



AUDIT REPORT  
ON  
THE ACCOUNTS OF  
TEHSIL MUNICIPAL ADMINISTRATIONS  
BAHAWALPUR  
AUDIT YEAR 2013-14

AUDITOR GENERAL OF PAKISTAN

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Department Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PDG	Punjab District Governments
PLGO	Punjab Local Government Ordinance
POL	Petroleum Oil and Lubricants
RDA	Regional Directorate of Audit
TAC	Tehsil Accounts Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Municipal Regulations)

## **Preface**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to audit the accounts of the Provincial Governments and the accounts of any authority or body established by, or under the control of, the provincial government. Accordingly, the Audit of all Receipts and Expenditures of the District Government Fund and Public Account of District Government is the responsibility of the Auditor General of Pakistan.

The report is based on audit of the accounts of Tehsil Municipal Administrations of District Bahawalpur for the Financial Year 2012-13. The Directorate General of Audit District Governments Punjab (South), Multan conducted audit during 2013-14 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1.00 million or more and also the non compliant observations which were included in Annex-I of Audit Report for the Audit Year 2012-13. Relatively less significant issues are listed in the Annex-I of the Audit Report. The audit observations listed in the Annex-I shall be pursued with the Principal Accounting Officer at the DAC level and in case the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

The Audit results indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to prevent recurrence of such violations and irregularities.

The observations included in this Report have been finalized in the light of written responses and discussion in DAC meetings.

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

**Islamabad**  
**Dated:**

**(Muhammad Akhtar Buland Rana)**  
**Auditor General of Pakistan**

## **EXECUTIVE SUMMARY**

The Directorate General Audit, District Governments, Punjab (South), Multan, a Field Audit Office of the Auditor General of Pakistan, is responsible to carry out the audit of all District Governments in Punjab (South) including Tehsil and Town Municipal Administrations. Regional Directorate of Audit Bahawalpur has audit jurisdiction of District Governments, TMAs and UAs of three Districts i.e. Bahawalpur, Bahawalnagar and Rahim Yar Khan.

The Regional Directorate has a human resource of 26 officers and staff, constituting 450 man days and the budget of Rs 13.879million per financial year. It has the mandate to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly RDA Bahawalpur carried out audit of the accounts of six TMAs of District Bahawalpur for the Financial Year 2012-13 and the findings included in the Audit Report.

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

The total Development Budget of six TMAs in the District Bahawalpur mentioned above for the financial year 2012-13 was Rs 608.680 million and expenditure incurred of Rs 417.067 million showing savings of Rs 191.613 million in the year. The reasons for savings in Development and Non-development Budgets are required to be provided by TMO and PAO concerned.

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

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

**a. Scope of Audit (Audit of Expenditure and Receipts)**

Audit of development expenditure of Rs 98.955 million out of total expenditure of Rs 417.067 million was carried out, and audit of non-development expenditure Rs 321.222 million out of total expenditure of Rs 821.470 million for the financial year 2012-13 was conducted which is 23.73% & 39.10% of development and non-development expenditures respectively. Total overall expenditure of TMAs of District Bahawalpur for the financial year 2012-13 was Rs 1238.537 million, out of which overall expenditure of Rs 420.177 million was audited which, is 33.93% of total expenditure. Therefore, there was 100% achievement of the planned audit activities.

Total overall receipt of TMAs of District Bahawalpur for the financial year 2012-13 was Rs 218.725 million, out of which overall receipt of Rs 175.016 million was audited which, is 80% of total receipt.

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

Recoveries of Rs 175.016 million were pointed out through various audit paras and no recovery was effected till compilation of this Report which was not in the notice of the management before audit.

**c. Audit Methodology**

Audit was conducted after understanding the business processes of TMAs with respect to its functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity. Audit used desk audit techniques for analysis of compiled data and review of permanent files / record. Desk Audit greatly facilitated identification of high risk areas for substantive testing in the field.

#### **d. Audit Impact**

Significant issues like non-production of record, outstanding recoveries, financial irregularities and non-compliance of rules were provided by Audit PAOs agreed in DAC meetings, to effect recoveries relating to water charges, conversion fee of private housing schemes, map fees, etc. This huge amount of outstanding recoveries would bring revenue to Government exchequer besides promulgation of rules and financial discipline.

In some cases, PAOs agreed to hold enquiries to rule out reasons for non-production of record to Audit/deviation from financial discipline, overpayments to contractors etc. and fix responsibilities accordingly.

#### **e. Desk Audit**

Desk review helped auditors in understanding the systems, procedures, environment of entity and identification of high risk areas for additional compliance testing in the field. The Audit Command Language (ACL) was applied centrally on the Payroll part of Appropriation Account. As a result, certain irregularities and overpayments were identified, which were communicated to field audit officers for verification and follow-up action.

#### **f. The Key Audit Findings**

- i. Misappropriation /Fraud of Rs 5.117 million was noted in four cases<sup>1</sup>
- ii. Non Production of record of Rs 744.739 million was noted in eight cases<sup>2</sup>
- iii. Irregularities of Rs 139.007 million were noted in eighteen cases<sup>3</sup>.
- iv. Performance issues involving an amount of Rs 177.347million were noted in twenty two cases<sup>4</sup>.
- v. Weaknesses of internal controls and loss of Rs 347.743 million was noted in nineteen cases<sup>5</sup>.

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<sup>1</sup> Para: 1.7.1.1, 1.8.1.1, 1.9.1.1, 1.9.1.2

<sup>2</sup> Para: 1.2.1.1, 1.3.1.1, 1.4.1.1, 1.5.1.1, 1.6.1.1, 1.7.2.1, 1.8.2.1, 1.9.2.1

<sup>3</sup> Para: 1.3.2.2, 1.5.2.1, 1.6.2.1 to 1.6.2.6, 1.7.3.1 to 1.7.3.6, 1.8.3.1, 1.9.3.1 to 1.9.3.3

<sup>4</sup> Para: 1.2.3.1 to 1.2.3.2, 1.3.3.1 to 1.3.3.2, 1.4.2.1 to 1.4.2.2, 1.5.3.1, 1.7.4.1 to 1.7.4.6, 1.8.4.1 to 1.8.4.2, 1.9.4.1 to 1.9.4.7

<sup>5</sup> Para: 1.2.3.1 to 1.2.3.3, 1.3.4.1 to 1.3.4.4, 1.4.3.1 to 1.4.3.3, 1.5.4.1 to 1.5.4.4, 1.6.3.1 to 1.6.3.3, 1.8.5.1 to 1.8.5.2

Audit paras on the accounts for financial year 2012-13 involving procedural violations including internal controls weaknesses, and irregularities which were not considered reporting to Provincial PAC have been included in Memorandum For Departmental Accounts Committee (Annex-A).

#### **g. Comments on Internal Control and Internal Audit department**

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

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

#### **h. Recommendations**

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

- i. Production of record to audit for verification
- ii. Hold investigations for wastage, fraud, misappropriation and losses, and disciplinary actions after fixing responsibilities.
- iii. Strengthening of financial and managerial controls
- iv. Compliance of DAC directives and decisions in letters and spirit
- v. Expediting recoveries pointed out by Audit as well as other recoveries in the notice of management
- vi. Compliance of relevant laws, rules, instructions and procedures, etc.
- vii. Appropriate actions against officers/officials responsible for violation of rules and losses
- viii. Addressing systemic issues to prevent recurrence of various omissions and commissions.



## SUMMARY TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rs in million)			
Sr. No.	Description	No.	Budget / Expenditure
1	Total Entities (PAOs) in Audit Jurisdiction	06	1,806.177
2	Total Formations in Audit Jurisdiction	06	1,806.177
3	Total Entities (PAOs)/ DDOs Audited	06	1,806.177
4	Audit & Inspection Reports	06	1,806.177
5	Special Audit Reports	Nil	Nil
6	Performance Audit Reports	Nil	Nil
7	Other Reports (Relating to TMA)	Nil	Nil

**Table 2: Audit Observations**

(Rs in million)		
Sr. No.	Description	Amount placed under audit observation
1	Unsound asset management	806.915
2	Weak financial management	105.251
3	Weak Internal controls relating to financial management	347.743
4	Others	154.044
<b>Total</b>		<b>1,413.953</b>

**Table 3: Outcome Statistics  
Expenditure Outlay Audited**

(Rs in million)

Sr. No.	Description	Physical Assets	Civil Works	Receipt	Others	Total Current Year	Total Last Year
1	Outlays audited	407.897	417.067	218.725	413.570	1457.259*	2,937.05
2	Amount placed under audit observation / irregularities	407.897	395.55	175.016	435.49	1413.953	2544.406
3	Recoveries pointed out at the instance of Audit	-	-	175.016	-	175.016	2504.37
4	Recoveries accepted / established at the instance of Audit	-	-	175.016	-	175.016	2504.37
5	Recoveries realized at the instance of Audit	-	-	-	-	-	-

\*The amount mentioned against Sr. No. 01 in column of "Total is a sum of expenditures and receipts whereas the total expenditure was Rs 1,238.537 million

**Table 4: Irregularities pointed out**

(Rs in million)

Sr. No.	Description	Amount under Audit observation
1	Violation of rules and regulations and principle of propriety and probity.	141.338
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public funds.	5.117
3	Quantification of weaknesses of internal controls system.	347.743
4	Recoveries, overpayments, or unauthorized payments of public money.	175.016
5	Non-production of record to Audit	744.739
6	Others , including cases of accidents, negligence etc.	-
<b>Total</b>		<b>1,413.953</b>

# CHAPTER-1

## 1. TEHSIL MUNICIPAL ADMINISTRATIONS, BAHAWALPUR

### 1.1.1 Introduction:

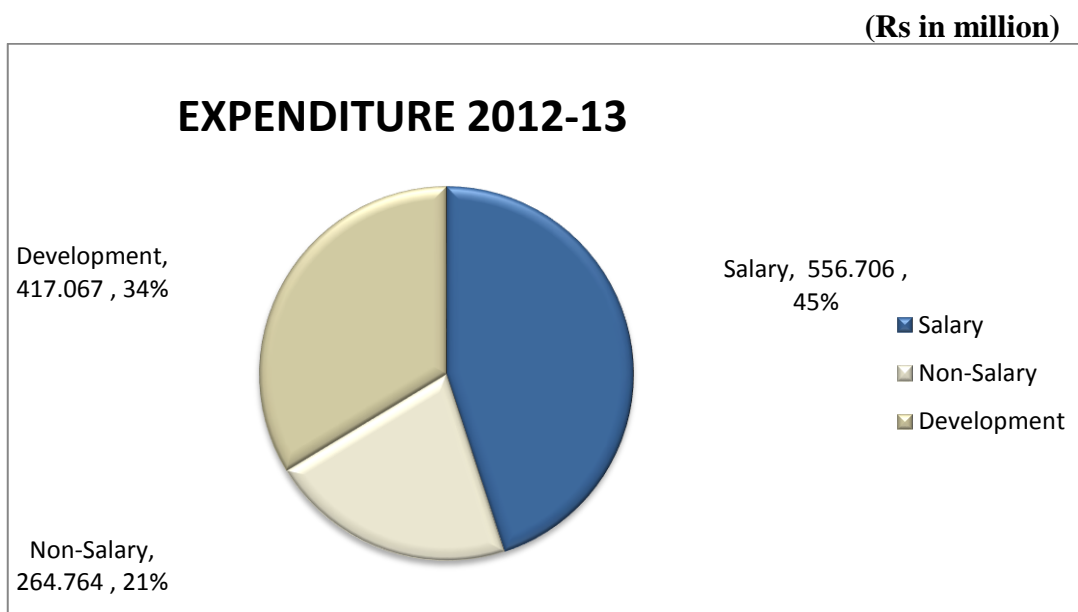
According to 1998 population census, the population of District Bahawalpur is 2.433 million. District Bahawalpur comprises of six TMAs namely Bahawalpur (City), Bahawalpur (Saddar), Kairpur Tamewali, Hasilpur, Ahmadpur East and Yazman. Business of TMAs is run by the Administrator and five Drawing & Disbursing Officers i.e. TMO, TO (I&S), TO (Finance), TO (P&C) and TO (Regulations) under Punjab Local Government Ordinance, 2001.

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

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

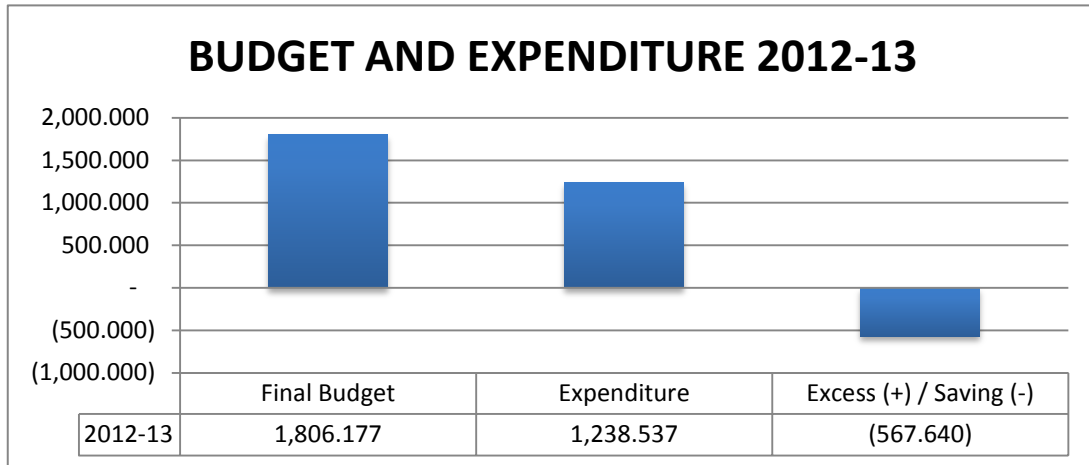
**(Rs in million)**

2012-13	Budget	Expenditure	Excess (+) / Savings (-)	% (Savings)
Salary	698.698	556.706	141.992	20.322
Non-salary	498.799	264.764	234.035	46.920
Development	608.680	417.067	191.613	31.480
<b>Total</b>	<b>1,806.177</b>	<b>1,238.537</b>	<b>567.640</b>	<b>31.428</b>



As per the budget books the expenditure relating to TMAs in District Bahawalpur was Rs 1,238.537 million against original budget of Rs 1,806.177million. There was a saving of Rs 567.640 million for which the reasons should be explained by the PAO, Tehsil Nazims and management of TMAs.

(Rs in million)



### 1.1.3 Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13

Audit Paras of Audit reports of remaining TMAs for the Audit year 2012-13 have not been attended to despite the direction of DAC. These paras are reported included in this Report.

### 1.1.4 Brief Comments on the Status of Compliance of Audit Paras of Annex-I of Audit Report 2012-13

Audit Paras reported in Annex-I of last year Audit Report have not been attended to despite the directions of DAC. These paras are also reported in this Report.

### 1.1.5 Brief Comments on the Status of Compliance with PAC/ZAC Directives

Sr. No.	Audit Year	No. of Paras	Status of PAC / ZAC Meetings
1.	2009-12	67	Nil
2.	2012-13	30	Nil

As indicated in the above table, no PAC/ZAC meeting was convened to discuss the Audit Report of TMAs Bahawalpur.

# AUDIT PARAS

## 1.2 TMA Bahawalpur (City)

## **1.2.1 Non Production of Record**

### **1.2.1.1 Non Production of Record – Rs 1.108 Million**

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

Contrary to above, TMO Bahawalpur (City) did not produce record despite repeated request of expenditure incurred and revenue realized under different objects / codes of classification during 2012-13 as detailed below, in violation of above rule.

1. Dead stock register.
2. Record of enquiries and thefts etc.
3. Detail of all assets (moveable and immoveable).
4. Survey reports for the period 2012-13 (Taxable Items)
5. Development schemes forwarded to D.D.C with confirmation of dispatch register.
6. Record of rent of shops with agreements and rates during 2012-13.
7. List of sanctioned and filled posts of entire staff of the TMA.
8. Record of commercialization fee collected from all residential buildings being used / converted for commercial purposes; i.e. private schools / colleges, different offices, beauty parlors and hospitals etc.
9. Log books / relevant record of repair – Rs 1.108 million.
10. History sheets.

Legitimacy of expenditure incurred / revenue earned could not be ensured due to non-production of record.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all the record was available in the office and ready for audit scrutiny, but no record was produced for verification.

DAC in its meeting held on 21.03.2014 directed to produce the record at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 31&14]

## 1.2.2 Internal Control Weaknesses

### 1.2.2.1 Loss due to Non / Less Realization of Revenue and Arrears – Rs 293.451 Million

According to Rule 76 of the Punjab District Governments & TMA (Budget) Rules, 2003, “the collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.”

Contrary to above, TMO Bahawalpur (City) did not make due efforts during 2012-13 to recover / realize revenue of Rs 293.451 million on account of sewerage tax, water rates, license & permit fee, rent of shops and professional tax etc. in violation of above rule. The detail is given below.

(Amount in Rupees)

Sr. No.	Particulars	Period	Recoverable Amount
1	Sewerage Tax (Residential)	2012-13	8,746,400
	Sewerage Tax (Commercial)	-do-	158,000
2	Professional Tax	-do-	54,000
3	License & Permit Fee	-do-	523,500
	Water Rates	-do-	431,288
	Rent of Shops (Previous Years )	-do-	34,661,829
	Rent of Shops (Current Year)	-do-	7,083,585
4	Commercialization Fee	-do-	241,792,000
<b>Total</b>			<b>293,450,602</b>

The loss occurred due to ineffective financial controls and laxity of the management.

TMA was facing financial hardships due to less realization of T.M.A revenue amounting to Rs 293.451 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that a survey was being conducted during current year. The previous survey included the drains and not the sewer facility. Some recoveries had been effected and efforts were being made for remaining recoveries.

DAC in its meeting held on 21.03.2014 directed to recover the stated amount and deposit into relevant head of account.

No progress was reported till finalization of this Report.

Audit recommends that due amount be recovered and deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Paras: 07, 09, 15, 29 & 30]



## 1.2.3 Performance

### 1.2.3.1 Loss due to Rental Sound System, Lighting and Tenting – Rs 2.873 Million

According to Rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though 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.

Contrary to above, TMO Bahawalpur (City) incurred an expenditure of Rs 2.873 million during 2012-13 on rental sound system, lighting and tenting on the events of Eidul Fitr, Eidul Azha, 14 August & Eid Miladul Nabi. The rental expenditure was illogical because the total amount of rent paid was more than the value of items. Audit is of the view that as items listed below were required every year, therefore this expenditure could have been curtailed by purchasing these items.

(Amount in Rupees)

Sr. No.	Event	Rental Expenditure during 2012-13			
		Sound System	Lighting	Tenting	Generator
1	Eidu lFitr	0	85,000	417,000	12,850
2	Eidul Adha	0	15,000	168,200	10,000
3	Eid-e-Milad-un-Nabi	226,000	41,500	103,636	2,000
4	Independence Day 14 August	116,246	28,200	48,665	0
5	Moharram	0	29,450	221,084	318,300
6	Chehulam	0	0	15,464	17,604
7	Flower Show	0	23,500	0	0
8	Ramzan Bazaar	0	0	811,440	0
9	Jashan-e-Bahran	0	0	148,344	0
<b>Total Loss</b>		<b>342,246</b>	<b>222,650</b>	<b>1,933,833</b>	<b>360,754</b>
<b>Grand Total</b>		<b>2,859,650</b>			

The above irregularity occurred due to poor management.

Due to above action of management TMA sustained a financial loss.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all the expenditure was incurred after fulfillment of codal formalities. Quotations were called for through advertisement and the quotations of lowest bidder were accepted. The reply was irrelevant and administration should purchase these items.

DAC in its meeting held on 21.03.2014 directed that the expenditure be got regularized from competent authority at the earliest

No progress was reported till finalization of this Report.

Audit recommends that the expenditure be got regularized from competent authority besides fixing of responsibility against the concerned under intimation to Audit.

[AIR Para: 12]

### 1.2.3.2 Loss due to Misuse of Fire Brigade and POL – Rs 1.553 Million

As per Gazette Notification of TMA dated 18.05.2006, the fire brigade should not be used for any purpose other than to defuse fire.

Contrary to above, TMO Bahawalpur (City) consumed POL of 15,133 liters during 2012-13 on three fire brigades out of which only 344 liters were spent on fire fighting and remaining 14,789 liters of POL costing Rs 1.553 million were used for sprinkling and watering the houses of the different officers etc. which was unjustified and not covered by the rules. Water tankers with tractors were also being used for the same purpose. The detail is given below.

(Amount in Rupees)

Sr. No.	Fire Brigade No.	POL consumed (Liters )	POL used to defuse the fire (Liters )	POL used for other purpose (Liters )	Rate per liter	Loss
1	Bedford BRA-5731	6,297	0	6,297	105	661,185
2	Hino No. 1	5,921	0	5,921	105	621,705
3	Hine No. 2	2,915	344	2,571	105	269,955
<b>Total</b>		<b>15,133</b>	<b>344</b>	<b>14,789</b>		<b>1,552,845</b>

The loss occurred due to misuse of public resources and ineffective financial and managerial controls.

Misuse of fire brigade and expenditure thereof caused a loss of Rs 1.553 million to the T.M.A.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the sprinkling of water on plants / green belts was also necessary for growth of the plants / grass. Therefore, all the expenditure was justified. The reply was not accepted as the tankers were also being used and there was no provision to use the fire brigade for this purpose.

DAC in its meeting held on 21.03.2014 directed to get the expenditure regularize from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 02]

## 1.3 TMA Bahawalpur (Saddar)

### 1.3.1 Non Production of Record

#### 1.3.1.1 Non Maintenance / Production of Record – Rs 104.154 Million

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

Contrary to above, TMO Bahawalpur (Sadar) did not either maintain or produce record despite repeated request of expenditure incurred/ revenue realized under different objects / codes of classification amounting to Rs 104.154 million during 2012-13, in violation of above rule.

(Amount in Rupees)

Sr. No.	Description of record	Amount
1	Backup record of tax on transfer of immovable property	21,701,105
2	Receipt Record of Kachi Abadies	829,223
3	History sheets of vehicles expenditure	359,385
4	Classified account of income	81,264,458
5	Non Maintenance of official record of contractor receipt	1,862,000
6	Separate books of accounts	38,065,381
<b>Total</b>		<b>104,154,171</b>

Legitimacy of expenditure incurred / revenue earned could not be ensured due to non-production / maintenance of record.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the register regarding collection of all the taxes had been maintained and the complete record of KachiA badies i.e. Cash Book, Bank Challan, Receipt Book and D&C Registers were ready for verification. Further TO (F) was DDO and comparison and reconciliation of the accounts with TAO was made properly upto May, 2013 but remained pending due to accident of TO (F) which has now been made, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 21.03.2014 directed to produce the record at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 6,7,8,20, 21& 22]

## **1.3.2 Irregularities / Non Compliance**

### **1.3.2.1 Irregular Appointment without Prescribed Qualification and Up-gradation of Posts without Approval of Finance / S&GAD Department – Rs 1.060 Million**

As per service Rules, the prescribed qualification for the post of Electrician is matric and diploma in electronics. Moreover sanction of Finance / S & GAD Department is necessary for up gradation of the post.

Contrary to above, TMO Bahawalpur (Sadar) appointed Mr. Khalil-Ur-Rehman as electrician in BS-3 without having prescribed qualification. Moreover the post of Electrician was upgraded from BPS-03 to BPS-05 w.e.f.17.12.1995 and from BPS-05 to BPS-06 w.e.f. 01.12.2004 without approval of the Finance / S&GAD which resulted in irregular expenditure of Rs 1.060 million. The detail is given at Annex – B.

The above irregularity occurred due to negligence of the department.

Above action of the DDO resulted in irregular payment of pay and allowances.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the said electrician was appointed at TMA Ahmed Pur East in BS – 3, the post of electrician was upgraded on 17.12.1995 from BS – 3 to BS – 5. The same post was again upgraded from BS – 5 to BS – 6 on 18.10.2004 therefore, no irregular expenditure was incurred, but no record was produced in support of reply.

DAC in its meeting held on 21.03.2014 directed to get the irregularity condoned from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that irregularity be got condoned from the competent authority under intimation to Audit.

[AIR Para: 18]

### **1.3.3 Performance**

#### **1.3.3.1 Sanction of Technical Estimates after Work Order – Rs 2.600 Million**

According to Rule 14 of TMA Works Rules 2003, an estimate on the basis of which a work is to be undertaken shall be subject to;

- (a) Sanction and grant of administrative approval by the competent authority;
- (b) Technical sanction by competent authority in accordance with the provisions of these rules.
- (c) The authority competent to grant administrative approval or sanction may approve or sanction the estimates subject to such modifications as it may deem fit. Approval of the rates in the administratively approved estimates shall constitute authority for approving rates in the technical sanction.

Contrary to above, TMO Bahawalpur (Sadar) awarded contract for “Construction of sewer line Basti Bhayian” to M/S Al Aziz Builders vide work order No. 2171 dated 20-06-12 with the time limit of 3 months. The work was not completed within time period and an application was moved by the contractor for extension of time limit with the reason that “the work could not be completed due to non sanction of Technical Estimate” and time was extended for one month on this basis. It is not understood that how the tenders were floated and contract was awarded to the contractor without approval of TSE. Whereas, the date on TS shows that it was approved on 14-09-12 by the Chief Engineer (who is the competent authority). The work was completed with the cost of Rs 1.038 million.

Similarly “Laying of sewer line in streets of Basti Bilal Nagar” was allotted to M/S Al Aziz Builders vide work order No. 2170 dated 20-06-12 with time limit of 3 months without TS as revealed from application for time extension. TS was approved by the Chief Engineer on 14-09-12. The work was completed with the cost of Rs 1.007 million.

The irregularity occurred due to weak managerial controls and negligence of the department.

Above action of the management resulted in irregular expenditure of Rs 2.600 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the Chief Engineer vetted the estimate on 16.05.2012. The authorities were empowered to tender the project. The reply of the department was not acceptable as technical sanction was pre-requisite for floating and execution of work.

DAC in its meeting held on 21.03.2014 directed to get the expenditure regularized from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides fixing responsibility against the persons at fault, under intimation to Audit.

[AIR Para: 25]

### 1.3.3.2 Non-achievement of Targets of Receipts – Rs 1.110 Million

As per Rule 76 of PDG & TMA (budget) Rules 2003, “The primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Govt. fund under proper receipt head”. Furthermore as per Rule 47 of PLGO 2001 Chapter IV, Principles of Budgeting describe that in case the income provided under Head of A/C is not realized in full and it is less by more than 10% of the estimate provided in the budget the collecting officer shall be accountable for less receipt.

Contrary to above, TMO Bahawalpur (Sadar) fixed revenue target of Rs 7.889 million for the year 2012-13 on account of different heads of receipts, but the relevant staff did not make due efforts to achieve the targets. As a result revenue targets of 14% amounting to Rs 1.110 million could not be achieved during the year. The detail is given below.

(Amount in Rupees)

Sr. No.	Code	Particulars	Revised Target 2012-13	Actual Income 2012-13	Less Realization
1	C0388027	Fee for Approval of Building Construction Plan.	5,000,000	4,680,677	319,323
2	C0388042	Slaughter House Fee	40,000	34,095	5,905
3	C0388027	Sale of Bones of dead animal	120,000	113,000	7,000
4	C0388054	Sewerage Tax	60,000	55,915	4,085
5	C0388062	Cattle Market Fee	1,742,000	1,667,729	74,271
6	C0388076	Advertisement Fee of Bill Board / Hoardings	300,000	227,115	72,885
7	C0388083	Rent of Municipal Land (Urban Property)	29,000	0	29,000
8	C02705	Collection of payment for services rendered	50,000	0	50,000
9		ArreaRs	547,560	0	547,560
<b>Total</b>			<b>7,888,560</b>	<b>6,778,531</b>	<b>1,110,029</b>

The loss occurred due to poor performance of the staff and lack of due diligence by the management.

Poor performance of the staff resulted in loss of Rs 1.110 million to the TMA.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the recovery targets were enhanced to improve the recovery position and maximum targets were achieved. Efforts were being made for remaining recoveries. Documentary evidence was not produced in support of reply.

DAC in its meeting held on 21.03.2014 directed to comply with the directions of Audit.

No progress was reported till finalization of this Report.

Audit recommends that recovery be effected at the earliest besides taking disciplinary action against the person(s) under intimation to Audit. In future realistic target should be fixed.

[AIR Para: 01]



### **1.3.4 Internal Control Weaknesses**

#### **1.3.4.1 Abnormal Delays in Completion of Work and Non-Imposition of Penalty – Rs 4.176 Million**

As per clause 39 of contract agreement, the contractor shall pay, as compensation, an amount equal to one percent of the amount of the contract subject to the maximum of 10% or such smaller amount as the engineer in charge may decide, for delay in completion of work. Further, as per clause 37 of the contract agreement, the contractor shall apply in writing for time extension, thirty days before the due date of completion, if there are unavoidable circumstances and the work may be delayed.

The contractors of TMA Bahawalpur (Sadar) did not work with the desired pace and 23 development schemes were abnormally delayed during 2012-13. The contractors were also granted undue favor and penalty @ 10% of contract amount was not imposed despite the fact that they were neither granted time extension nor their requests for the same were on record. In some, cases the time extension was granted after completion of work and time extension allowed was more than the original time. Applications for time extension were not on diary or were not received, therefore, it could not be ascertained that the contractor applied for time extension well in time i.e. one month before the due date of completion. Moreover no copy of time extension was sent to higher authority / issued to contractor. This resulted in loss/over payment of Rs 4.176 million. The detail is given at Annex – C.

The loss occurred due to undue favour to the contractors and ineffective internal controls.

Undue favour to the contractors resulted in abnormal delays in completion of development projects and loss of Rs 4.176 million due to non-imposition of penalty.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that TO I&S had already imposed penalty as per his power. The cases were reviewed in the light of audit observation and penalties were imposed on remaining contractors. The reply of the department was not acceptable as procedure for applications, penalties and issuance of extension were not followed.

DAC in its meeting held on 21.03.2014 directed to recover the amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that amount of penalty be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 26]

#### **1.3.4.2 Expenditure beyond Jurisdiction – Rs 1.854 Million**

As per Rule 2.32 of PFR Vol-1 “It is not sufficient that a Government servant accounts should be correct to his own satisfaction. He has to satisfy not only himself but also to audit, that the claim which has been accepted is valid. It is necessary that all accounts should be so kept and details, so fully covered, as to afford the requisite means for satisfying any enquiry that may be made into the particulars of any case”. It is further added that the record of payments measurements and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts”.

Contrary to above, TMO Bahawalpur (Sadar) awarded the contract “Construction of Soling from Chak No. 27/BC to Izafi Basti Chak No. 27/BC” to M/S Quick Builders vide work order No. 2181 dated 20-06-12 and the work was completed with the cost of Rs 846,599 likewise “Const. of Drain & Soling Basti Lal Shah, Basti Odan, UC # 27” was awarded to Aamad Ud Din vide work order No. 2805 dated 24-12-12 and the work was completed with the cost of Rs 1,007,821 the expenditure incurred was irregular as UC No. 27 did not fall under the jurisdiction of TMA Bahawalpur (Sadar).

The irregularity occurred due to negligence of the department.

Above action of the management resulted in irregular expenditure of Rs 1.854 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the work was carried out in Chak No. 27/BC instead UC No. 27 and Chak No. 27 fell within the jurisdiction of TMA, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 21.03.2014 directed to get the expenditure regularized from competent authority at the earliest.

Audit recommends that the irregularity be got condoned from competent authority besides fixation of responsibility against the persons at fault, under intimation to Audit.

[AIR Para: 27]

#### **1.3.4.3 Loss due to Non Recovery of Different Fees from Private Housing Schemes – Rs 1.795 Million**

As per Chapter VII Section 37 of the Punjab Private Housing Schemes and Land Subdivision Rules,

- (1) A developer shall deposit a preliminary planning permission fee along with application at the rate of
  - (a) Rupees five thousand for scheme having area up to two thousand kanal
  - (b) Rupees ten thousand for scheme having area above two thousand kanal

- (2) A developer shall deposit a fee for:
- Sanction of a scheme at the rate of rupees one thousand per kanal;
  - Approval of design and specifications for water supply, sewerage and drainage at the rate of rupees five hundred per kanal;
  - Approval of design and specifications for road, bridge and footpath of a scheme at the rate of rupees five hundred per kanal;
  - Approval of design and specifications for electricity and street light at the rate fixed by WAPDA or other agency responsible for electricity supply.

Contrary to above, TMO Bahawalpur (Sadar) failed to collect different fees from private housing schemes for the year 2012-13, which resulted in loss of Rs 1.795 million due to non collection of fees as per detail below.

(Amount in Rupees)

Sr. No.	Name of Scheme	Location	Area (Kanal)	Scrutiny Fee	Planning Permission Fee	Sanction Fee	Conversion Fee	Approval of design and specifications for water supply, sewerage	Approval of design and specifications for road, bridge and footpath	Total
1	Model Village Town	Chak No. 12 BC	84	0	5,000	84,000	840,000	42,000	42,000	1,013,000
2	Al-Raheem Garden	Chak No. 12 BC	64	0	5,000	64,000	648,500	32,000	32,000	781,500
<b>Total</b>				<b>0</b>	<b>10,000</b>	<b>148,000</b>	<b>1,488,500</b>	<b>74,000</b>	<b>74,000</b>	<b>1,794,500</b>

The irregularity occurred due to weak administrative / managerial controls.

The above action of the management resulted in loss to TMA amounting to Rs 1.795 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that amount of Rs 1,080,000 had been recovered whereas the documents of Al-Rahim Town had not been returned from the Revenue Department after verification, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 21.03.2014 directed to recover amount and deposit into relevant head of account at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against person(s) at fault under intimation to Audit.

[AIR Para: 3]

#### 1.3.4.4 Loss due to Non / Less Realization of Revenue and Arrears – Rs 1.313 Million

According to Rule 76 of the Punjab District Governments & TMA (Budget) Rules, 2003, “the collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.”

Contrary to above, TMO Bahawalpur (Sadar) did not make due efforts during 2012-13 to recover / realize revenue of Rs 1.313 million on account of professional tax, rent of shops, water rates, license & permit fee, sewerage tax etc. in violation of above rule. The detail is given below.

(Amount in Rupees)

Sr. No.	Particulars	Period	Amount
1	Professional Tax	2012-13	84,000
2	License & Permit Fee	-do-	78,000
	Publicity & Advertisement Fee		22,430
3	Electricity Charges from BDA	-do-	96,783
4	Rent of Building from BDA		300,000
5	Auction of Shops	2012-13	594,000
6	Development Charges	-do-	138,219
<b>Total</b>			<b>1,313,432</b>

The loss occurred due to ineffective financial controls and laxity of the management.

TMA was facing financial hardships due to less realization of T.M.A revenue Rs 1.313 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that efforts were being made to recover the amount.

DAC in its meeting held on 21.03.2014 directed to recover the stated amounts within a month.

No progress was reported till finalization of this Report.

Audit recommends that amount be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 10, 11, 13, 14, 16& 17]

## 1.4 TMA Yazman

## 1.4.1 Non Production of Record

### 1.4.1.1 Non Maintenance / Production of Record – Rs 31.248 Million

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

Contrary to above, TMO Yazman did not either maintain or produce record despite repeated request of revenue realized Rs 31.248 million under different codes of classification during 2012-13, in violation of above rule.

(Amount in Rupees)

Sr. No.	Description of record	Amount
1	Maintenance of record of contractor receipt.	6.388
2	Receipt on account of Transfer of Immoveable Property without back up record	24.860
<b>Total</b>		<b>31.248</b>

Legitimacy of expenditure incurred / revenue earned could not be ensured due to non-production of record.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all the record was available in the office and the same may please be verified at any time, but no record was produced in support of reply.

DAC in its meeting held on 27.03.2014 kept the para pending for verification of record during next regular audit.

No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 3 &4]

## 1.4.2 Performance

### 1.4.2.1 Non-achievement of Targets of Receipts – Rs 21.446 Million

As per Rule 76 of PDG & TMA (budget) Rules 2003, “The primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Govt. fund under proper receipt head”. Furthermore as per Rule 47 of PLGO 2001 Chapter IV, Principles of Budgeting describe that in case the income provided under Head of A/C is not realized in full and it is less by more than 10% of the estimate provided in the budget the collecting officer shall be accountable for less receipt.

Contrary to above, TMO Yazman fixed revenue targets of Rs 55.366 million for the year 2012-13 on account of different heads of receipts, but the relevant staff did not make due efforts to achieve the targets. The amount received was Rs 21.345 million which was 39% less than the determined targets. The detail is given below.

(Amount in Rupees)

Sr. No	Particulars	Target Amount	Receipts during the year	Less
1	Tax on transfer immoveable property	30,000,000	2,486,730	5,131,270
3	Sewerage tax	1,000,000	562,940	437,060
4	Advertisement	830,000	453,500	376,500
5	Slaughter house	200,000	105,090	94,910
6	Map fee & development	5,000,000	4,914,560	85,440
8	Rent of road roller	300,000	112,050	187,950
11	Water Rate	4,000,000	1,701,032	2,298,968
15	License Tax	1,200,000	517,800	682,200
16	Arrears	12,836,000	683,912	12,152,088
	<b>Total</b>	<b>55,366,000</b>	<b>33,919,614</b>	<b>21,446,386</b>

The loss occurred due to poor performance of the staff and lack of due diligence by the management.

Poor performance of the staff deputed for recovery resulted in loss of Rs 21.446 million to the TMA.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the targets could not be achieved due to shortage of staff, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 27.03.2014 directed to comply with the directions of Audit.

No progress was reported till finalization of this Report.

Audit recommends that the amount be recovered at the earliest besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 01]

#### **1.4.2.2 Execution of Development Work without Obtaining Performance Security – Rs 1.855 Million**

As per clause 26 (A) of the Contract Agreement “ In case the total tendered amount is less than 5% of the approved estimated amount, the lowest bidder will have to deposit additional performance security upto the extent of 10% as under”.

Contrary to above, TMO Yazman awarded 64 contracts with estimated cost of Rs 49.123 million which were below 5% to 35% but did not collect the performance security amounting to Rs 1.855 million from the contractors in violation of above rule. The detail is given at Annex – D.

The irregularity occurred due to weak managerial controls and negligence of the department.

Due to non-observance of the rules projects were executed without obtaining performance security of Rs 1.855 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all development schemes had been completed 100% by the contractors. The reply of the department was not accepted as the procedure was not followed in letter and spirit.

DAC in its meeting held on 27.03.2014 directed to get the irregularity condoned from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides fixing responsibility against the persons at fault, under intimation to Audit.

[AIR Para: 32]



### 1.4.3 Internal Control Weaknesses

#### 1.4.3.1 Loss due to Non Auction of Shops – Rs 8.239 Million

According to Rule 76 of the Punjab District Governments & TMA (Budget) Rules, 2003, the collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.

Contrary to above, TMO Yazman did not auction 107 vacant shops since 2003, while other shops and plots were auctioned which resulted in loss of revenue of Rs 8.239 million to the T.M.A. The detail is given below:

(Amount in Rupees)

Sr. No.	No of Shops	Period	Months	Per month recovery	Loss to TMA
1	107	August, 2003 to June, 2013	119	Rs . 300 from ( Aug 2003 to Aug 2008) Rs . 1000 (after re-assessment from Aug 2008 to date)	{(1926000 + 6313000) (300*60 months* 107 ) + (1000*59 months * 107)}
<b>Total</b>					<b>8,239,000</b>

The loss occurred due to ineffective financial and managerial controls and willful negligence of management.

T.M.A sustained loss due to non-auction of shops amounting to Rs 8.239 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that several attempts were made for auctioning of shops / commercial plot since 2003, but auction could not be finalized. Reply was not tenable as no documentary evidence was produced. DAC in its meeting held on 27.03.2014 directed to get the irregularity regularized from the competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got regularized from the competent authority under intimation to Audit.

[AIR Para: 8]

#### 1.4.3.2 Irregular Execution of Works – Rs 6.754 Million

According to Rule 32 of the Punjab Local Governments (Accounts) Rules, 2001, same vigilance shall be exercised in respect of expenditure from the Local Fund as a person of ordinary prudence would exercise in respect of his own money.

Contrary to above, TMO Yazman got executed seven (7) development works out of the jurisdiction / territory with a cost of Rs 6.754 million without obtaining NOC / approval from the concerned authority (i.e. CDA). This area did

not fall within the jurisdiction of TMA rather it was under Cholistan Development Authority as per record of TMA. The audit is of the view that chances of double payment i.e. TMA and Cholistan Development Authority cannot be ruled out. The detail is given at Annex – E.

The above irregularity occurred due to negligence of the management.

This action of management caused execution of work beyond the jurisdiction.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all these schemes were completed with the consultation of Public Representatives. Cholistan Development Authority did not execute such schemes and there was no chance of double payment. But no documentary evidence in support of reply was produced.

DAC in its meeting held on 27.03.2014 directed to produce the NOC from CDA at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that joint inquiry be conducted by the TMA and CDA under intimation to Audit.

[AIR Para: 18]

### 1.4.3.3 Embezzlement in License fee/Permit fee – Rs 1.337 Million

According to Rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though 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.

Contrary to above, TMO Yazman having 1108 shops but showed only 580 shops hence 528 shops were not / less collected revenue / license permit tax during 2012-13 as per Survey list provided by the TMA which resulted in loss of Rs 1.337 million as detailed below.

(Amount in Rupees)

Sr. No	Category of shop	Reported as per collecting officer	Reported as per Survey list	Difference in No.(embezzled shops)	Scheduled rate	Year	Embezzled amount
01	Grocery Store	425	919 (from Sr. No. 1381 to 2300)	494	500	2012-13	247,000
02	Pesticide/ fertilizer shops	155	189 (from Sr. No. 841 to 1030)	34	600	2012-13	20,400
		580	1108	528			
<b>Embezzlement in 2010-11</b>							<b>267,400</b>
<b>Embezzlement in( 2008-2013) (267400*05 years )</b>							<b>1,337,000</b>

The above irregularity occurred due to malafide intention of the department.

Above action of the DDO resulted in to a loss of Rs 1.337 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that license fee / permit fee was being recovered as per record of TMA. There was no embezzlement involved, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 27.03.2014 directed the TMO to constitute a fact finding inquiry committee for investigation of the matter and submit its report at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the recovery be effected besides taking disciplinary action against the persons at fault under intimation to Audit.

[AIR Para: 11]

## 1.5 TMA Khair Pur Tamewali

## 1.5.1 Non Production of Record

### 1.5.1.1 Non Maintenance / Provision of Record – Rs 93.285 Million

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

Contrary to above, TMO Khair Pur Tamewali did not either maintain or produce record despite repeated request of expenditure incurred amounting to Rs 76.415 million and revenue realized amounting to Rs 16.870 million under different objects / codes of classification during 2012-13, as detailed below in violation of above rule.

(Amount in Rupees)

Sr. No.	Particulars	Period	Amount
1	History Sheets Service books Detail of any fraud, misappropriations inquiries The record of Permit fee, water rate, sewerage tax, sanitation tax, copying Fee, Public latrine, Canteen, water tanki and fire brigade. Contractor ledge was not provided. Detail of assets. Encroached property. The record of renting of TMA Hall. Measurement Books. The detail of unserviceable material, equipment, vehicles and trees. The record of survey conducted. The record of auction of unserviceable material, stock etc. made and sales proceed.	2012-13	0
2	Record of tax on immovable property.	2012-13	12,845,646
3	Maintenance of Accounts and Official Record of Contractor receipt	2012-13	4,024,000
	<b>Sub Total</b>		<b>16,869,646</b>
4	Maintenance of separate books of accounts and classified accounts of Expenditure	2012-13	76,414,938
	<b>Sub Total</b>		<b>76,414,938</b>
	<b>Grand Total</b>		<b>93,284,584</b>

Legitimacy of expenditure could not be ascertained due to non production of record.

The matter was reported to the TMO and Administrator during the month of March, 2014. The TMO replied that all the record was now being maintained and is available. DAC in its meeting held on 25.03.2014 directed to produce the record at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the desired record be produced for verification and necessary action be initiated against the person(s) at fault, under intimation to Audit.

[AIR Paras: 2,9,30&35]

## **1.5.2 Irregularities / Non Compliance**

### **1.5.2.1 Loss to TMA due to payment of excessive rates – Rs 1.294 Million**

According to Rule 47 of the TMA Works Rules, 2003, the work order issued under rule 46 shall contain description of work, amount of work order, rate to be paid for it with details of the quantities to be executed and the time within which it is to be executed. Quantity of works shall not exceed the quantity provided in the technical estimates, as per terms of agreement with the contractor and rate should not be charged more than the rate of CSR.

Contrary to above, TMO Khair Pur Tamewali executed 17 development schemes for the period 2012-13, rates paid of different quantities were in excess of the rates provided in the composite rate schedule of Finance Department by adding irrelevant allied work items and by applying irrelevant rates. Further, rates of some items were paid in excess of the rates approved by the chief engineer which caused overpayment of Rs 1,294,429. The detail is given at Annex – F.

The irregularity occurred due to weak financial controls and negligence of the department.

Non-compliance of the terms of agreement resulted in excess payment of Rs 1.294 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that no excess payment was made in any estimate, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 25.03.2014 directed to get the expenditure regularized from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides fixing responsibility on the persons at fault, under intimation to Audit.

[AIR Para: 8]

### **1.5.3 Performance**

#### **1.5.3.1 Wastage of Public Money by Replacing of Soling by Metal Road – Rs 2.848 Million**

According to Rule 2.10(a)(1) of the PFR Vol-I “ Same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money”.

Contrary to above, TMO Khair Pur Tamewali executed the scheme “Construction of metal road RCC Culverts from Chandi Pur Road to Basti Zahoor madhar U/C Syed Imam Shah KPT” during the year 2012-13 and incurred expenditure of Rs 2,847,604 which was held irregular due to following reasons.

1. The existing soling 2000 RFTs (7080 CFT) was dismantled and expenditure of Rs 54,895 was incurred on dismantling. The same quantity of dismantled soling was used as sub base course which indicated that the soling was in good condition as per width 10’, depth 0.354’ and length 2000 RFTs. So, there was no need of replacement of soling.
2. The rate of Rs 775.35 was charged instead of Rs 246.85 as per CRS for dismantling of soling.
3. As per rate analysis of culverts there was no need of earth filling, and the road was constructed at existing level. So the cost of earth filling of Rs 279,102 (376788/2700x20000) was included in estimate for undue favour to contractor only.

The above irregularity occurred due to negligence of the department.

Above action of the management resulted in wastage of public fund.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that soling was not in good condition and deteriorated with the passage of time this scheme was proposed by concerned MPA – PP 273. The dismantled soling was used for sub base and rate of dismantled soling was as per MRS (1<sup>st</sup> Quarter) 2012, but no record was produced in support of reply.

DAC in its meeting held on 25.03.2014 directed to get the expenditure regularized from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the stated amount be recovered besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 4]

## **1.5.4 Internal Control Weakness**

### **1.5.4.1 Non Credit of Unclaimed Security – Rs 2.758 Million**

As per Rule 7.12 of PFR Vol-I, “Deposits unclaimed for more than three complete account years will, at the close of June in each year, be credited to Government by means of transfer entries.”

Contrary to above, TMO Khair Pur Tamewali did not credit the amount of Rs 2.758 million of security to the T.M.A which remained unclaimed for more than three years in violation of above rule. The detail is given at Annex – G.

The above irregularity occurred due to non-observance of prevailing rule.

The above action of the department caused authorized retention of security after permissible limit.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that Rule 7.12 of PFR Vol – 1 does not impose any such condition, but the reply of the department was not acceptable as rules of Finance Department are also applicable in the Local Government.

DAC in its meeting held on 25.03.2014 directed to credit the amount into relevant head of account.

No progress was reported till finalization of this Report.

Audit recommends that the stated amount be deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 32]

### **1.5.4.2 Abnormal Delays in Completion of Work and Non-Imposition of Penalty – Rs 1.555 Million**

As per clause 2 of contract agreement, the contractor shall pay, as compensation, an amount equal to one percent of the amount of the contract subject to the maximum of 10% or such smaller amount as the Engineer In charge may decide, for delay in completion of work. Furthermore, as per clause 37 of the contract agreement, the contractor shall apply in writing for time extension, thirty days before the due date of completion, if there are unavoidable circumstances and the work may be delayed

The contractors of TMA Khair Pur Tamewali did not work with the desired pace and completion of 11 development projects and were abnormally delayed. The contractors were granted undue favor and penalty @ 10% of contract amount was not imposed on the concerned contractors despite the fact that they were neither granted time extension nor their requests for the same were on record and in some cases the time extension was granted on un-justified / invalid reasons. The copy of the said order was neither sent to higher authority nor was issued to



the contractor. This resulted in over payment of Rs 1.555 million during 2012-13. The detail is given at Annex – H.

The loss occurred due to ineffective internal controls.

Due to non imposing of penalty TMA sustained loss of Rs 1.555 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that TMO and Administrator were authorized to grant the extension of time limit. The penalty was imposed and deducted from the payments of the contractor. The time extension was granted where needed and on genuine reasons, but the reply of the department was not accepted as no procedure was followed for submission of application , extension in time limit and issuance of extension order etc.

DAC in its meeting held on 25.03.2014 directed to recover the stated amount within a month.

No progress was reported till finalization of this Report.

Audit recommends that stated amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 20]

#### **1.5.4.3 Unjustified / Over Payment of Pay and Allowances – Rs 1.045 Million**

According to Rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though 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.

Contrary to above, TMO Khair Pur Tamewali made payment of pay allowances amounting to Rs 1.045 million to Mr. Qazi Shah Jahan for the period 2001-02 to 2012-13. The enquiry report No.419/11 of Directorate General (INSP. & MONT.) LG&CD Department revealed that the said employee was promoted as Accountant in BS-08 in 1990 by the Chairman Defunct Town Committee irregularly against the line of promotion of junior Clerk. The post of Accountant was of LCS Cadre and Divisional Commissioner was the competent authority not the Chairman Defunct Town Committee as per repealed Local Council Service Rules, 1983. His further promotion as Office Superintendent was not valid as per rules.

(Amount in Rupees)

period	Total Months/ Days	Pay of BS-08 Due	Pay of BS-16 Drawn	Dif.	House Rent Due	House Rent Draw	Dif.	50 % BS-08	50 % BS-16	Dif.	Amount
01.12.01 to 30.06.05	43	3,090	5,575	2,485	693	1,141	448	-	-	-	126,119
01.07.05 to 30.06.07	24	3,855	7,095	3,240	796	1,312	516	-	-	-	90,144
01.07.07 to 30.11.07	5	4,455	8,170	3,715	916	1,515	599	-	-	-	21,570
01.12.07 to 30.06.08	7	4,630	8,560	3,930	916	1,515	599	-	-	-	31,703
01.07.08 to 30.11.08	5	5,345	8,950	3,605	1,099	1,818	719	-	-	-	21,620
01.12.08 to 30.11.09	12	5,555	10,760	5,205	1,099	1,818	719	-	-	-	71,088
01.12.09 to 30.06.10	7	5,765	11,230	5,465	1,099	1,818	719	-	-	-	43,288
01.07.10 to 30.11.10	5	5,975	11,700	5,725	1,099	1,818	719	2,988	5,850	2,863	46,533
01.12.10 to 30.06.11	7	6,185	12,170	5,985	1,099	1,818	719	3,093	6,085	2,993	67,876
01.07.11 to 30.11.11	5	10,200	20,400	10,200	1,099	1,818	719	5,100	10,200	5,100	80,095
01.12.11 to 30.11.12	12	10,550	21,200	10,650	1,099	1,818	719	5,275	10,600	5,325	200,328
01.12.12 to 30.11.13	12	10,900	22,000	11,100	1,099	1,818	719	5,450	11,000	5,550	208,428
01.12.13 to 31.01.14	2	11,250	22,800	11,550	1,099	1,818	719	5,625	11,400	5,775	36,088
<b>Total</b>											<b>1,044,879</b>

The above irregularity occurred due to weak financial and internal control, and non observance of prevailing rules.

The above action of the Department caused a loss to the Govt.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that as per Local Council Rules 1979, the Deputy Commissioner was competent authority in respect of Municipal / Town Committee for non LCS post falling within his jurisdiction. The post of accountant of BS – 8 was also non LCS and the approval of Deputy Commissioner is available, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 25.03.2014 directed to recover the amount and deposit into relevant head of account.

No progress was reported till finalization of this Report.

Audit recommends that the pay and scale of the said employee be re-fixed and recovery of overpaid amount be made good besides taking disciplinary action against the person at fault under intimation to Audit.

[AIR Para: 26]

#### 1.5.4.4 Irregular Expenditure on POL – Rs 1.033 Million

According to Rule 2.32 of PFR-VOL-I (a) it is not sufficient that a Government servant accounts should be correct to his own satisfaction. He has to satisfy not only himself but also the Accountant-General that a claim which has been accepted is valid, that a voucher is a complete proof of the payment which it supports, and that an amount is correct in all respects.

Contrary to above, TMO Khair Pur Tamewali incurred an expenditure of Rs 1.033 million on POL for the year 2012-13 which was irregular under following observations. The detail is given as Annex – I.

- Vehicle/ machinery were found consuming POL during repair period.
- Meters of the machinery were not running, fictitious entries of hours and kilometers were made in the log books.
- When the audit asked for certificate of dead meters lame excuses were made by the said office.
- The vehicle BRH-7401 was found consuming 455 liters per month which indicated that the said vehicle was covering 120 km per day. An officer who was travelling 120 km per day including holidays, then, how he performed his duties properly.
- Meter reading was not recorded only km/hours were mentioned.

The irregularity occurred due to weak internal control or mismanagement.

The above action of the department caused doubtful payment of Rs 1.033 million

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that no POL was consumed during the period in which the vehicles were under repair. No fictitious entries of hours and kilometers were made, rather actual entries were made, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 25.03.2014 directed to get the expenditure regularized from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the person at fault under intimation to Audit.

[AIR Para: 29]

## 1.6 TMA Hasilpur

## 1.6.1 Non Production of Record

### 1.6.1.1 Non Production / Maintenance of Record – Rs 175.570 Million

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

Contrary to above, TMO Hasilpur did not produce record of expenditure incurred Rs 157.334 million and revenue realized Rs 18.236 million from the contractor of cattle mandi, advertisement fee, general bus stand fee, etc. under different objects / codes of classification during 2012-13 as detailed below, in violation of above rule.

(Amount in Rupees)

Sr. No.	Particulars	Amount
1	Detail and History Sheets of Assets, Service Books, Detail of Inquiry proceeding and fraud, Detail of Development Work, Detail of encroached property, etc.	0
2	Auction Record, Contractor Ledger, Slaughter Fee, etc.	0
3	General Bus Stand, Cycle Stand Fee, Parking Fee, etc	9,446,000
4	Disposal 63/F & Zone-A	110,000
5	Cattle Mandi Record	7,500,000
6	Advertisement Fee	1,180,000
	<b>Sub Total</b>	<b>18,236,000</b>
7	Non-maintenance of Separate Books of Accounts by each DDO	157,334,000
	<b>Sub Total</b>	<b>157,334,000</b>
	<b>Grand Total</b>	<b>175,570,000</b>

Legitimacy of expenditure incurred / revenue earned could not be ensured due to non-production of record.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all the record was available in the office and ready for audit scrutiny, but no record was produced for verification.

DAC in its meeting held on 24.03.2014 kept the para pending for compliance at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 4,44 & 52]

## 1.6.2 Irregularities / Non Compliance

### 1.6.2.1 Irregular Use of Funds Received From the Rent of Shops and Plots – Rs 31.303 Million

As per chapter III section 12 (1) of Local Government Property Rules 2003, Funds accruing from such auction shall be kept in a separate account in accordance with the provisions of the Ordinance relevant rules and instructions of Government. Further, the amount received from such auction/sale shall be utilized exclusively for development projects by the concerned Local Government and no part thereof shall be apportioned for non-development expenditures like salary, or purchase of vehicles or office equipments, etc.

Contrary to above, TMO Hasilpur utilized the funds Rs 31.303 million received from rent of shops and property for non development expenditure. Due to utilizing of funds for non development expenditures like salary, or purchase vehicles or office equipments, development funds were reduced.

(Amount in Rupees)

Particulars	Amount
Income received from shops for the year 2008-09	15,656,856
Income received from shops for the year 2009-10	16,707,569
Income received from shops for the year 2010-11	19,327,469
Income received from shops for the year 2011-12	19,833,173
Income received from shops for the year 2012-13	22,649,968
Total Income	<b>94,175,035</b>
Opening balance for the year 2012-13	73447658
Total income for the year 2012-13	146761575
Total Amount	<b>220109233</b>
Expenditure	157336850
Balance	<b>62872383</b>
<b>Amount used from rent of shops.</b>	<b>31,302,651</b>

The irregularity occurred due to non-compliance of the prevailing rules.

T.M.A had to bear a loss due to utilizing of funds for non development expenditure.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that these shops were leased out as per Rule 16 of the property Rules, but the reply of the department was not accepted as the rent of shops could be utilized for non development purposes.

DAC in its meeting held on 24.03.2014 directed to get the expenditure regularized at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and separate account be opened and amounts be transferred into relevant accounts, beside regularization of expenditure.

[AIR Para: - 15]

### **1.6.2.2 Irregular Payment due to Grant of Selection Grade –Rs 9.595 Million**

According to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

Contrary to above, TMO Hasilpur paid an amount of Rs 9.595 million on account of pay and allowances for the year 2012-13 which was found irregular due to following observations.

The selection scale was awarded to 12 officials vide order No. 321-327 dated 31.07.06, without maintaining seniority list. List of those employees was prepared to whom selection scale or basic scale was awarded. Audit is of the view that either the selection scale or basic scale was be allowed against the original post and in the line of promotion. The reference letter was for existing incumbents only at that time i.e. 19.04.1993 but selection grade was also allowed to those who were appointed on or after 19.04.1993. The detail is given at Annex – J.

The irregularity occurred due to negligence of the management and weak managerial controls.

The above action of the department caused an irregular expenditure of Rs 9.595 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that selection grade was granted to the employees according to the instructions of the Government, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 24.03.2014 directed to get the matter be enquired by Administrator at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and recover the amount from the defaulters and appropriate action be taken against the persons held responsible, under intimation to Audit.

[AIR Para: 40]

### **1.6.2.3 Unauthorized Payment of Holiday Allowance – Rs 2.973 Million**

According to Government of the Punjab S&GAD Department letter No. SOGIV (SA) Misc. 04/94, dated 02.06.1994 read with letter No. SOW– I (S&GAD) I-3/2008 (PL), dated 12.05.2010 “the officials posted for provision of essential services like water and sanitation may be arranged in such a way that these services are continuously provided to the General Public during all the seven days and weakly rest may be allowed to them on rotation basis. Furthermore,

Rule 2.31 of PFR Vol-I, states that, a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

Contrary to above, TMO Hasilpur made arrangement of the employees other than specified above as well as sanitation staff and payment of one day pay for one holiday was made to the staff not specified in the afore said letter and unauthorized payment was made to the officials not falling under emergency staff. Payments were also made to Chowkidar. The job of the Chowkidar was full time and not of emergency nature. Likewise payment was made to the staff of BPS-5 & above i.e. supervisor, clerk, driver, etc. which is also not justified as their services are not for sanitation, fire brigade, etc. payment was also made to baildar, water carrier, store keeper, chungi muharar, naib qasid, oil man and building inspector, which resulted in un authorized payment amounting to Rs 2.973 million during the period 2012-13 in violation of above instruction. More over the staff was required to be deputed on rotation basis for the period of holiday but all staff was deputed in violation of above instruction which also caused unauthorized payment

The loss occurred due to ineffective financial and managerial controls.

Above action of the management caused unauthorized expenditure of Rs 2.973 million.

The matter was reported to the TMO and Administrator during March, 2014. The TMO replied that due to shortage of staff for emergency services other officials were deputed for essential services. The reply was not accepted as the holiday allowance was not permissible other than emergency staff.

DAC in its meeting held on 24.03.2014 directed to get the expenditure regularized from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and to recover the amount from the concerned and appropriate action be taken against the persons held responsible, under intimation to Audit.

[AIR Para: - 19]

#### **1.6.2.4 Miss-Appropriation in Sewerage Tax Loss – Rs 1.759 Million**

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

Contrary to above, TMO Hasilpur less recovered / deposited the amount of Sewerage Tax Rs 1.759 million than those actual connections of Sewerage Tax as per record of water supply as detailed below.



(Amount in Rupees)

Sr. No .	Business point	Total Connection of Sewerage tax	Total Connection of water Rate	Total Number as per Permit Fee	Diff.	Schedule Rate	Months	Loss Amount
1	Hotel	2	13		11	100	12	13,200
2	Barbar shops	10	45		35	25	12	10,500
3	Bakeries	0	0	33	33	100	12	39,600
4	Domestic Connection	1793	7445		5652	25	12	1,695,600
<b>Total</b>								<b>1,758,900</b>

The loss occurred due to negligence of TMA.

The above action of the management caused a revenue loss to TMA amounting to Rs 1.759 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that permit fee was collected from the whole Tehsil and facilities of Sewerage connections were not provided / exist at every place, so the connections of Sewerage were less than Water Connections, but no record was produced in support of reply.

DAC in its meeting held on 24.03.2014 directed to recover the amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and to recover the said amount from the defaulters and appropriate action be taken against the person(s) held responsible, under intimation to Audit.

[AIR Para: - 37]

#### **1.6.2.5 Loss Due to Irregular Purchase of Hydraulic Trolleys – Rs 1.386 Million**

According to the Austerity Measures 2012-13 issued by the Finance Department, Government of the Punjab vide letter No. SO (GOODs) 44 -4 / 2011 dated 07.07.2012 “no machinery & equipment is to be purchased without prior approval of the Finance Department. Further according to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

Contrary to above, TMO Hasilpur awarded the contract of supply of hydraulic trolleys to M/S Abdul Rasheed of Rs 800,000 with GST vide work order No. 942 dated 31.10.11 but the same were not supplied. The work order was cancelled and the same work was awarded to M/S Haji Khadim Hussain for Rs 1.390 million after calling quotations vide work order No. TMA/HSP/ 1189-A dated 24.04.12.

1. Due to purchase on quotation basis a loss of Rs 590,000 (1,390,000-800,000) occurred, but no action was taken against the contractor for black listing or recovery of losses Rs 590,000. Contractor profit Rs 110,000 was not allowed for purchase of machinery and equipment which was unauthorizely paid
2. Estimate was prepared on the basis of 1<sup>st</sup> biannual quarter 2012 instead of that 3<sup>rd</sup> quarter 2011.
3. Purchase was made without approval of the austerity committee.

The above irregularity occurred due to weak internal controls.

The above action of the management caused unauthorized purchase.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the contract of supply of hydraulic trolley was awarded to Abdul Rasheed for Rs 800,000 but the said contractor did not supply due to increase of market rate. Later on the purchase was made from lowest bidder as per PPRA Rules, but no documentary evidence.

DAC in its meeting held on 24.03.2014 directed to get the expenditure regularized.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and to recover the said amount from the responsible and action taken against the person(s) held responsible besides regularization of expenditure.

[AIR Para: - 21]

#### **1.6.2.6 Ambiguous Expenditure on Disposal Works – Rs 1.238 Million**

According to Rule 2.10(a)(1) of the PFR Vol-I “ Same vigilance should be exercised in respect o expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money”.

Contrary to above, TMO Hasilpur incurred an expenditure of Rs 1.238 million on account of repair of disposal works at zone-c through advertisement as well as through contingent bills for the year 2012-13 which was found unjustified due to following reasons:

1. The expenditure of similar nature was incurred through contingent bills as well as through tender. The same expenditure was also carried out in the previous years besides installation of new machinery at the said place.
2. An expenditure of Rs 500,000 was incurred during 2011-12 and Rs 123,346 was made during the said period and balance amount of Rs 376,654 was carry forward to the next year i.e. 2012-13

3. Similarly, Rs 258,032 were incurred on repair of said disposal through contingent bill as detailed below whereas Rs 980,000 were also incurred through tender for repair of same items.
4. No history sheet was prepared to ascertain the total expenditure incurred.

(Amount in Rupees)

Vehicle	Bill / token No.	Date	Supplier	Amount	item
Disposal Works Zone-C (Starter No.2)	99	16.04.13	Master Enterprises	10,440	Megnat Connector
Disposal Works Zone-C	92	03.06.13	Master Enterprises	23,444	Clamp
Disposal Works Zone-C	Nil	08.10.12	M/S Vital Communications	28,000	Rewinding
Disposal Works Zone-C	68	30.08.12	M/S Vital Communications	23,896	Rewinding
Disposal Works Zone-C pump No.02	70	27.09.12	M/S Vital Communications	21,960	Overhauling
Disposal Works Zone-C	-s	28.11.12	M/S Vital Communications	18,500	General Repair
Disposal Works Zone-C pump No.02	98	21.12.12	M/S Vital Communications	23,500	Overhauling
Disposal Works Zone-C pump No.02	-	29.12.12	M/S Vital Communications	49,248	General Repair
Disposal Works Zone-C pump No.01	Nil	16.08.12	M/S Vital Communications	14,500	General Repair
Disposal Works Zone-C	-	16.08.12	M/S Vital Communications	4,640	circuit breaker
Disposal Works Zone-C	61	25.07.12	M/S Vital Communications	39,904	wire four core 19/83
<b>Total</b>				<b>258,032</b>	

The irregularity occurred due to poor management and weak financial controls.

The above action of the management caused ambiguous expenditure of Rs 1.238 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that disposal works zone – C was main disposal station of Hasilpur city and was working 24 hours basis, but the reply was not acceptable as reply was not relevant to the audit observation.

DAC in its meeting held on 24.03.2014 directed to get the expenditure regularized at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and regularized expenditure from the competent authority besides ensuring submission of record to Audit.

[AIR Para: 51]

### 1.6.3 Internal Control Weaknesses

#### 1.6.3.1 Less Realization of Rent–Rs 7.069 Million

As per Rule 76 of PDG & TMA (budget) Rules 2003, “The primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Govt. fund under proper receipt head”. Furthermore as per Rule 47 of PLGO 2001 Chapter IV, Principles of Budgeting describe that in case the income provided under Head of A/C is not realized in full and it is less by more than 10% of the estimate provided in the budget the collecting officer shall be accountable for less receipt.

Contrary to above, TMO Hasilpur set income target amounting to Rs 33.147 million for the period 2012-13 out of which Rs 26.077 million was collected. Hence Rs 7.069 million was less realized than target as detail bellow.

(Amount in Rupees)

Income Head	No. of Connections / Shop	Total amount	Received	Balance
Sewerage Tax 2012-13	1840	650,000	610,000	39,255
Sewerage Tax Arrears	-	400,000	180,532	219,468
Water Rate 2012-13	6660	4,795,200	2,267,074	2,528,126
Water Rate Arrears	-	3,000,000	1,353,208	1,646,792
Rent of Shops	1193	24,301,883	21,666,251	2,635,632
<b>Total</b>		<b>33,147,083</b>	<b>26,077,065</b>	<b>7,069,273</b>

The irregularity occurred due to non observance of prevailing rules.

The above action caused loss to TMA Rs 7.069 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that notices were issued to the defaulters and challans submitted in the court for further action.

DAC in its meeting held on 24.03.2014 directed to recover the amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and to recover the amount from the defaulters and appropriate action taken against the persons held responsible.

[AIR Para: -16]

#### 1.6.3.2 Non Realization of Cost of Land and Development Charges – Rs 3.261 Million

Rule 76 (I) of PDG & TMA (Budget) Rules 2003, states that, “the collecting officer shall ensure that all revenue due is claimed and deposited into relevant head of account.”

Contrary to above, TMO Hasilpur did not realize an amount of Rs 3.261 million as detailed below, on account of cost of land and development charges from the owner of Khachi Abadi, which resulted in less realization of revenue in violation of above rule. Further due to non awarded proprietary rights there were chances of illegal occupation by the illegal occupants.

(Amount in Rupees)

Name of Abadi	Total No. of Dwelling Units	Proprietary Rights Granted	Balance	Demand of Cost of Land	Recovery	Balance	Demand of Dev. Charges	Recovery	Balance	Total
Basti Labana	288	265	23	141,100	120,400	20,700	93,800	76,300	17,500	38,200
Basti Niyamat Wali	58	57	1	860	-	860	5,000	-	5,000	5,860
Behari Colony	104	96	8	6,880	-	6,880	40,000	-	40,000	46,880
Dera Noor Muhammad	46	9	37	31,820	-	31,820	185,000	-	185,000	216,820
Ghareeb Mohallah	4042	3538	504	433,440	-	433,440	2,520,000	-	2,520,000	2,953,440
<b>Total</b>	<b>4778</b>	<b>4205</b>	<b>573</b>							<b>3,261,200</b>

The irregularity occurred due to weak financial controls of the management.

The above action of the management caused less realization of revenue Rs 3.261 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that many announcements had been made and numerous notices issued to the dwellers, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 24.03.2014 directed to recover the amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that responsibility may be fixed and to recover the amount from the defaulters and appropriate action taken against the person(s) held responsible besides, under intimation to Audit.

[AIR Para: - 1]

### **1.6.3.3 Abnormal Delays in Completion of Work and Non-Imposition of Penalty – Rs 1.575 Million**

As per clause 39 of contract agreement, the contractor shall pay, as compensation, an amount equal to one percent of the amount of the contract subject to the maximum of 10% or such smaller amount as the engineer in charge may decide, for delay in completion of work. Further, as per clause 37 of the contract agreement, the contractor shall apply in writing for time extension, thirty days before the due date of completion, if there are unavoidable circumstances and the work may be delayed.

The contractors of TMA Hasilpur did not work with the desired pace and 13 development schemes were abnormally delayed during 2012-13. The contractors were also granted undue favor and penalty @ 10% of contract amount was not imposed despite the fact that they were neither granted time extension nor their requests for the same on record. In some, cases the time extension was granted after completion of work and time extension was allowed more than the original time. Applications for time extension were not on diary or were not received, therefore, it could not be ascertained that the contractor applied for time extension well in time i.e. one month before from the due date of completion. Moreover no copy of time extension was sent to higher authority / issued to contractor. This resulted in loss/over payment of Rs 1.575 million. The detail is given at Annex – K.

The loss occurred due to undue favour to the contractors and ineffective internal controls.

Undue favour to the contractors resulted in abnormal delays in completion of development projects and loss of Rs 1.575 million due to non-imposition of penalty.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the extension was granted on genuine grounds, but the reply of the department was not accepted as procedure for applications, penalties and issuance of extension were not followed.

DAC in its meeting held on 24.03.2014 directed to recover the amount at the earliest

No progress was reported till finalization of this Report.

Audit recommends that amount of penalty be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 26]

## 1.7 TMA Ahmed Pur East

## 1.7.1 Misappropriation / Fraud

### 1.7.1.1 Misappropriation on Account of GST and Income Tax – Rs 2.471 Million

As per Rule 126 of PLGO 2001 any loss sustained by Govt. due to negligence or fraud must be recovered from the concerned. Moreover Rule 2.33 of PFR Vol-I, states that every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though 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.

TO (Accounts) of TMA Ahmed Pur East paid following amounts to TO (I&S) as payment of sales tax and income tax for its onward deposits into treasury but neither the said amount was deposited into treasury nor it was taken into cash book as no closing balance was shown anywhere.

(Amount in Rupees)

Sr. No.	Month	Sales Tax	Income Tax	Total
1	6/2013	32,564	430,356	462,920
2	7/2013	235,133	499,114	734,247
3	8/2013	577,444	312,527	889,971
4	9/2013	24,927	158,517	183,444
5	10/2013	8,410	192,373	200,783
<b>TOTAL</b>		<b>878,478</b>	<b>1,592,887</b>	<b>2,471,365</b>

The irregularity occurred due to non observance of the instructions of the T.M.A.

The above action of the management caused loss to Treasury

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that income tax had been paid to concerned department, while payment of GST was under process, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to recover the stated amount at the earliest.

Audit recommends that the stated amount be recovered and deposited into relevant head of account besides fixation of responsibility, under intimation to audit.

[AIR Para: 3]



## 1.7.2 Internal Control Weaknesses

### 1.7.2.1 Non Maintenance / Production of Record – Rs 242.904 Million

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

Contrary to above, TMO Ahmed Pur East did not produce record of expenditure incurred Rs 232.542 million and revenue realized Rs 10.362 million from the contractor of cattle mandi, advertisement fee, general bus stand fee, etc. under different objects / codes of classification during 2012-13 as detailed below, in violation of above rule.

(Amount in Rupees)

Sr. No.	Description	Period	Amount
1	34 Development Schemes executed during 2012-13.	2012-13	61,975,000
2	History sheets of machinery and equipment.	-do-	3,466,997
3	Non provision of stock register item wise.	-do-	1,315,528
4	Non maintenance of Books of Accounts	-do-	165,784,684
	<b>Sub Total</b>		<b>232,542,209</b>
5	Classification wise record of receipt.	-do-	1,152,953
6	Backup record of receipt of immoveable property.	-do-	1,211,342
7	Receipt of record of contractors	-do-	7,997,600
	<b>Sub Total</b>		<b>10,361,895</b>
	<b>Grand Total</b>		<b>242,904,104</b>

Legitimacy of expenditure incurred / revenue earned could not be ensured due to non-production / maintenance of record.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all the record was now available for audit verification, but no record was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to produce the record at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 7, 14, 23, 32, 36, 41 & 42]

### **1.7.3 Irregularities / Non Compliance**

#### **1.7.3.1 Irregular Expenditure without preparing of PC-1 – Rs 21.006 Million**

As per Rule 4 of the PDG & TMA (Works) Rules, 2003, works costing below Rs 500,000 shall be prepared and approved on the basis of cost estimates only and draft scheme shall be prepared for works costing Rs 500,000 and above PC-1 should be prepared and approved by the competent authority.

Contrary to above, TMO Ahmed Pur East incurred an expenditure of Rs 21.935 million during 2012-13 on 22 development schemes having Admin Approval of Rs 500,000 and above were prepared and approved irregularly on the basis of cost estimates instead of PC-I. The detail is given at Annex – L.

The above irregularity occurred due to non observance the prevailing rules.

The above action of the management resulted unauthenticated expenditure.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that directions would be complied in letter in spirit in future; the record pertaining to Sr. No. 2 amounting to Rs 928,819 had been produced. DAC in its meeting held on 26.03.2014 reduced the para amounting to Rs 21.006 million with the direction that irregularity be got condoned with the approval of competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides fixating of responsibility against the responsible for negligence, under intimation to Audit.

[AIR Para: 49]

#### **1.7.3.2 Irregular Use of Funds Received from the Rent of Shops and Plots – Rs 14.070 Million**

As per chapter III section 12 (1) of Local Government Property Rules 2003, Funds acquiring from such auction shall be kept in a separate account in accordance with the provisions of the Ordinance relevant rules and instructions of Government. Further the amount received from such auction/sale shall be utilized exclusively for development projects by the concerned Local Government and no part thereof shall be apportioned for non-development expenditures like salary, or purchase of vehicles or office equipments, etc.

Contrary to above, TMO Ahmed Pur East received/collected rent of shops amounting to Rs 14.070 million during 2010-13 and as detailed below. The TMO neither opened separate account of rent of shops nor the said amount was

utilized for development projects in violation of above rules. Receipts were utilized for non development purpose like salary, or purchase of vehicles or office equipments, etc. said amount was utilized for other purposes rather than construction of shops in violation of above rule.

(Amount in Rupees)

Sr. No.	Period	Particulars	Amount Received
1	2010-2013	TMA Ahmedpur East	11,730,103
2	2010-2013	NH Uch Sharif	2,340,326
<b>TOTAL</b>			<b>14,070,429</b>
<b>Closing Balance as on 31-12-2013</b>			<b>275,670</b>

The irregularity occurred due to non-compliance of the above rules.

The above action of the management caused un-authorized expenditure amounting to Rs 140.070 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that these shops were leased out as per Rule 16 of the property Rules, but the reply was not accepted being irrelevant.

DAC in its meeting held on 26.03.2014 directed to get the irregularity condoned from the competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: - 2]

### **1.7.3.3 Irregular Expenditure due to Non-Compliance of PPRA Rules – Rs 10.139 Million**

According to Rule 9 and 12(1) of the Punjab Procurement Rules 2009, procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's web site. Procurement opportunities over Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

Contrary to above, TMO Ahmed Pur East incurred expenditure of Rs 10.139 million during 2012-13 on repair of machinery, purchase of electric and sports items, execution of sports activities, purchase of tyres, repair of transformer and purchase of furniture etc. The expenditure was held irregular as the procurement opportunities were not advertised on the website of PPRA and fair

tendering process was avoided. Furthermore, purchase committee was not constituted for verification of rates and quality etc. as detail below.

(Amount in Rupees)

Sr. No.	Particulars	Period	Date of Drawl	Amount
1	Repair of Engine of Tractor No. 6	-do-	07.03.2013	646,342
	Repair of Sucker Machine	-do-	17.05.2012	141,040
2	Purchase of Tyre	-do-	10-1-13	10,000,00
	Repair of fire brigade	-do-	4-4-13	1,783,300
	Purchase of Furniture	-do-	6-3-13	124,932
	Purchase of Pesticide	-do-	31-12-12	412,920
	Purchase of Hand Cart	-do-	10-1-13	299,280
	Sasta Ramzan Bazar	-do-	4-12-12	1,227,119
3	Purchase of Tyre	-do-	10-1-13	1,000,000
	Purchase of Hand Cart	-do-	30.07.2012	299,280
	Expenditure on sports festival	-do-	4-5-13	643,419
	Eid-e-Milad-u-nabi	-do-	6-5-13	696,072
	Purchase of Electric Items	-do-	31-12-12	1,213,122
4	Purchase of Electric Store Items	-do-	14.05.2013	631,100
5	Sports Activities	-do-	30.07.2012	643,419
	Purchase of Sports Items	-do-	-do-	243,180
6	Purchase of Furniture	-do-	06.03.2013	124,932
<b>Total</b>				<b>10,139,457</b>

The irregularities occurred due to non-compliance of procurement rules and violation of financial discipline.

Non-compliance of procurement rules resulted in undue favor to the vendors of own choice and benefits of competitive bidding were not achieved

The matter was reported to the TMO and Administrator during March, 2014. TMO replied for Sr. Nos. 1, 2 & 3 that tender was displayed on PPRA website but receipt had been misplaced, for Sr. No. 4 that PPRA Rules had never been violated for supply of electric items, for Sr. No. 5 he stated that no ban was imposed in austerity measures and for Sr. No. 6 he stated that furniture was purchased for community hall for public purpose, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to get the irregularity condoned from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 1, 12, 15, 27, 28, 39, 44 & 46]

#### **1.7.3.4 Expenditure on Development Works Beyond Jurisdiction – Rs 9.349 Million**

Section 54 of the PLGO 2001 describes that Construction of Culverts, Bridges and Cattle Pond do not fall within the functions of Tehsil Municipal Administration.

Contrary to above, TMO Ahmed Pur East incurred expenditure of Rs 9.349 million during 2012-13 on account of construction of Bridges, Culverts & Cattle Pond beyond its functions. The detail is given at Annex – M.

The above irregularity occurred due to non observance the prevailing rules.

The above action of the management resulted in irregular expenditure.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all culverts were constructed for completion of soling path. However bridges were constructed after NOC from irrigation department, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to get the irregularity condoned from competent authority.

No progress was reported till finalization of this Report.

Audit recommends fixation of responsibility besides regularization of expenditure from the competent authority under intimation to Audit.

[AIR Para: 50]

#### **1.7.3.5 Non Credit of Unclaimed Security to Government – Rs 1.529 Million**

As per Rule 7.12 of PFR Vol-I, Deposits unclaimed for more than three complete account years will, at the close of June in each year, be credited to Government by means of transfer entries.

Contrary to above, TMO Ahmed Pur East did not credit the amount Rs 1,528,503 of security which remained un-claimed for more than three years in violation of above rule. The detail is given at Annex – N.

The above irregularity occurred due to non observance of prevailing rule.

The above action of the department caused un-justified payment of security.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that process had been initiated but no documentary evidence was produced in support of the reply.

DAC in its meeting held on 26.03.2014 directed to get the irregularity condoned from the competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that compliance of the rules be ensured in letter and spirit at the earliest under intimation to Audit.

[AIR Para: 21]

### **1.7.3.6 Irregular Payment of House Building Advance – Rs 1.050 Million**

As per Rule 16.10(iii) of PFR Vol-I “the advance should be drawn by installment, satisfactory evidence should be produced to show that the amount of the installment has been actually utilized for the purpose for which it was drawn before the next installment is paid.”

Contrary to above, TMO Ahmed Pur East paid an amount of Rs 1.050million on 18.10.2012 to twenty one (21) officials as House Building Advance in connection with repair and construction of houses on 13-11-12 without observing above Rules / Instructions. The detail is given at Annex – O.

The above irregularity occurred due to none observance of prevailing rules.

The above action of the management caused unauthorized payment of Rs 1.050 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all such payments were being deducted from their salaries, but reply was not accepted as it was not relevant to the audit observation.

DAC in its meeting held on 26.03.2014 directed to get the irregularity condoned from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 34]

## 1.7.4 Performance

### 1.7.4.1 Irregular Expenditure without Observing PPRA Rules – Rs 88.500 Million

Rule 12 of Punjab Procurement Rules 2009 states, “all purchases above Rs 100,000 should be floated on the website of PPRA as well as in the print media”. Moreover according to rule 13 of PPRA states that the procuring agency may decide the response time for receipt of bids / proposals from the date of publication of an advertisement which should not be less than 15 days under any circumstances. Likewise response time for development work should not be less than 30 days and in case of emergency it should not be less than 15 days provided that sanction of the competent authority has been obtained for reduction of response time.

Contrary to above, TMO Ahmed Pur East incurred following expenditure amounting to Rs 88.050 million on development schemes and on purchase of under mentioned items with response time less than 15 days. Moreover the same were not advertised on PPRA website due to which unhealthy competition was made and real bidders were not attracted.

(Amount in Rupees)

Sr. No.	Particulars	Date of Advertisement	Date of Receipt of Tenders	Less time Allotted	Amount
1.	Purchase of tyres	19-10-2012	25-10-2012	9	1,000,000
2.	Purchase of hand cart	19-10-2012	25-10-2012	9	299,280
3.	Purchase and repair of parts for fire brigade	19-10-2012	25-10-2012	9	1,788,300
4.	Execution of civil works	4-12-2012	10-12-2012	8	63,117,000
5.	Execution of civil works	26-12-2012	5-1-2013	5	5,810,000
6.	Expenditure on sports festival	4-2-2012	9-2-2012	9	643,419
7.	Arrangement of Eid-e-Milad-u-Nabi	17-1-2013	22-1-2013	10	696,072
8.	Purchase of electric Items	16-11-2012	19-11-2012	12	1,213,122
9.	Execution of civil works	26-4-2012	10-5-2012	3	13,483,000
<b>TOTAL</b>					<b>88,050,193</b>

The above irregularity occurred due to non observance the PPRA rules.

Above action of the management resulted in irregular tending and expenditure

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that advertisement was displayed on PPRA website, but no record was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to get irregularity condoned from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority under intimation to Audit.

[AIR Para: - 15]

#### **1.7.4.2 Doubtful Expenditure on POL Due to Improper Maintenance of Log Books – Rs 8.047 Million**

According to rule No. 8 of west Pakistan Govt. Vehicle (Use & Maintenance) rules, 1969, the log book should be daily examined and countersigned by the officer in-charge at the end of each day in token of authentication of entries recorded in the log book signed by the driver.

Contrary to above, TMO Ahmed Pur East incurred expenditure of Rs 8.047 million during 2012-13 on POL but the log books of tractors, jetting machine, fire brigade etc were improperly maintained. Following irregularities were observed.

- i) Meters of the vehicles were not in working condition. Log books of vehicles were not maintained properly.
- ii) Average consumption certificate issued by the motor vehicle examiner, Agriculture department was not found attached with the logbooks for checking the accurate consumption of POL.
- iii) Important columns i.e time of departure / arrival etc were left blank and this was being done intentionally to misuse the POL.
- iv) Entries recorded in the logbook were not signed by the officer in charge in token of authentication of entries. In some cases even the signatures of the drivers were also missing. In the absence of said record chances of misappropriation on account of POL cannot be ruled out.
- v) Monthly POL accounts were not maintained.
- vi) Repair of vehicles were carried out in thousands but Rs 500 was not incurred on meter cable for its functioning which indicates that all this was not done intentionally.

The above irregularity occurred due to improper maintenance of logbooks.

Above action of the management resulted in irregular expenditure

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all the entries had been made and required certificate had also been obtained, the record was available, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to get the expenditure regularize from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends fixation of responsibility, proper maintenance of logbooks besides regularization of expenditure under intimation to audit.

[AIR Para: -17]



### 1.7.4.3 Unauthorized Expenditure on Repair and Over Hauling of Machinery –Rs 2.952 Million

Vide serial no. 4 of Delegation of Financial Power 2006, the following officers are empowered to sanction the expenditure on addition to or repair / replacement and over hauling of the machinery, tool and plants and motor vehicle etc. Subject to fulfillment of other codal formalities

1	Administrative Deptt	Up to Rs 0.200 million or 50 % of the un- depreciated book value (cost of purchase) in each case
2	Officers in category -I	Up to Rs 0.200 million or 50 % of the un- depreciated book value (cost of purchase) in each case
3	Officers in category -II	Up to Rs 0.150 Million or 25% of the un- depreciated book value (cost of purchase) in each case
4	Officers in category-III	Up to Rs 0.100 Million or 20 % of un- depreciated book value (cost of purchase) in each case
5	Officers in Category-IV	Up to Rs 75000 in each case

Furthermore, According to Rule 9 and 12(1) of the Punjab Procurement Rules 2009, “procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA’s web site. Procurement opportunities over Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA’s website in the manner and format specified by the PPRA from time to time”.

Contrary to above, TMO Ahmed Pur East incurred following expenditure on repair and over hauling of machinery without observing the above Delegation of Financial Powers and sanctioned expenditure of Rs 2.952 million without keeping in view the depreciated book value in violation of above rules.

Sr. No	Particular of machinery	Date	Exp.	Remarks
1	Repair and over hauling of fire brigade	12-3-13	1,788,300	Model 2003. Purchase on 19-03-04 purchase for Rs 2381235
2	Repair and over hauling of engine tractor no 1	18-2-13	94,988	
3	Repair and over hauling of engine tractor no 2	27-2-13	94,309	Purchase on 11-05-03
4	Repair and over hauling of engine tractor no 3	11-3-13	94,236	
5	Repair and over hauling of engine tractor no 4	12-3-13	93,065	
6	Repair and over hauling of engine tractor no 6	7-3-13	646,342	No Record of purchase was produced.
7	Repair of Sucker Machine	17-5-2012 (28-11-12)	141,040	
<b>TOTAL</b>				<b>2952280</b>

The said expenditure is further open for the following observation

1. Tender was not advertised on the PPRA website in violation of above rule and all above expenditure was without observing PPRA rules.
2. No history sheet was maintain for any machinery
3. Old parts were not disposed off
4. Neither NOC obtained from the MVE nor any certificate was recorded on bill/recognition as required vide letter no. government of Punjab transport wing SO (TR-II) O-2/75(P) dated 20-9-2002

The irregularity occurred due to non-compliance of the above captioned rules and weak financial management

The above action of the management caused un authorized expenditure of Rs 2.952 million.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that all codal formalities were followed and tender was displayed on PPRA website and fee was paid by the DDO from his own pocket and receipt was misplaced, but no record was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed to get the irregularity regularized from competent authority at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the expenditure be got regularized besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para: - 1]

#### **1.7.4.4 Abnormal Delays in Completion of Work and Non-Imposing of Penalty – Rs 1.749 Million**

As per clause 39 of contract agreement, the contractor shall pay, as compensation, an amount equal to one percent of the amount of the contract subject to the maximum of 10% or such smaller amount as the Engineer In charge may decide, for delay in completion of work. Further, as per clause 37 of the contract agreement, the contractor shall apply in writing for time extension, well in time but before the due date of completion, if there are unavoidable circumstances and the work may be delayed.

Contrary to above, TMO Ahmed Pur East did not get completed the development schemes well in time and were abnormally delayed. Penalty @10 % amounting to Rs 1.749 million was not imposed which resulted in loss of revenue to T.M.A as detail given at Annex – P. In addition, applications for time extension were submitted by the contractors well before one month from the date of

completion of work. No application was found diary and no office No. was recorded on the application. Extension was granted to the contractors on invalid grounds / reasons. The copy of extension was not submitted to the higher authorities as per existing rules / procedure dated on 28-04-2009. In most cases the time extension application was submitted after completion of work and some of them are without signature of the Contractor.

The irregularity was occurred due to extending un-due favor to the contractors on invalid reasons and without observing codal formalities.

The above action of the management caused a revenue loss to TMA.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the extensions were granted on genuine grounds, but the reply of the department was not accepted as procedure for applications, penalties and issuance of extension were not followed.

DAC in its meeting held on 26.03.2014 directed to recover the amount at the earliest

No progress was reported till finalization of this Report.

Audit recommends that the stated amount be recovered from the concerned besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 4]

#### **1.7.4.5 Non Achievement of Target of Receipts – Rs 1.482 Million**

As per rule 76 of PDG & TMA (budget) Rules 2003, “The primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Govt. fund under proper receipt head”. Furthermore as per Rule 47 of PLGO 2001 Chapter IV, Principles of Budgeting in case the income provided under Head of A/C is not realized in full and it is less by more than 10% of the estimate provided in the budget the collecting officer shall be accountable for less receipt.

Contrary to above, TMO Ahmed Pur East set income target amounting to Rs 10.903 million for the period 2012-13 out of which Rs 9.421 million was realized. Hence Rs 14.819 million was less realized than target as detailed below.

(Amount in Rupees)

<b>Description</b>	<b>Detailed function</b>	<b>Budget Estimate</b>	<b>Total Collection</b>	<b>Difference</b>
Rent of shop	C0388081	4,400,000	4,363,151	36,849
Building Apl	C0388027	2,500,000	2,421,068	78,932
Slaughter H.	C0388042	150,000	145,980	4,020
Rikshow fee	C0388020	300,000	286,910	13,090
Parking Fee	C0388064	1,600,000	1,309,603	290,397
Sewerage tax	C0388054	110,000	100,583	9,417

Description	Detailed function	Budget Estimate	Total Collection	Difference
Advertisement fee	C0388077	1,000,000	568,000	432,000
Permit fee	C0388001	165,000	122,212	42,788
N.O.C fees	C0388086	300,000	9,900	290,100
Sanitation fee	C0388057	330,000	70,264	259,736
Silage water	C0388058	47,600	23,060	24,540
	<b>Total</b>	<b>10,902,600</b>	<b>9,420,731</b>	<b>1,481,869</b>

The above irregularity occurred due to weak financial control and financial management.

The above action of the department caused less recovery of income.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that targets are proposed figures just to direct the staff for its achievement, but the reply of the department was not accepted as the management did not make due efforts to achieve the targets.

DAC in its meeting held on 26.03.2014 directed to comply with the directions of Audit.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority under intimation to audit.

[AIR Para: - 5]

#### 1.7.4.6 Irregular Creation of Liabilities – Rs 1.268 Million

As per Rule 2.10 (b)(3) of PFR Vol-I that all charges incurred are drawn and paid at once and not held up for the want of funds and allow to stand over to be paid from the grant another year, that money indisputably payable is not left un-paid.

Contrary to above, TMO Ahmed Pur East incurred the following expenditure and no payment was made during 2012-13 in spite of the fact that sufficient Budget was available, saving Rs 258,193 was shown at the close of financial year under the head A-3921 and undue liability created which has to be paid from the budget of another year, in violation of above rule.

(Amount in Rupees)

Period	Date	Particular	Liability
2012-13	11/2012	Arrangement for Chief Minister Visit	24,000
2012-13	11/2012	Arrangement for Chief Minister Visit	24,940
2012-13	11/2012	Arrangement for Chief Minister Visit	24,000
2012-13	11/2012	Arrangement for Chief Minister Visit	24,940
2012-13	11/2012	Arrangement for Chief Minister Visit	24,000
2012-13	11/2012	Arrangement for Chief Minister Visit	24,940
2012-13	11/2012	Arrangement for Chief Minister Visit	24,940
2012-13	11/2012	Arrangement for Chief Minister Visit	24,000
2012-13	11/2012	Arrangement for Chief Minister Visit	24,940

<b>Period</b>	<b>Date</b>	<b>Particular</b>	<b>Liability</b>
2012-13	11/2012	Arrangement for Chief Minister Visit	24,000
	<b>Sub Total</b>		<b>244,700</b>
2012-13	18/2/13	Repair of Tractor No.1 and Overhauling	94,988
2012-13	11/3/13	Repair of Tractor No.3 and Overhauling	94,236
2012-13	12/3/13	Repair of Tractor No.4 and Overhauling	93,065
2012-13	27/2/13	Repair of Tractor No.5 and Overhauling	94,309
2012-13	7/3/13	Repair of Tractor No.6 and Overhauling	646,342
	<b>Sub Total</b>		<b>1,022,940</b>

The above irregularity occurred due to weak financial management and internal control.

The above action of the management caused irregular.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that the liability was transferred to next financial year due to non settling of queries raised by approving authorities, but no documentary evidence was produced in support of reply.

DAC in its meeting held on 26.03.2014 directed for regularization from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the persons at fault under intimation to Audit.

[AIR Para: 31]

## Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13

## **1.8 TMA Bahawalpur (Saddar)**

### **1.8.1 Misappropriations / Fraud**

#### **1.8.1.1 Misappropriation due to Fictitious Billing – Rs 607,765**

According to Rule 2.33 of Punjab Financial Rules Vol-1, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Contrary to above, TMO Bahawalpur (Sadar) made fictitious bills and misappropriated an amount of Rs 607,765 on account of purchase of different items from M/S Asher Enterprises, M/S Shan Stationers and Multi Business Group. The sales invoice books are printed in ascending order and the invoices were also issued accordingly on day to day basis but in the said instances there was contradiction between date and sales invoice number as lower number sale invoices were issued after higher number.

The irregularity occurred due to malafied intention of the management to misappropriate the funds.

Above action of the management resulted in misappropriation of stated amount.

The matter was reported to TMO during March 2013. TMO replied that all the purchases had been made after fulfilling all the codal formalities and nothing was due against TMA. The reply of the TMO was not tenable as there was contradiction between dates and sales invoice numbers.

DAC in its meeting held on 10.04.2013 directed to get the matter inquired by TO (F) and TO (A) within a month.

Audit recommends fixation of responsibility on the persons at fault, recovery of misappropriated amounts and appropriate action against the persons at fault, under intimation to Audit.

[AIR Para: 21]

## 1.8.2 Non Production of Record

### 1.8.2.1 Non Production / Maintenance of Record – Rs 18.867 Million

According to Section 14 (2&3) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the officer in charge of any office 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 Furthermore, according to Section 115(6) of Punjab Local Government Ordinance 2001, "All officials shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition."

Contrary to above, TMO Bahawalpur (Sadar) did not produce record despite repeated request of expenditure incurred / revenue realized amounting to Rs 18.867 million under different objects / codes of classification during 2011-12, in violation of above rule.

**(Rupees in Million)**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Transfer fee earned on transfer of immovable property	17.442
2	Fee record of cattle market	1.425
3	Cash Book, Contingent Register, Budget Control Register, etc	0
4	Bank statements, Detail of bank accounts, Detail of grants, Record of CCB Projects, Sales proceed of trees, Surveys conducted, History sheets of assets, Detail of assets, Record of Sewerage tax income etc.	0
	<b>Sub Total</b>	<b>18.867</b>

Audit holds that the relevant record was not maintained therefore not produced to Audit for verification which may lead to apprehension of misappropriation and misuse of public resources.

The matter was reported to TMO during March 2013. TMO replied that relevant record was maintained, but no record was produced in support of reply.

DAC in its meeting held on 10.04.2013 directed to produce record within one month.

No progress was reported till finalization of this Report.

Audit recommends that responsibility be fixed for non production of record and non-compliance of the rules and appropriate action be taken against the persons held responsible besides ensuring submission of record to Audit.

[AIR Para: 4, 9, 29 & 31]



### **1.8.3 Irregularities / Non Compliance**

#### **1.8.3.1 Irregular Expenditure due to Non-compliance of Procurement Rules -Rs 1.802 Million**

According to Rule 9 and 22(1) of the Punjab Procurement Rules 2009, Procurement opportunities over Rs . 100,000 and up to Rs . 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time and the bids shall be submitted in a sealed package or packages in such manner that the contents are fully enclosed and cannot be known until duly opened.

Contrary to above, TMO Bahawalpur (Sadar) incurred an expenditure of Rs 1.802 million during 2011-12 on account of purchase of different items without advertisement of tender in press as well as website of PPRA and all quotations were received by hand as the envelopes submitted by the venders did not bear any postage stamp.

The irregularity occurred due to non observance of procurement rules.

Non-observance of the financial discipline caused irregular procurement and undue favor to venders of own choice. As a result, benefits of competitive bidding could not be obtained.

The matter was reported to TMO during March 2013. TMO replied that all the purchases were made after observing all codal formalities. Reply of the TMO was not tenable as PPRA rules were not observed.

DAC in its meeting held on 10.04.2013 directed to get regularized the expenditure from the competent authority within one month.

No progress was reported till finalization of this Report.

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

[AIR Para: 17]

## **1.8.4 Performance**

### **1.8.4.1 Loss to TMA due to Non Conduction of Self Collection of Sludge Water – Rs 2.304 Million**

As per Rule 3 of Auction of Collection Rights Rules 2003, Local Govt. may prefer to collect any of its income through contractor by awarding collection rights to him and if not so, departmental collection should be exercised. Moreover as per para 76 (1) of Government of the Punjab, Local Government and Rural Development Department (Budget) Rules, 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to above, TMO Bahawalpur (Sadar) neither auctioned the collection rights of sludge water of disposal works Khan kah Sharif and Sama Satta nor self collection was made during 2011-12. This resulted in loss of Rs 2.304 million as a disposal is run for 8 hours in a day and sludge water was sold @Rs 400 per hour as per report of sub engineer.

The loss occurred due to non conduction of self collection.

Non conduction of self collection resulted in loss to TMA fund of Rs 2.304 million.

The matter was reported to TMO during March 2013. TMO replied that best efforts were made to auction the collection rights of sludge water and self collection could not be exercised as disposal water cannot be stored. The reply of the TMO was not tenable as the self collection can be exercised by deputing only one official.

DAC in its meeting held on 10.04.2013 directed to get the loss written off within one month.

Audit recommends fixation of responsibility on the persons at fault besides recovery of loss from the concerned, under intimation to Audit.

[AIR Para: 16]

### **1.8.4.2 Loss to TMA in Millions due to Non Classification of Land**

According to chapter II (4) (1) of Government of the Punjab Local Government & Community Development Department's notification No. SOR(LG) 35-1/2003 dated 20.03.2008, "A City District Government or a Tehsil Municipal Administration shall, within one year of the notification of these rules, classify land falling within its geographical limits into the following land use classes:

- (a) Residential ;
- (b) Commercial (including institutional);

- (c) Industrial ;
- (d) Peri-urban
- (e) Agricultural ; and
- (f) Notified area.

Contrary to above, TMO Bahawalpur (Sadar) did not classify the land under geographical limits of TMA in the above mentioned classes / categories in violation of above rule. This resulted in loss as fee on change of land use could not be earned.

The irregularity occurred due to non observance of Government instructions.

Non-observance of the government instructions caused loss to TMA fund in millions.

The matter was reported to TMO during March 2013. TMO replied that due to shortage of technical staff and requirement of budget of Rs 7.6 million by the DG Punjab Housing and Planning Agency Lahore for preparation of master plan classification could not be made. The reply of the TMO was not tenable as government instructions were not followed.

DAC in its meeting held on 10.04.2013 directed to ensure the compliance of rule within a month.

Audit recommends fixation of responsibility on the persons at fault besides classification of land according to government instructions within a month, under intimation to Audit.

[AIR Para: 05]

## 1.8.5 Internal Control Weaknesses

### 1.8.5.1 Unauthorized Expenditure on Contingent Paid Staff – Rs 4.400 Million

As per Finance Department, Government of the Punjab letter No. F.D SO (G-I) 6-40-2009 dated 18.07.2009, No. FD.SO (GOODs) 44-4/2010 dated 09.08.2010 and No. FD.SO (GOODs) 44-4/2011 dated 23-7-11 “No contingent paid staff shall be appointed without obtaining prior approval of the Finance Department”.

Contrary to above, TMO Bahawalpur (Sadar) appointed contingent paid employees during 2011-12 without obtaining prior approval of the Finance Department, Government of the Punjab in violation of Austerity Measures as notified vide above letters and paid an amount of Rs 4.400 million on account of their wages as detailed below.

(Amount in Rupees)

Month	Head Quarter	Non-Head Quarter	Total
11-Jul	280,000	117,385	397,385
11-Aug	216,774	14,001	230,775
11-Sep	122,849	105,452	228,301
11-Oct	251,066	107,100	358,166
11-Nov	280,000	119,000	399,000
11-Dec	203,233	48,770	252,003
12-Jan	308,000	126,684	434,684
12-Feb	308,000	118,276	426,276
12-Mar	268,268	103,649	371,917
12-Apr	337,788	119,000	456,788
12-May	304,830	118,097	422,927
12-Jun	303,701	118,097	421,798
<b>Total</b>			<b>4,400,020</b>

The irregularity occurred due to non compliance of the instructions of the Government.

Unauthorized payment of Rs 4.400 million was made to contingent paid staff.

The matter was reported to TMO during March 2013. TMO replied that Govt. of the Punjab Finance Department had been requested to accord approval for appointment of contingent paid staff. Reply of the TMO was not tenable as prior approval was not obtained from Finance Department.

DAC in its meeting held on 10.04.2013 directed to get regularized the expenditure from the competent authority within two months.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 6]

### 1.8.5.2 Abnormal Delays in Completion of Work and Non-Imposition of Penalty – Rs 1.702 Million

As per clause 2 of contract agreement, the contractor shall pay, as compensation, an amount equal to one percent of the amount of the contract subject to the maximum of 10% or such smaller amount as the Engineer In charge may decide, for delay in completion of work. Furthermore, as per clause 37 of the contract agreement, the contractor shall apply in writing for time extension, thirty days before the due date of completion, if there are unavoidable circumstances and the work may be delayed

The contractors of TMA did not work with the desired pace and abnormally delayed completion of 05 development projects as detailed below. The TMO did not take appropriate action to improve the pace of work. The contractors were also granted undue favor and penalty was not imposed to the concerned contractors despite the fact that they were neither granted time extension nor their requests for the same were on record and in some cases the time extension was granted on un-justified reasons, which resulted in loss/over payment of Rs 1,702,223 during 2011-12.

(Amount in Rupees)

Sr. No.	Name of Scheme	Agreement Value	W.Order Date	Time allowed	Due date of Completion	Delay in completion	Amount of Penalty
1	Construction of M.R from JhangiWala road petroling check post to Basti Tibbi Mahinwal.	1,772,679	12.10.11	-	-	15 Months	177,268
3	Construction of Filtration Plant at DeraBakha UC. 20	4,132,800	12.10.11	4 Months	11.02.12	9 Months and 10 Days	413,280
6	Construction of Sewr Line And Tuff Tile Mian Di Basti U.C No. 22	5,711,940	13.06.12	5 Months	12.11.12	3 months	571,194
8	Improvement / Rehabilitation of Mettled Road , Tuff Tile BWP-HSP Road Lal Sohanra Chowk to Main Bazar Bilal Nagar	2,957,814	18.10.11	4 Months	17.02.12	4 Months	295,781
9	Construction of M.R from Mian the Basti to Basti Oocan (Allah Wasaya) Jhangi Wala Road to Basti Karam Pura	2,447,000	13.06.12	3 Months	12.09.12	1 Month	244,700

The irregularity occurred due to ineffective internal controls.

The above action of management caused a loss of Rs 1.702 million due to non imposition of penalty.

The matter was reported to the TMO during March, 2012. The TMO replied that applications for time extension were received in the office and time extension was granted by the competent authority as per rule. The reply of TMO was not tenable as procedure for submission of application for time extension, penalties and issuance of extension were not followed.

DAC in its meeting held on 10.04.2013 directed to recover the stated amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that said amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 25]

## 1.9 TMA Ahmed Pur East

### 1.9.1 Misappropriation / Fraud

#### 1.9.1.1 Misappropriation on account of POL for Tractor 385 (Loader) – Rs 1.038 Million

According to Rule 2.31 of PFR Vol-1, a drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

Contrary to above, TMO Ahmed Pur East misappropriated an amount of Rs 1.038 million on account of purchase of POL for tractor Messy 385 (Loader) which was used for loading purpose only. As per letter No. TO (I&S)/TMA/APE/90 dated 30.01.2012 "the POL of all the tractors will be issued by Mr. Husnain Shah (Sanitary Inspector). He issued POL for Messy 385 (Loader) for the month of February 2012 of Rs 2100 only as evident from the report of Mr. Husnain Shah (Sanitary Inspector) and the signatures of Mr. Abdul Shakoor (In charge Driver) and Khawaja Hassan Javaid (S.D.C Engineering Branch) but log book was not handed over by TO (I&S) and 1605 liters POL valuing Rs 106,500/- (1605\*100) was shown consumed which caused misappropriation of Rs . 158,400 in the month of February, 2012. Moreover the function of Messy 385 (Loader) is just to load the trolleys of other tractors with waste and garbage. It was very astonishing to see that no other tractor travelled with loader. Fake log book was maintained just to misappropriate the POL. Detail is given below.

(Amount in Rupees)

Sr. No.	Month in which POL used	POL used	Actual Exp.	Actual expenditure to be keeping in view the month of Feb.2012 (Period of Husnain Shah)	Difference/ Misappropriation
1	July 2011	721	72,100	2,100	70,000
2	August 2011	1,644	164,400	2,100	162,300
3	September 2011	756	75,600	2,100	73,500
4	October 2011	756	75,600	2,100	73,500
5	November 2011	924	92,400	2,100	90,300
6	December 2011	378	37,800	2,100	35,700
7	January 2012	564	56,400	2,100	54,300
8	February 2012	1,605	160,500	<b>2100 (Base month in which actual expenditure reported by the concerned peRs on)</b>	156,400
9	March 2012	714	71,400	2,100	69,300
10	April 2012	756	75,600	2,100	73,500
11	May 2012	1,080	108,000	2,100	105,900
12	June 2012	756	75,600	2,100	73,500
<b>Total</b>					<b>1,038,200</b>

The above irregularity occurred due to malafied intention for misappropriation.

Above action of the management caused loss of Rs 1.038 million.

The matter was reported to the TMO during March, 2013. The TMO replied that loader was attached with MF 385 for removal of heaps of filth and debaris from road side and removal of encroachment. Moreover maintenance of log book was the responsibility of the incharge and the same could not be compared with other months. Reply of the TMO was not tenable as written statement was provided by Mr. Husnain Shah in the presence of other two staff members regarding consumption of POL and maintenance of log book by TO (I&S).

DAC in its meeting held on 03 & 04.04.2013 directed to get the matter inquired by the Administrator, TMA Ahmed Pur East within one month.

No progress was reported till finalization of this Report.

Audit recommends that matter be inquired by the Administrator, and action be taken accordingly under intimation to Audit.

[AIR Para: 24]

#### **1.9.1.2 Misappropriation in purchase of electric item during Moharram – Rs 999,974**

According to Rule 2.31 of PER Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and miss-appropriation. Moreover Rule 2.33 of PFR Vol-I, states that, “every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though 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”.

Contrary to above, TMO Ahmed Pur East incurred expenditure of Rs 999,974 on purchase of 23 types of electric items for Muharram arrangements during 2011-12. Purchase of electric items in such a huge quantity for just 10 days of Muharram is unjustified. Moreover the stock was shown issued in the name of some political persons, advocates, police stations, medical stores, other shops etc which is totally unjustified. Furthermore the stock was required to be taken back into the store room of TMA after Muharram but no stock was taken back except 145 energy saver out of 464 and was misappropriated accordingly.

The above irregularity occurred due to malafied intention of the management to misappropriate the TMA funds.

Above action of the management resulted in loss of Rs 999,974.



The matter was reported to the TMO during March, 2013. TMO replied that all the electric items which were purchased were installed at sites and all these spots are located on Muharram routs. Reply of the TMO was not tenable as the stock was required to be taken back after expiry of the event.

DAC in its meeting held on 03 & 04.04.2013 directed to get the matter inquired by the Administrator within one month.

No progress was reported till the finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault besides recovery of misappropriated amount from the concerned under intimation to Audit.

[AIR Paras: 35]

## 1.9.2 Non production of Record

### 1.9.2.1 Non maintenance / Production of Record – Rs 77.603 Million

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

Contrary to above, TMO Ahmed Pur East did not produce record despite repeated request of expenditure incurred and revenue realized under different objects / codes of classification amounting to Rs 77.603 million during 2011-12 in violation of above rule.

(Amount in Rupees)

Sr. No.	Description of record	Amount
1	Receipt books, bank statements, original files of property and / or other backup record necessary for assessment of tax, cross checking of receipts on account of transfer of immovable property.	52,103,000
2	Detail of CCB Schemes detail of new registered suppliers, detail of auction of shops, trees, files of approved housing schemes, Survey conducted, detail of disciplinary proceedings, log books of vehicles, history sheets, tour programmes, files of complete & incomplete development schemes etc.	25,500,000
<b>Total</b>		<b>77,603,000</b>

Legitimacy of expenditure incurred and revenue earned could not be ensured due to non-production of record.

The matter was reported to the TMO during March,2013. The TMO replied that requisite record was available and the same could be checked by any authority.

DAC in its meeting held on 03 & 04.04.2013 directed to get the record verified during next regular audit.

No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the person(s) held responsible for non production / maintenance of record, under intimation to Audit.

[AIR Paras: 26, 37]

### **1.9.3 Irregularity / Non Compliance**

#### **1.9.3.1 Loss Due To Non Renewal of Lease Agreements – Rs 17.500 Million**

According to the letter No.S-III/2-11/80 dated 07.07.1982 issued by the LG&CD Department, Government of the Punjab, after expiry of five years the terms and conditions of extension of lease may be resettled between the lessees and local council concerned by negotiation keeping in view the prevalent rent of such shops. If the conditions of negotiation are not acceptable to the lessees or parties concerned fail to arrive at any agreeable decision, the shops should be re-auctioned according to prescribed procedure. Moreover, according to Rule 16 (a)(b) of chapter-V of the Punjab Local Governments (Property) Rules 2003, the immovable property shall be given on lease through competitive bidding and the period of such lease shall be allowed up to five years at a time

Contrary to above, TMO Ahmed Pur East allotted on lease 236 shops to different persons during 2001 for a period of 05 years. The lease period was expired but the shops were neither re-auctioned through competitive bidding nor the rent was re-fixed as per prevailing market rates, in violation of above rules, which resulted in loss of Rs 17.500 million approximately.

The loss occurred due to ineffective financial and managerial controls and willful negligence of management.

Non renewal of lease agreements and non-recovery of rent at prevailing market rates caused loss of revenue amounting to Rs 1.008 million to the TMA.

The matter was reported to the TMO during March, 2013. TMO replied that rent of shops was collected at 10 % annual increase after negotiation with the tenants and re-auction had not been carried out just to avoid unnecessary litigation. Reply of the TMO was not acceptable as Government instructions were not followed in true spirit and rent collected is very less as compared to prevailing market rates.

DAC in its meeting held on 03 & 04.04.2013 directed to get the matter inquired by the Administrator within 15 days.

No progress was reported till finalization of this Report.

Audit recommends that stated loss be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault and re-auctioning of shops at prevailing market rates, under intimation to Audit.

[AIR Para: 09]

### **1.9.3.2 Unauthorized Expenditure on Contingent Paid Staff – Rs 5.40 Million**

According to the Austerity Measures 2011-12 issued by the Finance Department, Government of the Punjab, no contingent paid staff shall be appointed without obtaining prior approval from the Austerity Committee constituted for this purpose.

Contrary to above, TMO Ahmed Pur East appointed contingent paid staff during 2011-12 without obtaining prior approval from the Austerity Committee and incurred expenditure of Rs 5.40 million on their wages, in violation of above rules.

The irregularity occurred due to non-compliance of instructions of the government and violation of financial discipline.

Appointment of contingent paid staff without obtaining prior approval from the competent authority resulted in unauthorized expenditure of Rs 5.40 million.

The matter was reported to the TMO during March,2013. The TMO replied that restriction in cover of Austerity Measures were not adopted by the Local Government. Reply of the department was not tenable as the Austerity Measures were communicated to the LG&CD Department for strict compliance under which Government of the Punjab imposed ban on appointment of contingent paid staff.

DAC in its meeting held on 03 & 04.04.2013 directed to get the expenditure regularized from the competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: - 39]

### **1.9.3.3 Irregular Expenditure due to Non-Compliance of PPRA Rules – Rs 1.577 Million**

According to Rule 9 and 12(1) of the Punjab Procurement Rules 2009, procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's web site. Procurement opportunities over Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time. Moreover as per Finance Department letter No.

FD.SO (Goods) 44-4/2010 dated 09-08-2010, and No. FD.SO (Goods) 44-4/2011 dated 23-07-2011, there was a complete ban on purchase of machinery equipment and furniture except with the prior approval of the austerity committee.

Contrary to above, TMO Ahmed Pur East incurred expenditure of Rs 1.577 million during 2011-12 on purchase of furniture and electric items etc. The expenditure was held irregular as the procurement opportunities were not advertised on the website of PPRA and fair tendering process was avoided. Moreover there was ban on purchase of machinery and furniture. Furthermore, purchase committee was not constituted for verification of rates and quality etc.

The irregularity occurred due to non-compliance of procurement rules and violation of financial discipline.

Non-compliance of procurement rules resulted in undue favour to the vendors of own choice and benefits of competitive bidding were not achieved

The matter was reported to the TMO during March, 2013. The TMO replied that letters mentioned above were not adopted by the LG & CD Department. Moreover the items purchased are exempted vide above referred letter. Reply of the TMO was not tenable as PPRA rules came in to force from 2009 but no compliance of PPRA rules was made.

DAC in its meeting held on 03 & 04.04.2013 directed to get the expenditure regularized from the competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 33]

## 1.9.4 Performance

### 1.9.4.1 Loss due to Non /Less Realization of Revenue and Arrears – Rs 16.370 Million

According to Rule 76 of the Punjab District Governments & TMA (Budget) Rules, 2003, “the collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.”

Contrary to above, TMO Ahmed Pur East did not make due efforts during 2011-12 to recover / realize revenue of Rs 16.370 million on account of rent of shops, water rates, license & permit fee, sewerage tax etc in violation of above rule. The detail is given below,

(Amount in Rupees)

Sr. No.	Particulars	Period	Amount
1	Arrears of Revenue	2011-12	12,300,327
2	License and Permit Fee	-do-	338040
3	Arrear of Rent of Shops	-do-	3,731,496
<b>Total</b>			<b>16,369,863</b>

The loss occurred due to ineffective financial controls and laxity of the management.

TMA was facing financial hardships due to less realization of T.M.A revenue worth Rs 12.300 million.

The matter was reported to the TMO during March, 2013. TMO replied that efforts were being made to recover the amount.

DAC in its meeting held on 03 and 04.04.2013 directed to recover due amount and deposit into relevant head of account.

No progress was reported till finalization of this Report.

Audit recommends that due amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Paras: 02, 07, 10]

### 1.9.4.2 Loss to TMA Due to Non Collection of Sewerage Tax – Rs 6.240 Million

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

Contrary to above, TMO Ahmed Pur East incurred expenditure of Rs 3.081 million on electricity bills of 6 disposals, fuel expenditure of peter engine and salary of staff deputed at disposal works during 2011-12 but it was very astonishing that TMA Ahmed Pur East was not collecting sewerage tax like other

TMA's in the District which is an important source of income. Keeping in view the population of Ahmad Pur East city if there are only 5000 domestic and 100 commercial connections and if fee @ Rs . 50 per month for domestic and Rs . 100 per month for commercial connection is imposed then TMA could have generated minimum annual revenue of Rs 3,120,000  $\{(5000*50*12) + (100*100*12)\}$ . In this way TMA had sustained minimum loss of Rs 6,240,000 (3120000\*02 years) during 2010-11 and 2011-12.

The loss occurred due to non imposing sewerage tax on domestic connections.

Non imposing of sewerage tax resulted in loss of Rs 6.240 million.

The matter was reported to the TMO during March, 2013. The TMO replied that sewerage tax had been imposed only on some commercial units and the same was not levied on domestic connections. The reply of TMO was not tenable as other TMA's in the District were collecting sewerage tax from commercial as well as domestic connections and TMA can generate revenue by imposing the said tax.

DAC in its meeting held on 03 & 04.04.2013 directed to levy sewerage tax on all domestic and commercial connections and get the loss write off from the competent authority.

No progress was reported till finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault, take disciplinary action against them and get the irregularity condoned from the competent authority besides recovery of due amounts from the concerned, under intimation to Audit.

[AIR Para: 11]

#### **1.9.4.3 Loss to TMA due to Non Conduction of Self Collection of Sludge Water – Rs 6.132 Million**

As per Rule 3 of PLGO (Auction of Collection Rights) Rules 2003, Local Govt. may prefer to collect any of its income through contractor by awarding collection rights to him and if not so, departmental collection should be exercised. Moreover as per para 76 (1) of Government of the Punjab, Local Government and Rural Development Department (Budget) Rules, 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Contrary to above, TMO Ahmed Pur East failed to auction the collection rights of sludge water of 3 disposal works Disposal Shoukat Abad, Disposal Chungi Peerwah Zone "A" and Disposal Zone "C" during 2011-12 and self collection was also not exercised due to which TMA sustained loss of Rs 6.132 million as a disposal is run for 8 hours a day and sludge water is sold @ Rs 700 per hour. It was confirmed that self collection was not shown deliberately in order to misappropriate the revenue.

The loss occurred due to non conduction of self collection.

Non conduction of self collection resulted in loss to TMA fund of Rs 6.132 million.

The matter was reported to TMO during March 2013. TMO replied that best efforts were made to auction the collection rights of sludge water however self collection was not exercised as disposal water could not be stored. The reply of the TMO was not tenable as government instructions were not followed.

DAC in its meeting held on 03 & 04.04.2013 directed to get clarification from Government of the Punjab, Health Department at the earliest.

No progress was reported till the finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault besides recovery of loss from the concerned, under intimation to Audit.

[AIR Para: 04]

#### **1.9.4.4 Loss to TMA due to Construction of Buildings without Approval of Map – Rs 2.705 Million**

According to Rule 9 (1) (a) of Punjab Local Government (Commercialization ) Rules 2004, commercialization charges at the rate of 20% shall be received for the urban commercial land on the basis of valuation tables prepared under the stamp act 1899. Moreover Local Government and Community Development Punjab Lahore issued Model Building and Zoning Bye-Laws for adoption within City District Government and Town Municipal Administration vide letter No. ESTATE (LG)2-64/06-A dated 20-7-2007. Which were approved by the assembly vide Resolution No. 21 dated 25-3-2009, according to the above regulations following points should be kept in view while passing the commercial center: -

1. As per Rule 3.2.3 the maximum ground coverage shall be 7/8<sup>th</sup> on the ground floor and 3/4<sup>th</sup> on subsequent floor with maximum FAR of 1:8 of the plot area.
2. As per Rule 3.1.2 mandatory open space 13 feet for Rear Space and 13 for both side's space.

Contrary to above, TMO Ahmed Pur East did not take any action against illegal construction of commercial markets without recovering map fee and commercialization fee. Audit party visited Bata Market (a commercial center) situated at Kainchi Mor and demanded approved map from the officials of TMA but it was told that notices were issued to the owner but the same were also not produced. Moreover building was constructed without observing above quoted rules. If issuance of three or four notices / reminders was enough then performance of TMA staff is questionable. Due to non realization of map fee and commercialization fee TMA sustained minimum loss of Rs 2.705 million on this commercial center only. Detail is given below.



(Amount in Rupees)

Sr. No.	Location	Name of Commercial center	Area	Area Sft	Map Fee	Value of Land	Commercial Fee	Total
1	Kainchi Mor	Comm. Market Bata Store	30 Marla	8160	12000 (30*800/2)	13,464,000	2,692,800	2,704,800

Above irregularity occurred due to ineffective financial and managerial controls.

Above action of the management resulted in loss to TMA fund.

The matter was reported to the TMO during March, 2013. The TMO replied that some portion of Bata Plaza was approved by the TMA and fee was collected whereas approval of additional portion was in progress and fee would be recovered accordingly. However construction work at site had been stopped. Reply of TMO was not tenable as snaps provided by the audit party showed that work was not stopped and completed without approval and collection of map and commercialization fees. Moreover no evidence regarding collection of fee and process of approval of map was provided.

DAC in its meeting held on 03 & 04.04.2013 directed to recover the amount from the concerned.

No progress was reported till the finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault for not taking action against illegal construction of buildings without approval of map and collection of government dues besides recovery of stated amount from the concerned under intimation to Audit.

[AIR Para: 44]

#### **1.9.4.5 Non-achievement of Targets of Receipts – Rs 2.687 Million**

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

Contrary to above, TMO Ahmed Pur East fixed revenue targets for the year 2011-12 on account of different heads of receipts, but the concerned staff did not make due efforts to achieve the targets. As a result revenue targets amounting to Rs 2.687 million could not be achieved during the year. The detail is given below.

(Amount in Rupees)

Sr. No.	New Code No.	Major/Minor Detailed Receipt Heads	Budget Estimates Current Year 2011-12	Actual Receipt 2011-12	Less Realization
1	C 0388054	Sewerage and Drainage Tax	130,100	119,820	10,280
2	C 0388057	Sanitation Fees	740,700	76,730	663,970
3	C 0388091	Other Misc (Arrears)	2,500,000	487,459	2,012,541
<b>Total Less Realization</b>					<b>2,686,791</b>

The loss occurred due to poor performance of the staff and lack of due diligence by the management.

Poor performance of the staff deputed for recovery resulted in loss of Rs 2.687 million to the TMA.

The matter was reported to the TMO during March, 2013. The TMO replied that sanitation tax was imposed on houses hence very little range was covered while sewerage tax was imposed on some small commercial units. Hence income was upto the mark. Reply of TMO was not tenable as very small amount was realized due to poor performance of recovery staff and targets could not be achieved through self collection.

DAC in its meeting held on 03 & 04.04.2013 directed to take appropriate action against the persons at fault and recover due amounts at the earliest.

No progress was reported till finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault, take disciplinary action against them besides recovery of due amounts, under intimation to Audit.

[AIR Para: 06]

#### **1.9.4.6 Loss due to Non Registration of Private Housing Schemes – Rs 1.363 Million**

As per Rule 4&38 of the Punjab Private Housing Schemes and Land Sub-division Rules 2010, the developer shall submit an application to the TMA, for seeking preliminary planning permission for a scheme before initiating any planning or development activity and shall pay the prescribed fee.

In jurisdiction of TMA Ahmed Pur East 07 private housing schemes carried out development and marketing activities without registration, approval of schemes, map design and specifications. The developers of these schemes did not apply for the registration and therefore did not pay the fee on account of registration and other prescribed requirements amounting to Rs 1.363 million. TMO did not take appropriate action to stop unauthorized and unapproved development and marketing activities in contravention of above referred rules of the government.

The irregularity occurred due to ineffective financial and managerial controls.

Audit holds that illegal and unauthorized activities are not checked by the TMA and huge loss of revenue is caused to the public exchequer due to not taking appropriate action and recovery by TMA.

The matter was reported to the TMO during March, 2013. The TMO replied that approval of said housing schemes was still in progress and fee would be received after final approval of the same from District Housing Committee.

DAC in its meeting held on 03 & 04.04.2013 directed to recover the amount from the concerned at the earliest.

No progress was reported till finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault besides recovery of dues from the developers / owners of housing schemes, under intimation to Audit.

[AIR Para: 43]

#### **1.9.4.7 Loss to TMA due to Less Fixation of Reserve Price and Auction of Cattle Mandi without Media Coverage – Rs 1.263 Million**

According to Rule 9 of Auctioning of Collection Rights Rules 2003, “The reserve price for an income shall be the average of last preceding three year’s income of the respective local government”. Moreover Rule 2.33 of PFR Vol-I, states that, “every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by government though 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”. Furthermore according to LG & CD Department letter No. SOTAX(LG)2-292/97-P-IV dated 01.07.2010, “ the commissioner must ensure that auction proceeding of cattle market fee are presided over by them personally and the same covered live by media. Any contract awarded through bidding not attended by Divisional Commissioner or not covered by media would be considered irregular”.

Contrary to above, TMO Ahmed Pur East calculated less reserve price for cattle mandi by not considering the income of missing periods (self collection) resulting in awarding of contract for Rs 5.2 million on less than reserve price due to which TMA sustained loss of Rs 1.263 million during 2011-12 as detailed below. Moreover no media coverage was available during the whole proceedings of auctioning process. In the absence of which transparency of the whole auction process is doubtful.

(Amount in Rupees)

Year	Period	Actual Income	Actual Income to be (actual income *12/period of agreement)	Difference
2008-09	12 months	8,700,000	8,700,000	0
2009-10	11 months (08/2009 to 06/2010)	4,665,000	5,089,090	424,090
2010-11	03 Months (04/2010 to 06/2011)	1,400,000	5,600,000	4,200,000
Total Income should be for determining the Reserve Price for 2011-12			19,389,090	
Reserve Price should be			6,463,030	
<b>Loss due to fixation less Reserve Price</b>			<b>1,263,030 (6,463,030-5,200,000)</b>	

The irregularity occurred due to non observing the prevailing rules.

Non observance of Government instructions resulted in loss to TMA fund.

The matter was reported to the TMO during March, 2013. The TMO replied that reserve price was calculated on the basis of average of last three year's actual income. Reply of the TMO was not tenable as reserve price was not calculated according to Rule 9 of Auctioning of Collection Rights Rules, 2003. Whereas no evidence regarding media coverage was produced.

DAC in its meeting held on 03 & 04.04.2013 directed to get the matter inquired by the Administrator for auctioning at abnormally low rate and not making self collection for 9 months and provision of evidence of media coverage.

No progress as reported till the finalization of this Report.

Audit recommends fixation of responsibility on the persons at fault besides recovery of loss from the concerned and regularization from Government of the Punjab under intimation to Audit.

[AIR Para: 01]

Non-Compliant Paras of Annex – I  
of Audit Report for the Audit Year  
2012-13

## 1.10 TMA Yazman

### 1.10.1 Loss due to Un-authorized Payment of House Rent and Conveyance Allowances – Rs 271,944

According to Rule 2.31 (a) of PFR Vol-I a drawer of bill for pay, allowances, contingent and other expenses will be responsible for any overcharges, frauds and misappropriation.

Contrary to above, TMO Yazman did not deduct house rent and conveyance allowances from the salaries of eight (08) employees who were availing the facility of Government accommodation within premises of the office or they were allotted official vehicles, which resulted in loss of Rs 271,944. The detail is given below.

(Amount in Rupees)

Sr. No.	Name of Employee	HRA	CA	Total
1	Mr. Muhammad Tariq (Electrician)	24,048	27,600	51,648
2	Mr. Tayyab Iqbal (Junior Clerck)	25,416	27,600	53,016
3	Mr. Abdul Rasheed (Budget Assistant)	0	40,800	40,800
4	Mr. Abdul Malik	0	27,600	27,600
5	Mr. Liaquat Ali (FM)	0	27,600	27,600
6	Mr. Muhammad Iqbal	0	27,600	27,600
7	Disposal Quarter (BS-2)	21,840	0	21,840
8	-do-	21,840	0	21,840
<b>Total</b>		<b>93,144</b>	<b>178,800</b>	<b>271,944</b>

The above irregularity occurred due to in effective financial controls.

This action of management resulted in unauthorized payment of conveyance and House Rent Allowance Rs 271,944.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that notices had been served to the said employees for recovery of HRA whereas conveyance allowance was being deducted fro their salaries. DAC in its meeting held on 23.10.2012 directed to recover the stated amount and deposit into relevant head of account.

No progress was reported till finalization of this Report.

Audit recommends that the stated amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Paras: 11 & 12]

### 1.10.2 Loss due to Non Deduction of Shrinkage – Rs 242,102

As per schedule of rates 3% to 6% shrinkage shall be deducted from earth work if the work was done without compaction and compaction certificate shall be ensured by compaction test from the works laboratory.

TMA Yazman did not obtain compaction test certificates from the work laboratory and earth work was paid to the contractor without deduction of shrinkage @6% which resulted in over payment amounting to Rs 242,102.

The above irregularity occurred due to in effective financial controls.

This action of management resulted in over payment of Rs 242,102.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that deduction of shrinkage has already been made @ 4% from the contractors, but department failed to produce record in support of their reply. DAC in its meeting held on 23.10.2012 directed to recover the stated amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the stated amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 30]

### **1.10.3 Excess Expenditure on Holiday Allowance – Rs 222,576**

According to Government of the Punjab S&GAD Department letter No. SOGIV (SA) Misc. – 04/94 dated 2.9.1994 read with letter No. SOW – 1 (S&GAD) 1 – 3 / 2008 (PL), dated 12.05.2010 “the officials posted for provision of essential services like water and sanitation may be arranged in such a way that these services are continuously provided to the General Public during all the seven days and weekly rest may be allowed to them on rotation basis.”

Contrary to above, TMO Yazman incurred an expenditure of Rs 222,576 on “Holiday Allowance” of sanitation staff etc. during 2011-12 whose services were shown received for whole week continuously without allowing them weekly rest in violation of above referred instructions of the authority, which resulted in excessive expenditure of Rs 225,576 due to mismanagement of the administration as a huge amount could have been saved by allowing weekly rest and rotating the duties of staff in an efficient manner.

The above irregularity occurred due to mismanagement and ineffective internal controls.

The above action of management resulted in excess expenditure of Rs 222,576.

The matter was reported to the TMO and Administrator during March, 2014. TMO replied that no payment was made without performing duties during off days. The duties on off days were assigned by the competent authority. DAC in its meeting held on 23.10.2012 directed to recover the stated amount at the earliest.

No progress was reported till finalization of this Report.

Audit recommends that the stated amount be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 13]



## 1.11 TMA Khair Pur Tamewali

### 1.11.1 Irregular and Un-justified Expenditure on Sports Activities – Rs 124,352

According to Rule 2.10(a)(1) of the PFR Vol-I “ Same vigilance should be exercised in respect o expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money”.

Contrary to above, TMO Khair Pur Tamewali incurred an expenditure of Rs 124,352 as detailed below on purchase of sports materials during 2010-12. The expenditure was held irregular as purchases were made from un-registered firms, the quotations and supply orders were dateless in violation of above rule. Moreover, purchased items were not recorded in stock register.

**(Amount in Rupees)**

<b>Sr. No.</b>	<b>Date of Bill</b>	<b>Vender No.</b>	<b>Name of Item</b>	<b>Amount</b>
1	24.03.2012	1142	Sports Items	23,700
2	26.04.2012	1282	-do-	100,652
<b>Total</b>				<b>124,352</b>

The irregularity occurred due to non compliance of financial discipline and violation of procurement rules.

The above action of the department resulted misappropriation and undue favour to venders of own choices.

The matter was reported to the TMO and Administrator during September, 2012. TMO replied that sports items were purchased from registered firms and these were entered in stock register with proper date and vouches / bills references. Reply of the department was not accepted as it was not supported with documentary evidences. DAC in its meeting held on 26.09.2012 directed to verify the record from audit within three days.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the person at fault, under intimation to Audit.

[AIR Para: 19]

## **1.12 TMA Hasilpur**

### **1.12.1 Unauthorized Expenditure on POL – Rs 531,926**

As per Rule 2.32 of PFR Vol-1 “It is not sufficient that a Government servant accounts should be correct to his own satisfaction. He has to satisfy not only himself but also to audit, that the claim which has been accepted is valid. It is necessary that all accounts should be so kept and details, so fully covered, as to afford the requisite means for satisfying any enquiry that may be made into the particulars of any case”. It is further added that the record of payments measurements and transactions in general must be so clear, explicit and self-contained as to be producible as satisfactory and convincing evidence of facts”.

Contrary to above, TMO Hasilpur incurred an expenditure of Rs 531,926 on account of POL and travelled 50304 Kilo Meters but the log book of the vehicle No. BRH – 8203 revealed that all distance was noted / recorded on rough estimate as no meter reading was recorded in log book. Furthermore, neither the tour programmes of the officers were on record nor the history sheet register was maintained.

The irregularity occurred due to ineffective internal controls and negligence of the department.

The above action of the management resulted in loss of Rs 531,926.

The matter was reported to the TMO and Administrator during August, 2012. TMO replied that the distance meter of vehicle is out of order and un-repairable. This is why the distance is recoded as all the distances of the routes are already known. Furthermore, the tour programmes of the officers and History Sheet Registers are available in the office, but no documentary evidences were produced in support of reply. DAC in its meeting held on 26.09.2012 directed to get verify the record from audit within three days.

No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from competent authority at the earliest, under intimation to Audit.

[AIR Para: 11]

### **1.12.2 Loss due to Non Auction of Agriculture Land and Sludge Water – Rs 505,934**

According to Rule 76 of PDG & TMA (budget) Rules 2003, “The primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into the Local Govt. fund under proper receipt head”.

Contrary to above, TMO Hasilpur failed to auction agricultural land and sludge water during 2010-12 due to which T.M.A Sustained a loss of Rs 505,934 as detailed below in violation of above rule.

(Amount in Rupees)

<b>Sr. No.</b>	<b>Particulars</b>	<b>Period</b>	<b>Reserved Price</b>
1	Sludge Water Disposal Works Hasilpur	2010-11	250,000
2	Sludge Water Chak No. 63/F	-do-	28,000
3	Sludge Water Chak No. 18/FW	-do-	10,000
4	Sludge Water Old Hasilpur	-do-	25,000
5	Sludge Water BhattaBairiWala	-do-	10,000
6	Sludge Water Hasilpur Zone – C	-do-	74,000
7	Agricultural Land Disposal No. 1	2011-12	5,517
8	Sludge Water	-do-	22,250
9	Sludge Water Chak No. 63/F	-do-	15,000
10	Sludge Water Old Hasilpur	-do-	17,000
11	Sludge Water Hasilpur Zone – C	-do-	49,167
<b>Total</b>			<b>505,934</b>

The irregularity occurred due to poor financial management.

The above action of the management caused loss of revenue of Rs 505,934.

The matter was reported to the TMO and Administrator during August, 2012. TMO replied that the distance meter of vehicle was out of order and un-repairable. This was why the distance was recoded as all the distances of the routes were already known. Furthermore, the tour programmes of the officers and History Sheet Registers are available in the office, but no documentary evidences were produced in support of reply. DAC in its meeting held on 26.09.2012 directed to get the loss written off from competent authority.

No progress was reported till finalization of this Report.

Audit recommends that the loss be made got written off within two months besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 13]

# ANNEX

**Annex – I**  
**(Rupees in million)**

Name of TMA	Sr. No.	Para No.	Description	Amount	Nature
<b>Bahawalpur (City)</b>	1	26	Loss to TMA due to non recovery of advances	0.958	Irregularity
<b>Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13</b>					
<b>Bahawalpur (Sadar)</b>	2	7	Over Payment due to non deduction of different items.	0.421	Overpayment
	3	28	Non Recovery of Electricity Charges and Rent of Building from BDA.	0.445	Overpayment
<b>Ahmadpur East</b>	4	15	Unjustified payment on account of work “Mettle Road remaining portion Dera Nawab Sahib	0.500	Violation of Rule
	5	19	Misappropriation of POL.	0.455	Misappropriation
	6	41	Non Deduction / Recovery of Trade / Professional tax.	0.288	Overpayment
	7	45	Loss to TMA due to non collection of Conversion fee.	0.685	Violation of Rule

**List of MFDAC Paras**

(Rupees in million)

Name of TMA	Sr. No.	Para No.	Description	Amount
Bahawalpur (City)	1	1	Loss due to usage of development fund for political benefits	48.440
	2	3	Non-Verification of Enlistment & Renewal Fee	0.240
	3	4	Loss to TMA due to showing un-Justified Fuel Expenditure during Winter Seasons	0.131
	4	5	Loss to TMA due to omission of important conditions form contract papers	0.119
	5	6	Loss to TMA treasury due to non-justified drawl of conveyance allowances	0.484
	6	8	Loss to TMA due to allowing purchase of TST material from Far Quarry	0.271
	7	10	Loss to TMA due to Illogical Billing	0.970
	8	11	Loss to TMA by awarding contract of Disposal Water on Low Rates	21.593
	9	13	Loss to TMA due to inefficiency of Collection Staff	0.461
	10	16	Loss to TMA treasury due to un-justified payment of allowances during leave period	0.116
	11	17	Loss to TMA Treasury due to illogical expenditure on sports events	0.419
	12	18	Misappropriation on account of license permit fee and loss to TMA due to non-conducting survey o new shops regarding License Permit Fee	-
	13	20	Loss to TMA due to non recovery of different fees from private Housing schemes	0.100
	14	21	Loss to TMA due to non –recovery of convers ion fee & development charges from Map cases	0.066
	15	22	Loss to TMA due to non recovery of sewerage tax from Map cases	0.065
	16	23	Loss to TMA due to non authorized traveling outside the tehsil	0.313
	17	24	Loss to TMA due to used Mobile oil	0.271
	18	25	Loss to TMA due to non imposing penalty to contractors	0.152
	19	27	Misappropriation of funds through fictitious billing	0.528
	20	28	Unauthorized expenditure on purchase of vehicle and machinery & equipment	0.202
Bahawalpur (Sadar)	21	4	Un-justified excess payment and recovery thereof	0.075
	22	5	Payment of arrears	0.049
	23	12	Loss to TMA in million due to non-classification of land	
	24	15	Loss to TMA due to non recovery of arrear	0.548
	25	19	Irregular payment of pay due to award of BPS-7 and excess payment thereof	1.915
	26	23	Irregular expenditure without observing PPRA Rules	0.541
	27	24	Non conduction of post completion evaluation of completed schemes	104.795
	28	28	Loss to TMA due to purchase of Machinery & Equipment after allowing contractors profit	0.294
	29	29	Over Payment due to allowing Un-justified lead on Crushed Stone	0.052
TMA Yazman	30	2	Un-authorized expenditure on purchase of stationery	0.365
	31	6	Loss due to Misappropriation in Receipts of Sewerage Tax	1.466
	32	7	Collection of parking fee without supervision	1.603
	33	13	Irregular expenditure on purchase of racks	0.997
	34	14	Expenditure on Repair of Transformers without NOC from WAPDA	0.797
	35	15	Doubtful expenditure on account of Repair of Vehicles / Machinery on Fake demand and bogus bills	0.311
	36	16	Splitting of works	0.130
	37	17	Misappropriation of POL	0.024

Name of TMA	Sr. No.	Para No.	Description	Amount
	38	19	Irregular expenditure on 14 <sup>th</sup> August 2012	0.098
	39	20	Un-justified repair of vehicle No. 7372 Cultus	0.308
	40	21	Non distribution of Manhole cover	-
	41	25	Unauthorized Expenditure on Contingent Paid Staff – Rs 6.050 Million	6.050
	42	29	Production of Record	0
	43	30	Loss due to Non /Less Realization of Revenue and Arrears	24.000
	44	31	Excess estimation of cost for various works	5.176
	45	32	Loss to Govt. Treasury due to Usage of Development Funds for Political Benefits	70.000
<b>TMA Khairpur Tamewali</b>	46	1	Un-justified payment to Contingent paid staff	0.560
	47	3	Irregular payment of Holiday Allowance	2.359
	48	5	Un-due favor to the contractor regarding advance payment by recording fictitious entries in MB	0.682
	49	6	Irregular / Illogical Auction of Cattle Mandi – Rs (approximately)	5.200
	50	7	Loss due to Non collection of arrears	3.878
	51	10	Irregular expenditure due to purchase from Un-register firms suppliers	0.569
	52	11	Bogus Expenditure on POL	0.170
	53	13	Un-authorized payment of Holiday Allowance	0.893
	54	14	Loss to TMA in millions due to non Classification of land	-
	55	15	Un-justified repair of vehicles	0.358
	56	16	Irregular expenditure of Earth Filling due to Non-Defining of NSL (Natural Surface level) and RDs of work done	0.466
	57	17	Less collecton of licence and Permit fee	0.407
	58	18	Un-authorized payment of Conveyance & House Rent Allowance loss to TMA	0.147
	59	19	Irregular expenditure on repair of Machinery	0.561
	60	22	Loss to TMA due to non recovery of Income Tax from Contractors	0.333
	61	23	Irregular expenditure on sports activities	0.633
	62	24	Non provision of record of kachi abadis	1.528
	63	25	Irregular purchase of Tires and Batteries of Rs 782,208 and loss of Rs 288,604 due to purchase on higher rates than the rates fixed by the Company	0.289
	64	27	Over payment of different nature work	0.331
65	28	On purchase of durable good without sanction from austerity committee	0.772	
66	31	Irregular expenditure on Electricity Item	0.305	
67	33	Loss to Govt. due to purchase of POL at Higher Rates than the rates fixed by OGRA	0.057	
<b>TMA Khairpur Tamewali</b>	68	34	Loss to TMA due to Higher Rates of Different Items	0.409
<b>TMA Hasilpur</b>	69	3	Prospect Misappropriation in Revenue Head or over charging by the Contractor	0.216
	70	5	Loss to TMA due to Concealing of Income Points under the Head Cattle Market	2.5
	71	6	Loss due to Non recovery of Risk & Cost Expenses	2.336
	72	7	Loss to Govt. due to Non-Considering of Reserve Price	3.864
	73	8	Loss to Govt. due to Ineffective Performance of staff	9.302
	74	9	Loss to TMA due to Non Recovery of Income Tax from the Contractor	0.064
	75	10	Non Recovery of Salary of Deputed Staff	0.436
	76	11	Non Recovery of Auctioned Amount from the Contractor	0.180
	77	13	Loss to TMA due to Non Auctioning of Shops since Establishment of TMA or Municipal Committee	0

Name of TMA	Sr. No.	Para No.	Description	Amount
	78	14	Loss to TMA due to Construction of fiRs t floor on leased shops	0
	79	17	Un-authorized payment of Conveyance Allowance loss to TMA	0.073
	80	18	Irregular purchase of filters without observing PPRA Rules & Undue favor	0.146
	81	20	Loss to TMA in millions due to Non classification of land	0
	82	22	Unjustified Payment of Electricity Charges	0.416
	83	24	Unjustified Repair of Vehicles	0.278
	84	25	Irregular expenditure on repair of Machinery	0.811
	85	27	Irregular expenditure on sports activities	0.455
	86	28	Loss to Govt. due to not deducting Shrinkage	0.090
	87	29	Irregular Purchase of Tires & Batteries of Rs 430,331 and Loss to TMA of Rs 191,446 due to purchase of higher Rates.	0.191
	88	30	Over payment due to claiming unjustified width of trench	0.372
	89	31	Over Payment of different nature work of	0.391
	90	32	Excess Payment of carriage due to irrelevant claiming of lead in development schemes	0.335
	91	33	Irregular Work Due To Estimation and Measurement by Unauthorized Person	16.030
	92	34	Less Collection of Permit Fee Loss to Govt.	0.098
	93	35	Mis-Appropriation in Collection of Permit Fee Loss to Govt.	0.215
	94	38	Irregular expenditure on purchase of durable goods without sanction from austerity committee	0.149
	95	39	Irregular payment due to appointment in BPS-5 of water works driver	1.112
	96	41	Non deduction of manhole and culverts from different schemes	0.403
	97	43	Irregular Expenditure on POL	0.359
	98	45	Irregular Expenditure on Electricity Items	0.346
	99	46	loss to govt. due to non recovery of house rent allowance	0.082
	100	47	Non Credit of Unclaimed Security to Govt.	0.874
	101	48	Unauthorized drawl of allowances during ex-Pakistan Leave	0.092



<b>TMA</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Description</b>	<b>Amount</b>
<b>Hasilpur</b>	102	49	Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA	0.064
	103	50	Loss to TMA due to higher rates of different items	0.220
<b>TMA Ahmadpur East</b>	104	6	Irregular Allotment of Work	8.600
	105	9	Non- recovery of professional Tax	0.090
	106	10	Non- recovery of arrears	0.334
	107	13	Irregular Expenditure Beyond the jurisdiction of TMA Recovery	0.299
	108	16	Irregular Promotion of driver Irregular expenditure	1.024
	109	18	Non Recovery of Penalties from the Contractor Due to Delay in Renewal of Contract	0.376
	110	19	Non-credit of security to the security account	0.160
	111	22	Loss to Govt. due to non-recovery of House rent and conveyance allowance	0.244
	112	24	Purchase From the Un-Registered Firm and Un-Authorized Payment of Sales Tax	0.784
	113	25	Non provision of compaction certificate and non-deduction of shrinkage	0.086
	114	26	Non-maintenance of separate books of accounts by each DDO	-
	115	29	Payment of Arrear of Pay & Allowances without Sanction of time barred Claim	0.548
	116	30	Unauthorized and ambiguous purchases and expenditure on the visit of Chief Minister	0.311
	117	33	Non Auction of Collection Rights of Shops and Plots	0.342
	118	35	Loss due to non- obtaining of performance security	5.606
	119	37	Loss to TMA in millions due to collection of Less Rent as compared to Prevailing Market Rent and non-auctioning of shops.	-
	120	38	Excess Payment on Execution of Work	0.085
	121	40	Uneconomical Purchases	0.344
	122	43	Loss to TMA due to Mis-use of the Fire Brigade	0.033
	123	45	Less /non deduction of income tax	0.092
124	47	Non deposit of deducted amount from pay on account of BF,WF and GP	0.090	
125	48	Non-conducting of post completion evaluation of the completed schemes	6.388	
126	51	Irregular expenditure without Lab Test Reports	6.121	
127	52	Loss to TMA in millions due to Non classification of land	-	
128	53	default of stock taking	-	
129	54	Excess payment to contractor due to non- deduction of L.D charge	0.036	
<b>Paras of Audit Reports of Remaining TMAs for the Audit Year 2012-13</b>				
<b>Bahawalpur Sadar</b>	130	1	Non realization of cost of land and development charges.	0.559
	131	15	Prospect misappropriation in Revenue head.	0.921
	132	18	Irregular payment of electric charges.	0.265
	133	20	Irregular expenditure on sports activities.	0.594
<b>Bahawalpur City</b>	134	23	Loss to TMA due to unjustified payment of carriage and profit on Carriage.	0.129
	135	30	Unjustified repair of Vehicles.	0.157

TMA Ahmadpur East	Sr. No.	Para No.	Description	Amount
	136	3	Misappropriation	4.446
	137	8	Loss to Govt. due to Non-Conducting Survey of New Shops regarding "License Permit Fee" head	0.371
	138	12	Irregular payment of electric charges Rs 779275	0.779
	139	13	Bogus expenditure by Comparison between actual consumption and bogus consumption of POL	0.440
	140	14	Bogus expenditure on account of payment to Contingent paid staff.	0.279
	141	16	Doubtful expenditure on repair of vehicles.	0.150
	142	17	Loss due to non obtaining of Performance Security.	0.865
	143	18	Unjustified payment on account of work "construction of Soling/Drains Goth Raza Ahmadpur East	0.831
	144	20	Misappropriation on account of Mobil oil and filter	0.179
	145	21	Loss to TMA due to Mis-use of the Fire Brigade	0.555
	146	22	Doubtful re-instatement into service due to non recovery of fraudulent drawl amount and salary	0.176
	147	25	Irregular expenditure on purchase of disposal and Misappropriation in old stock.	2.00
	148	27	Unjustified drawl of Conveyance allowance.	0.137
	149	28	Irregular payment of Holiday allowance and recovery thereof.	0.777
	150	29	Misappropriation on account of purchase of Manhole Covers	0.800
	151	30	Loss due to non-recovery of Risk & Cost expenses.	0.907
	152	31	Bogus consumption of POL in Jetter Machine costing.	0.183
	153	32	Irregular expenditure on purchase of Fog Machine.	0.720
	154	34	Irregular payment of Electricity charges.	0.253
155	36	Doubtful expenditure on repair of Sucker machine.	0.141	
156	42	Abnormal delays in completion of work and non imposing of penalty.	0.960	

**Annex – B**  
**[Para 1.3.2.1]**

**Irregular Appointment without Prescribed Qualification and Up-gradation of Posts without Approval of Finance / S&GAD Department  
– Rs 1.060 Million**

(Amount in Rupees)

Sr. No.	Period		Basic Pay	No. of Months	Total
	From	To			
1	01-07-90	30-11-90	650	5	3,250
2	01-12-90	30-06-91	669	7	4,683
3	01-06-91	30-11-91	1,123	6	6,738
4	01-12-91	30-11-92	1,160	12	13,920
5	01-12-92	30-11-93	1,197	12	14,364
6	01-12-93	31-05-94	1,234	6	7,404
7	01-06-94	30-11-94	1,670	6	10,020
8	01-12-94	30-11-95	1,720	12	20,640
9	01-2-95	30-11-96	1,770	12	21,240
10	01-2-96	30-11-97	1,862	12	22,344
11	01-12-97	30-11-98	1,928	12	23,136
12	01-12-98	30-11-99	1,994	12	23,928
13	01-12-99	30-11-2000	2,060	12	24,720
14	01-12-2000	30-11-2001	2,126	12	25,512
15	01-12-01	30-11-02	3,300	12	39,600
16	01-12-02	30-11-03	3,400	12	40,800
17	01-12-03	30-11-04	3,500	12	42,000
18	01-12-04	30-06-05	3,700	7	25,900
19	01-07-05	31-11-05	4,235	5	21,175
20	01-12-05	30-11-06	4,360	12	52,320
21	01-12-06	30-06-07	4,485	7	31,395
22	01-07-07	30-11-07	5,180	5	25,900
23	01-12-07	30-06-08	5,325	7	37,275
24	01-07-08	30-11-08	6,405	5	32,025
25	01-12-08	30-11-09	6,580	12	78,960
26	01-12-09	30-11-10	6,755	12	81,060
27	01-12-10	30-06-11	6,930	7	48,510
28	01-07-11	30-11-11	11,400	5	57,000
29	01-12-11	30-11-12	11,690	12	140,280
30	01-12-12	30-06-13	11,980	7	83,860
<b>Total</b>					<b>1,059,959</b>

**Annex – C**  
**[Para 1.3.4.1]**

**Abnormal Delays in Completion of Work and Non-Imposition of  
Penalty – Rs 4.176 Million**

(Amount in Rupees)

Sr. No	Name of Schemes	A. Approval Cost	Contract Cost	Date of Work Order	Name of Contractor	Due Date of Compl.	Actual date of Compl.	Exp. Incurred	Remarks	Date of Extension	Status	Reason for delay	Penalty imposed	Amount of Penalty imposed	Amount of penalty due	Less penalty Imposed
1	Construction of Metalled road from Jhangiwala road to BastiKarampur.	3,800,000	3,099,881	21/06/12	Al Jeelan Const. Co.	19-10-12	15-11-12	3,075,010	Exetn sion by TO (I&S)	19-11-12	Completed	Due to illness of contractor		0	309,988	309,988
2	Construction of Metalled road from Boys Primary School Basti Nard to BastiMajnoo	5,000,000	4,057,124	21/06/12	Wah eed Const. Co.	28-09-12	08-10-12	3,964,816	Exetn sion by TO (I&S)	11-09-12	Completed	Due to non availability of labour		0	405,712	405,712
3	Laying of Sewer Line , Tuff Tile Mian di Basri UC.22.	6,000,000	5,711,940	21/06/12	Jatal a Engi neeri ng Co.	12-11-12	08-02-13	5,698,950	Exetn sion by Admi nistra tor	08-01-13	Completed	Due to illness of contractor	Penalt y @ 0.10%	5,712	571,194	565,482
4	Laying of street pavement & Boundary wall JanazaGah Chak No.12/BC Janoobi	1,308,000	1,267,000	21/06/12	Khal id Mah moo d	19-08-12	15-09-12	1,224,007	Exetn sion by TO (I&S)	18-08-12	Completed	Due to non availability of labour		0	126,700	126,700
5	Construction of soling in streets Chak No.12/BC	2,000,000	1,880,000	21/06/12	Saeed Ur Rash eed	14-10-12	19-10-12	1,875,872	Exetn sion by TO (I&S)	10-10-12	Completed			0	188,000	188,000
6	Construction of sewer line in BastiBhaiyan	1,250,000	1,084,846	21/06/12	Al Aziz Buil ders	19-09-12	19-10-12	1,038,044	Exetn sion by TO (I&S)	19-09-12	Completed	Due to non approval of TSE		0	108,485	108,485

S r - N o	Name of Schemes	A. Ap pro val Cos t	Co ntr act Cos t	D a t e of W o r k O r d e r	N a m e of C o n t r a c t o r	D u e D a t e of C o m p l.	A c t u a l d a t e of C o m p l.	Ex p. I n c u r r e d	R e m a r k s	D a t e of E x t e n s i o n	S t a t u s	R e a s o n f o r d e l a y	P e n a l t y i m p o s e d	A m o u n t of P e n a l t y i m p o s e d	A m o u n t of p e n a l t y d u e	L e s s p e n a l t y I m p o s e d
7	Construction of soling and drain Basti Nard	1,675,000	1,543,624	21-07-2012	M/S Itchad Builders	19-09-12	15-11-12	1,524,931	Extension by TMO	18-09-12	Completed	Due to illness of contractor	Penalty @ 0.10%	1,544	154,362	152,819
8	Construction of soling & drain Basti Sultan Nagar LalSohanra	1,500,000	1,416,347	21-08-16-06-12	Saeed Ahmed	15-09-12	29-09-12	1,367,288	Exetn sion by TO (I&S)	15-09-12	Completed	Due to non availability of material	Penalty @ 0.10%	1,416	141,635	140,218
9	Construction of sewer line in different streets in Basti Bilal Nagar LalSohanra	1,350,000	1,153,400	21-07-20-06-12	Al Aziz Builders	19-09-12	25-09-12	1,000,146	Exetn sion by TO (I&S)	19-09-12	Completed	Due to Non approval of TSE		0	115,340	115,340
10	Construction of soling BastiBhatiyar & BastiKhuda Buksh Near PullyIslamabad	1,200,000	1,005,202	21-09-16-06-12	Saeed Ahmed	30-08-12	15-09-12	952,576	Exetn sion by TO (I&S)	01-09-12	Completed	No Reason Mentioned		0	100,520	100,520
11	Construction Metalled road from metalled road Mian the Basti to BastoOocan (Allah Wasaya)	2,500,000	2,447,000	21-09-13-06-12	Al Jeelan Const. Co.	12-09-12	08-10-12	2,396,239	Exetn sion by TO (I&S)	08-09-12	Completed	Due to non availability of labour		0	244,700	244,700
12	Laying Tuff PaveRs BastiKotlaMozaSanjar , Construction of soling from House FazalGujjar, Const of soling BastiKatchiyarMetalled road to house Master Taj.	500,000	445,744	25-06-27-07-12	Maqsood Ali Chishti	12-09-12	30-09-12	439,837	Exetn sion by TO (I&S)	10-09-12	Completed	Due to non availability of labour		0	44,574	44,574
13	Construction Filtration Plant at Dara Bakha UC.No.20	4,200,000	4,126,500	18-07-12-10-11	A.K Builders	11-02-12	20-11-12	4,020,151	Exetn sion by Administrator	19-06-12	Completed	Due to illness of contractor	Penalty @ 0.10%	4,127	412,650	408,524

Sr. No	Name of Schemes	A. Approval Cost	Contract Cost	Date of Work Order	Name of Contractor	Due Date of Compl.	Actual date of Compl.	Exp. Incurred	Remarks	Date of Extension	Status	Reason for delay	Penalty imposed	Amount of Penalty imposed	Amount of penalty due	Less penalty Imposed
14	Construction of Soling Basti Tara Garh Street Nawaz, Street RamzanJhabail, Street BaqiRs hah, Street Shaban etc.	1,250,000	1,018,082	28/08/24-12-12	Jahangir Ali	23-02-13	13-03-13	1,003,932	Extension by TMO	06-04-13	Completed	Due to illness of contractor	Penalty @ 0.10%	1,018	1,018,808	100,790
15	Construction of Soling Basti Tara Garh Old Abadi Chak No.36/BC , Metalled road to Masjid near House Dilshad, Street Ray Muhammad Buksh, Street Mistri Allah Buksh, Street Zafar Iqbal, Street Allah BukshJhabail, Street Shabir Shopkeeper.	1,000,000	803,461	28/07/24-12-12	Jahangir Ali	23-02-13	13-03-13	787,677	Extension by TMO	06-04-13	Completed	Due to illness of contractor	Penalty @ 0.10%	803	80,346	79,543
16	Construction of Soling & Drain, Sewer Street Masjid Bilal, Street Ahmad Shah, Street Muhammad Ali Arian Bilal Nagar.	1,000,000	802,595	28/01/22-12-12	M. Dilbar	21-02-13	08-04-13	762,465	Extension by TMO	17-06-13	Completed	Due to Crop season of wheat	Penalty @ 0.15%	1,204	80,260	79,056
17	Construction of Soling & Drain from HSPL –BWP road to Basti Kharak Chak No.07/BC	1,000,000	797,102	28/34/02-01-13	Zulfiqar Ahmed	01-03-13	28-04-13	790,084	Extension by TMO	03-03-13	Completed	Due to illness of contractor	Penalty @ 0.10%	797	79,710	78,913
18	Const. of M/R from Jhangiwala road near Petrol Pump to Basti Daiyan Mouza Gull Dera	3,200,000	255,3107	28/11/26-12-12	M/S M.S. B.	25-04-13	05-06-13	2,537,535	Exetn sion by TMO	28-06-13	Completed	Due to illness of contractor	Penalty @ 0.10%	2,553	255,311	252,758
19	Construction of Metalled road from Basti QadirPura to BastiKharak	4,050,000	326,6943	28/12/26-12-12	M/S M.S. B.	25-04-13	05-06-13	3,248,038	Extension by TMO	18-06-13	Completed	Due to Crop season of wheat	Penalty @ 0.15%	4,900	326,694	321,794

S r - N o	Name of Schemes	A. Ap pro val Cos t	Co ntr act Cos t	D a t e of W o r k O r d e r	N a m e of C o n t r a c t o r	D u e D a t e of C o m p l.	A c t u a l d a t e of C o m p l.	Ex p. I n c u r r e d	R e m a r k s	D a t e of E x t e n s i o n	S t a t u s	R e a s o n f o r d e l a y	P e n a l t y i m p o s e d	A m o u n t of P e n a l t y i m p o s e d	A m o u n t of p e n a l t y d u e	L e s s p e n a l t y I m p o s e d
20	Construction of Soling & drain Katchi Abadi Chak No.12/BC AlifJama Masjid Canal 1/R. Street Sattar Wali	2,239,000	2,364,000	28-09-14-02-13	Saeed Ur Rashid	13-04-13	16-07-13	2,316,017	extension by Administrator	01-08-13	Completed	Due to revision of estimates		0	236,400	236,400
21	Construction and repair of Soling & drain Chak No.32/BC ARs had Numberdarwali	835,000	609,116	29-02-12-03-13	Zulfiqar Ahmed	11-05-13		243,744	No Time Extension	No Application	Work is in progress			0	60,912	60,912
22	Construction & Repair of Soling Chak No.28/BC	600,000	428,801	29-03-12-03-13	Zulfiqar Ahmed	11-04-13	25-04-13	246,327	No Time Extension	No Application	Work is in progress			0	42,880	42,880
23	Construction of Soling Chah BakhayWala Chak No.36/BC	144,000	115,750	29-03-12-03-13	M. Iqbal	11-04-13	19-06-13	148,81	Exetn sion by TO (I&S)	22-04-13	Work is in progress	Due to non clearance of site	Penalty @ 0.10%	116	11,575	11,459
<b>Total</b>														<b>24,190</b>	<b>4,199,757</b>	<b>4,175,566</b>

**Annex – D**  
**[Para 1.4.2.2]**

**Execution of Development Work without Obtaining Performance  
Security – Rs 1.855 Million**

**(Amount in Rupees)**

Sr. No	Name of Schemes	Cost	Performance Security	Bellow %	Cost Estimation to be	performance security	Less collected
1.	Construction of Soling From House Abdul Sattar Bhatti To Matelled Road 74/DB	162,000	9,500	26.85	118,503	11,850.3	2,350.3
2.	Construction of Soling Chak No. 47/DNB Colony Azafi Abadi usman colony 47/DNB Yazman	1,000,000	58,440	26.95	730,500	73,050	14,610
3.	Construction of Soling Main road Ahmad pur to Basti Mini Thal Chak No:28/DNB.	400,000	24,960	22	312,000	31,200	6,240
4.	Construction of Soling from chock to Girls M/S chak no:17/DNB.	387,500		20.15	3,094,18.8	30,941.88	30,941.88
5.	Construction of Soling Eid Gah ward No:2 Yazman.	986,000	73,437	31.9	671,466	6,7146.6	-6,290.4
6.	Construction of Soling (Remaining Portion) JanazaGah 105/DB	600,000	34,632	27.85	432,900	43,290	8,658
7.	Construction of Soling From Pully Ahmed Shair Bhinder 104/DB To Janah Abadi 105/DB 1L-4L Yazman.	250,000	19,600	27.85	180,375	1,8037.5	0
8.	Construction of Soling Chak No. 119/DB To Grave Yard Yazman.	1,000,000			1,000,000	100,000	100,000
9.	Construction of Soling Basti Liaqat Abad Chak No. 6/DNB Yazman.	980,000	52,547	27.66	708,932	70,893.2	183,46.2
10.	Construction of Soling Chak No:125/DNB Road to Basti Abdul Latif War Chak No. 125/DNB Yazman.	300,000	18,936	21.1	236,700	23,670	4,734
11.	Construction of Soling In Chak 43/DNB Yazman.	778,000	41,000	26.75	569,885	569,88.5	15,988.5
12.	Construction of Soling Chak No:113/DB (JattahWali) Yazman	533,000	39,061	26.65	390,955.5	39,095.55	34.55
13.	Construction of Soling Chak no:112/DNB Minority Colony Yazman	5,050,000	30,522	24.45	3,815,275	38,1527.5	351,005.5
14.	Construction of soling From Metal Road 39/DNB Ahmed Pur Road to Darbar Peer M Hussain Shah& P/S RCC Pipe 18" Dia Civil Work Watar Diggi Yazman	7,445,000			7,445,000	744,500	744,500
15.	Construction of Soling Chak No. 21/DNB Yazman.	314,000	19,540	22.21	244,260.6	24,426.06	4,886.06
16.	Construction of Soling Madina Colony Chak No:105/DNB Yazman.	138,000	8,800	20.31	109,972.2	10,997.22	2,197.22
17.	Construction of Soling In Chak No. 20/DNB Colony Yazman.	350,000	22,470	19.75	280,875	28,087.5	5,617.5
18.	Construction of Children Park Near TMA offices Yazman.	838,000			838,000	83,800	83,800
19.	Construction of Soling & sewer Line KuRs heed Colony Yazman.	178,000	11,961	16	149,520	14,952	2,991
20.	Construction of Soling Chak No 89/DB Yazman.	256,500	21,000	28.95	182,243.3	18,224.33	0
21.	Construction of Sewerage Scheme Chak No. 88/DB (Middle)	400,000	24,000	30.99	276,040	27,604	3,604
22.	Construction of Soling Chak No. 56/DB (B)	1,000,000	54,988	35.15	648,500	64,850	9,862



Sr. No	Name of Schemes	Cost	Performance Security	Bellow %	Cost Estimation to be	performance security	Less collected
23.	Construction of Water Diggi In Chak No 88/DB (Middle) & RCC Culverts 72/DB Road Yazman.	350000	At par	At par	0	0	0
24.	Rehabilitation of Sewer Line Chak No:88/DB (Middle) Yazman.	3,000,000	196,800	18	2,460,000	246,000	49,200
25.	Construction of Soling Chak No:42/DB Gali No:11 Yazman.	200,000	15,000	30.98	138,040	13,804	0
26.	Construction of Sewer Line chak No:88/DB(S).	700,000	45,389	Item No			0
27.	Construction of Soling Chak No:42/DB Moblink Tower WaliGali Yazman.	200,000	15,000	30.99	138,020	13,802	0
28.	Construction of Soling & Re-Soling Chak No:140/DB Mushtaq Elahi Wali Yazman.	300,000	24,240	24	228,000	22,800	0
29.	Construction of Rcc culverts in Area of UC No:101 Yazman	100,000	11,576	3	97,000	9,700	0
30.	Construction of Soling Chak No:107/DB (Inside)	200,000	15,000	27.65	144,700	14,470	0
31.	Construction of Soling Chak No:105/DB Jannat colony Yazman.	200,000	32,712	27.85	144,300	14,430	0
32.	Construction of Soling Chak No: 84/DB To 85/DB colony Yazman.	600,000	26,490	31.85	408,900	40,890	14,400
33.	Construction of Sewer Line & Soling House Mushtaq to Dara Battery Wala Yazman.	236,500	26,490	18.65	1,923,92.8	192,39.28	0
34.	Construction of soling Chak N:144/DB Latasanger Yazman.	1,000,000	76,000	29.95	700,500	70,050	0
35.	Construction of Soling M/Road to Chak No. 102/DB (N&S) Yazman.	1,000,000	52,000	35	650,000	65,000	13,000
36.	Construction of Soling House Nawaz & Afzal Pump Wala to Masque Mukhdi Adda Yazman.	440,000	21,963	29.63	309,628	30,962.8	8,999.8
37.	Construction of Soling Chak No. 100/DB Jinnah Abadi Yazman.	300,000	22,632	24.56	226,320	22,632	0
38.	Construction of Soling Mengwal Colny Yazman.	200,000	14,710	33.06	133,880	13,388	0
39.	Construction of Soling Christian Colony Yazman	200,000	14,704	33.1	133,800	13,380	0
40.	Construction of Soling Chak No:72/DB Colony Rafque Numberdar Wali Yazman.	500,000	40,000	27.45	362,750	36,275	0
41.	Construction of Soling Chak No:74/DB Road To Basti Yasien Bhain	400,000	22,355	30.14	279,440	27,944	5,589
42.	Construction of Soling From Matelled Road 74/DB To BastiBukhshindaBhainWali Yazman.	400,000	31,300	27.15	291,400	29,140	0
43.	Construction of Soling Matteled Road Chak No: 86/DB .	350,000	24,723	30.65	242,725	24,272.5	0
44.	Construction of Soling Channan Peer Road to Graveyard Chak No:91/DB Mohtawali Yazman.	500,000	29,532	26.17	369,150	36,915	7,383
45.	Construction of Soling Chak No:90/DB (inside)Yazman.	400,000	30,960	28.25	287,000	28,700	0
46.	Construction of Soling Chak No:89/DB to Basti 88/DB Yazman.	500,000	28,400	29	355,000	35,500	7,100
47.	Construction of Soling Chak No:88/DB (s) Colony Jinnah Abadi Yazman.	500,000	26,860	32.85	335,750	33,575	6,715

Sr. No	Name of Schemes	Cost	Performance Security	Bellow %	Cost Estimation to be	performance security	Less collected
48.	Construction of Soling M/road to Basti 87/DB	400,000			400,000	40,000	40,000
49.	Supply of Petter Engine & Pipe for Disposal 70/DB Yazman.	100,000			100,000	10,000	10,000
50.	Construction Of Water CouRs e (Disposal) Inside Chak No:69/Db Yazman	700,000	55,283	26.28	516,040	51,604	0
51.	Construction Of Soling & Re- Soling From Chak No:68/Db (Bagi) Via Basti 68/Db Tehsil Yazman	1,100,000	81,300	29.95	770,550	77,055	0
52.	Construction Of Soling & Re- Soling From Chak No:70/Db Inside Tehsil Yazman	996,500			996,500	99,650	99,650
53.	Construction Of Soling GaliKahdemWirk To Boy School Chak No:49/Db Tehsil Yazman	980,000	67,522	31.1	675,220	67,522	0
54.	Construction Of Soling M/Road To Mosque Chak No:145/Db Tehsil Yazman	645,000	36,922	29.45	4,550,47.5	45,504.75	8,582.75
55.	Construction Of Soling M/Road To Mosque Chak No:146/Db Tehsil Yazman	672,000	51,000	29.35	474,768	47,476.8	0
56.	Construction Of Soling Fortabbas Road To Mosque Chak No:148/Db(A) Tehsil Yazman	1,500,000	10,422		1,500,000	150,000	139,578
57.	Construction Of Soling Inside Chak No:60/Db Tehsil Yazman	978,000	74,054	30.35	681,177	68,117.7	0
58.	Construction Of Soling Tailwala Road To Chak No:109/Db Via BastiSafderAmeen, Tehsil Yazman	1,071,000	70,000	27.53	776,153.7	77,615.37	7,615.37
59.	Construction Of Re- Soling & Repair Drain Chak No:108/Db Tehsil Yazman	461,000	35,474	23.05	354,739.5	35,473.95	0
60.	Providing & Lying Tuff Tile Inside Mohalla Islam Pura Remaning Portion Tehsil Yazman	800,000	58,720	8.25	734,000	73,400	14,680
61.	Construction Of Soling & Drain BastiManzoor Abad Chak No:107/Db Remaining Portion, Tehsil Yazman	1,000,000	84,708	26.64	733,600	73,360	0
62.	Construction Of Soling Chak No:54/Db (Inside) Tehsil Yazman	347,000	29,949	28.1	249,493	24,949.3	0
63.	Construction Of Soling M/ Road To Imran Tractor Workshop AddaKudwala, Tehsil Yazman	314,000	17,521	30.25	219,015	21,901.5	4,380.5
64.	Construction of M/Road Basti 117/DB via Water Supply Scheme Chak No: 117/DB Yazman.	936,000	54,700	26.95	683,748	68,374.8	13,674.8
	<b>Total</b>	49,123,000					<b>1,854,625</b>

**Annex – E**  
**[Para 1.4.3.2]**

**Irregular Execution of Works – Rs 6.754 Million**

(Amount in Rupees)

Sr. No.	Name of Scheme	Allocation	Contract Cost	Physical Progress	Expenditure	Liability
	<b>NMA-NA-187</b>					
1	Construction of Soling From House Abdul Sattar Bhatti To Matelled Road 74/DB	162,000	1,18,503	Completed	118,000	c
2	Construction of Soling Chak No: 84/DB To 85/DB colony Yazman.	600,000	408,900	Completed	4,089,000	c
3	Construction of Soling Chak No:74/DB Road To Basti Yasien Bhain	400,000	279,440	Completed	279,138	c
4	Construction of Soling From Matelled Road 74/DB To Basti Bukhshinda Bhain Wali Yazman.	400,000	291,400	Completed	289,145	c
5	Construction Of Soling M/Road To Mosque Chak No:145/Db Tehsil Yazman	645,000	461,397	Completed	461,397	c
6	Construction Of Soling M/Road To Mosque Chak No:146/Db Tehsil Yazman	672,000	474,768	Completed	474,768	c
7	Construction Of Soling Fortabbas Road To Mosque Chak No:148/Db(A) Tehsil Yazman	1,500,000	1,042,200	Completed	1,042,200	c
<b>Total</b>					<b>6,753,648</b>	

**Annex – F**  
**[Para 1.5.2.1]**

**Loss to TMA due to payment of excessive rates – Rs 1.294 Million**

**(Amount in Rupees)**

Sr. No.	Description	Qty (T.S)	Qty (Actual)	Excess	Rate paid	Rate MRS	Excess	Amount
<b>P/L, Tuff Tile Flooring &amp; Drain Kucha Abdullah Baleem U/C 51 K.P.T</b>								
1	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	3,245	3,245	-	2759.45	1465.2	1294.25	41,998
2	P/F CI special of BSS "B" such as bends tees, cross, collar, tail etc complete	170	270	100	88.3	-	-	8,830
<b>Total</b>								<b>50,828</b>
<b>Construction of Tuff Tile Flooring &amp; Drain KuchaTajmalPanwar U/C K.P.T.</b>								
1	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	3,291	3,291	-	2759.45	1465.2	1294.25	42,594
<b>Total</b>								<b>42,594</b>
<b>Construction of Tuff Tile Flooring &amp; Drain Kucha Haji Aqil to Jamia Majid U/C 51 K.P.T</b>								
1	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	2,307	2,307	-	2759.45	1465.2	1294.25	29,858
<b>Total</b>								<b>29,858</b>
<b>Construction of Tuff Tile Flooring &amp; Drain Kucha Haji Aqil to Jamia Majid U/C 51 K.P.T</b>								
1	P/L cutting testing jointing and disinfecting PVC pipe line etc complete. 3" i/dia	611	611	-	119	103.5	15.5	9,471
<b>Total</b>								<b>9,471</b>
<b>P/L, Tuff Tile Flooring &amp; Drain Kucha Abdul WaheedKehrorry U/C 51 K.P.T</b>								
1	P/L cutting testing jointing and disinfecting PVC pipe line etc complete. 3" i/dia	200	200	-	119	103.5	15.5	3,100
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	1,315	1,315	-	2,759.45	1,465.2	1294.25	17,019
<b>Total</b>								<b>20,119</b>
<b>Construction of Soling, Drain and Arch Culvert BastiRanaghulamSarwar U.C Gaddan</b>								
1	Dismantling of Old Soling	617	617	-	1,043.2	332.1	711.1	4,387
<b>Total</b>								<b>4,387</b>
<b>Construction of Soling, Drain Basti Ahmad Purmarlay U.C Syed imam Shah</b>								
1	Dismantling of Old Soling	2,394	2,394	-	1,043.2	332.1	711.1	17,024
<b>Total</b>								<b>17,024</b>
<b>Construction of metal road RCC Culverts from Chandipur Road to BastiZahoormadhar U/C Syed imam Shah KPT</b>								
1	Dismantling of Old Soling	7,080	7,080	-	775.35	246.85	528.5	37,418
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	7,080	7,080	-	3,196.6	1904.4	1,292.2	91,488
<b>Total</b>								<b>128,906</b>
<b>Construction of Soling, Drain Basti Ahmad Purmarlay U.C Syed imam Shah</b>								
1	Earth filling in ordinary soil lead upto 100 ft 85 % compaction	26,400	23,514	2,886	5,014.95	5,014.95	0	14,473
<b>Total</b>								<b>14,473</b>

Sr. No.	Description	Qty (T.S)	Qty (Actual)	Excess	Rate paid	Rate MRS	Excess	Amount
<b>Construction of Soling, Drain at BastiMujahid khan Waseeru.CAnayti</b>								
1	Earth filling in ordinary soil lead upto 100 ft 85 % compaction	38,963	38,963	-	4,339.35	3,648.95	690.4	26,900
<b>Total</b>								<b>26,900</b>
<b>P/L Water Supply Line (Water Works No.4) from Askari Road to Near Bahawal Canal Bridge to ChowkSaudia KPT</b>								
1	P/L cutting testing jointing and disinfecting PVC pipe line etc complete. 3" i/dia	6,217	6,217	-	148	98.45	49.55	308,052
<b>Total</b>								<b>308,052</b>
<b>Construction of Tuff tile Flooring &amp; Drains kuchaMianTajmalhussainPanwaru.C 51 KPT</b>								
1	P/L Tuff Tile Flooring 60mm thick etc. complete in all respect	8,885	8,885	-	71.58	54.85	16.73	148,646
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	2,951	2,951	-	2,050.95	1089	961.95	28,387
<b>Total</b>								<b>177,033</b>
<b>Construction of Tuff Tile Flooring and Drain Kocho Rao Sahban U/C KPT</b>								
1	Dismantling of Old Soling	1,582	1,582	-	775.35	246.85	528.5	8,361
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	1,501	1,501	-	2,050.95	1,089	961.95	14,439
3	P/L Tuff Tile Flooring 60mm thick etc. complete in all respect	4,513	4,513	-	71.58	54.85	16.73	75,502
<b>Total</b>								<b>98,302</b>
<b>Construction of Tuff Tile Flooring and Drain KochoMarkziJamia Masjid U/C 51 KPT</b>								
1	Dismantling of Old Soling	1,712	1,712	-	775.35	246.85	528.5	9,048
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	1,639	1,639	-	2,050.95	1089	961.95	15,766
3	P/L Tuff Tile Flooring 60mm thick etc. complete in all respect	4,949	4,949	-	71.58	54.85	16.73	82,797
<b>Total</b>								<b>107,611</b>
<b>Construction of Tuff Tile Flooring and Drain Kocho Abdul Qadir U/C 51 KPT</b>								
1	Dismantling of Old Soling	2,117	2,117	-	775.35	246.85	528.5	11,188
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	2,008	2,008	-	2,050.95	1089	961.95	19,316
3	P/L Tuff Tile Flooring 60mm thick etc. complete in all respect	6,237	6,237	-	71.58	54.85	16.73	104,345
<b>Total</b>								<b>134,849</b>
<b>Construction of Tuff Tile Flooring and Drain KochoSajidAndleeb U/C 51 KPT</b>								
1	Dismantling of Old Soling	805	805	-	775.35	246.85	528.5	4,254
2	P/L of brick aggregate, i.e breaking 1-1/2" to 2" gauge	772	772	-	2,050.95	1089	961.95	7,426
3	P/L Tuff Tile Flooring 60mm thick etc. complete in all respect	2,451	2,451	-	71.58	54.85	16.73	41,005
<b>Total</b>								<b>52,686</b>
<b>Construction of Tuff Tile Flooring and Drains Kucha Farooq Meharvi KPT</b>								
1	Dismantling of Old Soling	624	624	-	777.35	246.85	530.5	3,310
2	P/L Tuff Tile Flooring 60mm thick etc. complete in all respect	4,066	4,066	-	71.58	54.85	16.73	68,024
<b>Total</b>								<b>71,335</b>
<b>17 Development schemes Grand Total</b>								<b>1,294,429</b>

**Annex –G**  
[Para 1.5.4.1]

**Non Credit of Unclaimed Security – Rs 2.758 Million**

(Amount in Rupees)

Sr. No.	Date	Amount	Sr. No.	Date	Amount	Sr. No.	Date	Amount
1	06.01.05	1,872	14	19.01.05	1,455	27	18.06.05	5,000
2	06.01.05	21,705	15	19.01.05	9,272	28	28.06.05	1,612
3	06.01.05	6,107	16	19.01.05	17,552	29	01.07.08	40,000
4	06.01.05	7,217	17	19.01.05	800	30	16.06.09	120,000
5	06.01.05	8,873	18	19.01.05	9,683	31	16.07.09	51,465
6	06.01.05	642	19	19.01.05	48,377	32	16.07.09	5,000
7	06.01.05	1,952	20	14.03.05	4,858	33	16.07.09	6,035
8	06.01.05	995	21	14.03.05	4,001	34	16.07.09	6,618
9	11.01.05	29,946	22	15.04.05	12,450	35	14.10.09	36,934
10	11.01.05	5,667	23	15.04.05	3,543	36	14.10.09	37,883
11	11.01.05	1,793	24	02.05.05	5,928	37	14.10.09	24,821
12	11.01.05	7,816	25	27.05.05	100,000	38	14.10.09	24,879
13	19.01.05	6,000	26	01.06.05	6,133	39	14.10.09	194,217
40	14.10.09	267,708	48	14.10.09	73,298	56	04.12.09	32,429
41	14.10.09	18,762	49	14.10.09	105,533	57	04.12.09	58,404
42	14.10.09	273,269	50	04.12.09	260,373	58	04.12.09	32,382
43	14.10.09	30,398	51	04.12.09	11,347	59	04.12.09	20,918
44	14.10.09	52,061	52	04.12.09	82,154	60	09.06.10	213,333
45	14.10.09	131,586	53	04.12.09	62,760	61	24.06.10	17,475
46	14.10.09	33,349	54	04.12.09	14,628	62	24.06.10	44,641
47	14.10.09	29,529	55	04.12.09	12,091			-
		<b>937,247</b>			<b>846,236</b>			<b>974,046</b>
			<b>G.Total</b>					<b>2,757,529</b>

**Annex – H**  
**[Para 1.5.4.2]**

**Abnormal Delays in Completion of Work and Non-Imposition of  
Penalty – Rs 1.555 Million**

**(Amount in Rupees)**

Sr. No	Name of Scheme	Contractor	T.S Value	MB No	Page No	Agreement Value	W. Order Date	Time allowed	Due date of Completion	Delay in completion	Present Status	Amount of Penalty
1	P/L, Tuff Tile Flooring & Drain Kucha Abdullah Baleem U/C 51 K.P.T	Muhammad Ramzan	796,000	M.B No.5 088 Page 65to85	45 to 50	758,190	14.01.13	1.5 Months	27.2.2013	8 Month 20 days	Completed 18.11.13	75,819
2	Construction of Tuff Tile Flooring & Drain KuchaTajmalPanwar U/C K.P.T.	Ch: Shabir& Brother	791,000	5,098	58 to 72	729,895	14.01.2013	1.5 Months	27.2.2013	4 Month	Completed 27.06.13	72,990
3	Construction of Tuff Tile Flooring & Drain Kucha Haji Aqil to Jamia Majid U/C 51 K.P.T	Ch: Shabir& Brother	715,000	5,098	43 to 57	654,252	14.01.2013	1.5 Months	27.2.2013	4 Month	Completed 30.06.13	65,425
4	Construction of Soling, Drain and Arch Culvert BastiRanaghulamSarwar U.C Gaddan	M/S Shafiq-ur-Rehman	600,000	3,561	147 to 151	465,805	14.01.13	1.5 Months	27.2.2013	3Months 26 Days	Completed on 22.06.13	46,581
5	Construction of Soling, Drain BastiGaddan to BastiBlochan U.C Gaddan	M/S Shafiq-ur-Rehman	500,000	3,561	143 to 146	417,641	14.01.13	1.5 Months	27.2.2013	3Months 28 Days	Completed on 24.06.13	41,764
6	P/L, Tuff Tile Flooring & Drain Kucha Abdul WaheedKehrorry U/C 51 K.P.T	Ch: Shabir& Brother	400,000	5098	86 to 101	364,887	14.01.13	40 Days	22.02.13	5 Months 22 days	Completed on 14.09.13	36,489
7	P/L, Tuff Tile Flooring & Drain Kucha Grain Market to old (Second Hand) Bazar U.C 51 K.P.T	Riaz Ahmad	235,000	3556	136 to 143	215,484	14.01.13	30 Days	13.02.13	6 Months 22 Days	Completed on 05.08.13	21,548
8	P/L Water Supply Line (Water Works No.4) from Askari Road to Near Bahawal Canal Bridge to ChowkSaudia KPT	Ch. Naseer Ahmad	1,600,000	5093	56 to 64	1,556,798	14.10.11	3 Months	13.01.12	6 Months 15 Days	28.07.12	155,680
9	Construction of metal road from main HSP-BWP road to DeraQalandar Shah U/C Behli TMA, KPT	Imran Yasin	2,100,000			2,040,641	14.10.11	6 Months	13.04.12	W.I.P	W.I.P	204,064
10	Construction of metal road RCC Culverts from main HSP-BWP road to BastiBlochanU	Meassam TradeRs	5,000,000	5094	84 to 89	4,851,446	07.06.12	3 Months	06.09.12	1 Month 25 Days	01.11.12	485,145

Sr. No	Name of Scheme	Contractor	T.S Value	MB No	Page No	Agreement Value	W. Order Date	Time allowed	Due date of Completion	Delay in completion	Present Status	Amount of Penalty
	/C Gaddan TMA, KPT											
11	Construction of metal road RCC Culverts from Chandipur Road to BastiZahoomadhar U/C Syed imam Shah KPT	Meassam TradeRs	3,600,000	5094	92 to 103	3,493,376	07.06.12	3 Months	06.09.12	W.I.P	W.I.P	349,338
<b>Total</b>												<b>1,554,842</b>



**Annex – I**  
**[Para 1.5.4.4]**

**Irregular Expenditure on POL – Rs 1.033 Million**

**(Amount in Rupees)**

<b>Vehicle No.</b>	<b>Token No.</b>	<b>Date</b>	<b>Bill No.</b>	<b>Date</b>	<b>Supplier</b>	<b>Amount</b>
Sucker Machine	2318	13.06.13	584	May-13	Fardos Filling Station	37,778
Generator Offcie	2319	13.06.13	571	May-13	Fardos Filling Station	30,113
BRH-7401	2320	13.06.13	524	Mar-13	Fardos Filling Station	24,863
BRH-7401	2321	13.06.13	532	Apr-13	Fardos Filling Station	11,666
BRH-7401	2323	13.06.13	572	May-13	Fardos Filling Station	38,559
Jetting Machine	2324	13.06.13		May-13	Fardos Filling Station	9,855
New Disposal		13.06.13	484	May-13	Fardos Filling Station	47,292
New Disposal	2327	13.06.13	Different	Nov-13	Rashid Petroleum Service	34,500
New Disposal	2328	13.06.13	462	Dec-12	Fardos Filling Station	34,050
New Disposal	2329	13.06.13	464	Jan-13	Fardos Filling Station	37,455
Fiat 480	2330	13.06.13	570	May-13	Fardos Filling Station	20,805
MF 240 New	2330	13.06.13	595	May-13	Fardos Filling Station	24,638
MF 385	2330	13.06.13	573	May-13	Fardos Filling Station	29,565
BRH-7401	2322	13.06.13	564	Apr-13	Fardos Filling Station	19,332
BRH-7401	2376	27.06.13	657		Fardos Filling Station	28,953
Generator Offcie	2377	27.06.13	662		Fardos Filling Station	14,723
New Disposal	2377	27.06.13	668		Fardos Filling Station	11,070
0			665		Fardos Filling Station	12,731
Sucker Machine	2106	05.03.13	466	Nil	Fardos Filling Station	34,254
MF 385	2107	05.03.13	461	Nil	Fardos Filling Station	22,520
Jetting Machine	2108	05.03.13	459	Nil	Fardos Filling Station	51,204
MF 240 Old	2109	05.03.13	460	Nil	Fardos Filling Station	27,024
BRH-7401	2110	05.03.13	467	Nil	Fardos Filling Station	27,794
Fiat 480	2111	05.03.13	465	Nil	Fardos Filling Station	34,728
Generator Offcie	2112	05.03.13	463	Nil	Fardos Filling Station	22,520
				Nil		40,238
MF 385	1902	02.01.13	339	November		43,792
				Fardos Filling Station	36,822	
Generator Offcie	1902	02.01.13	338	November	Fardos Filling Station	18,376
MF 240 Old	1902	02.01.13	341	November	Fardos Filling Station	25,477
MF 240 New	1902	02.01.13	337	November	Fardos Filling Station	27,704
Jetting Machine	1902	02.01.13	340	November	Fardos Filling Station	20,988
Fire Brigade	1902	02.01.13	343	November	Fardos Filling Station	11,660
Fiat 480	1902	02.01.13	350	November	Fardos Filling Station	26,078
Sucker Machine	1902	02.01.13	342	November	Fardos Filling Station	27,774
BRH-7401	1933	16.01.13	369	December	Fardos Filling Station	33,907
BRH-7401	1934	16.01.13	363	November	Fardos Filling Station	31,877
<b>Total</b>						<b>1,032,685</b>

**Annex – J**  
**[Para: 1.6.2.2]**

**Irregular Payment due to Grant of Selection Grade – Rs 9.595 Million**

**(Amount in Rupees)**

period	Total Months/ Days	Pay of BS-05 Due	Pay of BS-07 Drawn	Difference	Amount	Rate of Increment of BPS-5	Rate of Increment of BPS-7	Difference	Month	Amount	50 % BS-05	50 % BS- 7	Difference.	Amount	Total Irregular Payment
12.09.99 to 30.11.01	26	1,400	1,480	80	2,080	66	81	15	26	390					40,586
01.12.01 to 30.06.05	43	2,200	2,340	140	6,020	100	120	20	43	860					105,780
01.07.05 to 30.06.07	24	2,875	3,115	240	5,760	115	140	25	24	600					78,120
01.07.07 to 30.06.08	12	3,590	3,900	310	3,720	135	160	25	12	300					48,720
01.07.08 to 30.06.10	24	4,460	4,860	400	9,600	160	190	30	24	720					121,200
01.07.10 to 30.06.11	12	4,620	5,050	430	5,160	140	160	20	12	240	2,230	2,4 30	200	2,40 0	62,520
01.07.11 to 31.01.14	31	7,480	8,360	880	27,280	260	320	60	31	1,860	2,310	2,5 25	215	6,66 5	269,080
<b>sub Total</b>					<b>59,620</b>					<b>4,970</b>				<b>9,06 5</b>	<b>726,006</b>

**Total Unauthorized Payment**

**73,655**

**Total Irregular Payment**

**726,006**

**G.Total**

**799,661**

Total Employees to Whom Basic Pay Scale 07 awarded

12

**Total Unauthorized Payment**

883,860

**Total Irregular Payment**

8,712,072

**G.Total**

**9,595,932**

**Annex – K**  
**[Para: 1.6.3.3]**

**Abnormal Delays in Completion of Work and Non-Imposition of  
Penalty – Rs 1.575 Million**

(Amount in Rupees)													
Sr. No.	Name of Scheme	Contractor	T.S Value	MB No	Page No	Agreement Value	W.Or der Date	Time allowed	Due date of Completion	Delay in completion	Present Status	Amount of Penalty	Reason
1	Construction of mettle road from Mor Farm Colony to Bhani Kharal Mouza Khero Deh	Nasir Ali Peerzada	2,825,000	432	45 to 50	2,796,750	19.06.12	3 Months	18.09.12	19 days	Completed 04.10.12	279,675	weather
2	Replacement of water supply pipe line from side of chak No.62/F and Mehmood Colony HSP	Haji Khadim Hussain	1,633,000	227	47 to 53	1,632,184	19.06.12	6 Months	18.12.12	12 days	Completed 29.12.12	163,218	
3	Replacement of water supply line sattlite town, millat town U.C 38 HSP	Haji Khadim Hussain	2,548,000	227	53 to 60	2,546,726	19.06.12	6 Months	18.12.12	11 days	Completed 28.12.12	254,673	
4	Construction of Solling Farm Colony and bhani Kharal Mouza Khero Deh	M/S Shahid	1,740,000	134	11 to 13	1,289,340	31.01.13	3 Months	30.04.13	1 Month 28 Days	Completed on 27.06.13	128,934	site Clearance & labor
5	Construction of sewer line and soling inside city area TMA HSP	M/S M. Kaleem	1,729,000	429	69 to 79	1,724,678	19.06.12	4 Months	18.10.12	4 Months	Completed on 18.02.13	172,468	
6	Replacement of water supply pipe line from Nadeem Shaheed Road Street No. 2,3,4,5 back side bank Al-Falah Street No. 1,2 and ceema cotton factory road union council 38 HSP	M/S Adeelqbal	1,208,000	225	21 to 26	1,205,584	19.06.12	3 Months	18.09.12	3 Month 15 days	Completed on 05.01.13	120,558	Site Clearance
7	Laying of Sewer Line from House Dr. Younas to Darbar Islampura	Haji Khadim Hussain	1,000,000	426	8 to 93	682,000	31.10.11	6 Months	30.04.12	2 Month 7 Days	Completed on 06.07.12	68,200	Site Clearance
8	Laying of Sewer Line and PCC Flooring Mehmood Colony Hasil Pur	Danish Akhtar	1,000,000	226		740,500	17.02.11	5 Months	16.07.11	1 Month 6 Days	Completed on 22.08.11	74,050	
9	Construction of ware house in TMA HSP	AltafCheema	1,025,000	132	14 to 38	1,023,463	01.10.12	1.5 Months	15.11.12	3 Months	Completed on 12.02.13	102,346	weather
10	Construction of sewer line and soling inside city area TMA HSP	Al-BabeelConstruction Company	2,000,000	226	66 to 71	2,000,000	09.11.07	4 Months	08.03.08	3Year 11Month	Completed on 19.02.12	200,000	
11	Replacement of water supply line Railway Road, Raja Chowk to National Bank U.C 38 HSP	M/S S.A Awan	981,000	228	15 to 23	980,510	19.06.12	6 Months	18.12.12	3 Months	Completed on 18.03.13	98,051	Site Clearance
12	Laying of Water Supply Pipe Line from new Bus Stand to Chak No. 18/F.W U.C 37	Haji Khadim Hussain	950,000	226	30 to 33	947,625	19.06.12	6 Months	18.12.12	11 days	Completed on 29.12.12	94,763	

13	Construction of Soling from bastikanjoo to derabastinawaz jut u.c no. 44 hsp	Nadeem Akhtar	600,000	435	95 to 96	441,000	31.01.13	1.5 Months	15.03.13	13 days	28.03.13	44,100	due to Crowd
<b>Total</b>												<b>1,756,936</b>	

**Annex – L**  
**[Para 1.7.3.1]**

**Irregular Expenditure without preparing of PC-1 – Rs**  
**21.006 Million**

(Amount in Rupees)

<b>Sr. No.</b>	<b>Name of Schemes</b>	<b>Cost</b>	<b>Expenditure 2012-13</b>
1	Construction of soling & Drain Basti Pepli Wali and Basti Ghanni Walimouza Ramzan Joiya UC TibbiIzzat Tehsil Ahmedpur east	1,000,000	753,061
2	Construction of sewer line from masque Yousaf (Tabligi Markiz) to main sewer line basti Patwarian Ahmedpur East	1,370,000	0
3	Construction of soling bastiMahar Mahmood to basti Mahar Faiz mouza Khuda Bukhsh Mahar. APE	1,000,000	959,561
4	Construction of sewer line/street pavement Karim Colony Ahmad pur East.	2,000,000	1,948,132
5	Repair of M/road basti Arrain mouza Ghunian, Tehsil Ahmad pur East	927,000	924,272
6	Construction of boundary wall of Graveyard Azeem Shah near KLP road Tehsil Ahmadpur East.	2,190,000	1,466,625
7	Construction of soling Basti Haji Ghulam NabiKulyrmouza Koura Kulyar	1,000,000	771,795
8	Construction Soling Koucha Jat Chani Goth City and Station	1,000,000	778,076
9	Construction of boundary wall graveyard Bulandi Sharif U/C Nonari	738,000	715,860
10	Laying of Tuff Tile in Dhoor Kot	1,000,000	754,378
11	Construction of Bridge Canal Sultan Wah near Basti Mohana Ghounce pur	1,000,000	247,872
12	Construction of Bridge on Ghounce Minor near House Molvi Mustafa Karyana Store wala U/c Khuda Bukhsh Mahar	1,000,000	807,957
13	Construction of soling chowk Bhatta Uch Road to Jaam Faqir Ullah Laar U/c Khuda Bukhsh Mahar	3,924,000	2,541,161
14	Construction of soling from M.roadDaimWala to basti Ahmad Shah mouza Daimwala	1,453,000	1,129,986
15	Construction of Bridge on Rasool Wah near basti Ayyub Arbi mouza Kotla Sultan U/c Kotla Musa Khan	1,000,000	812,803
16	Construction of Slab of Bridge on Bahawal wah Canal near house Madni Joiya	642,000	595,938
17	Construction of Slab of Bridge on Sultan wah Canal near house Malik Rashid Channar	642,000	538,083
18	Construction of soling from soling road to basti Machian Kuchawarun	1,453,000	973,308
19	Construction of soling from Khairpur Daha road to basti Walhia	2,001,700	1,561,326
20	Construction of Bridge on Canal near basti Majeed Channar Haji Fattah Muamad Channar Garri Kandi	1,000,000	828,902
21	Construction of boundary wall graveyard basti Attah Ullah U/c Khuda Bukhsh Mahar.	600,000	552,542
22	Construction of soling Bridge Shaikh Kot to Existing soling road Chowk Ghalwaan U/c Bahawalpur Ghalwaan.	1,865,000	1,344,748
<b>Total</b>		<b>28,805,700</b>	<b>21,006,386</b>

**Annex – M**  
**[Para 1.7.3.4]**

**Expenditure on Development Works Beyond Jurisdiction –**  
**Rs 9.349 Million**

(Amount in Rupees)

Sr. No.	Name of Schemes	Cost	Expenditure 2012-13
1	Construction of bridge on Shikrani Minor near basti Malik Nazir Machi mouza Shikrani Tehsil APE	500,000	407,402
2	Construction of Bridge Bun Wah near basti M. Akram Khan Jatoi mouza Bun Wala	400,000	173,925
3	Construction of Bridge on Bun Wah near basti Iqbal Laloo mouza Bunwala Tehsil Ahmadpur East	400,000	325,530
4	Construction of Bridge on Minor JhilanWali near Basti Dhah mouza Tahir Wali Tehsil Ahmadpur East.	300,000	234,207
5	Construction of Bridge on Haleem Minor near Basti Malik Khalil Long Mouza Long GarwaanTeh. APE	300,000	243,953
6	Construction of Bridge on Shikrani Monor near Basti Ahmad Khan Shikrani Mouza Shikrani Tehsil Ahmed pur.	300,000	245,890
7	Construction of Bridge Canal Sultan Wah near Basti Mohana Ghounce pur	1,000,000	247,872
8	Construction of Bridge on Ghounce Minor near House Molvi Mustafa Karyana Store wala U/c Khuda Bukhsh Mahar	1,000,000	807,957
9	Construction of Bridge on Rasool Wah near basti Ayyub Arbimouza Kotla Sultan U/c Kotla Musa Khan	1,000,000	812,803
10	Construction of Slab of Bridge on Bahawal wah Canal near house Madni Joiya	642,000	595,938
11	Construction of Slab of Bridge on Sultan wah Canal near house Malik Rashid Channar	642,000	538,083
12	Construction of Bridge on Canal near basti Majeed Channar Haji Fatteh Muamad Channar Garri Kandi	1,000,000	828,902
13	Construction of soling Bridge Shaikh Kot to Existing soling road Chowk Ghalwaan U/c Bahawalpur Ghalwaan.	1,865,000	1,344,748
<b>Total</b>		<b>9,349,000</b>	<b>6,807,210</b>

**Annex – N**  
**[Para: 1.7.3.5]**

**Non Credit of Unclaimed Security to Government – Rs 1.529 Million**

(Amount in Rupees)

Sr. No.	Date	Amount
1	1-6-2009 to 1-6-2012	28,017
2	2-6-2009 to 2-6-2012	56,755
3	6-6-2009 to 6-6-2012	18,857
4	12-6-2009 to 12-6-2012	8,609
5	14-6-2009 to 14-6-2012	18,332
6	14-6-2009 to 14-6-2012	9,298
7	14-6-2009 to 14-6-2012	9,725
8	16-6-2009 to 16-6-2012	9,299
9	22-6-2009 to 22-6-2012	9,989
10	30-6-2009 to 30-6-2012	30,000
11	25-6-2009 to 25-6-2012	355,000
12	25-6-2009 to 25-6-2012	8,369
13	25-6-2009 to 25-6-2012	5,470
14	25-6-2009 to 25-6-2012	19,000
15	30-6-2009 to 30-6-2012	2,150
16	30-6-2009 to 30-6-2012	2,075
17	30-6-2009 to 30-6-2012	2,079
18	30-6-2009 to 30-6-2012	2,090
19	30-6-2009 to 30-6-2012	21,664
20	2-7-2009 to 2-7-2012	3,800
21	2-7-2009 to 2-7-2012	20,263
22	3-7-2009 to 3-7-2012	198,540
23	3-7-2009 to 3-7-2012	17,489
24	3-7-2009 to 3-7-2012	14,894
25	3-7-2009 to 3-7-2012	11,954
26	3-7-2009 to 3-7-2012	2,233
27	4-7-2009 to 4-7-2012	49,736
28	6-7-2009 to 6-7-2012	6,333
29	6-7-2009 to 6-7-2012	1,038
30	6-7-2009 to 6-7-2012	7,596
31	6-7-2009 to 6-7-2012	14,788
32	6-7-2009 to 6-7-2012	26,312
33	6-7-2009 to 6-7-2012	13,832
34	6-7-2009 to 6-7-2012	2,242
35	6-7-2009 to 6-7-2012	12,260
36	6-7-2009 to 6-7-2012	294,310
37	20-7-2009 to 20-7-2012	136,000
38	12-7-2010 to 12-7-2013	15,597
39	12-7-2010 to 12-7-2013	9,336
40	15-7-2010 to 15-7-2013	9,280
41	15-7-2010 to 15-7-2013	10,073
42	20-7-2010 to 20-7-2013	4,481
43	20-7-2010 to 20-7-2013	820
44	20-7-2010 to 20-7-2013	1,040
45	20-7-2010 to 20-7-2013	200
46	3-8-2010 to 3-8-2013	13,389
47	3-8-2010 to 3-8-2013	13,889
	<b>TOTAL</b>	<b>1,528,503</b>

**Annex – O**  
**[Para 1.7.3.6]**

**Irregular Payment of House Building Advance – Rs 1.050 Million**

(Amount in Rupees)

Sr. No.	Name of Official	Designation	Amount
1	Muhammad Abbas	Cashier	50,000
2	Muhammad Sadique Nawaz	Octroi Clerck	50,000
3	Muhammad ARs had Jawana	Octroi Clerck	50,000
4	Mohsin Ali	Steno Grapher	50,000
5	Faheem Raza	Junior Clerkc	50,000
6	Mujahid Hussain	Est. Clerck	50,000
7	Bashir Khan Sikndar	Accounts Clerck	50,000
8	Jamil Ahmed Hashmi	N/Q	50,000
9	Shahid Ali	-do-	50,000
10	Muhammad Nawaz	Chowkidar	50,000
11	Sirraj Ahmed	N/Q	50,000
12	Ghulam Mustifa	-do-	50,000
13	Abid Hussain	-do-	50,000
14	Manzoor Ahmed	Chowkidar	50,000
15	SajjadHussain	Rent Clerck	50,000
16	Muhammad Kazim	Fair man	50,000
17	Muhammad Imran	N/	50,000
18	Muhammad ARs lan	-do-	50,000
19	Zafar Ahmed	Driver	50,000
20	Muhammad Tariq	N/Q	50,000
21	Ghulam Yaseen	Fire Man	50,000
	<b>Grand Total</b>		<b>1,050,000</b>



**Annex – P**  
**[Para: 1.7.4.4]**

**Abnormal Delays in Completion of Work and Non-Imposing of Penalty  
– Rs 1.749 Million**

(Amount in Rupees)

Sr. No.	Name of Schemes	Cost	Revised Allocation 2012-13	Date of Start	Time Allowed	Date of Completion	Exp.	10% Penalty
1	Constructions of Soling from Usman Saleem Colony tobasti Balouchann Ahmed pur	800,000	800,000	19-12-12	2	9-4-13	70,058	80,000
2	Constructions Of street pavement Jinah Colony mouza Mehrabwala Tehsil Ahmadpur east	750,000	750,000	19-12-12	2	8-4-13	674,044	75,000
3	Constructions of street pavement/drain kucha Haji Qasim&kucha Haji Rafique mohallah Shikari	600,000	600,000	24-12-12	3	Running	374,160	60,000
4	Construction of sewer Line/street pavement Kucha Athat MohallahShikari Ahmadpur East.	600,000	60,000	19-12-12	2	14-4-13	530,017	60,000
5	Constructions of soling Basti Haji GHulamNabiKhlyrMouza Koura Kulyar	1,000,000	7,750,000	19-12-12	2	18-3-13	771,795	100,000
6	Constructions Soling KouchaJatChani Goth City and Station	1,000,000	800,000	11-12-12	2	18-4-13	778,076	100,000
7	Construction of Boundary Wall commercial Area Water Tanki park Satellite Town AHmadpur East.	8,750,000	875,000	19-12-12	2	18-4-13	641,096	875,000
8	Costruction of Sullage Carrier basti Mehrab Wala	800,000	665,000	19-12-12	2	18-4-13	1,599,389	80,000
9	Costruction of Wire house for the storage of medicine and equipment of Danque	1,000,000	9,700,000	23-10-12	1	19-1-13	969,891	100,000
10	Construction of Boundary Wall of Graveyard Azeem Sha near KLP Road	2,190,000	1,800,000	19-12-12	3	28-3-13	1,599,389	219,000
11	Construction of Soling Usman Saleem Colony	609,200		7-12-12	2	18-4-13		60,920
12	Construction of soling from Pull Noshra to Basti Shaikh Nazar	2,500,000		7-6-12	15 Days	15-4-13		250,000
13	Construction of Soling Band of Satluj River to Mubarik Khan langha	4,000,000		23-12-11	5	20-4-13		400,000
14	Construction of B/Wall of Graveyard Mangwani	1,600,000		7-6-12	15 Days	15-4-13		160,000
15	Construction of Soling from Khair purdha to Basti Nihaal Wala	1,500,000		23-12-11	4	25-9-12		150,000
<b>Total</b>		<b>17,490,000</b>						<b>1,749,000</b>