solar	Nil
148	Chachro	Chelhar	RO Plant	Jhamrisar Meghwar Paro	2014	Functional	Tharparkar	Solar	Nil
149	Chachro	Gadro	RO Plant	Jogi Vero /Taluka Dahali	2015	Functional	Tharparkar	Solar	Nil
150	Chachro	Jesse Jo Par	RO Plant	Ismail Samejo Ji Dhani (Taluka Dahli)	2014	Non-Functional	Tharparkar	Solar	Nil
151	Chachro	Parno	RO Plant	Jamalani / Taluka Dahali	2014	Non-Functional	Tharparkar	Solar	Nil
152	Chachro	Gadro	RO Plant	Kalario Taluka Dahli	2014	Functional	Tharparkar	Solar	Nil
153	Chachro	Chachro	RO Plant	Waral / Taluka Dahali	2015	Non-Functional	Tharparkar	Solar	Nil
154	Chachro	Parno	RO Plant	Luqmanani / Taluka Dahali	2016	Non-Functional	Tharparkar	Solar	Nil
155	Chachro	Chachro	RO Plant	Burkio UC Chachro	2014	Non-Functional	Tharparkar	Solar	Nil
156	Chachro	Sarangiar	RO Plant	Charnor Sameja UC Charnore	2015	Non-Functional	Tharparkar	Solar	Nil
157	Chachro	Rajoro	RO Plant	Allahdad jo Tar	2014	Non-Functional	Tharparkar	Solar	Nil
158	Chachro	Kantio	RO Plant	Mithrio Pir Menghwar	2016	Functional	Tharparkar	Solar	Nil
159	Chachro	Sarangiar	RO Plant	Adam Rind Arbab Paro UC Charnore	2016	Non-Functional	Tharparkar	Solar	Nil
160	Chachro	Sarangiar	RO Plant	Samoon Rind UC Charnore	2014	Non-Functional	Tharparkar	Solar	Nil
161	Chachro	Kantio	RO Plant	Dakidahar	2016	Non-Functional	Tharparkar	Solar	Nil
162	Chachro	Chachro	RO Plant	Bharmal Jo	2015	Non-	Tharparkar	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
				Goth UC Chachro		Functional			
163	Chachro	Tardos	RO Plant	Haji Aleem Dhani Phuloo Samoon	2015	Functional	Tharparkar	Solar	Nil
164	Chachro	Hirar	RO Plant	Tar Sameja	2015	Functional	Tharparkar	Solar	Nil
165	Chachro	Hirar	RO Plant	Bhane Jo Tar	2015	Non-Functional	Tharparkar	Solar	Nil
166	Chachro	Chachro	RO Plant	Jalal Jo Tar UC Chachro	2015	Non-Functional	Tharparkar	Solar	Nil
167	Chachro	Mithrio Charan	RO Plant	Hisham Samejo Ji Dhani	2016	Non-Functional	Tharparkar	Solar	Nil
168	Chachro	Chachro	RO Plant	Bhotio	2016	Functional	Tharparkar	Solar	Nil
169	Diplo	Dhabharo	RO Plant	Amarno Soomro	2016	Functional	Tharparkar	Solar	Nil
170	Diplo	Khetlari	RO Plant	Chahoo Suthar	2013	Functional	Tharparkar	Solar	Nil
171	Diplo	Jhirmirio	RO Plant	Sareh Juneja	2015	Functional	Tharparkar	Solar	Nil
172	Diplo	Jhirmirio	RO Plant	Meghraj Veri	2016	Non-Functional	Tharparkar	Solar	Nil
173	Diplo	Bhittaro	RO Plant	Mir Ali Nawaz	2014	Non-Functional	Tharparkar	Solar	Nil
174	Diplo	Bolhari	RO Plant	Sarhor	2015	Non-Functional	Tharparkar	Solar	Nil
175	Diplo	Kaloi	RO Plant	Lass	2015	Functional	Tharparkar	Solar	Nil
176	Diplo	Kaloi	RO Plant	Kharik	2015	Non-Functional	Tharparkar	Solar	Nil
177	Diplo	Khetlari	RO Plant	Modo Lund	2014	Functional	Tharparkar	Solar	Nil
178	Mithi	Bhakuo	RO Plant	Chupni Vasaipota	2015	Functional	Tharparkar	Solar	Nil
179	Mithi	Mithrio Bhatti	RO Plant	Rangilo	2014	Functional	Tharparkar	Solar	Nil
180	Mithi	Malanhor Veena	RO Plant	Lakhmair Menghwar Paro	2014	Non-Functional	Tharparkar	Solar	Nil
181	Mithi	Joruo	RO Plant	Mithrio Khokhar Gull Paro / UC Joruo	2015	Non-Functional	Tharparkar	Solar	Nil
182	Mithi	Mohrano	RO Plant	Dabho Vikia	2015	Functional	Tharparkar	Solar	Nil
183	Mithi	Joruo	RO Plant	Tayyab Wandh Ji	2014	Functional	Tharparkar	Solar	Nil
184	Mithi	Joruo	RO Plant	Junaid Wandh Ji	2014	Functional	Tharparkar	Solar	Nil
185	Mithi	Mohrano	RO Plant	Tobhario	2015	Non-	Tharparkar	Solar	Nil

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				Juneja		Functional			
186	Mithi	Mithrio Bhatti	RO Plant	Kamro	2015	Non-Functional	Tharparkar	Solar	Nil
187	Mithi	Islamkot	RO Plant	Sinhar Vikiya Lachhman Meghwar Para	2015	Functional	Tharparkar	Solar	Nil
188	Mithi	Islamkot	RO Plant	Shahmeer Vikia / UC / Taluka Islamkot	2015	Non-Functional	Tharparkar	Solar	Nil
189	Mithi	Islamkot	RO Plant	Giryanchho	2014	Functional	Tharparkar	Solar	Nil
190	Mithi	Singaro	RO Plant	Menhoon Lanjo	2014	Non-Functional	Tharparkar	Solar	Nil
191	Mithi	Joruo	RO Plant	Lunihar	2014	Functional	Tharparkar	Solar	Nil
192	Mithi	Joruo	RO Plant	Harbusar UC Posarko	2014	Non-Functional	Tharparkar	Solar	Nil
193	Mithi	Khario Ghullam Shah	RO Plant	Moro ji Dhani	2014	Functional	Tharparkar	Solar	Nil
194	Mithi	Singaro	RO Plant	Fato Halepoto UC Jiando Dars	2013	Functional	Tharparkar	Solar	Nil
195	Mithi	Manjathi	RO Plant	Moratali UC Boharri Taluka Islamkot	2015	Functional	Tharparkar	Solar	Nil
196	Nangarparkar	Pillu	RO Plant	Harsorio Wodo	2016	Functional	Tharparkar	Solar	Nil
197	Nangarparkar	Harho	RO Plant	Jhundani Hussain Bux Paro	2014	Non-Functional	Tharparkar	Solar	Nil
198	Nangarparkar	Tugusar	RO Plant	Tigusar Bachal Paro	2016	Functional	Tharparkar	Solar	Nil
199	Ghorabari	Udasi	RO Plant	Udasi City	2016	Non-Functional	Thatta	Solar	Nil
200	Ghorabari	Town Committee Ghorabari	RO Plant	Gharo City	2012	Non-Functional	Thatta	Solar	Nil
201	Thatta	Jehmpir	RO Plant	Amir Bux Jakhro	2017	Non-Functional	Thatta	Solar	Nil
202	Samaro	Samaro Road	Ultra-Filtration Plant	UF Plant Pir Bux Dhonkai	2013	Non-Functional	Umerkot	Solar	Nil
203	Taluka Kunri	Talhi	RO Plant	Talhi City	2017	Non-Functional	Umerkot	Solar	Nil
204	Taluka Kunri	Bustan	RO Plant	Qazi Sadiq	2015	Non-	Umerkot	Solar	Nil

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
						Functional			
205	Taluka Kunri	Nabisar Thar	RO Plant	Doulat Khan Chandio	2013	Non-Functional	Umerkot	Solar	Nil
206	Taluka Pithoro	Chhachhro @ Syed Ghulam Hyder Shah	RO Plant	RO Plant Muhammad Ismail Rind	2013	Non-Functional	Umerkot	Solar	Nil
207	Taluka Pithoro	Ghulam Nabi Shah	RO Plant	RO Pir Muhammad Walhari	2013	Non-Functional	Umerkot	Solar	Nil
208	Taluka Umerkot	Gharibabad	RO Plant	RO Plant Faqeer Halo Bheel	2017	Non-Functional	Umerkot	Solar	Nil
209	Taluka Umerkot	Gharibabad	RO Plant	RO Plant Rohal Waha	2013	Non-Functional	Umerkot	Solar	Nil
210	Hyderabad	Moosa Khatian	RO Plant	RO Plant Khadim Hussain Shah	2014	Non-Functional	Hyderabad	Solar	Meter Not available
211	Hyderabad	Moosa Khatian	RO Plant	Village Moosa Khatian	2014	Non-Functional	Hyderabad	Solar	Meter Not available
212	Hyderabad	Tando Alam Mari	RO Plant	Tando Alam Mari at Main Stop	2014	Non-Functional	Hyderabad	Solar	Meter Not available
213	Hyderabad	Dhamchani	RO Plant	Village Tando Qaiser	2014	Functional	Hyderabad	Solar	Meter Not available
214	Hyderabad City	UC 8	Ultra-Filtration Plant	DO Qabar Qila	2012	Functional	Hyderabad	Electricity	Meter Not available
215	Qasimabad	UC 04	Ultra-Filtration Plant	UF Plant Sajjan Detho	2012	Functional	Hyderabad	Solar	Meter Not available
216	Gambat	Ripri	Ultra-Filtration Plant	U.F Plant Khralabad	13	Plant not exist	Khairpur	NILL	Not applicable
217	Larkana	Beero Chandio	RO Plant	Village Ratokot	2012	Not Executed	Larkana	NILL	Not physically verified
218	Larkana	Beero Chandio	RO Plant	Village Rohal Bugti	2012	Functional	Larkana	Electricity	Not physically verified
219	Larkana	Dhamrah	RO Plant	Mithodero	2010	Not Executed	Larkana	NILL	Not physically verified
220	Gadap Town	Gadap	RO Plant	RadhoJokhio	2013	Functional	Malir Karachi	Solar	Meter not available

Sr.	Name of Taluka	Local Council	Scheme - Category	Name of Scheme	Scheme Year	Status	Districts	Energy Source	TDS
221	Gadap Town	Chohar	RO Plant	Bokhari Village	2013	Functional	Malir Karachi	Solar	Meter not available
222	Gadap Town	Chohar	RO Plant	Quaid-e-Azam Public School	2013	Functional	Malir Karachi	Solar	Meter not available
223	Gadap Town	Kharkharo	RO Plant	Kamal Khan Jokhio	2012	Non-Functional	Malir Karachi	Solar	Meter not available
224	Murad Memon	Kharkharo	RO Plant	Noor Muhammad Jokhio Village	2013	Functional	Malir Karachi	Solar	Meter not available
225	Murad Memon	Konkar	RO Plant	Gabool Stop	2013	Functional	Malir Karachi	Solar	Meter not available
226	Murad Memon	Murad Memon	RO Plant	Abdul Karim Muhalla, Memon Goth	2013	Non-Functional	Malir Karachi	Electricity	Meter not available
227	Shah Mureed	Shah Mureed	RO Plant	RO Plant at GohramBrohi, Goth, Subdivision, Shah Mureed (SID), HGW, Govt: Sindh	2013	Functional	Malir Karachi	Solar	Meter not available
228	Hala	Municipal Committee Hala	RO Plant	Shia Imam Bargah Hala	2017	Functional	Matiari	Solar	Meter not installed
229	Chamber	Town Committee, Chamber	RO Plant	Shero Sherani	2015	Non-Functional	Tando Allahyar	Solar	Not found