



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
GOVERNMENT OF THE PUNJAB  
AUDIT YEAR 2012-13**

**AUDITOR GENERAL OF PAKISTAN**

# TABLE OF CONTENTS

<b>ABBREVIATIONS &amp; ACRONYMS</b>	<b>xiii</b>
<b>PREFACE</b>	<b>xvii</b>
<b>EXECUTIVE SUMMARY</b>	<b>xxi</b>
<b>SUMMARY TABLES &amp; CHARTS</b>	<b>xxvii</b>
<i>Table 1: Audit Work Statistics</i>	<i>xxvii</i>
<i>Table 2: Audit observations classified by categories</i>	<i>xxvii</i>
<i>Table 3: Outcome Statistics</i>	<i>xxviii</i>
<i>Table 4: Table of Irregularities pointed out</i>	<i>xxix</i>
<b>CHAPTER 1</b>	<b>1</b>
<i>Public Financial Management Issues (Accountant General Punjab and Director Budget &amp; Accounts Punjab Forest Department)</i>	<i>1</i>
<b>1.1 AUDIT PARAS</b>	<b>1</b>
<i>1.1.1 Unjustified Negative Balances of Debt for Rs.41.73 billion</i>	<i>1</i>
<i>1.1.2 Difference of Cash Balances between Book and Bank for Rs. 7.52 billion</i>	<i>2</i>
<i>1.1.3 Non-clearance of Pre Audit Civil Cheques for Rs. 4.78 billion</i>	<i>3</i>
<i>1.1.4 Expenditure against Zero Budget Allocations for Rs.417.54 millions</i>	<i>3</i>
<i>1.1.5 Expenditure Excess than Budget Allocations for Rs.7.20 billions</i>	<i>4</i>
<i>1.1.6 Un-utilized Budget for Rs.221.36 billion</i>	<i>5</i>
<i>1.1.7 Non-Reconciliation of Pension Payments with Banks-Rs.50.11 billion</i>	<i>6</i>
<i>1.1.8 Non Conducting of Post Audit of Pension Payments (Fraudulent Payments) for Rs.25 millions</i>	<i>6</i>
<i>1.1.9 Non-Reconciliation of Receipts and Payments</i>	<i>7</i>
<i>1.1.10 Pre Audit Civil Cheques-Forest Department for Rs.1.04 billion</i>	<i>8</i>
<i>1.1.11 Unjustified Negative Balance of Forest Remittance for Rs.2.82 billion</i>	<i>9</i>

<b>CHAPTER 2</b>	<b>11</b>
<b>ENVIROMENT PROTECTION DEPARTMENT</b>	<b>11</b>
2.1 <i>Introduction</i>	11
2.2 <i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	12
2.3 <i>Brief comments on the status of compliance with PAC Directives</i>	15
<b>2.4 AUDIT PARAS</b>	<b>16</b>
2.4.1 <i>Non production of vouchers for Rs. 1.65 millions</i>	16
2.4.2 <i>Non submission of adjustment accounts for advance payment for Rs.70 millions</i>	16
2.4.3 <i>Sanctions beyond competence for Rs. 29.13 millions</i>	17
2.4.4 <i>Non submission of vouched account for Rs.4.29 millions</i>	18
2.4.5 <i>Misclassified expenditure for Rs.2.34 millions</i>	19
2.4.6 <i>Split up expenditure on purchase of machinery and equipments for Rs.2.15 millions</i>	19
2.4.7 <i>Un-authorized expenditure without the approval of austerity committee for Rs.2.05 millions</i>	20
2.4.8 <i>Un-authorized payment on services rendered for Rs.100 million</i>	21
2.4.9 <i>Non acknowledgement of receipts for Rs.24.49 millions</i>	22
<b>CHAPTER 3</b>	<b>23</b>
<b>FINANCE DEPARTMENT</b>	<b>23</b>
3.1 <i>Introduction</i>	23
3.2 <i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	24
3.3 <i>Brief comments on the status of compliance with PAC Directives</i>	27
<b>3.4 AUDIT PARAS</b>	<b>28</b>
3.4.1 <i>Non-issuance of right shares for Rs. 5.10 billion and non return of loan for Rs.4.90 billions</i>	28
3.4.2 <i>Unauthorized release of funds for self employment scheme for Rs.8.57 billions</i>	29
3.4.3 <i>Utilization reports not obtained for grants-in-aid for Rs.1.15 billions</i>	30
3.4.4 <i>Irregular release of Loan to PLDC for Rs.565 millions</i>	32

3.4.5	<i>Unauthorized release of loan for Rs.350 millions and non recovery of interest and penalty for Rs.0.72 million</i>	33
3.4.6	<i>Unauthorized release of funds and expenditure without approved schemes for Rs.6.47 billions</i>	34
3.4.7	<i>Unauthorized release of loan of Rs.25 millions to PVTC and non recovery of interest</i>	35
3.4.8	<i>Non-recovery of loan and interest from financial and non-financial institutions for Rs. 112.35 billion</i>	36
3.4.9	<i>Non recovery of loan and interest for Rs. 104.93 billions</i>	37
3.4.10	<i>Non-receipt of return on investment for Rs.4.76 billions</i>	38
3.4.11	<i>Non recovery of net hydel profit for Rs. 2.61 billion</i>	39
3.4.12	<i>Non recovery of loan against Lahore Ring Road Authority for Rs. 100 millions</i>	41

## **CHAPTER 4** 43

### **FOOD DEPARTMENT** 43

4.1	<i>Introduction</i>	43
4.2	<i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	44
4.3	<i>Brief comments on the status of compliance with PAC Directives</i>	48
<b>4.4</b>	<b>AUDIT PARAS</b>	<b>49</b>
4.4.1	<i>Misappropriation of wheat and other stocks for Rs. 30.32 millions</i>	49
4.4.2	<i>Loss due to misappropriation of wheat for Rs. 1.56 millions</i>	50
4.4.3	<i>Non production of record on account of purchase of wheat for Rs.478.09 millions</i>	51
4.4.4	<i>Unauthorized de-classification of tarpaulins for Rs. 8.34 millions</i>	52
4.4.5	<i>Loss to Government due to damage and shortage of wheat for Rs. 62.90 millions</i>	53
4.4.6	<i>Loss due to shortage of various items for Rs.2.39 millions</i>	55
4.4.7	<i>Non recovery of government dues for Rs 294.15 millions</i>	56
4.4.8	<i>Loss due to less recovery of cost of wheat and bardana for Rs.13.37 millions</i>	57
4.4.9	<i>Non recovery of cost of misappropriated wheat from flour mill for Rs.12.43 millions</i>	59
4.4.10	<i>Loss due to theft, shortage and damage of wheat, bardana and stock articles for Rs.10.56 millions</i>	60
4.4.11	<i>Loss due to non deduction of income tax for Rs.2.15 millions</i>	61
4.4.12	<i>Recovery on account of misappropriated bardana for Rs 1.27 millions</i>	62

<b>CHAPTER 5</b>	<b>65</b>
<b>FORESTRY, WILDLIFE &amp; FISHERIES DEPARTMENT</b>	<b>65</b>
5.1. <i>Introduction</i>	65
5.2. <i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	66
5.3. <i>Brief comments on the status of compliance with PAC Directives</i>	69
<b>5.4 AUDIT PARAS</b>	<b>70</b>
5.4.1 <i>Irregular expenditure on carriage of timber for Rs.7.13 millions</i>	70
5.4.2 <i>Unauthorized mode of payments for Rs.1.99 millions</i>	71
5.4.3 <i>Loss due to illegal occupation of forest land for Rs.131.95 millions</i>	72
5.4.4 <i>Non clearance/disposal of amount lying under the head “P-deposits” for Rs.45.66 millions</i>	73
5.4.5 <i>Non-recovery of outstanding dues against officials for Rs.671.57 millions</i>	74
5.4.6 <i>Outstanding government dues against contractors for Rs.128.15 millions</i>	75
5.4.7 <i>Loss of revenue due to non deduction/collection of income tax from contractors for Rs. 4.17 millions</i>	75
5.4.8 <i>Loss due to non-collection of government dues for Rs.2.70 millions</i>	77
5.4.9 <i>Non finalization of inquiry cases of forest damages for Rs.81.88 millions</i>	77
5.4.10 <i>Non-disposal of timber, fire wood and potted plants for Rs.76.77 millions</i>	79
5.4.11 <i>Non-finalization of forest offence cases for Rs.29.50 millions</i>	79
5.4.12 <i>Loss of animals/birds due to mortality for Rs.2.04 millions</i>	80
<b>CHAPTER 6</b>	<b>83</b>
<b>HEALTH DEPARTMENT</b>	<b>83</b>
6.1 <i>Introduction</i>	83
6.2 <i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	84
6.3 <i>Brief comments on the status of compliance with PAC Directives</i>	87
<b>6.4 AUDIT PARAS</b>	<b>88</b>
6.4.1 <i>Fraud through double drawl of arrears of telephone charges for Rs.0.59 millions</i>	88

6.4.2	<i>Non production of Record for Rs.2.12 billions</i>	88
6.4.3	<i>Irregular/unapproved rates of user charges for Rs.292.16 millions</i>	89
6.4.4	<i>Non deposit of income into PLA for Rs.226.23 millions</i>	90
6.4.5	<i>Unauthorized payment of operational cost without execution of agreement for Rs.100.59 millions</i>	92
6.4.6	<i>Unauthorized retention of tuition fee in a commercial bank for Rs. 64.21 millions</i>	93
6.4.7	<i>Issuance of medicine for consumption without DTL reports for Rs.24.73 millions</i>	94
6.4.8	<i>Loss due to purchase of ICU ventilators at higher rate for Rs. 1.74 millions</i>	95
6.4.9	<i>Unauthorized expenditure on janitorial services and procurement of cleaning material at higher rates for Rs.31.63 millions</i>	96
6.4.10	<i>Unauthorized expenditure on purchase of medical equipment for Rs.11.99 millions and un-authorized payment of GST for Rs. 1.74 millions</i>	96
6.4.11	<i>Irregular expenditure on stationery and printing for Rs.12 millions</i>	98
6.4.12	<i>Undue retention of government receipt into welfare account for Rs.8.03 millions</i>	99
6.4.13	<i>Non-transparent purchase of Anti Sera Blood Grouping and Rapid HBs Kits etc. for Rs.20.56 millions.</i>	100
6.4.14	<i>Loss due to purchases at higher rates for Rs. 1.54 millions and non-transparent procurements of insecticides for Rs. 4.69 millions</i>	100
6.4.15	<i>Unauthorized expenditure on repair and maintenance for Rs. 5.59 millions</i>	101
6.4.16	<i>Unauthorized transfer of money from SDA to hospital receipt account for Rs.4.87 millions</i>	102
6.4.17	<i>Unauthorized deposit of tuition fee into welfare account instead of government treasury for Rs.3.59 millions</i>	103
6.4.18	<i>Unauthorized retention of college receipt in private/ personal accounts for Rs. 2.05 millions</i>	104
6.4.19	<i>Irregular bulk purchase of medicine for Rs. 70.84 millions</i>	105
6.4.20	<i>Loss due to purchase of medicines and disposable items at higher rates for Rs.11.13 millions</i>	106
6.4.21	<i>Unauthorized payment of Sales Tax for Rs.90.24 millions</i>	108
6.4.22	<i>Non/less recovery of rent, utility charges and income tax for Rs.38.19 millions</i>	109
6.4.23	<i>Non deposit of electricity dues for Rs.38.14 millions</i>	109
6.4.24	<i>Loss due to excess payments of ad-hoc relief(s) on regularization of services of employees for Rs 30.52 millions</i>	110

6.4.25	<i>Loss of revenue due to non deduction of Income Tax for Rs.19.59 millions</i>	111
6.4.26	<i>Unauthorized payment of share money to non entitled doctors for Rs.8.91 millions</i>	112
6.4.27	<i>Non/less recovery of HRA, CA, benevolent fund and house maintenance charges for Rs. 7.91 millions</i>	113
6.4.28	<i>Non recovery of liquidated damages for Rs.8.98 millions</i>	114
6.4.29	<i>Loss due to less deposit of government dues for Rs. 1.11 millions</i>	116
6.4.30	<i>Loss due to unauthorized payment of allowances for Rs. 4.95 millions</i>	117
6.4.31	<i>Loss due to unauthorized payment of special incentive allowance for Rs. 4.80 millions</i>	118
6.4.32	<i>Non-recovery of penal rent from illegal residents of government residences for Rs. 3.97 millions</i>	119
6.4.33	<i>Non-deduction of cost of x-ray films for Rs. 1.01 millions</i>	120
6.4.34	<i>Loss due to non- forfeiture of securities for Rs. 1.52 millions</i>	120
6.4.35	<i>Irregular purchase of medicines at higher rate for Rs.17.70 millions</i>	121
6.4.36	<i>Irregular payment of adjustment charges for Rs.13.18 millions</i>	122
6.4.37	<i>Irregular payment of low power factor penalty to LESCO worth Rs.10.50 millions</i>	123
6.4.38	<i>Loss due to non-supply of complete unit of Neuro Angiography Machine and its non functioning for Rs.10 millions</i>	124
6.4.39	<i>Loss due to theft of machinery and vehicle etc for Rs.5.98 millions</i>	125
6.4.40	<i>Non-receipt of journals against annual subscription for Rs. 1.22 millions</i>	127
6.4.41	<i>Doubtful expenditure on the repair of transport for Rs.2.23 millions</i>	127
6.4.42	<i>Non replacement of defective absorbent cotton gauze for Rs.2.02 millions</i>	128
6.4.43	<i>Loss due to payment of L.P. surcharge on sui gas charges for Rs. 2.02 millions</i>	129
6.4.44	<i>Non functioning and irregular repair of medical equipment for Rs.1.98 millions</i>	130
6.4.45	<i>Loss due to non-auction of shops and medical store for Rs.1.15 millions</i>	131
6.4.46	<i>Doubtful payment of telephone charges for Rs.1.03 millions</i>	132
6.4.47	<i>Discrepancy in cash receipts for Rs.1.03 millions</i>	132
<b>CHAPTER 7</b>		<b>135</b>
<b>HIGHER EDUCATION DEPARTMENT</b>		<b>135</b>
7.1	<i>Introduction</i>	135

7.2	<i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	136
7.3	<i>Brief comments on the status of compliance with PAC Directives</i>	139
<b>7.4</b>	<b>AUDIT PARAS</b>	<b>141</b>
7.4.1	<i>Non-production of record for Rs.1.14 billions</i>	141
7.4.2	<i>Non-remission of prospectus receipts into university main account for Rs.17.47 millions</i>	142
7.4.3	<i>Un-economical printing of answer books for Rs.9.90 millions</i>	143
7.4.4	<i>Irregular purchase of tonners and computer accessories for Rs.8.41 millions</i>	144
7.4.5	<i>Non transfer of university funds into main account for Rs.3.49 millions</i>	145
7.4.6	<i>Unlawful sanction of additional/double duty allowance for Rs.1.38 millions</i>	146
7.4.8	<i>Non-adjustment of advances for Rs.105.08 millions</i>	149
7.4.9	<i>Excess printing of Answer Books for Rs.3.07 millions</i>	150
7.4.10	<i>Un-authorized expenditure on account of POL/Repair for Rs.3.50 millions</i>	151
7.4.11	<i>Unauthorized retreat of faculty and staff members for Rs.1.10 millions</i>	152
7.4.12	<i>Loss due to missing books worth Rs.2.50 millions</i>	153
7.4.13	<i>Payment of inadmissible allowances for Rs.27.75 millions</i>	154
7.4.14	<i>Non deposit of government receipts worth Rs.8.69 millions</i>	155
7.4.15	<i>Non- deduction of income tax for Rs. 6.59 millions</i>	156
7.4.16	<i>Non deposit of lease money of canteens and shops worth Rs. 10.45 millions</i>	157
7.4.17	<i>Non recovery of utility charges from the contractors for Rs.10.23 millions</i>	159
7.4.18	<i>Loss of potential earning for Rs.6.83 millions</i>	160
7.4.19	<i>Non collection of fee from the students for Rs.1.20 millions</i>	160
7.4.20	<i>Non deposit of university receipts for Rs.1.91 millions</i>	161
7.4.21	<i>Unlawful auction of marriage lawns for Rs.21 millions</i>	162
<b>CHAPTER 8</b>		<b>165</b>
<b>HOME DEPARTMENT</b>		<b>165</b>
8.1	<i>Introduction</i>	165
8.2	<i>Comments on Budget &amp; Accounts (Variance Analysis)</i>	166
8.3	<i>Brief comments on the status of compliance with PAC Directives</i>	169



<b>8.4</b>	<b>AUDIT PARAS</b>	<b>170</b>
8.4.1	<i>Misappropriation of store articles, POL and cash for Rs. 10.83 millions</i>	170
8.4.2	<i>Embezzlement/ Misappropriation for Rs.4.92 millions</i>	171
8.4.3	<i>Non production of Record worth Rs. 89.76 millions</i>	172
8.4.4	<i>Unauthorized mode of payment of salaries for Rs.721.59 millions</i>	173
8.4.5	<i>Non submission of vouched account for Rs. 72.86 millions</i>	174
8.4.6	<i>Blockage of capital worth Rs. 62.60 millions</i>	175
8.4.7	<i>Unauthorized sanction of expenditure for Rs.38.62 millions</i>	176
8.4.8	<i>Unauthorized mode of payment for Rs. 20.85 millions</i>	177
8.4.9	<i>Irregular expenditure on cost of investigation for Rs.9.87 millions</i>	178
8.4.10	<i>Unauthorized construction of building for Rs.5.48 millions</i>	180
8.4.11	<i>Purchase of items not mentioned in the tender documents for (USD 14,400) PKR 1.21millions</i>	181
8.4.12	<i>Consumption of POL beyond prescribed ceiling for Rs. 243.87 millions.</i>	182
8.4.13	<i>Likely misappropriation for Rs. 34.05 millions.</i>	183
8.4.14	<i>Expenditure incurred on purchase of substandard dietary articles for Rs.9.46 millions</i>	184
8.4.15	<i>Double drawl of POL charges for Rs.1.67 millions</i>	185
8.4.16	<i>Non recovery of police guard charges for Rs. 172.98 millions</i>	186
8.4.17	<i>Less recovery of traffic fines for Rs.72.97 millions</i>	186
8.4.18	<i>Loss due to undue financial benefit to the contractor for Rs.62.62 millions.</i>	187
8.4.19	<i>Overpayment of ration allowances for Rs.52.88 millions</i>	188
8.4.20	<i>Unauthorized payment of Fixed Daily Allowance and Risk allowance for Rs.52.45 millions</i>	190
8.4.21	<i>Overpayment of inadmissible allowances for Rs.15.13 millions</i>	191
8.4.22	<i>Non recovery of outstanding dues from employees for Rs. 11.69 millions.</i>	192
8.4.23	<i>Un-authorized payment of special allowance and fixed TA for Rs.10.72 millions</i>	194
8.4.24	<i>Loss to government due to non-recovery of training cost for Rs.5.69 millions</i>	195
8.4.25	<i>Non-recovery of outstanding dues of canteen for Rs.3.68 millions.</i>	196
8.4.26	<i>Non/less deduction of income tax for Rs.3.26 millions</i>	197
8.4.27	<i>Non deposit of un-disbursed pay and allowances Rs. 2.70 millions.</i>	198
8.4.28	<i>Non deposit of sale proceeds of application forms for Rs.3.07 millions</i>	200
8.4.29	<i>Non-recovery of utility charges from the residents of government accommodations for Rs.2.20 millions</i>	201
8.4.30	<i>Loss due to non recovery of stamp duty for Rs.1.68 millions</i>	202

8.4.31 *Loss due to theft of vehicles and motorcycles worth Rs. 16.88 millions* 203

**CHAPTER 9** 205

**INDUSTRIES, COMMERCE & INVESTMENT DEPTT.** 205

9.1 *Introduction* 205

9.2 *Comments on Budget & Accounts (Variance Analysis)* 207

9.3 *Brief comments on the status of compliance with PAC Directives* 210

**9.4 AUDIT PARAS** 211

9.4.1 *Unauthorized expenditure on purchase for Rs.1.70 millions* 211

9.4.2 *Unauthorized drawl of over time allowance for Rs.1.22 millions* 212

9.4.3 *Un-authorized cash payment for Rs.17.13 millions.* 213

**CHAPTER 10** 215

**INFORMATION CULTURE & YOUTH AFFAIRS DEPTT.** 215

10.1 *Introduction* 215

10.2 *Comments on Budget & Accounts (Variance Analysis)* 217

10.3 *Brief comments on the status of compliance with PAC Directives* 220

**10.4 AUDIT PARAS** 221

10.4.1 *Unauthorized expenditure without approval of budget for Rs. 20.13 millions* 221

10.4.2 *Unauthorized retention of money in the Board's account for Rs.5.67 millions* 221

10.4.3 *Irregular appointments without advertisement* 222

10.4.4 *Excess drawl of allowances for Rs. 3.81 millions* 223

10.4.5 *Non Recovery of rent for Rs.1.06 millions* 224

**CHAPTER 11** 227

**LIVESTOCK AND DAIRY DEVELOPMENT DEPARTMENT** 227

11.1 *Introduction* 227

11.2 *Comments on Budget & Accounts (Variance Analysis)* 228

11.3 *Brief comments on the status of compliance with PAC Directives* 231

<b>11.4 AUDIT PARAS</b>	<b>232</b>
<i>11.4.1 Irregular appointments of officers for Rs.21.47 millions</i>	<i>232</i>
<i>11.4.2 Blockage of government money due to un-necessary purchases for Rs. 21.32 millions</i>	<i>233</i>
<i>11.4.3 Irregular payment of house rent and conveyance allowance for Rs.3.22 millions</i>	<i>234</i>
<i>11.4.4 Non recovery of lease money from tenants/pattadars for Rs. 218.22 millions</i>	<i>235</i>
<i>11.4.5 Less deduction of Benevolent Fund for Rs.2.36 millions</i>	<i>236</i>
<i>11.4.6 Non auction of liquid Nitrogen plant and two vehicles worth Rs. 47.46 millions</i>	<i>237</i>
<i>11.4.7 Wastage of funds on purchase of non operational steam boiler worth Rs.3.30 millions</i>	<i>238</i>
<b>CHAPTER 12</b>	<b>239</b>
<b>SCHOOL EDUCATION DEPARTMENT</b>	<b>239</b>
<i>12.1 Introduction</i>	<i>239</i>
<i>12.2 Comments on Budget &amp; Accounts (Variance Analysis)</i>	<i>240</i>
<i>12.3 Brief comments on the status of compliance with PAC Directives</i>	<i>243</i>
<b>12.4 AUDIT PARAS</b>	<b>245</b>
<i>12.4.1 Non production of vouched account of Remuneration for Rs.257.46 millions</i>	<i>245</i>
<i>12.4.2 Purchase from unregistered firms without GST deduction for Rs. 2.49 millions</i>	<i>246</i>
<i>12.4.3 Irregular recruitments for Rs.1.88 millions</i>	<i>247</i>
<i>12.4.4 Unauthorized payments to contingent staff for Rs.1.51 millions</i>	<i>248</i>
<i>12.4.5 Non deduction of Income Tax and GST for Rs. 4.44 millions</i>	<i>249</i>
<i>12.4.6 Undue retention of income tax for Rs. 1.41 millions</i>	<i>249</i>
<b>CHAPTER 13</b>	<b>251</b>
<b>SERVICES AND GENERAL ADMINISTRATION DEPTT.</b>	<b>251</b>
<i>13.1 Introduction</i>	<i>251</i>
<i>13.2 Comments on Budget &amp; Accounts (Variance Analysis)</i>	<i>252</i>
<i>13.3 Brief comments on the status of compliance with PAC Directives</i>	<i>255</i>

<b>13.4</b>	<b>AUDIT PARAS</b>	<b>256</b>
<i>13.4.1</i>	<i>Non production of record relating to allotment and rent of government residences</i>	<i>256</i>
<i>13.4.2</i>	<i>Expenditure without advertisement for Rs. 22.25 millions</i>	<i>257</i>
<i>13.4.3</i>	<i>Unauthorized use of government aircraft and non realization of hiring charges for Rs.56.69 millions</i>	<i>258</i>
<i>13.4.4</i>	<i>Use of POL in excess of prescribed limit for Rs. 2.21 millions</i>	<i>259</i>
<i>13.4.5</i>	<i>Non auction of damaged air craft for Rs.14.10 millions</i>	<i>260</i>
<i>13.4.6</i>	<i>Loss due to theft of vehicles for Rs.1.90 millions</i>	<i>261</i>
<i>Annexure-1</i>	<i>MEFDAC</i>	<i>263</i>
<i>Annexure-2-24</i>	<i>Details of Audit Paras</i>	<i>306</i>



## **ABBREVIATIONS & ACRONYMS**

ASA	Academic Staff Association
AIG	Additional Inspector General
ABAD	Agency of Barani Areas Development
AIMC	Allama Iqbal Medical College
ADP	Annual Development Program
ACL	Audit Command Language
BZU	Baha-ud-Din Zikria University
BOP	Bank of Punjab
BISE	Board of Intermediate and Secondary Education
BOM	Board of Management
CPWA	Central Public Works Accounts
CPEIC	Ch. Pervaiz Elahi Institute of Cardiology
C&W	Communication and Works
DFR	Departmental Financial Rules
DAO	District Account Officer
DFC	District Food Controller
DPO	District Police Officer
DTL	Drug Testing Laboratory
EPA	Environment protection agency
EPD	Environment Protection Department
EIA	Environmental Impact Assessment
FIEDMC	Faisalabad Industrial Estates Development and Management Company
FJWU	Fatima Jinnah Women University
FAP	Foreign Aided Program
GoPb	Government of Punjab
IC&YA	Information Culture and Youth Affairs
IEE	Initial Environmental Examination
IGP	Inspector General of Police
IBTS	Institute of Blood Transfusion Services

IPH	Institute of Public Health
IBCC	Intermediate Board Chairman Committee
IUCN	International Union Conservation of Nature
LESCO	Lahore Electricity Supply Company
LAC	Land Acquisition Collector
LD Charges	Late Delivery Charges
LPR	Leave Preparatory to Retirement
LC	Letter of Credit
LP	Local Purchase
M&E	Machinery and Equipment
M&R	Maintenance and Repairs
MB	Measurement Books
MOU	Memorandum of Understanding
M.ton	Metric Ton
M&I	Monitoring and Implementation
MTO	Motor Transport Officer
NCS	National Cleaning Services
NESPAK	National Engineering Services of Pakistan
NEQS	National Environmental Quality Standards
NIFT	National Institutional Facilitation Technology
NICL	National Insurance Company Limited
NHP	Net Hydel Profit
NPA	Non Practicing Allowance
PLA	Personal Ledger Account
PC-I	Planning Commission-I
PAO	Principal Accounting Officer
PRC	Procurement Reserve Center
PIU	Project Implementation Unit
PMU	Project Management Unit
PPO	Provincial Police Officer
PRO	Public Relation Officer

PITB	Punjab Information Technology Board
PBCC	Punjab Board of Chairman Committee
PCPC	Punjab Consumer Protection Council
PEEDA	Punjab Employees Efficiency and Disciplinary Act
PFR Vol-I	Punjab Financial Rules Volume-I
PHP	Punjab Highway Patrolling
PIEDMC	Punjab Industrial Estates Development and Management Company
PLDC	Punjab Land Development Company
PLDDB	Punjab Live Stock and Dairy Development Department Board
PPRA	Punjab Procurement Rules Authority
PSIC	Punjab Small Industries Corporation
PVTC	Punjab Vocational Training Council
RIB	Regional Investigation Bureau
RPO	Regional Police Officer
SIMS	Services Institute of Medical Sciences
SDA	Special Drawing Account
SOP	Standard Operating Procedures
STR	Subsidiary Treasury Rules
SAP	System Application Program
TEVTA	Technical Education and Vocational Training Authority
TMA	Tehsil Municipal Authority
TDR	Term Deposit Receipt
UC	Union Councils
UVAS	University of Veterinary and Animal Sciences
USD	US Dollar
VTI	Vocational Training Institute
WHT	Withholding Tax





## **PREFACE**

Articles 169 & 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with Sections 8 and 12 of the Auditor General (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, require the Auditor General of Pakistan to conduct audit of the accounts of the Federation and of the Provinces, and the accounts of any authority or body established by the Federation or a Province.

The report is based on audit of the accounts of various departments and organizations of Government of the Punjab for the Financial Year 2011-12 and accounts of some formations for previous years. The Directorate General of Audit Punjab conducted audit during 2012-13 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs. 1 millions or more. Relatively less significant issues are listed in Annexure-I of the Audit Report. The audit observations listed in Annexure-I shall be pursued with the Principal Accounting Officers at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

Most of the observations included in this report have been finalized in the light of decisions made in the DAC meetings and departmental replies. The response of some of the auditee departments was not upto the mark



despite the fact that observations included in this report were issued to them from July to November 2012 and reminders were also issued to all the Principal Accounting Officers to convene DAC meetings.

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

Dated:

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



## **EXECUTIVE SUMMARY**

### **Audit Report on the Accounts of Government of the Punjab**

This Report contains fourteen chapters incorporating the results of regularity audit and certification audit of the accounts for Financial Year 2011-12 of various departments and autonomous bodies of the Government of the Punjab.

The report in general highlights the issues of weak internal controls, inappropriate use of public funds, disregard to prescribed regularity framework, ineffectiveness of systems to curb irregularities, poor record management, lack of transparency and objectivity in public procurement and mismanagement of public receipts. The report also emphasizes the need of strengthening the overall capacity of the public officials to carry out the financial transactions in an efficient way.

Audit has been conducted in accordance with International Public Sector Auditing Standards, adopted by Department of the Auditor General of Pakistan. Desk Audit exercise was carried out to identify high risk entities and specific transactions that formed universe of our audit sample. The exercise enabled us to bring more focus in our field work and also helped us to achieve efficiency in time utilization. This year's audit activities were conducted within framework of integrated audit approach which required that an auditee formation should be visited once by an audit team to complete its audit activities. Audit samples for this exercise were drawn through use of Audit Command Language (ACL) apart from relying on the judgment of the auditors in the field to cover high value items as well as high risk areas. Audit results have been drawn and recommendations made, taking into consideration the responses of the departments audited.

## **Objectives**

Audit was conducted on test check basis with the objectives to:

- ascertain whether the moneys shown as expenditure in the accounts were authorized for the purpose for which they were spent;
- see that the expenditure incurred was in conformity with the laws, rules and regulations framed to regulate the procedure for expending public money;
- see that every item of expenditure was incurred with the approval of the competent authority for expending the public money;
- see that the canons of financial propriety were observed while spending the public funds; and
- review, analyze and comment on various government policies relating to different sectors.

### **a. Scope of Audit**

Out of total expenditure of the Provincial Government for the Financial Year 2011-12, auditable budget under the jurisdiction of Directorate General of Audit Punjab was Rs. 827,362 millions covering 32 PAOs and 1,942 formations. Out of this, Directorate General of Audit Punjab planned audit of 578 formations from 18 PAOs having budget of Rs. 195,160 millions. The audited expenditure of these formations was Rs. 59,299 millions which, in terms of percentage is 30% of auditable expenditure planned. Moreover, one Environmental Audit, two Performance Audits, two Special Studies and audit of eight Foreign Aided Projects having total budgetary outlays of Rs. 21,206.12 millions were

included in the Audit Plan 2012-13. Audit Reports of these Audits would be submitted separately as per approved schedule.

**b. Recoveries at the instance of audit**

Recovery of Rs. 4,019.5 millions was pointed out by audit, out of which an amount of Rs. 96.7 millions was recovered during the year 2012-13 at the time of compilation of this report. Out of the total recovery effected, an amount of Rs. 45.2 millions was not in the notice of the executive before audit.

**c. Audit Methodology**

The audit year 2012-13 witnessed intensive application of desk audit techniques in the Directorate General of Audit Punjab. This was facilitated by access to SAP/R3 data, internet facility and availability of permanent files. Desk review helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field activity. This, greatly facilitated in the identification of high risk areas for substantive testing in the field.

**d. Audit Impact**

There were no changes in rules, practices and systems during the year on the pointation of Audit.

**e. Comments on Internal Controls:**

Internal controls in government departments comprise of systems, processes, culture and tasks, that, taken together support management in achieving the government's policy objectives. The ultimate objective of an internal control system is to ensure integrity of information, compliance with law, observance of rules, regulations, safeguarding assets and economical operations.



The report identifies control failure in the following areas:

- Maintenance of records.
- Delegation of powers.
- Purchase handling and storing.
- Contract administration and execution.
- Inventory management of tools and equipments.
- Payroll procedures.
- Fraud awareness.
- Asset management.
- Budgeting & financial control.
- Purchase procedure.
- Appointment/extension procedures.
- Utilization of grants and development funds.

Critical accounting areas which need special attention of the Drawing and Disbursing Officers are:

- Receipts.
- Payroll.
- Stocks and stores.
- Contracts for construction works.
- Loans & advances.
- Public procurement.
- Adherence to rules and regulations.

**f. The key audit findings of the report:**

1. Unauthorized payments of Rs. 128.54 millions were noticed in six cases<sup>1</sup>.
2. There were seven cases amounting to Rs. 3,013.35 millions pertaining to non production of record<sup>2</sup>.
3. Embezzlements, misappropriations and fraud amounting to Rs. 48.23 millions were noticed in five cases<sup>3</sup>.
4. There were four cases of irregular expenditure/payments and violation of rules amounting to Rs. 125.05 millions<sup>4</sup>.
5. Recovery pointed out in 26 paras amounting to Rs. 984.34 millions<sup>5</sup>.
6. Lack of internal controls was noted in nine cases amounting to Rs. 627.26 millions<sup>6</sup>.
7. There were three cases pertaining to non protection of assets amounting to Rs. 24.76 millions<sup>7</sup>.
8. Non adjustment of advances was noticed in one cases amounting to Rs. 105.08 millions<sup>8</sup>.

---

1. Para: 2.2.4; 6.4.9; 6.4.10; 6.4.15; 4.4.8; 4.4.20

2. Para: 2.4.1; 2.4.2; 4.4.3; 6.4.2; 8.4.3; 12.4.1; 13.4.1

3. Para: 4.4.1; 4.4.2; 6.4.1; 8.4.1; 8.4.2

4. Para: 2.4.3; 6.4.11; 8.4.6; 11.4.2

5. Para: 4.4.8; 4.4.9; 4.4.10; 4.4.11; 5.4.6; 6.4.22; 6.4.23; 6.4.24; 6.4.25; 6.4.27; 6.4.29; 7.4.13; 7.4.14; 7.4.15; 7.4.16; 7.4.17; 7.4.19; 7.4.20; 8.4.16; 8.4.17; 8.4.18; 8.4.19; 8.4.21; 8.4.22; 11.4.4

6. Para: 4.4.5; 4.4.6; 5.4.3; 5.4.4; 6.4.19; 7.4.3; 7.4.9; 8.4.12; 13.4.3

7. Para: 6.4.39; 8.4.31; 13.4.46

8. Para: 7.4.8

**g. Recommendations**

- Ensuring production of relevant record for audit in respect of cases of non-production of record pointed out in the report besides taking disciplinary action in terms of Section 14(3) of Auditor General's Ordinance, 2001.
- Strengthening of internal control mechanism to prevent recurrence of irregularities of similar nature.
- Investigation of cases regarding embezzlements/frauds and suspected misappropriation of public money. Taking necessary remedial and preventive measures also.
- Ensuring prompt recovery of government dues and overpayments, wherever applicable, and their deposit into the government treasury.
- Adherence to canons of financial propriety, rules and regulations, especially in autonomous institutions.
- Capacity building of financial managers.
- Uniform interpretation and application of Acts, Statutes and Rules in Autonomous bodies.
- Monitoring of progress regarding holding of DAC meetings by respective Principal Accounting Officers and their output.
- Improving compliance with directives of Public Accounts Committee by the departments.
- Initiation of disciplinary action against the officers/officials responsible for losses to government/ institutions.

## SUMMARY TABLES & CHARTS

**Table 1: Audit Work Statistics**

*(Rupees in millions)*

Sr. No.	Description	No.	Budget
1	Total Entities (PAOs)	32	827,362.03
2	Total Formations	1,942	827,362.03
3	Total Entities (PAOs) Audited	18	816,065.05
4	Total Formations Audited	578	195,160.31
5	Audit & Inspection Reports	578	195,160.31
6	Special Audit Reports	-	-
7	Performance Audit Reports	2	2,066.98
8	Environmental Audit	1	161.49
9	Other Reports(FAP/Special Studies)	10	18,977.65

**Table 2: Audit observations classified by categories**

*(Rupees in millions)*

Sr. No	Description	Amount Placed under Audit Observation
1	Unsound asset management	313.94
2	Weak financial management	4209.12
3	Weak Internal controls relating to financial Management	1988.60
4	Others	3,018.82
<b>Total</b>		<b>9,530.48</b>

**Table 3: Outcome Statistics***(Rs. in millions)*

<b>Sr. No</b>	<b>Description</b>	<b>Expenditure on Acquiring Physical Assets (Procurement)</b>	<b>Civil Works</b>	<b>Receipts</b>	<b>Others</b>	<b>Total Current Year</b>	<b>Total Last Year</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>	<b>(8)</b>
1.	Outlays Audited	1,157.34	17.70	-	193,985.27	195,160.31	282,693.488
2.	Amount Placed under Audit Observation/ Irregularities of Audit	62.62	5.48	-	9,497.88	9,565.98	6,538.42
3.	Recoveries Pointed Out at the instance of Audit	31.28	0.64	-	3,987.55	4,019.47	4,365.111
4.	Recoveries Accepted/Established at the instance of Audit	3.07	-	-	2,194.27	2,197.34	1,860.252
5.	Recoveries Realized at the instance of Audit	-	-	-	45.2	45.2	51.283

**Table 4: Table of Irregularities pointed out**

*(Rupees in millions)*

<b>Sr. No</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
1.	Violation of Rules and regulations and violation of principles of propriety and probity in public operations.	1939.49
2.	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	1314.39
3.	Accounting Errors (accounting policy departure from NAM*, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	2.34
4.	If possible quantify weaknesses of internal control systems.	797.96
5.	Recoveries and overpayments, representing cases of established overpayments or misappropriations of public money	2,197.34
6.	Non -production of record.	3,013.35
7.	Others, including cases of accidents, negligence etc.	265.61



## CHAPTER 1

### *Public Financial Management Issues (Accountant General Punjab and Director Budget & Accounts Punjab Forest Department)*

#### **1.1 AUDIT PARAS**

##### **1.1.1 *Unjustified Negative Balances of Debt for Rs.41.73 billion***

***Risk Categorization: High***

***Observations:***

There is negative debt balance appearing in Finance accounts Annexure-I & II as Domestic Debt (E03102) of Rs. 11.71 billion and Foreign Debt (E03302) of Rs.30.02 billion respectively.

***Implications:***

- Leads to financial indiscipline.
- Misleads the user of the Financial Statements about the true and fair position of the state of affairs of financial data of the Government.

***Management response:***

Minus debt balances are due to fluctuation in foreign currency exchange rate. As the value of Pak. rupee depreciates against foreign currency, the government has to pay more than it actually borrowed.

***Recommendations:***

Debt balances are required to be updated on regular basis according to the figures of Finance Department and Economic Affairs Division. Moreover, the debt balances need to be reconciled with lenders on priority basis for accurate accounting.



### ***1.1.2 Difference of Cash Balances between Book and Bank for Rs. 7.52 billion***

***Risk Categorization: High***

***Observation:***

As per Financial Statement's Cash and Bank Note # 27, cash at the end of the year was Rs.4.92 billions whereas in statement of State Bank of Pakistan of Account- I, II & IV cash at the end of the year was Rs. 12.44 billion. Difference of Rs. 7.52 billion between book and bank may be justified.

***Implication:***

- Doubt in the accuracy and reliability of the data used by the Government in preparing the Financial Statements.
- Misleads the user of the Financial Statements about the true and fair position of the state of affairs of financial data of the Government.

***Management response:***

Difference pertaining to Account-IV is mainly due to the reason that release issued by the Finance Department which was cleared by State Bank of Pakistan on 29.06.2012 was accounted for by a number of National Bank of Pakistan Branches in the districts during the month of July 2012.

***Recommendations:***

The issue needs to be looked into at higher level to rectify the discrepancies timely with a view to enable accurate reporting.

**1.1.3 Non-clearance of Pre Audit Civil Cheques for Rs. 4.78 billion**

**Risk Categorization: High**

**Observation**

According to *Trust Accounts-Others* as on 30th June, 2012 there was excess payment of Rs.4.78 billion and un-presented cheques of Rs.4.47 millions, as detailed below:

*(Rs. in millions)*

<b>Sr. #</b>	<b>Head of Account</b>	<b>Balance as on 30<sup>th</sup> June, 2012</b>
1.	G10137-Pre Audit-Civil Cheques	(4,782.20)
2.	G10138-Pre Audit-Civil Cheques (A/c IV)	4.47

**Implication:**

Doubt in the accuracy and reliability of the data used by the Government in preparing the Financial Statements.

**Management response:**

These balances have been long outstanding and efforts are being made to rectify them.

**Recommendations:**

Un- presented cheques/excess payments be reconciled and cleared timely.

**1.1.4 Expenditure against Zero Budget Allocations for Rs.417.54 millions**

**Risk Categorization: High**

**Observation:**

As envisaged in Para 15.1 & 15.2 of Punjab Budget Manual, expenditure should not be incurred on a scheme/service without provision

of funds. It was, however, noticed that expenditure of Rs.417.54 millions was incurred without any budgetary provision in the original estimates/ supplementary grants and without any re-appropriation made to this effect.

***Implication:***

- Occurrence of unauthorized expenditure.
- Leads to financial indiscipline.

***Management response:***

Budget was available in SAP/R3 at the time of payment but the Finance Department did not show the same in revised budget book.

***Recommendation:***

Management needs to take effective steps and ensure that no payments be made against zero budget allocation.

***1.1.5 Expenditure Excess than Budget Allocations for Rs.7.20 billions***

***Risk Categorization: High***

***Observation:***

As per Para 13.2 (ii) of Punjab Budget Manual, the total expenditure incurred for any purpose should not exceed the grant or grants provided for that purpose. However, expenditure of Rs.7.20 billion including Pay and Pension Rs.2.38 billion and other than Pay and Pension Rs.4.82 billion had not been got regularized so far. This was breach of legislative control over appropriations.

***Implication:***

- Non compliance of Budget Manual.
- Lack of control over expenditure against allocated budget by the A.G. Punjab.

***Management response:***

Out of Rs. 7.20 billions, Rs. 2.38 billion is mandatory payment against Pay & Allowances whereas remaining amount Rs. 4.82 billion was available in SAP/R3 at the time of payment but Finance Department did not show the same in revised budget book.

***Recommendations:***

Management needs to take effective steps to apply checks over expenditure to keep it within budget allocations.

***1.1.6 Un-utilized Budget for Rs.221.36 billion***

***Risk Categorization: High***

***Observations:***

According to the Punjab Budget Manual, “all anticipated savings should be surrendered to Government immediately they are foreseen without waiting till the end of the year, unless they are required to meet excesses under some other unit or units which are definitely foreseen at the time and no savings should be held in reserve for possible future excess”. While scrutinizing Appropriation Accounts it was observed that a sum of Rs.1,017.76 billions was allocated in the annual budget for the year 2011-12 and placed at the disposal of departmental authorities but funds amounting to Rs. 221.36 billion i.e. 21.75% were not utilized for the intended purposes.

***Implications:***

- Non compliance of Punjab Budget Manual.
- Inefficient utilization of Government funds
- Incorrect budget estimations

***Management response:***

The concerned department would be answerable to their excessive savings before the Public Accounts Committee.

***Recommendations:***

We recommend that the Government resources be efficiently and effectively utilized for the intended purposes.

***1.1.7 Non-Reconciliation of Pension Payments with Banks- Rs.50.11 billion***

***Risk Categorization: High***

***Observation:***

Under grant PC 21028 i.e. Pension, a sum of Rs.50.11 billion was paid to pensioners but the reconciliation with bank branches was not provided to verify the veracity of the payments.

***Implication:***

There is a risk of payments to ghost pensioners or overpayments to pensioners.

***Management response:***

The matter is under process.

***Recommendation:***

Audit requires reconciliation of pension payments at all levels.

***1.1.8 Non Conducting of Post Audit of Pension Payments (Fraudulent Payments) for Rs.25 millions***

***Risk Categorization: High***

***Observation:***

Under head Retirement Benefits (Pension Payments) a fraud amounting to Rs. 25 millions occurred which was committed

by the staff of National Bank of Pakistan Chowk Peer Bahar Shah Branch Sheikhupura. District Accounts Office Sheikhupura did not conduct post audit of the pension payment vouchers. The matter is under investigation in Federal Investigation Agency Lahore.

***Implication:***

Weak internal controls on the part of entity and potential of further fraud.

***Management response:***

Matter is under investigation in Federal Investigation Agency and up to date information will be provided to audit when available.

***Recommendations:***

Post audit of pension payments must be carried out vigilantly and effectively to avoid recurrence of such instances.

***1.1.9 Non-Reconciliation of Receipts and Payments***

***Risk Categorization: High***

***Observation:***

- Receipts of Rs.44 billion pertaining to Provincial Government were not reconciled by the Principal Accounting Officers (PAOs)/Drawing & Disbursing Officers (DDOs).
- Expenditure of Rs. 47.92 billion pertaining to Provincial Government was not reconciled by the Principal Accounting Officers (PAOs)/Drawing & Disbursing Officers (DDOs).

***Implications:***

- Un-authentic Expenditure because reconciliation is the primary requirement of quality financial statements.
- Un-reconciled records may result in errors in the financial statements leading to misstatements.
- Doubt in the accuracy and reliability of the data used by the Government in preparing the Financial Statements .

***Management response:***

Efforts are being made to reconcile the figures of receipts and expenditure.

***Recommendation:***

Reconciliation of receipts/payments at all level be ensured.

***1.1.10 Pre Audit Civil Cheques-Forest Department for Rs.1.04 billion***

***Risk Categorization: High***

***Observation:***

According to Trust Accounts-Others as on 30<sup>th</sup> June, 2012 there were un-presented cheques of Rs.1.04 billion of Punjab Forest Department.

***Implication:***

- Doubt in the accuracy and reliability of the data used by the Government in preparing the Accounts.

***Management response:***

Out of the outstanding balance of Forest cheques of Rs. 1.04 billion up to June 30, 2012, this balance pertains to previous years and has been wrongly booked by the DAO's. The reconciliation of cheques has been made from 2002-03 to 2010-11 and the concerned DAO's and A.G. Punjab have already been requested repeatedly for rectification thereof. The remaining years will be reconciled on provision of the Civil Accounts and detailed books by the A.G. Punjab.

***Recommendations:***

Un-presented cheques be reconciled and cleared timely.

***1.1.11 Unjustified Negative Balance of Forest Remittance for Rs.2.82 billion***

***Risk Categorization: High***

***Observations:***

According to Account No. 26 Trust Account-Others of Finance Accounts (page no. 170) of the Government of Punjab for the year 2010-12, Negative closing balance of (Rs.2. 82) billion was appearing under head G 10402-Forest Remittances as on 30th June, 2012 which needs reconciliation.

***Implication:***

Existence of such negative balance leads to incorrect reporting.

***Management response:***

Outstanding balance of Forest Remittances of Rs. 2.82 billion up to June 30, 2011, the balance pertains to previous years and has been



wrongly booked by the DAO's. The reconciliation of remittances has been made from 2002-03 to 2010-11 and the concerned DAO's and A.G. Punjab have already been requested repeatedly for rectification thereof. The remaining years will be reconciled on provision of the Civil Accounts and detailed books by the A.G. Punjab.

***Recommendation:***

Negative balances be reconciled and rectified on timely basis.

## CHAPTER 2

### ENVIRONMENT PROTECTION DEPARTMENT

#### 2.1 *Introduction*

Environment Protection Department, Government of the Punjab being an administrative body works in accordance with its functions as defined under the Punjab Government's Rules of Business, 1974.

The Environmental Protection Agency Punjab functions under the provisions of Pakistan Environmental Protection Act, 1997. Its main functions and duties are to:

- administer laws, rules and regulations relating to the environment within the province;
- evaluate Initial Environmental Examination (IEE) and Environmental Impact Assessment (EIA) of new projects and issue No Objection Certificates (NOCs);
- provide information and create awareness in public for environmental issues;
- enforce National Environmental Quality Standards (NEQS) to control pollution;
- coordinate environmental policies and programs with the Federal Government as well as with other provincial governments;
- establish systems for surveys, surveillance and monitoring of the pollutants and maintain laboratory for testing and monitoring;
- take measures to promote sustainable development and provide information on environment friendly technology; and
- provide Ambient Air Quality Testing & Monitoring facilities.

## 2.2 *Comments on Budget & Accounts (Variance Analysis)*

### *Introduction*

The Appropriation Accounts of Environment Protection Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### *Summary of Appropriation Accounts*

The grant wise summarized position of actual expenditure during 2011-12 against is as follows:

*(Rupees in millions)*

Grant No.	Original Grant	Supplementary Grant/ Re-Appropriation	Final Grant	Actual Expenditures	Saving (-) Excess (+)
1	2	3	4	5	6(5-4)
PC21010	15.513	3.541	19.054	17.263	(1.791)
PC21017	2,117.946	318.124	2,436.070	2,392.820	(43.250)
PC22036	266.000	(183.732)	82.268	66.469	(15.799)
<b>Total</b>	<b>2,399.459</b>	<b>137.933</b>	<b>2,537.392</b>	<b>2,476.552</b>	<b>(60.84)</b>

### *Overview of Expenditure*

The total budget of Environment Protection Department for the Financial Year 2011-12 was Rs. 2,537.392 millions. Out of this amount the actual expenditure was Rs. 2,476.552 millions. The breakup of current and development expenditure is given below:

*(Amount in Rupees)*

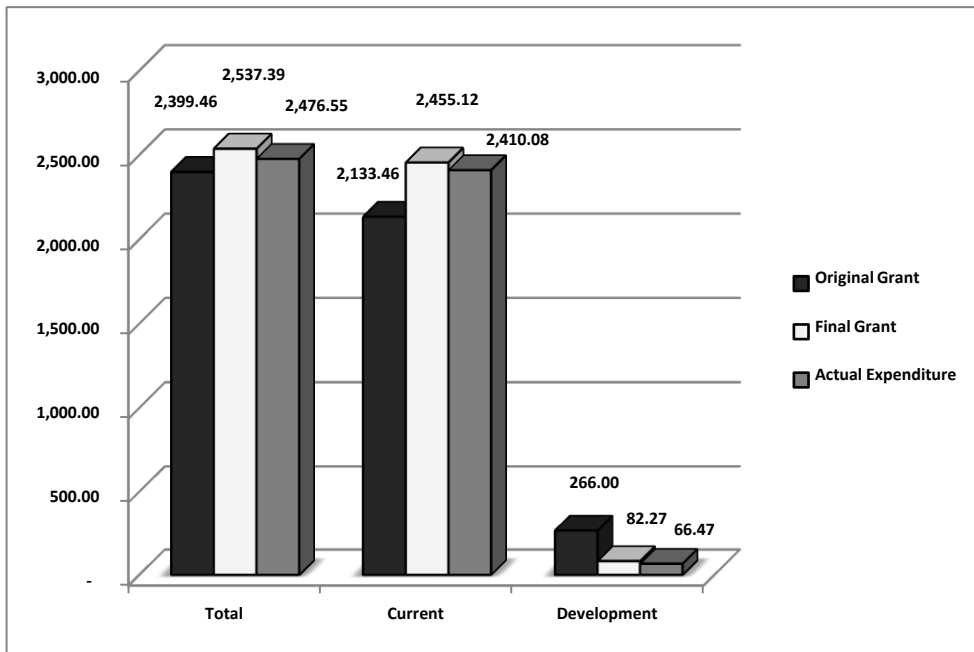
Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	2,133,459,000	2,410,083,098	276,624,098	12.97
Development	266,000,000	66,468,639	(199,531,361)	75.01
<b>Total</b>	<b>2,399,459,000</b>	<b>2,476,551,737</b>	<b>77,092,737</b>	<b>3.21</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

(Amount in Rupees)

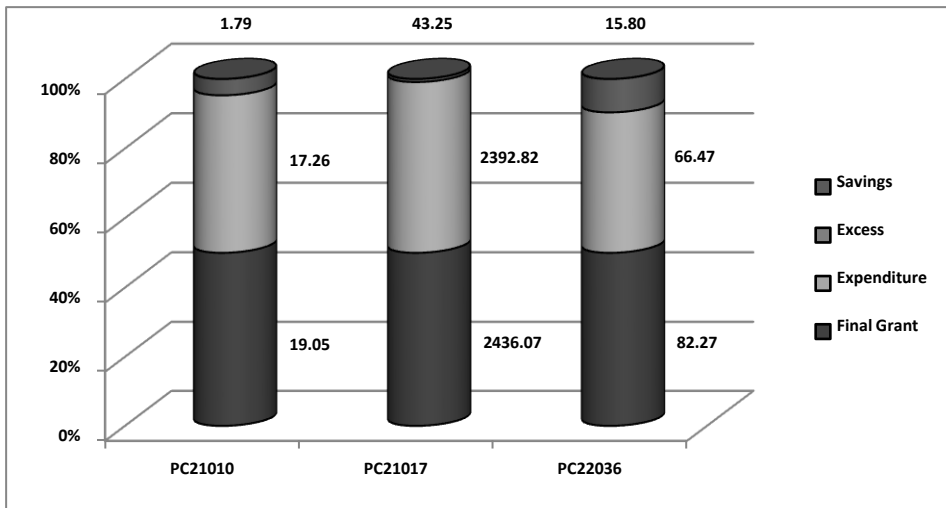
Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	2,455,124,000	2,410,083,098	(45,040,902)	1.83
Development	82,268,000	66,468,639	(15,799,361)	19.20
<b>Total</b>	<b>2,537,392,000</b>	<b>2,476,551,737</b>	<b>(60,840,263)</b>	<b>2.40</b>

Variance of Final Grant and Actual Expenditure is given below:



***Anticipated savings not surrendered***

According to the rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department whenever the savings are anticipated. However, saving amounting to Rs. (60.84) millions at the close of the year 2011-12 under grants PC21010, PC21017 & PC22036 had not been surrendered.



### 2.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC Directives, for reports discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>No. of Paras in which Compliance received</b>	<b>No. of Paras in which Compliance not Received</b>	<b>Percentage</b>
1	1999-00	13	10	3	77
2	2001-02	18	2	16	11
3	2005-06	4	2	2	50
<b>Total</b>		<b>35</b>	<b>14</b>	<b>21</b>	<b>40</b>

Compliance with PAC directives for the audit years 2001-02 is 11 percent which is in stark contrast to compliance percentage in other years due to inexplicable reasons. It has also been observed that frequent change of the PAO and top management in the executive makes the compliance with PAC directives difficult.

## **2.4 AUDIT PARAS**

### ***Non production of record***

#### **2.4.1 *Non production of vouchers for Rs. 1.65 millions***

Section 14 of the Auditor-General's (Functions, Power and Term and Conditions of Service) Ordinance, 2001 provides that the officer in charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information. Any person or authority hindering the functions of the Auditor-General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Disciplinary Rules.

During audit of Deputy Director Implementation Lahore, for the year 2010-12, it was noticed that an expenditure of Rs. 1.65 million was incurred in the head A03970-Others but the paid bills were not produced to Audit.

Audit was of the view that due to non production of record, the authenticity of accounts could not be verified.

The matter was reported to DDO in August 2012.

The matter was further reported to administrative department during December 2012. DAC in its meeting held on 22.01.2013, directed to keep the para pending for production of record to audit. Further progress was not reported till the finalization of this report.

Audit requires production of record, besides, fixing responsibility for non production of record.

*(Para No. 11 of AIR-Deputy Director Implementation EPD, Lahore - 2010-12)*

#### **2.4.2 *Non submission of adjustment accounts for advance payment for Rs.70 millions***

As per Finance Department sanction for advance drawl vide U.O No.FD.SO(EP)1-1/2007 dated June 2011 and EPD Order No.SO(T)EPD/

1-47/2008 (Vol-II), dated 09.06.2011, the said advance drawl and expenditure will be subject to the condition that Adjustment Accounts with supporting vouchers documents shall be furnished to the District Officer concerned within a period of one month of the withdrawal of the advance for adjustments, in the book accounts.

During audit of Bio Diversity Parks of the office of Deputy Director Implementation Lahore for the year 2010-12, it was observed that an advance payment of Rs. 20 millions was made to M/s International Union Conservation of Nature and Natural Resource (IUCN Pakistan) on account of services rendered. An amount of Rs. 50 millions was already paid to the firm but the Adjustment Accounts with supporting vouchers and Documents were not available in record. Moreover, monthly progress report was not shown to Audit.

The matter was reported to the DDO in August 2012.

The matter was further reported to the administrative department during December 2012. DAC, in its meeting held on 22.01.2013, directed the department to produce to audit. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive, besides, fixing responsibility for not providing record to audit.

*(Para No.8 of AIR-Deputy Director Implementation EPD, Lahore-2010-12)*

### ***Irregularity and non-compliance***

#### ***2.4.3 Sanctions beyond competence for Rs. 29.13 millions***

As per Sr. 2b(ii)(i) of the second schedule part-I of the Punjab Delegation of Financial Power Rules, 2006, the administrative department and an officer of Category-I is empowered to accord sanction upto Rs. 800,000 for the purchase of machinery and equipment.

During audit of the office of Deputy Director (Implementation), Environmental Protection Agency Lahore for the period 2010-12, it transpired that an expenditure of Rs. 29.13 millions was incurred beyond sanctioning powers.



Audit was of the view that non-observance of government rules and weak internal controls on Delegation of Financial Powers resulted in sanctions beyond competence for Rs. 29.13 millions.

The matter was reported to the DDO in August 2012.

The matter was further reported to administrative department during December 2012. DAC in its meeting held on 22.01.2013, directed the department to seek regularization from the competent authority. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing responsibility for unauthorized expenditure.

*(Para No.6 of AIR-Deputy Director Implementation EPD, Lahore-2010-12)*

#### **2.4.4 Non submission of vouched account for Rs.4.29 millions**

As per order No. SO (T) EPD/1-48/2008, dated 28.11.12 and 03.01.12, the vouched accounts will be submitted to the Accountant General Punjab, Lahore within a period of one month after the payment.

During audit of Deputy Director Implementation under the Director General, Environmental Protection Agency Lahore for the year 2010-12, it was observed that an expenditure of Rs.4.29 millions had been incurred for payment to the Government of the Punjab Management and Professional Development Department Lahore as advance. The payment was held irregular because the vouched account was not obtained from the Department, period of training and list of trainees was not produced to Audit.

Audit was of the view that due to non submission of vouched account, the authenticity of expenditure could not be verified.

The matter was reported to the DDO during August 2012.

The matter was further reported to administrative department during December 2012. DAC in its meeting held on 22.01.2013, directed the department to produce record to audit. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing responsibility for not providing vouched account.

*(Para No.16 of AIR-Deputy Director Implementation EPD, Lahore - 2010-12)*

#### **2.4.5 *Misclassified expenditure for Rs.2.34 millions***

As required under Paragraph 5 of Finance Department letter No PS/FS/808/78 dated 26-02-1978, the Principle Accounting Officer should issue instructions to the controlling and Disbursing Officers under him that all payments are correctly classified under the appropriate heads of Accounts.

During audit of Deputy Director Implementation under the Director General Environmental Protection Agency Lahore for the year 2010-11, it was observed that an expenditure of Rs.2.34 millions had been incurred from the Head "A03970-Others". The expenditure was unauthorized as it was incurred for the payment of utility bills, POL charges, repair of machinery & equipment and purchase of stationery items etc.

The matter was reported to the DDO during August 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened till the finalization of this report.

Audit requires fixing of responsibility for not maintaining accounts in accordance with laid down procedure, besides, regularization from the Finance Department.

*(Para No.10 of AIR-Deputy Director Implementation EPD, Lahore - 2010-12)*

#### **2.4.6 *Split up expenditure on purchase of machinery and equipments for Rs.2.15 millions***

As per Rule 12(2) of Punjab Procurement Rules 2009, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

During audit of Deputy Director Implementation under the Director General, Environmental Protection Agency Lahore for the year 2010-12, it was observed that an expenditure of Rs.2.15 millions had been incurred by splitting up the procurement. The purchase orders were split up and all sanctions were accorded on 18.06.11.

Audit was of the view that due to weak supervisory and financial controls, uneconomical and unauthorized procurement was made by the department.

The matter was reported to the management during August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 22.01.2013, directed the department to seek regularization from the competent authority. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for unauthorized expenditure.

*(Para No.15 of AIR-Deputy Director Implementation EPD, Lahore - 2010-12)*

#### ***2.4.7 Un-authorized expenditure without the approval of austerity committee for Rs.2.05 millions***

According to Para 3 (VII) of Finance Department Notification NO.FD.SO (GADs) 44-4/2010 dated 09.08.2010 for the year 2010-11, refurbishment/ interior decoration of offices, establishment of offices, purchase of furniture and fixture, procurement of items of machinery and equipment including printers, fax machines, photocopiers, generators, air conditioners and luxury items etc. shall not be allowed except with the prior concurrence of the austerity committee established for this purpose.

During audit of Deputy Director Implementation Lahore, for the year 2010-12, it was observed that an expenditure of Rs.2.05 millions was incurred without approval of the Austerity Committee.

Audit was of the view that the purchase of items in violation of the government instructions resulted in irregular expenditure of Rs. 2.05 millions.

The matter was pointed out to the management in August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 22.01.2013, directed the department to seek regularization from the competent authority. Further progress was not reported till the finalization of this report.

Audit emphasizes on implementation of DAC directive, besides, fixing responsibility for unauthorized expenditure.

*(Para No.2 of AIR-Deputy Director Implementation EPD, Lahore - 2010-12)*

#### **2.4.8 Un-authorized payment on services rendered for Rs.100 million**

According to Rule 2.10(b)(5) of PFR Vol-I, it is not permissible to draw advance from the treasury for the execution of work. The completion of which is likely to take considerable time.

During the audit of Deputy Director Implementation Lahore, for the year 2010-11, it was observed that an advance payment of one million was released to DCO D.G. Khan, which was unauthorized. The payment was released without approval of Finance Department, supporting vouchers were not available and progress report of Development of Biodiversity Park was also not obtained prior to the release of payment.

Audit was of the view that weak supervisory and financial controls resulted in un-authorized expenditure.

The matter was reported to the DDO during August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 22.01.2013, directed to keep the para pending for regularization. Further progress was not reported till the finalization of this report.

Audit requires immediate implementation of DAC directive besides fixing responsibility for releasing unauthorized payment.

*(Para No.3 of AIR-Deputy Director Implementation EPD, Lahore - 2010-12)*

## *Others*

### **2.4.9      *Non acknowledgement of receipts for Rs.24.49 millions***

According to Rule 2.7 of PFR Vol-I, if a government servant, who is not in charge of a cash book, receives money on behalf of government at exceptional times, he should not mix it up with the imprest or any other cash in his charge, but pay or remit it, at the earliest opportunity, to the nearest government servant having a cash book or direct to a treasury.

During audit of Environmental Protection Agency Lahore, for the year 2010-2012, scrutiny of IEE/EIA receipts register revealed that an amount of Rs.24.49 millions was received on account of NOC from different firms and was shown deposited into government account but the acknowledgement of the treasury officer was not available on record.

Audit was of the view that weak financial controls resulted in non-acknowledgement of receipts.

The matter was reported to the DDO in July 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened till the finalization of this report.

Audit requires verification of receipt from the treasury officer besides fixing of responsibility for the negligence.

*(Para No.3 of AIR-DG environmental protection Agency EPD, Lahore - 2010-12)*

## **CHAPTER 3**

### **FINANCE DEPARTMENT**

#### **3.1      *Introduction***

According to Rules of Business, 1974 (amended to-date), Finance Department is responsible for supervision and control of provincial finances, preparation of provincial budget, formulation of Financial Rules and Civil Services Rules, Management of Public Debt and administration of treasuries. Some other functions performed by the Finance Department are detailed below:

- Public Accounts and Public Accounts Committee;
- Framing of financial rules for guidance of departments and supervision of maintenance accounts;
- Framing of Civil Service Rules applicable to all government servants and interpretations thereof;
- Flotation and administration of provincial loans;
- Examination and advice on matter effecting directly or indirectly the finances of the Province;
- Communication of financial sanctions; and
- Creation of posts and examination of schemes of new expenditure.

### 3.2 *Comments on Budget & Accounts (Variance Analysis)*

#### *Introduction*

The Appropriation Accounts of Finance Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

#### *Summary of Appropriation Accounts*

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original Grant</b>	<b>Supplementary Grant /Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditures</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
PC21010	6,347.61	(1,578.326)	4,769.284	4,639.038	(130.246)
PC21028	40,496.215	10,993.823	51,490.038	50,110.261	(1379.777)
PC21031	172,661.052	18,909.436	191,570.488	185,064.873	(6505.615)
PC21035	100	(100)	0	0	0
PC22036	18,445	(1,679.388)	16,765.612	20,848.724	4,083.112
PC12043	9,214.5	(7270.058)	1,944.442	1,944.442	0
PC24044(A)	18,867.298	0	18,967.298	13,978.899	(4,888.399)
PC16048(E)	32,445.813	0	32,445.813	31,091.797	(1,354.016)
PC13050(H)	11,000	1000	12,000.001	7,000.000	(5,000.001)
<b>Total</b>	<b>309,577.488</b>	<b>20,275.487</b>	<b>329,852.975</b>	<b>314,678.034</b>	<b>(15,174.94)</b>

#### *Overview of Expenditure*

The total budget of Finance Department for the Financial Year 2011-12 was Rs. 329,852.975 millions. Out of this amount the actual expenditure was Rs. 314,678.034 millions. The breakup of current and development expenditure is given below:

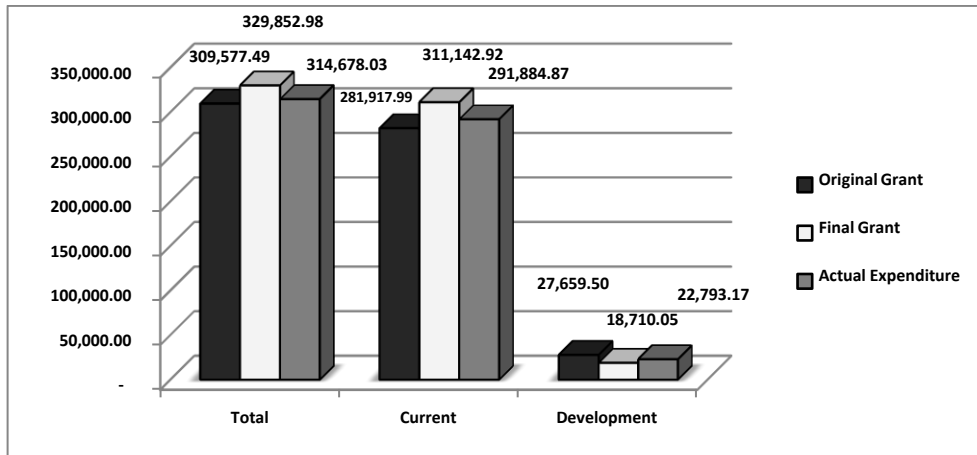
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	281,917,988,000	291,884,867,727	9,966,879,727	3.54
Development	27,659,500,000	22,793,165,622	(4,866,334,378)	17.59
<b>Total</b>	<b>309,577,488,000</b>	<b>314,678,033,349</b>	<b>5,100,545,349</b>	<b>1.65</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

(Amount in Rupees)

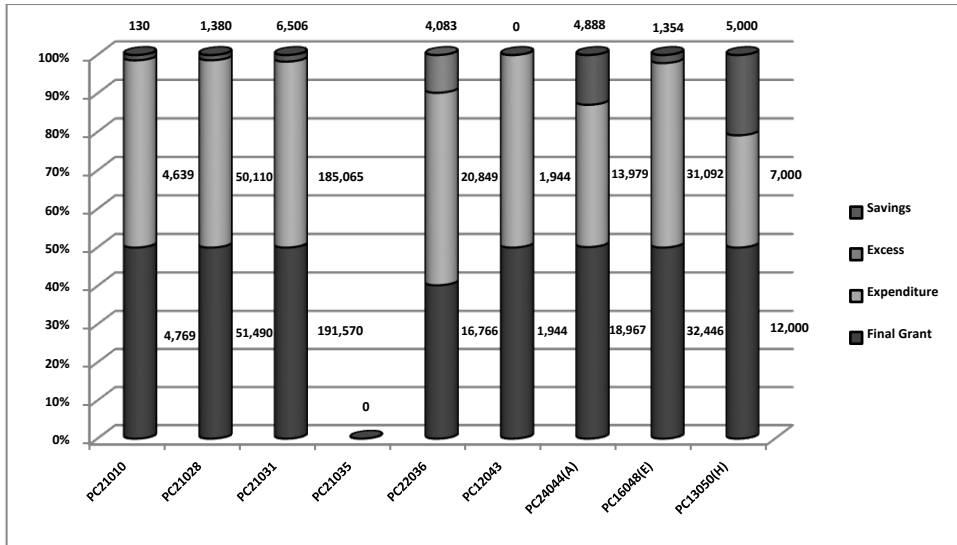
Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	311,142,921,000	291,884,867,727	(19,258,053,273)	6.19
Development	18,710,054,000	22,793,165,622	4,083,111,622	21.82
<b>Total</b>	<b>329,852,975,000</b>	<b>314,678,033,349</b>	<b>(15,174,941,651)</b>	<b>4.60</b>





***Anticipated savings not surrendered***

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to Rs.19,258.053 millions at the close of the year 2011-12 under grants PC21010, PC21028 , PC21035, PC21031, PC12043, PC12044(A), PC12048(E) & PC13050(H) had not been surrendered.



***Excess requiring regularization***

As per para 13.2 (ii) of Punjab Budget Manual, the total expenditure incurred on a purpose does not exceed the grant or grants provided for that purpose. However, excess expenditure amounting to Rs. 4,083.111 millions for the year 2011-12 under grant PC22036 had not been got regularized so far. This was breach of legislative control over appropriations.

### 3.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC Directives, for reports of Finance Department discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1986-87	7	0	7	0
2	1987-88	3	0	3	0
3	1988-89	6	0	6	0
4	1990-91	1	0	1	0
5	1991-92	2	0	2	0
6	1992-93	4	1	3	25
7	1993-94	2	1	1	50
8	1994-95	2	0	2	0
9	1995-96	7	0	7	0
10	1997-98	10	7	3	70
11	1998-99	37	23	14	62
12	1999-00	48	25	23	52
13	2000-01	53	24	29	45
14	2006-07	15	8	7	53
15	2009-10	8	1	7	13
<b>Total</b>		<b>205</b>	<b>90</b>	<b>115</b>	<b>44</b>

The compliance with PAC directives showed upward trend against Audit Reports 1997-98 and 1998-99 as compared with previous years. However, the same is again declining since then.

## **3.4 AUDIT PARAS**

### *Irregularity and non compliance*

#### **3.4.1 *Non-issuance of right shares for Rs. 5.10 billion and non return of loan for Rs.4.90 billions***

According to condition No.02 of the agreement between Government of the Punjab Finance Department and State Bank of Pakistan, the Government of the Punjab shall ensure that the right shares of the Bank of Punjab are issued by 31.03.2010 and that the Bank of Punjab refunds to the Government of the Punjab all amounts which are in excess of the subscription of 51% right share of the Government of the Punjab, received against right issue.

During audit for the period 2011-12, it was observed that an amount of Rs.10 billion was provided by Government of the Punjab to Bank of Punjab during the year 2009. The amount was released by Government, as Bank of Punjab was facing shortfall in meeting the minimum regularity Capital requirement fixed by State Bank of Pakistan. The loan was granted exclusively for recapitalization of Bank of Punjab. The Bank of Punjab did not issue the right shares despite the fact that the audited financial statements of the bank were issued. It was also noticed that due to delay in the issuance of right shares the remaining amount of Rs.4.9 billions was also not returned by the Bank.

Audit was of the view that weak financial controls and non adherence to contract clauses resulted in non issuance of right shares amounting to Rs. 5.10 billions and non recovery of loan amount Rs. 4.90 billions.

The matter was pointed out to the Finance Department in August 2012. It was replied that detailed reply will be submitted later on.

The matter was further reported to the administrative department during December 2012. During DAC held on 01.01.2013, the department replied that Government of the Punjab was recovering the markup from BOP and disbursing it to SBP. Therefore, the delay in issuance of right shares has no adverse implication for Punjab Government. The issue of repayment of Rs. 4.90 billions would take place after issuance of right shares by BOP. The reply was not satisfactory as the right shares were required to be issued by 31.03.2010 according to condition 2 of agreement and the BOP was bound to repay Rs. 4.90 billions to Government of Punjab.

Audit requires expeditious repayment of loan besides fixing responsibility for the delay.

*(Para No.2 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### ***3.4.2 Unauthorized release of funds for self employment scheme for Rs.8.57 billions***

According to Punjab Government Rules of Business, 1974, the Punjab Finance Department is responsible for proper financial management, supervision and control of provincial finances.

During audit of Secretary Finance Government of the Punjab Lahore, for the year 2011-12, it was revealed that Youth Employment/ Yellow Cab Scheme was introduced by Government of the Punjab for educated and un-employed youth of the province of Punjab.

The total approved cost of the scheme was 8.57 billion. Special Drawing Account was opened in the name of Secretary Transport Government of the Punjab Lahore. But the record for ascertaining the justification for opening of SDA was not produced. The total amount

released in SDA and its further utilization was not shown to Audit. Agreement was not executed between Government of the Punjab and Bank of Punjab. Information regarding the interest paid to BOP by Government as subsidy and the recovery of down payment and installments received from the beneficiaries of the scheme was also not available on record. The hedging cost of Yen @29% per vehicle was decided to be paid to M/s Suzuki which was on the higher side and total amount of hedging cost paid during the year 2011-12 was not produced to Audit. Modalities of hedging of yen were also not decided.

Audit was of the view that an amount of Rs. 8.57 billions was released without any agreement, stipulating terms and conditions for repayment of loan.

The irregularity was pointed out in August 2012. The management replied that detailed reply will be submitted later on.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the record was not produced resultantly para remained pending.

Audit requires expeditious production of record besides fixing responsibility for not arranging record during audit.

*(Para No.7 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### **3.4.3 Utilization reports not obtained for grants-in-aid for Rs.1.15 billions**

According to Punjab Government Rules of Business, 1974, the Punjab Finance Department is responsible for proper financial management, supervision and control of provincial finances.

During audit of Finance department for the year 2011-12 it was revealed that Grants-in-aid for Rs. 30.04 billions were released to various departments of Punjab as well as to autonomous bodies and NGOs by the Finance Department during the financial year 2011-12. Utilization reports were not obtained resultantly audit could not verify the utilization of grants for the purpose for which the same were provided. The details of grants-in-aid released during the year 2011-12 were also not provided to audit despite repeated requests.

Audit was of the view that weak financial and supervisory controls resulted in non submission of utilization reports by the recipient agencies.

The irregularity was pointed out to the Department in August 2012. The management replied that detailed reply would be submitted later on.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that the audit of government organizations was already conducted by the Audit Department. However, as regards grants-in-aid to non government organizations, it was apprised that as per AGP Ordinance 2001, the audit of all bodies and NGOs which receive grants-in-aid exceeding Rs. 5 millions also come under its purview. The explanation of the department was accepted and para relating to government organization was settled partially and reduced to Rs. 1.15 billions, pertaining to NGOs.

Audit requires expeditious production of record pertaining to NGOs besides fixing responsibility for not arranging requisite record from NGOs in time.

*(Para No.18 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

#### **3.4.4 *Irregular release of Loan to PLDC for Rs.565 millions***

The Punjab Government Rules of Business, Schedule II regarding Distribution of Business among Departments requires the Finance Department to supervise and control Provincial Finances.

During audit of Secretary Finance Government of the Punjab, for the year 2011-12, it was revealed that an amount of Rs.565 millions was provided as interest bearing loan to Punjab Land Development Company. Government intended to provide housing for low income groups and for that purpose, a company named 'Punjab Land Development Company' was established under the Companies Ordinance 1984 for execution of Ashyana Housing project. The 1<sup>st</sup> phase of the project was launched on 02.12.2010.

The loan of Rs.565 millions was released without execution of an agreement between Government of the Punjab and PLDC. PC-I of the project was also not available on record. Business plan and timeline of the project deliverable was not provided. Record for amortization schedule was not produced. The cash flow of the Project was not shown, however, loan was released at different occasions without assessment of actual cash flow requirements of the project. Furthermore, it was also noticed that interest of Rs.1.26 millions accrued on loan was not deposited into the government account despite formal request of Finance department to PLDC authorities.

Audit was of the view that due to non execution of the agreement between Government of the Punjab and PLDC, the funds were released without ascertaining the requisite procedure.

The irregularity was pointed out to the department in August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that loan was granted to PLDC as per terms and conditions mentioned in each release order. Moreover, interest due up to 30.06.2013 was also deposited in government treasury. The reply was not accepted by the DAC as heavy amounts were transferred to company account without any agreement between the parties. Further, the accurate amount of interest could not be determined without amortization schedule.

Audit requires execution of agreement defining terms and conditions and detailed amortization schedule etc. for monitoring the recovery of loan besides fixing responsibility for releasing huge amounts without executing an agreement.

*(Para No.8 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### ***3.4.5 Unauthorized release of loan for Rs.350 millions and non recovery of interest and penalty for Rs.0.72 million***

Condition 2.01 & 2.02 of the loan agreement between Government of the Punjab and Punjab Live Stock and Dairy Development Department provides that the loan shall be repaid by the borrower as per the Schedule-I. The borrower shall pay mark up on the amount of loan drawn and remaining un paid by the borrower @ 0.25% per annum till its repayment in the manner and at the times mentioned in Schedule-I. In case if the payment will not be made on due dates in accordance with the Schedule penalty on the defaulted amount @ 4% per annum shall be paid. Term 4.01 of the agreement provides that the borrower shall in addition to annual reports, furnish quarterly and semi-annual financial reports and arrange for verification of all progress reports required and submitted by the Board Authority.



During audit of Secretary Finance Government of the Punjab for the year 2011-12, it was revealed that an amount of Rs.250 millions was granted as loan to Punjab Live Stock and Dairy Development Department. The amount was released without execution of loan agreement between Government and PLDDB. Another amount of Rs. 100 millions was released without obtaining approval of competent authority and without an agreement. Furthermore, interest of Rs. 0.7 million due up to 30.06.2012 and penalty @4% per annum for Rs.27,800 was also required to be recovered from the outstanding amount. Moreover, quarterly, semiannual financial statement, annual reports and verified progress reports were not shown. The amortization schedule was also not prepared.

Audit was of the view that due to weak supervisory controls, the loans were released without execution of agreement and without considering the payback ability of the borrowing agency.

The irregularity was pointed out in August 2012.

The matter was further reported to the administrative department during Dec 2012. DAC in its meeting held on 01.01.2013, directed to recover the loan without further delay.

Audit requires implementation of DAC's directives besides fixing the responsibility for releasing loan without agreement.

*(Para No.11 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### ***Internal Control Weakness***

#### ***3.4.6 Unauthorized release of funds and expenditure without approved schemes for Rs.6.47 billions***

According to Rules of Business, the Finance Department is responsible for supervision and control of Provincial Finance.

During audit of Secretary Finance Government of the Punjab, for the year 2011-12, it was revealed that a total expenditure of Rs.6.47 billion was incurred against unapproved schemes without any authority.

Audit was of the view that weak supervisory controls resulted in unauthorized release of funds and subsequent expenditure.

The irregularity was pointed out in August-2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that no release was made to unapproved schemes. The reply was not based on facts as the expenditure was shown incurred in Annual Development Program 2011-12.

Audit requires justification of expenditure incurred on unapproved schemes besides fixing responsibility for releasing huge amounts without any authority.

*(Para No.13 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### ***3.4.7 Unauthorized release of loan of Rs.25 millions to PVTC and non recovery of interest***

The Punjab Government Rules of Business, Schedule II regarding Distribution of Business among Departments requires the Finance Department to supervise and control Provincial Finances.

During audit of Secretary Finance Government of the Punjab, for the year 2011-12, it was revealed that funds for Rs.85 millions were released to Punjab Vocational Training Council during the year 2008-09 as loan without taking into consideration the repayment ability of the organization. The markup @ 0.25% i.e. Rs. 2.76 million was neither

calculated nor was recovered. Further, a fresh loan of Rs. 25 millions was also provided to PVTC during 2011-12 without determining terms and conditions of repayment.

Audit was of the view that present practice of providing bridge financing without taking into account the payback ability lead to unnecessary burden on government resources.

The irregularity was pointed out in August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that efforts were being made for recovery of the loans alongwith interest.

Audit emphasizes expeditious recovery of loans besides fixing responsibility for not taking appropriate steps to avoid unnecessary burden on government resources.

*(Para No.12 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### ***Recovery and Overpayments***

#### ***3.4.8 Non-recovery of loan and interest from financial and non-financial institutions for Rs. 112.35 billion***

Rule 4.1 of PFR Vol-I provides that the departmental controlling officers should accordingly see that all sums due to government are regularly received and checked against demands and that they are paid into the treasury.

During audit of Secretary Finance, Government of the Punjab, for the financial year 2011-12, it was revealed that loans were granted to various Financial and Non Financial Institutions including Local Bodies and TMAs but recovery of principal amount and interest worth Rs.112.35

billions was neither recovered nor any effort was made for recovery of the same. The loans were provided to the institutions without taking into consideration their financial and administrative management capabilities to utilize the loans efficiently and effectively, besides generating sufficient returns to pay back the borrowed amount.

Audit was of the view that due to weak financial controls, the recovery of the principal amount and interest was not recovered.

The irregularity was pointed out in August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013 directed the department to pursue the recovery of the outstanding amount. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for not taking appropriate steps for recovery of loans.

*(Para No.4 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### **3.4.9 Non recovery of loan and interest for Rs. 104.93 billions**

According to Rule 4.1 of PFR-Vol-I, the departmental controlling officers should see that all sums due to government are regularly received and checked against demands and that they are paid into the treasury

During audit of Secretary Finance, Government of the Punjab, for the financial year 2010-11, it was revealed that loans were granted to autonomous bodies, financial and non financial institutions but recovery of principal amount and interest worth Rs. 104.93 billions was not effected.

Audit was of the view that due to lack of proper financial management, the recovery was not effected in time.

The irregularity was pointed out in February 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 04.07.2012 directed the department to expedite the recovery. The department informed that letters were written to the concerned. DAC in its next meeting held on 01.01.2013, again reiterated its earlier decision.

Audit requires implementation of DAC directive besides fixing responsibility for not taking steps to recover the outstanding loans.

*(Para No.10 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2010-11)*

### **3.4.10 Non-receipt of return on investment for Rs.4.76 billions**

The Punjab Government Rules of Business, Schedule II regarding Distribution of Business among Departments requires the Finance Department to supervise and control Provincial Finances.

During audit of Finance Department for the year 2011-12 revealed that total value of investments made by Government of Punjab in various Financial and Non-financial institutions was Rs.4.76 billions as on 24.08.2012. The amount was invested by the management on behalf of the Government of the Punjab in various institutions but investment policy and investment guidelines were not available on record. The expected rate of return on future investments was not calculated before making investments. The terms and conditions on the basis of which initial investments had been made were not available on record. Furthermore, in most of the cases no return on investments was received. The financial statements of all the institutions were also not available on record. Resultantly the actual net return on investments on yearly basis could not be worked out.

Audit was of the view that due to weak financial controls, the government was deprived of the benefit of return on investment.

The irregularity was pointed out to the formation in August 2012. The management undertook to furnish reply later on.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that every investment was made after due diligence. However, profits on investment are primarily linked to the profitability of an organization/enterprise. The committee kept the para pending as the major investments made by the department with BOP and TAAVUN (Pvt.) Limited proved to be fruitless.

The matter needs to be probed to fix responsibility and comprehensive investment policy needs to be framed besides calculation and recovery of net return on investments for each spell of investment under intimation to audit.

*(Para No.5 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

#### **3.4.11 *Non recovery of net hydel profit for Rs. 2.61 billion***

As per Rules of Business 1974 Schedule-II (b) Para-4(c), finance department is responsible for placement of the case of the province before National Finance Commission relating to matter having financial implication for the province. Moreover, as per paragraph 161(2) of the Constitution of Islamic Republic of Pakistan 1973, the net profits earned by the Federal Governments or any undertaking established or administered by the Federal government from the bulk generation of power at a hydroelectric station, shall be paid to the Province in which the hydroelectric station is situated.

During audit of Finance Department for the year 2011-12 revealed that payment of arrears of Net Hydel Profit (NHP) of Rs.29.28 billions up to the year 2004-05 was out-standing against Federal Government. During the year 2011-12 only Rs.5.17 billions were received leaving outstanding balance of Rs.24.12 billions.

Further, as per the decision of the committee in its meeting dated 24.12.2009 electricity profit for the period from 2005-06 to onward will be calculated by adopting new methodology instead of KCM formula for calculation of share of NHP of Punjab. It was observed that despite a lapse of 30 months neither any methodology/formula for calculation of NHP share of Punjab was finalized nor NHP share received. The NHP share for the last 07 years was not worked out.

Audit was of the view that due to weak financial controls, the government was deprived of the profit from hydel power.

The irregularity was pointed out to the formation in August 2012. The management replied that detailed reply will be submitted later on.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that the arrears up to 2004-05 were computed to be Rs. 28.50 billions out of which recovery of Rs. 25.90 billions had been received from Federal Government. The facts having verified, the amount of the para was reduced to Rs. 2.61 billions.

The matter needs to be probed to fix responsibility for non-recovery of electricity profit besides the advice that Finance department should agree at any formula or may raise its claims at tentative basis till the finalization of any methodology to release the financial Burden /budgetary deficit of Punjab under intimation to audit.

*(Para No.3 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*

### ***3.4.12 Non recovery of loan against Lahore Ring Road Authority for Rs. 100 millions***

The Punjab Government Rules of Business, Schedule II regarding Distribution of Business among Departments requires the Finance Department to supervise and control Provincial Finances.

Government of the Punjab Finance department released Rs.100 millions interest free loan to Lahore Ring Road Authority for repair and maintenance of completed portion of Lahore Ring Road. The loan was payable in six months i.e. up to 14.06.2012. After the lapse of six months time limit Finance Department had sent several formal requests to Lahore Ring Road Authority for the repayment of Rs.100 millions but no response was received.

Audit was of the view that due to weak financial controls the recovery of loan remained outstanding.

The irregularity was pointed out to the formation in August 2012. The management undertook to furnish reply later on.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 01.01.2013, the department replied that Lahore Ring Road Authority was not in a position to pay back the liability. The committee kept the para pending for recovery of the outstanding amount and fixing of responsibility against the responsible of irregular grant of loan without taking into consideration the pay back ability of the recipient agency.

Audit requires that recovery of Rs.100 millions be made at the earliest besides strengthening of financial controls.

*(Para No.6 of AIR-Secretary Finance, Government of the Punjab, Lahore- 2011-12)*





## **CHAPTER 4**

### **FOOD DEPARTMENT**

#### **4.1      *Introduction***

Punjab Food Department was established during World War-II for supply of Atta, Sugar and other commodities. Statutory Rationing of wheat, atta & sugar was made. Wheat was procured under monopoly scheme by Food Department and supplied to Flour Mills for grinding.

Under the Foodstuff (Control) Act, 1958, Food Department was assigned responsibilities for regulating business of food grains including purchases, storage, sales, transfer, milling, etc.

As per Rules of Business 1974, main functions of Food Department are as follows:

- Procurement of wheat for issuance to the mills.
- To act as government agent to provide a wheat purchase window to the farmers at support price.
- Ensure Food Security in wheat and wheat products.
- Transportation from surplus to deficit regions.
- Protection of wheat from pest and other hazards.
- Targeted Food Support Programmes.
- Monitoring and co-ordination of sugarcane sector with reference to payment of dues of sugarcane growers and sugarcane cess fund.
- Undertaking all activity related to export of wheat upto supply at port.

Food Department has one attached department i.e., Director Food Punjab, Lahore.

## 4.2 Comments on Budget & Accounts (Variance Analysis)

### Introduction

The Appropriation Accounts of Food Department for the year 2011-12 indicate capital expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### Summary of Appropriation Accounts

The grant wise summarized position of actual expenditure during Financial Year 2011-12 is as follows:

*(Rupees in millions)*

Grant #	Original Grant	Supplementary Grant/Re-Appropriation	Final Grant	Actual Expenditures	Saving (-) Excess (+)
1	2	3	4	5	6(5-4)
PC21010	54.785	(4.901)	49.884	45.488	(4.395)
PC21030	30,000	.001	30,000.001	12,944.902	(17,055.099)
PC21031	0	26.988	26.988	12.565	(14.423)
PC13033 (Charged)	28,279	0	28,279	23,180.103	(5,098.897)
PC16033 (Voted)	108,454.644	62.947	108,517.591	77,939.299	(30,578.292)
PC22036	230	(111.309)	118.691	56.81	(61.881)
PC16047 (D)	114,576.33	0	114,576.33	56,127.2	(58,449.13)
<b>Total</b>	<b>281,594.759</b>	<b>(26.274)</b>	<b>281,568.485</b>	<b>170,306.367</b>	<b>(111,262.117)</b>

(Rupees in millions)

Classification of Recoveries	Original Estimates of Recovery	Revised Estimates of Recovery	Final Estimated Recovery	Actual Recovery	Saving (-)Excess (+)
1	2	3	4	5	6(5-4)
E01202	121,966.900	(47,405.118)	74,561.782	78,491.122	3,929.340
E01203	31,622.070	(13,958.307)	17,663.763	17,070.051	(593.711)
E01275	-	-	-	7.688	7.688
<b>Total Recovery</b>	<b>153,588.970</b>	<b>(61,363.425)</b>	<b>92,225.545</b>	<b>95,568.861</b>	<b>3,343.317</b>

### *Overview of Expenditure*

The total budget of Food Department for the Financial Year 2011-12 was Rs. 281,568.485 millions. Out of this amount the actual expenditure was 170,306.367 millions. The breakup of current and development expenditure is given below:

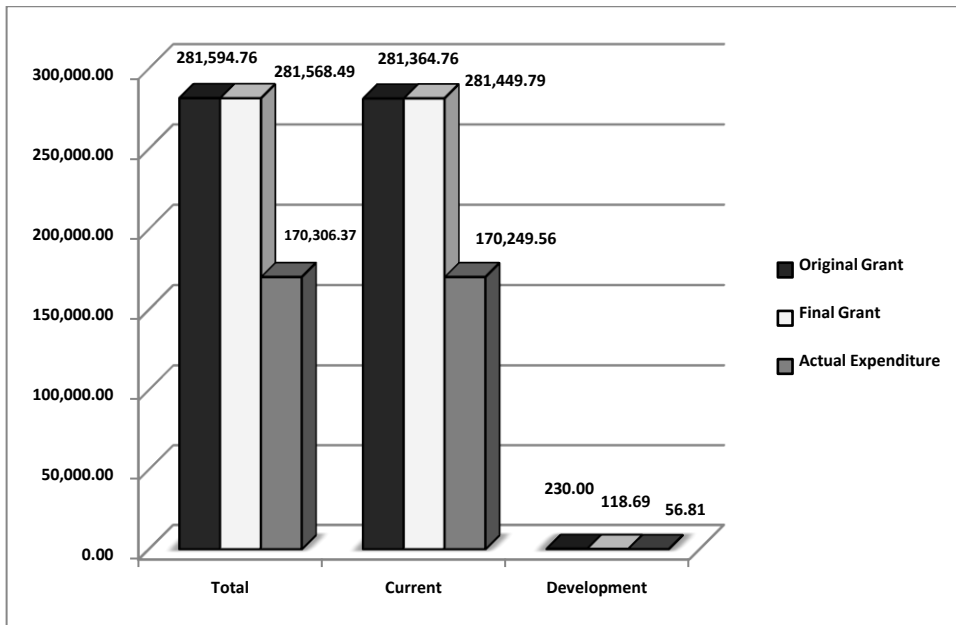
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance%
1	2	3	4(3-2)	5(4/2*100)
Current	281,364,759,000	<b>170,249,557,810</b>	(111,200,236,190)	39.49
Development	230,000,000	<b>56,809,948</b>	(173,190,052)	75.30
<b>Total</b>	<b>281,594,759,000</b>	<b>170,306,367,758</b>	<b>(111,288,391,242)</b>	<b>39.52</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

(Amount in Rupees)

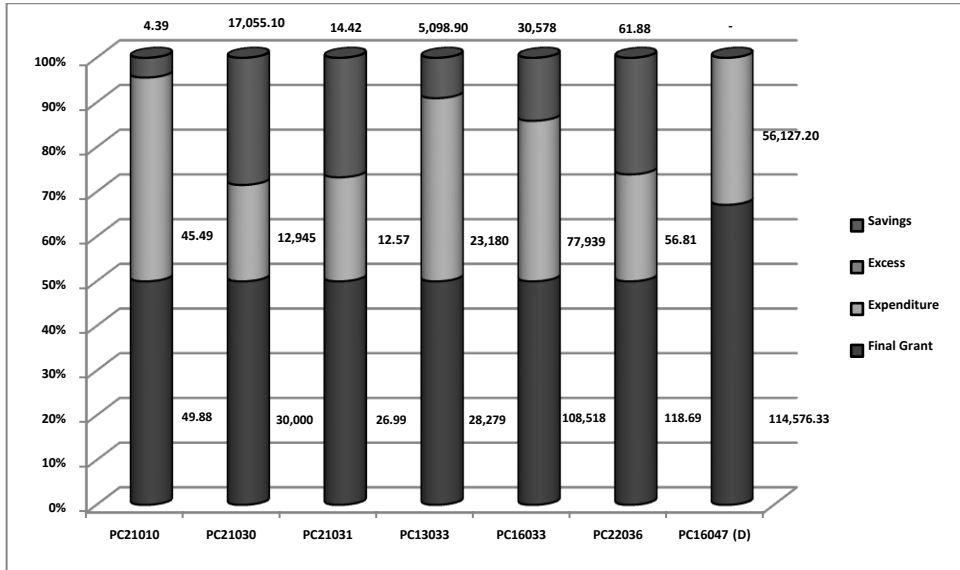
Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	281,449,794,000	170,249,557,810	(111,200,236,190)	39.51
Development	118,691,000	56,809,948	(61,881,052)	52.14
<b>Total</b>	<b>281,568,485,000</b>	<b>170,306,367,758</b>	<b>(111,262,117,242)</b>	<b>39.52</b>



### *Anticipated savings not surrendered*

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to

Rs. 111,262.117 millions at the close of the year 2011-12 under grants PC21010, PC21030, PC13031, PC13033, PC16033 PC16047 (D) & PC22036 had not surrendered.



### 4.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC Directives, for reports discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1985-86	179	117	62	65
2	1986-87	61	41	20	67
3	1987-88	87	17	70	20
4	1988-89	68	21	41	31
5	1989-90	23	3	20	13
6	1990-91	40	3	37	8
7	1991-92	56	6	50	11
8	1992-93	31	4	27	13
9	1993-94	30	11	19	37
10	1996-97	96	38	58	40
11	1997-98	84	31	53	37
12	2001-02	97	24	73	23
13	2002-03	17	7	10	41
14	2005-06	11	3	8	27
15	2006-07	37	17	20	46
<b>Total</b>		<b>917</b>	<b>343</b>	<b>568</b>	<b>37</b>

The compliance with PAC Directives in Food Department is not very encouraging. The situation needs improvement.

## **4.4 AUDIT PARAS**

### ***Fraud /Misappropriation***

#### ***4.4.1 Misappropriation of wheat and other stocks for Rs. 30.32 millions***

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 through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

During physical inspection of wheat stocks, bardana and other items at Procurement Reserve centre Rahim Yar Khan relating to wheat scheme for year 2011-12 by a team constituted by Deputy Director Food Bahawalpur, it was found that a quantity of 1015.51 metric tons of wheat, 3332 A class empty jute bags, 17039 Poly Propylene bags and stock articles were not available in stocks. The department registered criminal cases against the defaulters but appropriate action was not taken against the defaulters for missing stocks.

Audit was of the view that negligence and weak internal controls led to misappropriation of wheat and other stocks worth Rs. 30.32 million.

Audit pointed out the matter during October 2012.

The matter was further reported to the administrative department in December, 2012. DAC in its meeting held on 27.12.2012, the department reported that investigation of the case was still under process with the Anti-Corruption Department and as regards departmental inquiry, the Chief Secretary had ordered to re inquire the matter through a committee.



The DAC directed the department to pursue the case vigorously and to finalize it at the earliest. Further progress was not reported till finalization of this report.

Audit requires expeditious recovery of stocks besides fixing the responsibility for not taking appropriate action against the defaulters.

*(Para No.1 of AIR-District Food Controller- Rahim Yar Khan - 2011-12)*

#### **4.4.2      *Loss due to misappropriation of wheat for Rs. 1.56 millions***

According to Food Directorate letter No. AB-II(Recovery rate)-149/96 dated 28-02-2002, the criteria for calculation of recovery rates is that in case of shortages and misappropriation and to replenish these stocks , the department has to purchase imported wheat from MINFAL. Hence, the cost of imported wheat and incidentals of the MINFAL were charged for the calculation of recovery rates. As per Appendix-2 (3) (4) of PFR Vol-II , the general rule should be that in all cases of fraud, embezzlement or similar offences, departmental proceedings should be instituted at the earliest possible moment against all delinquents.

During audit of GP-5 Form in respect of flag centre Sanawan for the scheme 2010-11, it was revealed that a quantity of 129.85 metric tons wheat was shown as available. But according to correspondence between DFC DG Khan and Dy. Director DG Khan it was transpired that wheat worth Rs. 4.17 millions was not physically available at the centre. It was further observed that criminal case was not registered, cost of wheat was wrongly calculated and no departmental inquiry was conducted.

Audit was of the view that negligence besides weak internal controls led to misappropriation of wheat and other stocks worth Rs.1.56 million.

Audit pointed out the matter in October, 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 14.12.2012 directed the department to inquire in to the matter regarding imposition of recovery at prescribed rate as well as incidental charges. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for negligence.

*(Para No.1 of AIR-District Food Controller, Muzaffargarh-2011-12)*

***Non Production of Record***

***4.4.3 Non production of record on account of purchase of wheat for Rs.478.09 millions***

According to section 14 of the Auditor-General’s (Functions, Powers and Terms & Conditions of Service) Ordinance 2001, the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information. Any person or authority hindering the auditoria functions of the Auditor-General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules.

During audit of the accounts of District Food Controller Muzaffargarh, the following record was not produced to audit.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Center</b>	<b>Nature of Record</b>	<b>Cost of wheat purchased</b>
1.	PR Center Ghazi Gate	Form 2,3.GP-5 of 8537.300 M.Ton wheat purchase Scheme 2009-10, Form 6 and 7, SF-21, Paid challans for Rs.202,760,875, Bardana register and stock articles register	202.76

<b>Sr. No.</b>	<b>Name of Center</b>	<b>Nature of Record</b>	<b>Cost of wheat purchased</b>
2.	PR Center Kot Addu	Form 2,3.GP-5 of 11593.00 M.Ton wheat purchased Scheme 2009 -10, Form 6 and 7, SF-21, Paid challans for Rs.275,333,750, Bardana register and stock articles register	275.33
<b>Total</b>			<b>478.09</b>

Due to non production of record audit could not ascertain the authenticity of accounts.

Audit pointed out the matter in February 2012.

The matter was further reported to the administrative department in May 2012. DAC in its meeting held on 27.12.2012, directed the department to produce complete record for audit. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for non production of record.

*(Para No.5 of AIR-District Food Controller, Muzaffargarh-2009-11)*

### ***Irregularity and non Compliance***

#### ***4.4.4 Unauthorized de-classification of tarpaulins for Rs. 8.34 millions***

According to Para No.10 (i), the Punjab Delegation Of Financial powers Rules, 2006, officers in category-I, has powers to declare motor vehicles, T&P , machinery, equipment, spares, stores / stocks etc., as surplus & /or unserviceable up to the value of Rs.0.500 millions per item.

During audit of Food Department, it was revealed that five District Food Controllers declared 1668 tarpaulins as D-class at their own without

approval of the competent authority i.e. Deputy Director Food. Further, D-classified material was also not auctioned.

(Rs. in millions)

Sr. No.	Name of formation	Period of audit	Para No. of AIR	Number of tarpaulins	Amount
1	DFC, Muzaffargarh	2011-12	3	1106	5.53
2	DFC, Layyah	2009-12	3	426	2.13
3	DFC, Pakpattan	2011-12	5	24	0.12
4	DFC, Dera Ghazi Khan	2011-12	2	78	0.39
5	DFC, Sheikhpura	2011-12	2	34	0.17
<b>Total</b>				<b>1668</b>	<b>8.34</b>

Audit was of the view that weak supervisory and management controls, resulted in unauthorized de- classification of tarpaulins.

Audit pointed out the matter during July to November 2012. The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 14.12.2012, directed the department for early finalization of auction process of tarpaulins. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for not taking appropriate steps on time to avoid loss to government.

#### *Internal control weakness*

#### **4.4.5 Loss to Government due to damage and shortage of wheat for Rs. 62.90 millions**

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 through fraud or negligence on his part.

During audit of five District Food Controllers, a quantity of 183.14 metric tons wheat was misappropriated and damaged against schemes for the years 2010-11 and 2011-12. Criminal cases were registered but departmental action was not finalized. It was further observed that shortage of bardana was not taken into account and was also de-classified but it was not auctioned.

*(Rs. in millions)*

Serial No.	Name of formations	Period of audit	Para No. of AIR	Nature of loss	Amount (Rs)
1.	DFC Multan	2011-12	2	Shortage of 906.732 m.ton	28.83
2.	DFC Sahiwal	2011-12	1	Shortage and damage of 252.00 m.ton wheat, 1846 jute bags and 4323 PP bags	8.21
3.	DFC Multan	2011-12	3	Shortage and damage of 315.994 and 66.651 m.ton, 378 jute and 1212 PP bags	8.65
4.	DFC Sahiwal	2011-12	2	Shortage of 210.100 m.ton wheat, 212 jute bags, 1420 PP bags and stock articles	9.11
5.	DFC Sahiwal	2011-12	3	shortage of 149.101 & damage of 5.212 m.ton wheat and bardana	8.11
<b>Total</b>					<b>62.90</b>

Audit was of the view that weak internal controls on stores and stocks resulted in misappropriation of wheat and other stocks.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 27.12.2012 directed the department to pursue the case with anticorruption establishment and departmental action be also finalized. The recoverable amount be recovered from the concerned. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for negligence.

**4.4.6 Loss due to shortage of various items for Rs.2.39 millions**

According to Rule 2.33 of PFR 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, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

During audit of DFC Sahiwal for the scheme year 2011-12, it was observed that the items were not available in stocks as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Nature of loss</b>	<b>Total Amount</b>
1	Shortage of 74.306 m.ton wheat @ Rs.28,750	2.14
2	Shortage of 18 Tarpaulins @ Rs.14,000 approximate	0.25
<b>Total</b>		<b>2.39</b>

Audit was of the view that weak internal controls on stores and stocks resulted in misappropriation of wheat and tarpaulins worth Rs. 2.39 millions.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 27.12.2012, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for negligence, inefficiency and mismanagement.

*(Para No.5 of AIR-District Food Controller- Sahiwal - 2011-12)*

### ***Recovery and overpayments***

#### **4.4.7 Non recovery of government dues for Rs 294.15 millions**

According to Rule 4.1 of Punjab Financial Rules Vol-I, all sums due to Government should be regularly received and deposited into Government Treasury. The departmental controlling officers should accordingly see that all sums due to Government are regularly received and checked against demands and that they are paid into the treasury.

During audit of 12 offices of Food Department, it was observed that an amount of Rs. 294.15 millions was recoverable from the serving and ex-officials those who were retired, died or were dismissed from service. The recoverables outstanding against these officers/officials were not recovered despite lapse of several years as detailed below.

*(Rs. in millions)*

<b>S No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Original Amount</b>	<b>Amount Verified/ Reduced</b>	<b>Balance Amount</b>
1	DFC B/Pur	2011-12	4	116.31	0.45	115.86
2	DFC B/Nagar	2011-12	4	48.93	0.49	48.45
3	DFC, DFC-II	2011-12	1	47.57	9.51	38.06
4	DFC, Jhang	2011-12	1	31.04	0	31.04
5	DFC, Vehari	2009-11	1	29.54	0	29.54
6	DFC, Sialkot	2011-12	2	16.69	13.57	3.12
7	DFC M/Garh	2009-11	2	11.71	0	11.71

8	DFC R/Pur	2011-12	3	10.59	0.21	10.38
9	DFC Sahiwal	2011-12	7	4.28	1.99	2.29
10	DFC Sargodha	2011-12	2	2.78	0.22	2.56
11	DFC Pakpattan	2011-12	1	0.67	0.05	0.62
12	DFC Layyah	2009-12	1	0.60	0.08	0.52
<b>Total</b>				<b>320.72</b>	<b>26.57</b>	<b>294.15</b>

Audit was of the view that due to negligence and weak internal controls lead to a loss of Rs. 294.15 millions to the government.

Audit pointed out the matter during February to October 2012.

The matter was further reported to the administrative department during May to December 2012. DAC in its meeting held on 14.12.2012 and 27.12.2012, directed the department to recover the outstanding amount duly verified by audit. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for not taking appropriate steps to recover the outstanding amounts from the concerned.

#### **4.4.8      *Loss due to less recovery of cost of wheat and bardana for Rs.13.37 millions***

In accordance with the Food Deptt. letter no. SO(F-IV)3-2-2010 dated. 17.09.2011 and even nos dated. 01.01.2012, 01.02.2012 & 27.03.2012 the rates for issuance of wheat to the flour mills, private sector, chakkies etc. were as follows:

<b>Item</b>	<b>w.e.f.</b>	<b>Scheme</b>	<b>Issue rate Per m.ton</b>	<b>Date of Validity</b>
Wheat	17.09.2011	Wheat irrespective of scheme	25,000	17.09.2011 to till starting of new procurement drive.
Wheat	01.01.2012	Wheat of 2009-10 scheme only	23,750	Rate was valid only for a period of one month w.e.f 01.01.2012 to 31.01.2012



Wheat	01.02.2012	Open wheat stocks of 2010-11 scheme year only	24,000	Rate was valid only for a period of 30 days w.e.f 01.02.2012 to 01.03.2012
Wheat	27.03.2012	Open wheat of 2010-11 scheme year only	23,250	Rate was valid only till clearance of 7614.00 m.ton wheat lying in open.

During audit of two offices of Food Department for the year 2011-12, it was noticed that wheat from centres of two districts relating to the scheme year 2010-11, was issued to flour mills, private parties, feed mills, etc. But the department did not apply prescribe rates which resulted in a loss of Rs. 13.37 million as detailed below.

*(Rs. in millions)*

Sr. no.	Name of formation	Period of audit	Para No. of AIR	Amount
1.	District Food Controller, Khanewal	2011-12	1	12.39
2.	District Food Controller, Vehari	2011-12	1	0.98
<b>Total</b>				<b>13.37</b>

Audit was of the view that due to negligence and weak internal controls, Government sustained a loss of Rs. 13.37 million.

Audit pointed out the matter during July and August 2012.

The matter was further reported to the administrative department during October and November 2012. DAC in its meeting held on 14.12.2012, directed the department to expedite departmental action at the earliest. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for delay in taking necessary steps.

#### **4.4.9 Non recovery of cost of misappropriated wheat from flour mill for Rs.12.43 millions**

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 the Govt. through fraud or negligence on his part.

During audit of District Food Controllers Multan and Rajanpur, it was observed that 418.84 metric ton wheat of scheme 2010-11 of PR Multan-II and flag center Kot Mithan was shifted to New Hafiz flour mill at Multan and Gurchani flour mill at Rajanpur respectively for safeguarding the stocks from flood. The management of both mills misappropriated the wheat along with bardana. The FIRs were lodged against management of mills. Recovery was not effected. It was requested to take strenuous efforts to make good the loss. The detail of flour mills was as under:

*(Rs. in millions)*

<b>Serial no.</b>	<b>Name of formation</b>	<b>Qty. of wheat stored as Mill in metric ton</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	DFC, Multan	306.14	2011-12	4	8.98
2.	DFC, Rajanpur	112.70	2011-12	1	3.45
<b>Total</b>		<b>418.84</b>			<b>12.43</b>

Audit was of the view that weak internal controls on receipts resulted in loss to the extent of Rs. 12.43 million.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 27.12.2012, directed to finalize the cases through the court of law.

Audit requires implementation of DAC directive besides fixing responsibility for not taking appropriate steps to avoid loss to Government.

**4.4.10 Loss due to theft, shortage and damage of wheat, bardana and stock articles for Rs.10.56 millions**

According to Rule 2.33 of PFR 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.

During audit of DFC Mianwali and Sargodha, it was observed that FIRs were lodged against Food officials on account of misappropriation of wheat, damaged wheat, recoverable bardana from growers, shortage and differential price of bardana, D- class bardana and stock articles. The Deputy Director Food imposed recovery of Rs 10.56 millions which was not recovered as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	DFC, Mianwali	2011-12	1	5.70
2.	DFC, Sargodha	2011-12	1	4.86
<b>Total</b>				<b>10.56</b>

Audit was of the view that due to negligence and weak internal controls, the government sustained a loss of Rs. 10.56 millions.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 14.12.2012, directed the department to expedite recovery duly verified by audit. Further progress was not intimated till finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for not taking appropriate action to avoid loss to government.

**4.4.11 Loss due to non deduction of income tax for Rs.2.15 millions**

According to Section 148 of Income Tax Ordinance 2001, the Collector of Customs shall collect advance tax from on the value of the goods at the rate specified in Part II, on account of supplies / purchases @ 5%. The rate of advance tax to be collected by the Collector of Customs under section 148 shall be 5% of the value of the goods.

During audit of Deputy Director Food Rawalpindi, it was observed that an amount of Rs. 42.96 million was paid on account of construction of steel silos, but income tax was not deducted from the firm which resulted in a loss of Rs. 2.15 millions as detailed below.

*(Rs. in millions)*

<b>Token No. &amp; Date</b>	<b>Name of Firm</b>	<b>Detail of work done</b>	<b>Amount of bill</b>	<b>Income tax not deducted</b>
0101795 dated.24.2.2007	M/s Yousaf	Cost of silos	33.62	1.68
0633453 dated.4.6.2008	-do-	Const. of silos	9.34	0.47
<b>Total</b>			<b>42.96</b>	<b>2.15</b>

Audit was of the view that negligence and weak internal controls lead to non recovery of income tax to the stated extent.

Audit pointed out the matter in November 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 27.12.2012 could not have satisfactory reply from the department.

Audit requires essential recovery of income tax after due clarification from FBR as directed by DAC.

*(Para No.2 of AIR-Deputy Director Food, Rawalpindi Region, Rawalpindi-2006-12)*

**4.4.12 Recovery on account of misappropriated bardana for Rs 1.27 millions**

According to Rule 2.33 of PFR 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.

During audit of four offices of Food Department, scrutiny of the bardana register revealed that an amount of Rs. 1.27 millions was recoverable against food officials on account of misappropriated jute bags, Poly Propylene bags and various stock articles as detailed below.

*(Rs. in millions)*

Serial No.	Name of formation	Period of audit	Para No. of AIR	Brief extract of para	Amount
1.	DFC Multan	2011-12	8	Embezzlement / misappropriation of 5044 jute A class bags and 1346 pp bags	0.59
2.	DFC Multan	2011-12	1	Embezzlement / misappropriation of wheat and other stock	0.29
3.	DFC Sargodha	2011-12	3	Damage of 1959 A class jute bags and 2155 PP bags at Sobhaga	0.23
4.	DFC Multan	2011-12	5	Recovery on account of D- classification of 1498 A class bags	0.16
<b>Total</b>					<b>1.27</b>

Audit was of the view that negligence besides weak internal controls led to misappropriation in bardana worth Rs. 1.27 millions.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meetings held on 14.12.2012 and 27.12.2012 directed to recover the stated amount duly verified by audit

Audit requires implementation of DAC directive besides fixing responsibility for not taking appropriate steps to avoid misappropriation of bardana.



## CHAPTER 5

### FORESTRY, WILDLIFE & FISHERIES DEPARTMENT

#### 5.1. *Introduction*

Forestry, Wildlife & Fisheries Department is headed by a Secretary with Chief Conservators of Forest and Directors General of Wildlife and Fisheries as heads of attached departments. As per Punjab Government Rules of Business, 1974, the department has been assigned the business of:-

- Scientific management of existing public forest estates to maximize production of wood & minor forest produce and to create new forest resources.
- Management of range lands to boost production of forage & livestock.
- Conservation & promotion of fisheries in private & public sectors.
- Education of the public for tree planting and provision of technical & advisory services on matters of afforestation to the people & other government departments.
- Research & training in various disciplines of forestry, wildlife, fisheries & sericulture.
- Management of watersheds to conserve soil & water & to improve the productivity of land.
- Acquisition & transfer of forest lands. Notification/ De-notification in respect of reserve, protected & un-classed forests.



## 5.2 Comments on Budget & Accounts (Variance Analysis)

### Introduction

The Appropriation Accounts of Forestry, Fisheries and Wildlife Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### Summary of Appropriation Accounts

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

(Rupees in millions)

Grant #	Original Grant	Supplementary Grant/Re-Appropriation	Final Grant	Actual Expenditures	Saving (-) Excess (+)
1	2	3	4	5	6(5-4)
PC21005	1,470.822	270.449	1,741.271	1,734.582	(6.689)
PC22036	343.808	17.579	361.387	331.567	(29.820)
PC24044	70.000	0	70.000	67.691	(2.309)
<b>Total</b>	<b>1,884.63</b>	<b>288.028</b>	<b>2,172.658</b>	<b>2,133.84</b>	<b>(38.818)</b>

### Overview of Expenditure

The total budget of Forestry, Fisheries and Wildlife Department for the Financial Year 2011-12 was Rs. 2,172.658 millions. Out of this amount the actual expenditure was Rs. 2,133.84 millions. The breakup of current and development expenditure is given below:

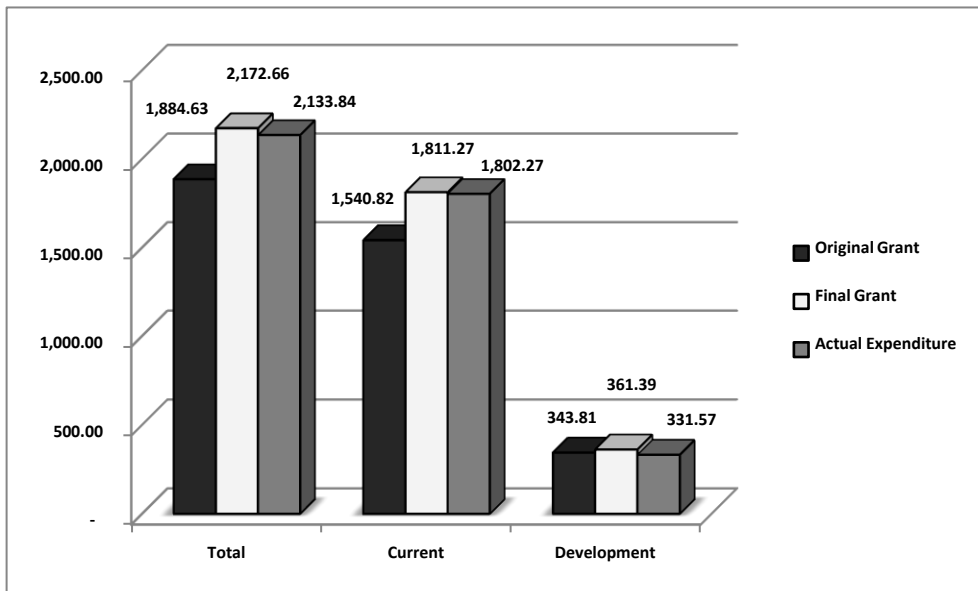
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	1,540,822,000	1,802,273,342	261,451,342	16.97
Development	343,808,000	331,566,817	(12,241,183)	3.56
<b>Total</b>	<b>1,884,630,000</b>	<b>2,133,840,159</b>	<b>249,210,159</b>	<b>13.22</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

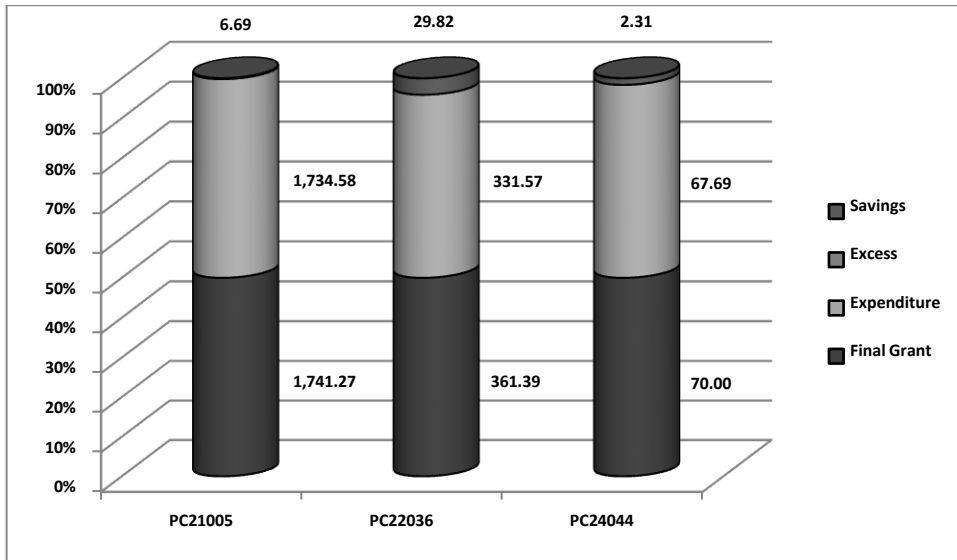
(Amount in Rupees)

Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance
1	2	3	4(3-2)	5(4/2*100)
Current	1,811,271,000	1,802,273,342	(8,997,658)	0.50
Development	361,387,000	331,566,817	(29,820,183)	8.25
<b>Total</b>	<b>2,172,658,000</b>	<b>2,133,840,159</b>	<b>(38,817,841)</b>	<b>1.79</b>



### *Anticipated savings not surrendered*

According to the rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department whenever the savings are anticipated. However, saving amounting to Rs.38.818 millions at the close of the year 2011-12 under grants PC21005, PC22036 & PC24044 had not been surrendered.



### 5.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC Directives, for reports discussed so far, is given below:

Sr. No.	Audit Report Year	Total Paras	Compliance received	Compliance not Received	Percentage of Compliance
1	1985-86	33	28	5	85
2	1986-87	39	39	0	100
3	1987-88	26	24	2	92
4	1988-89	71	53	18	56
5	1989-90	25	14	11	67
6	1990-91	33	22	11	67
7	1991-92	31	15	16	48
8	1992-93	11	7	4	64
9	1993-94	17	7	10	41
10	1994-95	28	1	27	4
11	1995-96	13	3	10	75
12	1996-97	4	3	1	74
13	1997-98	154	77	77	50
14	1998-99	31	21	10	68
15	1999-00	71	34	37	48
16	2000-01	44	14	30	32
17	2001-02	96	51	45	53
18	2003-04	16	4	12	25
19	2005-06	77	32	45	41
20	2006-07	120	26	94	22
21	2009-10	98	19	79	19
<b>Total</b>		<b>1038</b>	<b>494</b>	<b>544</b>	<b>48</b>

The compliance with PAC Directives in Forest Department is depicting a downward trend. The situation needs improvement.

## 5.4 AUDIT PARAS

### *Irregularity and non compliance*

#### **5.4.1 Irregular expenditure on carriage of timber for Rs.7.13 millions**

According to Rule 12 of PPR 2009, procurements over one hundred thousand rupees and up to the limit of two millions shall be advertised on the PPRA's website in the manner and the format specified by the regulation of PPRA from time to time. The procurement opportunities may also be advertised in print media if necessary.

During audit of Divisional Forest Officer Okara and Jhang, it was revealed that an expenditure of Rs. 7.13 millions was incurred on carriage of timber from time to time without tendering and by avoiding competitive rates according to PPRA Rules as detailed below:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amounts)</b>
1.	DFO, Okara	2009-11	13	6.69
2.	DFO, Jhang	2011-12	7	0.44
<b>Total</b>				<b>7.13</b>

Audit was of the view that violation of PPRA Rules led to an unauthorized expenditure of Rs. 7.13 millions.

The matter was pointed out management in September 2012.

The matter was further reported to the Principal Accounting Officer during May and December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit emphasizes fixing of responsibility against the officers/officials at fault for causing loss to the government.

#### **5.4.2 Unauthorized mode of payments for Rs.1.99 millions**

According to Rule 4.49 of Subsidiary Treasury Rules, all payments exceeding Rs.100,000 shall be made to contractors/suppliers/firms through cheque, bank draft or pay order.

Contrary to above, during audit of Forestry, Fisheries and Wildlife Department, it was observed that payments exceeding Rs. 100,000 were made to the contractors in cash as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	D.G Fisheries, Lahore	2008-11	1	1.01
2	D.G wildlife & Parks, Lahore	2009-11	1	0.98
<b>Total</b>				<b>1.99</b>

Audit was of the view that weak financial, supervisory controls and non observance of the government rules resulted in unauthorized payments of Rs.1.99 millions.

The matter was pointed out management in February 2012.

The matter was further reported to the Principal Accounting Officer in March 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit emphasizes fixing of responsibility against the officers/officials for making cash payments beyond prescribed limit.

***Internal control weakness***

**5.4.3      *Loss due to illegal occupation of forest land for Rs.131.95 millions***

According to paragraph 2.4 (I) of Forest Manual Vol-II, the Divisional Forest Officer is the custodian of forests/forest produce and will be responsible for proper management of the forest business and the finance of his division.

During audit of four Divisional Forest Officers, it was found that forest land was illegally occupied by the private persons resulting in loss of Rs. 131.95 millions as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amounts</b>
1	DFO, Layyah	2011-12	1	56.40
2	DFO, Bahawalpur	2008-12	1	48.00
3	DFO, Lahore/Sheikhupura	2011-12	1	20.00
4	DFO, Bahawalpur	2009-11	1	7.55
<b>Total</b>				<b>131.95</b>

Audit was of the view that negligence and weak managerial controls led to misuse of government assets and caused loss to government.

Audit pointed out the matter in March, August, September and November 2012.

The matter was further reported to the Principal Accounting Officer in June and November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires retrieving of government land from illegal occupants besides fixing responsibility for not taking appropriate steps to avoid illegal occupation of government land

**5.4.4 Non clearance/disposal of amount lying under the head “P-deposits” for Rs.45.66 millions**

According to Rule 7(i) of Section V of Punjab Treasury Rules, moneys received by or tendered to government servant shall not be appropriated to meet departmental expenditure nor otherwise kept apart from the Consolidated Fund. Moneys so received shall, without undue delay, be paid in full into the treasury or bank.

During audit of P-Deposit register pertaining to various Divisional Forest Officers, it was observed that an amount of Rs. 45.66 millions was lying under the head “P-Deposits” on account of income tax, sales tax and earnest money etc. was not deposited into relevant heads of government accounts as detailed below:

*(Rs. in millions)*

Sr. No.	Name of Formation	Period of Audit	Para No. of AIR	Amounts
1	DFO Sahiwal	2011-12	2	24.96
2	DFO Okara	2009-11	1	9.49
3	DFO Kasur	2011-12	1	7.67
4	DFO Gujrat	2009-11	2	2.08
5	DFO Sahiwal	2009-11	8	0.84
6	DFO Layyah	2008-11	9	0.62
<b>Total</b>				<b>45.66</b>

Audit was of the view that weak administrative controls resulted in non-clearance of “P-Deposits”.

Audit pointed out the matter in July to November 2012.



The matter was further reported to the Principal Accounting Officer during May, June, August and December 2012. DAC in its meeting held on 06.11.2012 directed the department to transfer the amounts in the relevant heads of accounts. Further progress was not reported till the finalization of this report.

Audit requires immediate transfer of the amounts to the relevant heads of accounts besides fixing responsibility for not following the prescribed procedure.

### *Recovery & overpayments*

#### **5.4.5 *Non-recovery of outstanding dues against officials for Rs.671.57 millions***

According to Rule 4.1 of PFR Vol-I, the departmental controlling officers should see that all sums due to government are regularly received and checked against demands and that they are paid into the treasury.

During audit of 28 Divisional Forest Officers (Annexure-2), it was revealed that trees worth Rs. 671.57 millions were damaged/stolen, pending recoveries from forest guards/foresters.

Audit was of the view that weak administrative controls and ineffective recovery mechanism resulted into damage of trees and loss of Rs. 671.57 millions respectively.

Audit pointed out the matter from July to November 2012.

The matter was further reported to the Principal Accounting Officer during March to December 2012. DAC in its meeting held on 06.11.2012 directed to recover the balance amount without further delay. Further progress was, however, not reported till the finalization of this report.

Audit requires expeditious recovery of the balance amount alongwith evolving effective recovery mechanism, besides fixing responsibility for causing huge loss to the government.

**5.4.6 *Outstanding government dues against contractors for Rs.128.15 millions***

According to sub-para 24 (5-v) of para 3.20 (Part-V) of Forest Manual Vol-III, the purchaser shall pay the balance of the purchase money within one month from the date of auction failing which the auction shall have to be cancelled and earnest money already paid shall stand forfeited.

During audit of 27 offices of Forest Department (Annexure-3), it was revealed that an amount of Rs. 128.15 millions was outstanding against various contractors despite lapse of several years.

Audit was of the view that ineffective management resulted in loss to the government worth Rs. 128.15 millions.

Audit pointed out the matter from July to November 2012.

The matter was further reported to the Principal Accounting Officer from March to December 2012. DAC in its meeting held on 06.11.2012 directed to conduct inquiry and effect recoveries accordingly. Further progress was not intimated till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for not effecting recovery from the contractors despite lapse of many years.

**5.4.7 *Loss of revenue due to non deduction/collection of income tax from contractors for Rs. 4.17 millions***

According to Section 153(I) of Income Tax Ordinance, 2001 and SRO No.C.No.(16)WHT, dated 01.07.2006, provides that withholding tax at the rate of 3.5% on supply of goods and 6% on all type of services

should be deducted at source and deposited into government treasury. Moreover, as per Section 236-A *ibid*, person making sale by public auction shall collect advance tax @ 5 percent based on the gross sale price of the auctioned property, from the person to whom such property or goods are sold.

During audit of nine offices of Forest Department, it was observed that income tax at prescribed rates amounting to Rs.4.17 millions was not deducted on account of auction money from the contractors as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Income tax due</b>
1	DFO Bahawalpur	2008-12	6	3.32
2	DG Wildlife & Parks Pb, Lhr	2009-11	5	0.18
3	DFO Mianwali	2011-12	8	0.16
4	DFO Multan	2011-12	5	0.13
5	DD Fisheries Faisalabad	2002-10	2	0.12
6	DFO Silva Faisalabad	2008-12	3	0.11
7	DFO Mianwali	2009-11	5	0.06
8	DFO Okara	2009-11	15	0.05
9	DFO Jhang	2011-12	13	0.04
<b>Total</b>				<b>4.17</b>

Audit was of the view that violation of laws and government instructions resulted in a loss of Rs.4.17 millions.

Audit pointed out the matter in March to October 2012.

The matter was further reported to the Principal Accounting Officer from March to December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires expeditious recovery besides fixing responsibility for providing undue financial benefit to the contractors.

**5.4.8      *Loss due to non-collection of government dues for Rs.2.70 millions***

According to Rule 4.1 of PFR Vol-I, the departmental controlling officers should see that all sums due to government are regularly received and checked against demands and that they are paid into the treasury.

During audit of 12 offices of Forest Department (Annexure-4), it was observed that government sustained a loss of Rs. 2.70 millions on account of non-forfeiture of earnest money, lease money, non deposit of compounded cases and receipt of charges on unauthorized operations.

Audit was of the view that mismanagement, weak internal controls and ineffective recovery mechanism resulted into loss of Rs. 2.70 millions.

Audit pointed out the matter in July to November 2012.

The matter was further reported to the Principal Accounting Officer during May to December 2012. DAC in its meeting held on 06.11.2012 directed to inquire the matter and effect recovery accordingly without further delay. Further progress was not intimated till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for providing undue financial benefit to the contractors.

***Others***

**5.4.9      *Non finalization of inquiry cases of forest damages for Rs.81.88 millions***

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 the government through fraud or negligence on his part.

During audit of 11 offices of the Forest Department, it was revealed that cases regarding theft of timber and firewood were under inquiry and were not finalized, despite lapse of considerable time as detailed below:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amounts</b>
1	DFO Bahawalpur	2008-12	2	30.48
2	DFO Multan	2009-11	6	19.57
3	DFO Sargodha	2011-12	1	9.04
4	DFO Kasur at Changa Manga	2009-11	7	6.23
5	DFO Lahore/Sheikhupura	2011-12	2	4.40
6	DFO Jhang	2011-12	4	4.13
7	DFO South Rawalpindi	2011-12	4	3.49
8	DFO Faisalabad	2011-12	2	3.21
9	CF, GRW Circle	2008-11	1	1.19
10	DFO Layyah	2009-11	6	0.04
11	DFO Kasur	2011-12	8	0.10
<b>Total</b>				<b>81.88</b>

Audit was of the view that weak internal controls and management failures resulted in theft of assets worth Rs. 81.88 millions.

Audit pointed out the matter from February to October 2012.

The matter was further reported to the Principal Accounting Officer from May to December 2012. DAC in its meeting held on 06.11.2012 directed the department for expeditious finalization of pending

inquiry cases besides fixing responsibility for the loss. Further progress was, however, not intimated till the finalization of this report.

Audit requires implementation of DAC directive.

**5.4.10 *Non-disposal of timber, fire wood and potted plants for Rs.76.77 millions***

According to Paragraph 3.20 (23) of Forest Manual Vol-III, it is the foremost duty of the Divisional Forest Officer to sell the timber stock quickly and advantageously.

During audit of 30 offices of the Forest Department (Annexure-5), it was revealed that timber, firewood and potted plants were lying undisposed of.

Audit was of the view that mismanagement and violation of government instructions resulted into a loss of Rs. 76.77 millions.

Audit pointed out the matter during March to November 2012.

The matter was further reported to the Principal Accounting Officer from March to December 2012. DAC in its meeting held on 06.11.0212 directed the disposal of timber and plants at the earliest. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for delaying disposal of timber and plants.

**5.4.11 *Non-finalization of forest offence cases for Rs.29.50 millions***

According to sub paras 7 to 12 & 27 of Rule 3.8 (Chapter-III Misc.) of Forest Manual Vol-III, if the offender desires to pay compensation, the case should be finalized by compounding the goods and receiving compensation. If the accused refuses to compound and to pay

the compensation, the offence should not be delayed and prosecution challans should be made and submitted in the Range Office within a week of receipt of the damage report or further report of the denial to compound the offence.

During audit of 26 offices of the Forest Department (Annexure-6), it was revealed that neither the compensation was obtained from the offenders nor they were prosecuted in the court of law in a large number of forest offence cases resulting in a loss of Rs.29.50 millions.

Audit was of the view that violation of government instructions and weak supervisory controls resulted into a loss to the stated extent.

Audit pointed out the matter from May to November 2012.

The matter was further reported to the Principal Accounting Officer from May to December 2012. DAC in its meeting held on 06.11.2012 directed the department to finalize the pending cases. Further progress was not intimated till the finalization of this report.

Audit requires early finalization of forest offence cases besides fixing responsibility for delay.

#### ***5.4.12 Loss of animals/birds due to mortality for Rs.2.04 millions***

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 the government through fraud or negligence on his part. Moreover, as per Rule 2.35 *ibid*, losses should be at once reported to the head of the department through the departmental superiors of the government servant reporting the loss.

During audit of Forestry, Fisheries and Wildlife Department, it was observed that animals and birds expired which resulted into loss of government to the stated extent. It was also observed that neither mortality cases were reported to the government nor was any inquiry conducted to find out the reasons of numerous mortality cases which resulted into a loss of Rs.2.04 millions as detailed below:

*(Amount in Rupees)*

<b>Sr. No`.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	DFO National Park Bahawalpur	2009-11	6	1.82
2.	DG Wildlife & Parks Lahore	2009-11	6	0.22
<b>Total</b>				<b>2.04</b>

Audit was of the view that weak supervisory and management controls resulted in loss of Rs. 2.04 millions.

Audit pointed out the matter in March 2012.

The matter was further reported to the Principal Accounting Officer during June and December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires early finalization of inquiries and implementation of its results.





## **CHAPTER 6**

### **HEALTH DEPARTMENT**

#### **6.1 Introduction**

Health Department comprises of four attached departments and nineteen autonomous bodies. As per Rules of Business, 1974 (amended to-date), the department has been assigned the business of:

- Public Health & Sanitation i.e., prevention & control of infectious and contagious diseases.
- Regulation of medical & other professional qualifications & standards.
- Medical registration including medical council
- Medical education including schools, medical colleges and institution for dentistry.
- Control of medicinal drugs, poisons & dangerous drugs (Drugs Act & Rules).
- Collection, compilation, registration & analysis of vital health statistics & estimation of population for future projections.
- Administrative control of the entire Nursing Cadre in the province specially those working under the Provincial Health Department or in the teaching hospitals.

## 6.2 Comments on Budget & Accounts (Variance Analysis)

### Introduction

The Appropriation Accounts of Health Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### Summary of Appropriation Accounts

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

(Rupees in millions)

Grant #	Original Grant	Supplementary Grant/ Re-Appropriation	Final Grant	Actual Expenditures	Saving (-) Excess (+)
1	2	3	4	5	6(5-4)
PC21010	160.275	(5.871)	154.404	151.664	(2.74)
PC21016	26,402.889	6,259.379	32,662.268	28075.979	(4,586.289)
PC22034	24.381	.001	24.382	23.105	(1.276)
PC22036	17,250.952	(5,519.276)	11,731.676	9,222.721	(2508.955)
<b>Total</b>	<b>43,838.497</b>	<b>734.233</b>	<b>44,572.73</b>	<b>37,473.469</b>	<b>(7,099.26)</b>

### Overview of Expenditure

The total budget of Health Department for the Financial Year 2011-12 was Rs. 44,572.730 millions. Out of this amount the actual expenditure was Rs. 37,473.469 millions. The breakup of current and development expenditure is given below:

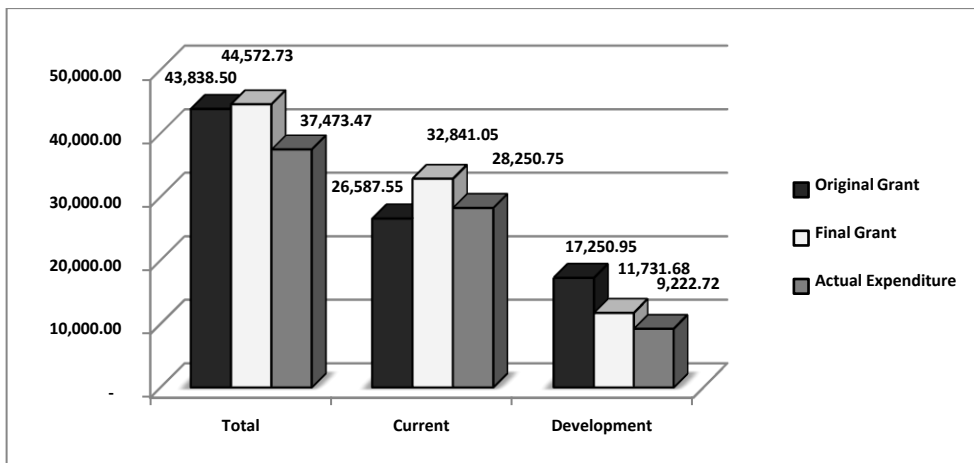
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	26,587,545,000	28,250,748,443	1,663,203,443	6.26
Development	17,250,952,000	9,222,721,455	(8,028,230,545)	46.54
<b>Total</b>	<b>43,838,497,000</b>	<b>37,473,469,898</b>	<b>6,365,027,102</b>	<b>14.52</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

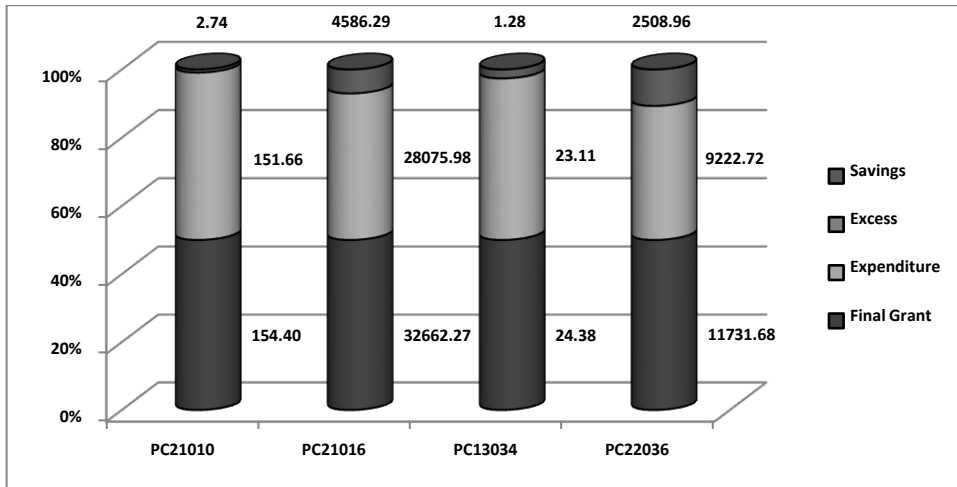
(Amount in Rupees)

Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	32,841,054,000	28,250,748,443	(4,590,305,557)	13.98
Development	11,731,676,000	9,222,721,455	(2,508,954,545)	21.39
<b>Total</b>	<b>44,572,730,000</b>	<b>37,473,469,898</b>	<b>(7,099,260,102)</b>	<b>15.93</b>



### *Anticipated savings not surrendered*

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, savings amounting to Rs. 7,099.260 millions at the close of the year 2011-12 under grants PC21010, PC21016, PC13034 & PC22036 had not been surrendered.



### 6.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC directives for reports discussed so far is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1985-86	47	39	8	83
2	1986-87	67	57	10	85
3	1987-88	145	94	51	65
4	1988-89	79	55	24	70
5	1989-90	101	53	48	52
6	1991-92	67	47	20	70
7	1992-93	71	44	27	62
8	1996-97	108	69	39	64
9	1997-98	201	53	148	27
10	1998-99	210	92	118	44
11	1999-00	154	114	40	74
12	2001-02	135	33	102	24
13	2002-03	28	3	25	11
14	2003-04	31	8	23	26
15	2004-05	31	6	25	19
16	2005-06	87	30	57	34
17	2006-07	118	37	81	31
18	2009-10	145	27	118	19
<b>Total</b>		<b>1825</b>	<b>861</b>	<b>964</b>	<b>47</b>

The compliance with PAC Directives in Health Department during the years 2001-02 to 2005-06 & 2009-10 is quite low, and is in stark contrast to compliance percentage in preceding years due to inexplicable reasons. The situation needs improvement.

## **6.4 AUDIT PARAS**

### ***Fraud / Misappropriation***

#### ***6.4.1 Fraud through double drawl of arrears of telephone charges for Rs.0.59 millions***

According to Rule 2.33 of PFR Vol-I, every government servant will be held personally responsible for any loss sustained by government through fraud or negligence on his part,

During audit of Secretary Health Government of the Punjab Lahore, it was revealed that an amount of Rs.0.59 millions was fraudulently double drawn as arrears of telephone charges.

Audit was of the view that fraud was committed due to gross financial indiscipline and lack of supervisory controls.

Audit pointed out the matter in September 2012.

The matter was also reported to the administrative department during the month of December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires fixing of responsibility and recovery of the stated amount.

*(Para no. 2 of AIR-Secretary Health Government of the Punjab Lahore-2011-12)*

### ***Non production of Record***

#### ***6.4.2 Non production of Record for Rs.2.12 billions***

According to Section 14(2) & (3) of Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information. Any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary

action under relevant Efficiency and Discipline Rules, applicable to such person.

During audit of 12 institutions of Health Department, record was not produced to audit despite repeated requests (Annexure-7). Due to non-production of record the authenticity of accounts could not be verified by audit.

Audit was of the view that due to non production of record audit could not ascertain the authenticity of accounts.

Audit pointed out the matter during March, July and September 2012.

The matter was further reported to the administrative department during August to December 2012. DAC in its meetings held during December 2012, stressed upon the department to produce relevant record to audit but the same was not provided till the finalization of this report.

Audit requires production of record besides fixing responsibility for not providing record to audit and the officers/officials be proceeded under relevant Efficiency and Discipline Rules, applicable to such persons.

### *Irregularity and non compliance*

#### **6.4.3 *Irregular/unapproved rates of user charges for Rs.292.16 millions***

According to Rule 3(1)(e) of the Punjab Medical & Health Institution Rules, 2003, Board shall determine user charges and fee for admission, clinical and procedural services and facilities with the prior approval of government.

During audit of Health Department, it was revealed that user charges and admission fee etc. were collected by various hospitals which were not approved by the government and subsequently the rates were charged according to their own as detailed on next page.



(Rs. in millions)

Sr. No.	Name of Formation	Period of Audit	Para No. of AIR	Amount
1	SIMS/ Services Hospital, Lahore	2011-12	7	45.31
2	Jinnah Hospital/ AIMC Lahore	2010-11	11	35.51
3	SIMS/ Services Hospital, Lahore	2010-11	8(a)(b)	33.40
4	Jinnah Hospital/ AIMC Lahore	2011-12	20	23.44
5	Faisalabad Institute of Cardiology	2011-12	1	48.49
6	Nishtar Hospital Multan	2011-12	11	65.17
7	Sheikh Zayed Hospital R.Y.Khan	2011-12	3	40.84
<b>Total</b>				<b>292.16</b>

Audit pointed out the matter during July to November 2012.

The matter was further reported to the administrative department during August to December 2012. DAC in its meetings held on 17.12.2012 and 31.12. 2012, directed to get the user charges and fee etc. approved from the competent authority. Further progress was, however, not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for not charging approved rates from the poor patients.

#### **6.4.4 Non deposit of income into PLA for Rs.226.23 millions**

According to Rule 17.1 of Punjab Medical and Health Institutions Rules 2003, grants in aid, development funds, all receipts generated by the institutions, donations and contributions received shall be kept in the personal ledger account (PLA) of the institution.

During audit of nine health institutions in Punjab, it was observed that instead of depositing the government receipts into respective PLA accounts, those were deposited in commercial bank accounts as detailed on next page.

(Rs. in millions)

<b>Sr. No</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Description of receipt</b>	<b>Amount</b>
1	Services Hospital / SIMS Lahore	2011-12	5	Student fee, auction money, operation fee and CT Scan fee etc	82.95
2	Jinnah Hospital / AIMC Lahore	2010-11	13	Income realized from Zam Zam Centre	4.51
3	Jinnah Hospital / AIMC Lahore	2010-11	3	Donations	39.31
4	Jinnah Hospital / AIMC Lahore	2011-12	19	Student fee, auction money, operation fee and CT Scan fee etc	23.15
5	Punjab Institute of Cardiology, Lahore	2011-12	12	Non deposit of hospital receipt into PLA	63.27
6	Sheikh Zayed Hospital, Medical College and Nursing School Rahim Yar Khan	2011-12	1	Non realization of college fees	7.00
7	Sheikh Zayed Hospital, medical college and Nursing School Rahim Yar Khan	2011-12	12	Non deposit of retail pharmacy income	4.74
8	Bhawal Victoria Hospital, Quaid-e-Azam Medical college Bahawalpur	2011-12	10	Non realization of college fees	1.16
9	Children hospital Lahore	2011-12	12	Non realization of hostel dues	0.14
<b>Total</b>					<b>226.23</b>

Audit was of the view that hospital receipts were deposited into commercial bank accounts in violation of prescribed procedure of the government which gives rise to apprehension that government revenue was misappropriated.

Audit pointed out the matter during March and October 2012.

The matter was further reported to the administrative department during August to December 2012. DAC in its meetings held on 11.12.2012 and 31.12. 2012, directed to deposit the receipts into respective PLA accounts. Further progress was not reported till the finalization of this report.

Audit requires depositing of government receipts into PLA accounts besides fixing responsibility for keeping hospital receipts in commercial bank accounts while violating the prescribed procedure.

#### ***6.4.5 Unauthorized payment of operational cost without execution of agreement for Rs.100.59 millions***

According to Rule 2.20 of PFR Vol-I, as a general rule every payment, including repayment of money previously lodged with government for whatever purpose, must be supported by a voucher setting forth full and particulars of the claim.

During audit of Health Department, it was revealed that an amount of Rs.90.59 millions was paid to M/s Medi-urge @ Rs. 250 per patient for providing health care services through mobile units purchased by the government which were subsequently outsourced to M/s Medi-urge. The vouched account pertaining to the said payment was not produced to audit. The payment was released without entering into agreement with the firm. In the absence of vouched account and agreement, the authenticity of the expenditure could not be verified. In addition to that another amount of Rs. 10 millions was paid to M/s Adamjee insurance as insurance cover towards mobile units. The insurance was also paid without following the prescribed procedure of competitive rates.

Audit was of the view that payment was made without any agreement besides non production of vouched account, resulting in unauthorized payment.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires production of record besides fixing responsibility for unauthorized payment to the contractor without any agreement and providing insurance cover by violating PPRA Rules.

*(Para No. 1 of AIR-Secretary to Government of the Punjab, Health Department, Lahore - 2011-12)*

#### **6.4.6 *Unauthorized retention of tuition fee in a commercial bank for Rs. 64.21 millions***

According to Rule 4.7(i) of PFR Vol-I, it is primarily the responsibility of departmental authorities to see that all revenues or other debts due to government which have to be brought to account are correctly and promptly assessed, realized and credited to government account. Furthermore, according to government instructions issued by Finance Department dated 17.01.2000, all charges due to Government receipts should be deposited into government treasury not later than seven days from the actual dated of receipt and in case of delay the interest shall be charged at prevailing interest rate from the defaulters.

During audit of De-Montmorency College of Dentistry Lahore, it transpired that tuition fee charged through self finance and foreign self finance was kept in PLS Accounts maintained in Bank of Punjab, instead of keeping the same in PLA of the college in violation of the above rules.

Audit was of the view that government receipts were kept in commercial bank in violation of prescribed procedures. The non deposit of receipts in PLA resulted in unauthorized retention of government money for gaining financial benefits from the commercial institution by the management.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 28.12.2012, the committee directed the department to seek clarification from Finance Department regarding distribution of funds and its disposal thereof. Further progress was not reported till the finalization of this report.

Audit requires immediate transfer of funds to respective PLA, besides fixing responsibility for violating prescribed government instructions.

*(Para No. 1 of AIR-Principal De-Montmorency College of Dentistry, Lahore-2011-12)*

**6.4.7 Issuance of medicine for consumption without DTL reports for Rs.24.73 millions**

According to Para 32 (i) of Purchase Manual, if samples are required to be submitted to the testing laboratories, the report of the officer who received them and his recommendations in regard to the suitability or otherwise should be awaited before deciding which firm is to get the order.

During audit of three medical institutions of Health Department, it was observed that medicines valuing Rs. 24.74 millions were issued to poor patients without waiting for the DTL reports. The requisite certificate from the Federal Drug Analyst was also not obtained as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	Institute of Blood Transfusion Services, Lahore.	2010-12	4	16.33
2	SIMS/ Services Hospital, Lahore	2011-12	4	4.26
3	Jinnah Hospital/ AIMC Lahore	2011-12	11	4.14
<b>Total</b>				<b>24.73</b>

Audit was of the view that medicines were consumed without obtaining requisite DTL reports, resulting in unauthorized expenditure of Rs. 24.73 millions.

Audit pointed out the matter in February and March 2012.

The matter was further reported to the administrative department during August and December 2012. DAC in its meeting held on 28.12.2012, directed the department to produce DTL reports. Further progress was, however, not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for consuming medicines without obtaining DTL reports.

**6.4.8      *Loss due to purchase of ICU ventilators at higher rate for Rs. 1.74 millions***

According to Rule 4 of Punjab Procurement Rules, 2009, Procuring agencies, while engaging in procurements, shall ensure that the procurements are made in a fair and transparent manner, the object of procurement brings value for money to the agency and the procurement process is efficient and economical. Moreover, Rule 31(1) *ibid*, also requires that no bidder shall be allowed to alter or modify his bid after the bids have been opened. However, the procuring agency may seek and accept clarification to the bid that do not change the substance of the bid.

During audit of Mayo Hospital and Secretary Health Punjab, it was revealed that two contracts were finalized in two days. The contracts were awarded to M/s Eastern Medical for purchase of ICU Ventilators. There was a variation in price of similar items, resulting in a loss worth Rs 1.74 millions. The expenditure was also splitted to avoid sanction of the competent authority besides changing the country of origin for making the contract distinctive from each other.

Audit was of the view that contracts were awarded without following the prescribed procedure and higher rates were finalized for similar items.

Audit pointed out the matter in March and August 2012.

The matter was further reported to the administrative department during November to December 2012. DAC in its meeting held on 19.12.2012, directed the department to get the matter regularized. Further progress was not reported till the finalization of this report.

Audit requires recovery of Rs. 1.74 millions besides fixing responsibility for awarding contract in violation of prescribed procedure.

*(Para No. 6 of AIR-Secretary Health Government of the Punjab Lahore-2010-11)*  
*(Para No. 25 of AIR-Mayo Hospital Lahore-2011-12)*

**6.4.9 *Unauthorized expenditure on janitorial services and procurement of cleaning material at higher rates for Rs.31.63 millions***

According to Rule 12 of Chapter III of Punjab Procurement Rules, 2009, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website.

Contrary to above, during audit of Jinnah hospital Lahore, it was revealed that a contract for janitorial services was awarded to M/S Standard cleaning for the year 2010-11 for Rs. 31.63 millions including the cost of cleaning material. The contract was awarded without following PPRA Rules. It was further noticed that cleaning material was purchased at higher rates as tendering procedure was not adopted, resulting in unauthorized expenditure of Rs. 31.63 millions.

Audit was of the view that PPRA Rules were violated while awarding contract and higher rates were paid for purchasing cleaning material.

Audit pointed out the matter in March 2012.

The matter was further reported to the administrative department during November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires inquiry for awarding a contract without following prescribed rules besides fixing responsibility for purchasing cleaning material at higher rates.

*(Para No. 36 of AIR-Jinnah Hospital/ AIMC, Lahore-2010-11)*

**6.4.10 *Unauthorized expenditure on purchase of medical equipment for Rs.11.99 millions and un-authorized payment of GST for Rs. 1.74 millions***

According to Clause 29 of the bidding document of Electro-medical goods of Government of the Punjab Health Department provides, for the purpose of determining the lowest evaluated bid, facts other than

price such as previous performance, previous experience, engineering/technical capabilities, financial soundness and such other details as the procuring agency at its discretion, may consider appropriate shall be taken into consideration. Only bids securing minimum of 70% marks would be declared technically accepted. Moreover, under Sr. No. 52-A of the 6<sup>th</sup> schedule of the Sales Tax Act 1990, hospitals of 50 beds or more are exempt from the payment of sales tax.

Contrary to above, during audit of Mayo Hospital Lahore, it was observed from the technical evaluation report of bids that none of the bidders acquired minimum acceptable scoring percentage of 70%. Instead of re-advertising the tender, contracts were awarded to different firms for providing medical equipment. It resulted into an unauthorized expenditure for Rs. 11.99 millions. Moreover, it was observed that the offered rate included the amount of 17% GST. Mayo hospital being hospital of more than 50 beds is exempt from GST. The contract was required to be finalized after excluding the amount of GST but the needful was not done. The government thus sustained loss of Rs.1.74 millions due to unauthorized payment of GST which needs to be recovered from the concerned contractor.

Audit was of the view that contracts were awarded without adopting the prescribed procedures for providing undue financial benefit to the contractors.

Audit pointed out the matter in December 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 19.12.2012 directed the department to hold an inquiry for fixing responsibility and get the expenditure regularized besides recovery of GST. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive.

*(Para Nos. 8, 14 of AIR-Mayo Hospital, Lahore -2011-12)*



**6.4.11 Irregular expenditure on stationery and printing for Rs.12 millions**

According to Rule 12(2) of Punjab Procurement Rules 2009, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in english and the other in urdu. Moreover, Schedule-V of the Delegation of Financial and Administrative Powers of the Punjab Medical & Health Institutions Act, 2003, provides that Principal and MS has the financial competency to accord sanctions up to Rs.200,000 and 100,000 respectively on Printing charges.

During audit of Health Department, it was observed that various awarded contracts for stationery and printing at exorbitant rates. Advertisement was not found made on PPRA website in violation of PPRA Rules, 2009 which rendered the expenditure irregular and caused loss of Rs.12 millions. The whole amount of expenditure was sanctioned by splitting up the indent and sanction of next higher authority was not obtained.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	Jinnah Hospital/ AIMC, Lahore	2011-12	28	3.08
			27	1.15
2	Secretary to Govt. of the Punjab, Health Department, Lahore.	2011-12	10	2.60
			12	1.79
			14	1.72
3	Mayo Hospital, Lahore	2011-12	31	1.66
<b>Total</b>				<b>12.00</b>

Audit was of the view that sanctioning authorities did not adhere to financial rules and caused irregular expenditure of Rs. 12 millions.

Audit pointed out the matter during February, August and September 2012.

The matter was further reported to the administrative department during November and December 2012. DAC in its meeting held on 19.12.2012, directed to regularization from Finance Department. Further progress was not reported till the finalization of this report.

Audit requires regularization of the expenditure from the competent authority besides fixing responsibility for loss to the government account.

#### ***6.4.12 Undue retention of government receipt into welfare account for Rs.8.03 millions***

According to Rule 4.1 of PFR Vol-I, the departmental controlling officer should see that all amounts due to government are regularly received and checked against demands and they are paid into the treasury.

Contrary to above, Institute of Public Health instead of depositing the receipts of Rs.8.03 millions into government treasury, retained the same in welfare account of the institution. It resulted in unauthorized retention of government money.

Audit was of the view that government receipts were retained in welfare account of the institution without any authority for utilization of funds at their own.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 21.12.2012, directed the department to seek advice from Finance Department regarding retention of receipts in welfare account. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for retaining government receipts in welfare fund without any authority.

*(Para No. 1 of AIR-IPH , Lahore- 2011-12)*

**6.4.13 Non-transparent purchase of Anti Sera Blood Grouping and Rapid HBs Kits etc. for Rs.20.56 millions.**

According to Rule 12(2) of Punjab Procurement Rules 2009, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.

During audit of Institute of Blood Transfusion Services, Lahore it was observed that an amount of Rs. 20,56 million was drawn for purchase of various items. Procurement opportunity was not advertised on PPRA web site. According to contractual provisions, the unit prices were subject to provision of original shipping documents, original packing list from France and certificate/quality control documents but payments were made without getting original shipping documents, original packing list from France and certificate/quality control documents etc.

Audit was of the view that irregularity occurred due to violation of PPRA Rules.

Audit pointed out the matter in September 2012.

The matter was reported to the administrative department during November 2012. DAC in its meeting held on 28.12.2012, directed the department to get the record verified from audit. Further progress was not reported till the finalization of this report.

Audit requires regularization of the expenditure besides fixing of responsibility for disregard to rules.

*(Para No. 5 of AIR-IBTS, Lahore- 2011-12)*

**6.4.14 Loss due to purchases at higher rates for Rs. 1.54 millions and non-transparent procurements of insecticides for Rs. 4.69 millions**

According to Rule 8 & 9 of PPRA, all procuring agencies shall devise a mechanism, for planning in detail for all proposed procurements.

A procuring agency shall announce in an appropriate manner, all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The annual requirements thus determined, would be advertised in advance on the PPRA's website as well as on the website of the procuring agency.

Examination of the record of Director General Health Services Punjab Lahore revealed that management did not devise a detailed procurement mechanism for procurements of insecticides i.e. Infusion Dextran. Two contracts for purchases of each item with same specifications were drawn during financial year 2011-12 and an amount of Rs. 4.69 million was expended for purchases of insecticides. Moreover, it was observed that purchase of same stores with same specifications was made at higher rates. Thus government was put to a loss of Rs. 1.54 million.

Audit was of the view that the government had to sustain a loss of Rs. 1.54 million due to improper procurement planning.

Audit pointed out the matter in July 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 21.12.2012, directed the to get the matter regularized from Finance Department. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive.

*(Para No. 1 of AIR-D.G. Health Services Punjab Lahore-2011-12)*

#### ***6.4.15 Unauthorized expenditure on repair and maintenance for Rs. 5.59 millions***

According to Rule 16.5 (b) of PFR Vol-I, for every work a properly detailed estimate should be prepared and Administrative approval and Technical sanction of the competent authority be obtained. Moreover, according to Rule 12 of Chapter III of Punjab Procurement Rules, 2009,

procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website.

During audit of Jinnah Hospital, Lahore, it was revealed that estimate was prepared and expenditure of Rs. 5.59 million was incurred on the repair and maintenance of HVAC, Medical Unit-I, and renovation/up-gradation of blood bank, without obtaining administrative approval of the competent authority. The project was not advertised on the PPRA website and in print media. The scope of the work of the project was reduced without the approval of competent authority to keep it within the sanctioning competency of the Principal AIMC Lahore.

Audit was of the view that disregard to government rules and weak supervisory controls resulted in unauthorized expenditure.

Audit pointed out the matter in February 2012. The department neither provided the photocopies of the paid vouchers to audit nor submitted its reply.

The matter was further reported to the administrative department during October and November 2012. DAC in its meeting held on 31.12.2012, directed the department to get the expenditure regularized from competent authority besides recovery of LD Charges. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing of responsibility for disregard to rules.

*(Para Nos. 34, 45, 51, 52 & 53 of AIR-Jinnah Hospital/AIMC, Lahore-2010-11)*

#### ***6.4.16 Unauthorized transfer of money from SDA to hospital receipt account for Rs.4.87 millions***

According to Rule 2.10(b) (v) of PFR Vol-I, no money is withdrawn from the treasury unless it is required for immediate disbursement.

During audit of Jinnah Hospital Lahore, it was observed that fine imposed on the suppliers as late delivery charges amounting Rs.4.87 million was transferred from SDA to hospital receipt account for incurring

expenditure. The amount of late delivery charges being penalty to the supplier was actually saved and can be utilized for incurring expenditure from the relevant head under which the amount was saved. The hospital authorities considered the LD charges as hospital receipt and transferred the same from SDA to receipt account for incurring expenditure.

Audit was of the view that non observance of government instructions resulted in unauthorized transfer of money from SDA to receipt account.

Audit pointed out the matter in March 2012. The department replied that as per established practice, the LD charges were deducted and credited into the institutional account and then transferred to PLA of Principal AIMC/JHL. The reply of the department was not satisfactory as according to Para-50 of Purchase Manual, LD charges deducted shall be credited to the revenue of the department.

The matter was further reported to the administrative department during October 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires deposit of the amount into government treasury besides fixing responsibility for the unauthorized action of the management.

*(Para No. 9 of AIR-Jinnah Hospital/ AIMC, Lahore-2010-11)*

#### ***6.4.17 Unauthorized deposit of tuition fee into welfare account instead of government treasury for Rs.3.59 millions***

According to Clause 17(1) of the Punjab Medical & Health Institutions Act, 2003, all receipts generated by the institutions, donation and contribution received shall be kept in personal ledger account (PLA) of the institutions. Moreover, Rule 4.1 of PFR-Vol-I provides that the departmental controlling officer should see that all amounts due to government are regularly received and checked against demands and they are paid into the treasury.

During audit of Institute of Public Health it was observed that an amount of Rs. 3.59 million pertaining to the tuition fee collected from students was deposited into welfare account instead of government treasury.

Audit was of the view that as the autonomous status of the institute was withdrawn in the year 2002, the deposit of tuition fee into the welfare account was un-justified.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 21.12.2012, directed the department to seek clarification from Finance Department regarding deposit of tuition fee in welfare account. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directives besides fixing of responsibility for disregard to rules.

*(Para No. 2 of AIR-IPH, Lahore-2011-12)*

**6.4.18 Unauthorized retention of college receipt in private/ personal accounts for Rs. 2.05 millions**

According to Rule 7(1) of the Punjab Treasury Rules, all moneys received by a government servant on behalf of the provincial government shall be paid in full into Treasury and shall be included in the Provincial Consolidated Fund or Public Account of the Province as the case may be.

During audit of Health Department, it was observed that personal accounts were operated in the private bank without obtaining approval of the Finance Department, as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	College of Nursing of Jinnah Hospital/AIMC Lahore	2010-11	50	1.44
2.	Institute of Public health, Lahore	2011-12	9	0.61
<b>Total</b>				<b>2.05</b>

Audit was of the view that evasion of government rules/instructions resulted in irregular maintenance of bank accounts.

Audit pointed out the matter during March and December 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meetings held on 21.12.2012 and 31.12.2012, directed the department to probe the matter and to get the record verified from audit. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directives besides fixing responsibility.

#### *Internal control weaknesses*

#### **6.4.19 Irregular bulk purchase of medicine for Rs. 70.84 millions**

According to Schedule-VII serial 2 of the Punjab Medical & Health Institutions Act 2003, all purchases shall be made from the manufacturers /suppliers pre-qualified by Health Department and also registered with Health Department. Moreover, Rule 12-(2) of Punjab Procurement rules 2009 requires that all procurement opportunities over two millions rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. Furthermore, Rule-29 ibid provides that procuring agencies shall formulate an appropriate evaluation criterion listing all the relevant information against which a bid is to be evaluated.

During audit of Allama Iqbal Medical College, Jinnah Hospital and Allied Institutions Lahore, it was observed that an amount of Rs. 70,84 million was incurred on bulk purchase of medicines. The proof regarding the prequalification of contractors, their registration with Health Department and criteria regarding technical evaluation of bids was not



available in record. The hospital administration did not advertise the procurement opportunity on PPRA website. The purchase of medicines was made and extensions in the previous contract of medicines were granted without obtaining approval of Secretary Health as the BOM remained dysfunctional during 2010-11.

Audit was of the view that evasion of government rules/instructions and weak internal controls resulted in irregular purchase of medicines amounting to Rs. 70.84 million.

Audit pointed out the matter in February 2012.

The matter was further reported to the administrative department during October 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires regularization of the expenditure from the competent authority besides fixing responsibility.

*(Para No. 2 of AIR-Jinnah Hospital/ AIMC, Lahore -2010-11)*

#### ***6.4.20 Loss due to purchase of medicines and disposable items at higher rates for Rs.11.13 millions***

According to Rule 4 of the Punjab Procurement Rules 2009, procuring agencies, while engaging in procurements, shall ensure that the procurements are conducted in a fair and transparent manner, the object of procurement brings value for money to the agency and the procurement process is efficient and economical.

During audit of Health Department, comparison of rates offered by the firms in organizations like General Hospital, Jinnah Hospital and Ganga Ram Hospital etc. revealed that lesser rates were offered by the same firms for purchase of same items during the same period. The details are given hereunder:

(Rs. in millions)

Sr. No.	Name of formation	Period of Audit	Para No. of AIR	Description	Amount
1	SIMs / Services Hospital Lahore	2011-12	3	Purchase of x-ray films	0.56
2	SIMs / Services Hospital Lahore	2011-12	12	Purchase of medicines	0.49
3	Mayo Hospital Lahore	2011-12	15	Purchase of medicines	0.31
4	Jinnah Hospital /AIMC Lahore	2010-11	58	Purchase of medicines	0.04
5	Nishtar Hospital Multan	2011-12	7	Purchase of disposables	7.74
6	Nishtar Hospital Multan	2011-12	17	Purchase of medicines	0.82
7	Nishtar Hospital Multan	2011-12	24	Purchase of liquid medical oxygen	0.17
8	Faisalabad Institute of Cardiology	2011-12	5	Purchase of medicines	0.53
9	Faisalabad Institute of Cardiology	2011-12	6	Purchase of disposables	0.47
<b>Total</b>					<b>11.13</b>

Audit was of the view that due to weak supervisory and financial controls, loss of Rs. 11.13 millions was sustained by government.

Audit pointed out the matter during February to March and August 2012.

The matter was further reported to the administrative department during August to December 2012 and January 2013. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires recovery of the amount pointed out to make good the loss besides fixing of responsibility.

### *Recovery and overpayments*

#### ***6.4.21 Unauthorized payment of Sales Tax for Rs.90.24 millions***

According to Section 52 (a) under Sixth schedule of the Sales Tax Act 1990, operating hospitals of fifty beds or more or the teaching hospitals of statutory universities of 200 or more beds are exempted from payment of sales tax.

During audit of 15 institutions of Health Department, it was observed that payments of sales tax amounting to Rs. 90.24 millions on purchases of ICU ventilators, Primary Care Incubators and payments of utility charges like Electricity and Sui-Gas charges were made despite the fact that the hospitals were exempted from payments of sales tax. (Annexure-8).

Audit was of the view that weak supervisory and financial controls resulted in a loss of Rs. 90.24 millions to the institutions/government.

Audit pointed out the matter during March, August and September 2012. The managements replied that GST was paid as per policy and after clarification of Assistant Commissioner, Inland Revenue, Regional Tax. The reply was not acceptable because provisions of law with regard to exemption were very clear.

The matter was further reported to the administrative department during August to December 2012 and January 2013. DACs in its three meetings held during December 2012, directed the department to inquire the matter, to seek clarification from FBR regarding payment of GST on utility bills and recover the GST. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive.

**6.4.22        *Non/less recovery of rent, utility charges and income tax for Rs.38.19 millions***

According to Rule 4.1 of PFR Vol-I, the departmental authorities should see that all sums due to government are correctly assessed and regularly received and checked against the demands and they are paid into government treasury accordingly.

During audit of 19 institutions of Health Department, it was observed that rent, income tax and utility charges were not recovered from the concerned quarters (Annexure-9).

Audit was of the view that non enforcement of the contractual clauses resulted in non recovery of Rs. 38.19 millions indicated weak supervisory controls and defective recovery mechanism.

Audit pointed out the matter during February, March and August 2012.

The matter was further reported to the administrative department during August to December 2012 and January 2013. DACs in its four meetings held during December 2012, directed the department to inquire the matter and effect recovery. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive.

**6.4.23        *Non deposit of electricity dues for Rs.38.14 millions***

According to Para 4.1 of PFR Vol-I, the departmental controlling officers should see that all sums due to government are regularly received and checked against demands, and that they are paid into the treasury. Moreover, rule 9(1) *ibid* lays down that a government servant may not, except with the special permission of the government deposit in commercial bank, moneys withdrawn from the Provincial Consolidated Fund or Public Account of the Province.

During audit of Nishtar Hospital Multan, for the year 2011-12, it was observed that electricity was supplied to the residents of government accommodations, hospital canteen, college cafeteria, hostel canteens, book shops and barber shop from the main supply of the hospital. Recovery of electricity charges made from the employees and the contractors/ shopkeepers was directly transferred to current account maintained in a commercial bank. An amount of Rs.17.65 millions was available in the bank account as closing balance for the month of September 2012. The amount collected in the bank account in lieu of electricity charges was required to be reimbursed to government on monthly basis as the electricity charges of main electricity meter was paid from government treasury. Moreover, the perusal of the bank statement revealed that an amount of Rs.20.49 millions was drawn out of government receipts but the purpose of drawl was not known.

Audit was of the view that non-observance of canons of financial propriety and weak financial and supervisory controls caused loss of Rs. 38.13 millions.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department during January 2013. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that the electricity charges amounting to Rs.17.65 millions and amount irregularly drawn from the bank account amounting Rs. 20.49 millions be deposited into the government account besides fixing responsibility.

*(Para No. 6 of AIR-Nishtar Hospital and Allied Institutions, Multan-2011-12)*

**6.4.24 *Loss due to excess payments of ad-hoc relief(s) on regularization of services of employees for Rs 30.52 millions***

According to Government of the Punjab Health Department Notification No. SO(ND)2-26 2004(P-III) dated 12.07.2011, the Governor

of the Punjab accorded sanction to grant of pay protection of Medical Officers and Charge Nurses in the form of Personal Allowance in lieu of annual increments of the contract period on their regularization in the light of Para 6 of S&GAD's policy letter bearing No. DS(O & M)5-3/2004 (Contract)(MF) dated 14.10.2009.

During audit of Services Hospital Lahore, it was observed that on regularization of services of 245 Charge Nurses and 94 Medical Officers, ad-hoc relief(s) were also protected in violation of above mentioned government instructions.

Audit was of the view that weak financial controls and disregard to government instructions resulted in excess payment of allowances amounting to Rs. 30.52 millions.

The matter was pointed out to the management in October 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires recovery of the overpaid amount besides fixing responsibility.

*(Para No. 1 of AIR-Services Hospital /SIMs Lahore -2011-12)*

#### **6.4.25     *Loss of revenue due to non deduction of Income Tax for Rs.19.59 millions***

According to Section 153(1) of Income Tax Ordinance 2001, every prescribed person making a payment shall deduct tax @ 3.5% on sale of goods and 6% on services rendered from the gross amount payable.

During audit of 17 institutions of Health Department, it was observed that various formations did not deduct income tax at source from the payments made to contractors/officers (Annexure-10).

Audit was of the view that non-observance of government rules and weak financial and supervisory controls caused loss of Rs. 19.59 millions to the government.

Audit pointed out the matter during February and July to August 2012.

The matter was further reported to the administrative department during August to December 2012 and January 2013. DACs in its three meetings held during December 2012, directed the department to effect recovery of income tax. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directives besides fixing responsibility.

**6.4.26 *Unauthorized payment of share money to non entitled doctors for Rs.8.91 millions***

According to Health Department letter No. (H&D)12-13/73 dated 27.04.1974, only those doctors will be entitled to share of fee who are not in receipt of Non Practice Allowance (NPA).

During audit of Health Department, it was observed that the doctors were paid share of fee as well as N.P.A. in violation of the government instructions. The details are given hereunder:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	SIMS / Services Hospital Lahore	2010-11	14	2.35
2	Jinnah Hospital /AIMC Lahore	2010-11	6	1.61
3	SIMS / Services Hospital Lahore	2011-12	10	1.37
4	Jinnah Hospital /AIMC Lahore	2011-12	17	0.48
5	King Edward Medical University Lahore	2011-12	7	0.09
6	Sheikh Zayed Hospital Rahim Yar Khan	2011-12	18	0.44
7	Bahawal Victoria Hospital/QMC Bahawalpur	2011-12	3	2.57
<b>Total</b>				<b>8.91</b>

Audit was of the view that due to non observance of government instructions and weak financial controls unauthorized payment of Rs. 8.91 millions was made to the non-entitled doctors.

Audit pointed out the matter in February 2012. The management replied that the sanction was obtained from BOM. The reply was not satisfactory because no powers contradictory to the government orders were entrusted to BOM.

The matter was further reported to the administrative department during August to December and January 2013. DACs in its two meetings held during December 2012, directed the department to seek clarification from Finance Department regarding distribution of share money. Further progress was not reported till the finalization of this report.

Audit requires recovery of the unauthorized payment besides fixing of responsibility for negligence.

**6.4.27 *Non/less recovery of HRA, CA, benevolent fund and house maintenance charges for Rs. 7.91 millions***

According to Finance Department letter No. FD (M-I) 1-15/82-P-I dated 15.01.2000, the drawl of house rent allowance is not permissible to the officers/officials to whom government residences have been provided. In addition 5% maintenance charges are also required to be deducted from the salary of officers/officials who have been allotted official accommodation. Moreover, in case of residences allotted above entitlement, house rent will not be allowed to the allottee and he will pay 10% rent on the maximum of his scale. Furthermore, as per Finance Department letter No. FD.SR.1.9-4/86(PR) (P) dated 15.10.2011, conveyance allowance is not admissible to the staff residing within their work premises.

During audit of 21 institutions of Health Department, it was observed that unauthorized payments of house rent allowance and



conveyance allowance were being made to the officers/officials who were provided with official residences and were residing within their work premises respectively. Moreover, house rent deductions @ 5% from their pay was also not being made (Annexure-11).

Audit was of the view that weak financial and supervisory controls resulted in non/less recovery of house rent, house maintenance charges and conveyance allowance amounting Rs. 7.91 millions.

Audit pointed out the matter during February to March and July to November 2012.

The matter was further reported to the administrative department during August to December 2012 and January 2013. DACs in its five meetings held during December 2012, directed the department to recover the amount. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for negligence.

#### ***6.4.28 Non recovery of liquidated damages for Rs.8.98 millions***

According to clause of 11(b) of the tender document, in case of late delivery of goods beyond the periods specified in the schedule of requirements, penalty @ 2% per month, 0.067% per day of the cost of late delivered supply shall be imposed upon the supplier.

During audit of Health Department, it was observed that various firms failed to supply the medicine, disposables and other store items etc. within the stipulated period as per terms of the agreement. The respective managements failed to recover late delivery charges amounting to Rs 8.98 millions as detailed below:

(Rs. in millions)

<b>Sr. No</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Description of late delivery</b>	<b>Amount</b>
1	Mayo Hospital Lahore	2011-12	2	Late delivery of HVAC system by more than 03 months after expiry of extension	7.20
2	Institute of Blood Transfusion Services Lahore	2010-12	3	Late delivery of blood bags	0.21
3	Principal College of Ophthalmology and allied vision sciences Lahore	2010-11	6	late delivery of medicines by 26 days	0.06
4	Secretary Health, Govt. of the Punjab Lahore	2011-12	9	Late delivery of pesticides	0.56
5	Secretary Health, Govt. of the Punjab Lahore	2011-12	16	Late delivery of fenthion	0.26
6	Secretary Health, Govt. of the Punjab Lahore	2011-12	19	Late delivery of Deltamethrin	0.20
7	Ch Pervaiz Elahi Institute of Cardiology Multan	2011-12	15	LD charges of equipment	0.09
8	Ch Pervaiz Elahi Institute of Cardiology Multan	2011-12	16	Late delivery charges of medicines	0.07
9	Children Hospital Lahore	2011-12	3	Late delivery charges of medicines and equipment	0.33
<b>Total</b>					<b>8.98</b>

Audit was of the view that weak financial controls resulted in non recovery of late delivery charges amounting to Rs. 8.98 millions.

Audit pointed out the matter during March, August to November 2012.

The matter was further reported to the administrative department during August to December 2012. DACs in its meetings held on 19.12.2012 and 28.12.2012, directed the department to recover the LD charges. Further progress was not reported till the finalization of this report.

Audit requires immediate implementation of DAC directive besides fixing of responsibility regarding negligence to recover the charges.

**6.4.29 Loss due to less deposit of government dues for Rs. 1.11 millions**

According to Rule 4.1 of PFR Vol-I, the department authorities should see that all sums due to government are correctly assessed and regularly received and checked against the demands and they are paid to government treasury accordingly.

During audit of Health Department, it was observed that cost of CT scan, x-ray films and ECG fee was less deposited. The details are given hereunder:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Nature of Recovery</b>	<b>Amount</b>
1	Mayo Hospital Lahore	2011-12	13	less deposit of cost of CT scan films	0.88
2	Secretary Health, Govt. of Punjab Lahore	2011-12	18	Non-deposit of tender fee	0.23
<b>Total</b>					<b>1.11</b>

Audit was of the view that weak supervisory and financial controls caused a loss of Rs. 1.11 millions to the public exchequer.

Audit pointed out the matter during August and September 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 19.12.2012, directed the department to deposit the balance amount into government account.

Audit requires implementation of DAC directives besides fixing responsibility for non deposit.

**6.4.30 Loss due to unauthorized payment of allowances for Rs. 4.95 millions**

According to Rule 2.31(a) of PFR Vol-I, a drawer of bill for pay, allowances, contingent and other expenses will be held personally responsible for any over charges.

During audit of Health Department, it was observed that certain inadmissible allowances were paid to the employees. The details are given hereunder:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Description of Allowances</b>	<b>Amount</b>
1	Institute of Public Health Lahore	2011-12	7	Teaching allowance paid to the employees during summer vocations	0.76
2	Nishtar Hospital Multan	2011-12	8	Payment of conveyance allowance and teaching allowance during summer vocations	4.19
<b>Total</b>					<b>4.95</b>

Audit was of the view that unauthorized payment of Rs. 4.95 millions was made to the employees due to weak supervisory and financial controls.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during November 2012 and December 2013. DAC in its meeting held on

21.12.2012, directed the department to seek clarification from Finance Department. Further progress was not reported till the finalization of this report.

Audit requires recovery besides fixing of responsibility for unauthorized payments.

**6.4.31 Loss due to unauthorized payment of special incentive allowance for Rs. 4.80 millions**

According to Rule 16 of Rules of Business 1974, no department shall, without previous consultation with the Finance Department, authorize any orders which directly or indirectly affect the finance of the Province or cases requiring changes in statutory rights and privileges of a government servant which have financial implications.

During audit of Health Department, it was observed that special incentive allowance worth Rs. 4.80 millions was paid to the officers without approval of the government as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	Jinnah Hospital /AIMC Lahore	2011-12	29	3.18
2	Jinnah Hospital /AIMC Lahore	2010-11	19	0.95
3	Jinnah Hospital /AIMC Lahore	2010-11	23	0.55
4	Services Hospital /SIMS Lahore	2011-12	8	0.12
<b>Total</b>				<b>4.8</b>

Audit was of the view that deviation from the rules resulted in unauthorized payment of Rs.4.80 millions.

Audit pointed out the matter in March and October 2012. The managements replied that the said allowance was got approved from the Board of Management (BOM). The replies were not acceptable because as per Section 13 of the Punjab Medical and Health Institutions Rules, 2003,

the respective BOMs were not competent to grant such allowance without approval of the government.

The matter was further reported to the administrative department during October to December 2012. DAC in its meeting held on 31.12.2012, directed the department to seek clarification from Finance Department and finalize the recommendation of the committee already constituted by Health Department. Further progress was not reported till the finalization of this report.

Audit requires stoppage of the payment forthwith and recovery of the amount paid to the concerned officers besides fixing of responsibility for payment of unauthorized allowance.

***6.4.32 Non-recovery of penal rent from illegal residents of government residences for Rs. 3.97 millions***

According to Government of the Punjab Finance Department letter No. SO (PW-II) XV (24)176 dated 27.9.1980, penal rent @ 60% of pay is to be charged from unauthorized occupants of government residences.

During audit of Allama Iqbal Medical College/Jinnah Hospital and allied Institutions Lahore, it was observed that nine officers were transferred and two officers were retired during 2009-11. The residences allotted to these officers were neither got vacated nor recovery of Rs. 3.97 millions on account of penal rent was made.

Audit was of the view that weak financial and management controls resulted in a loss of Rs. 3.97 millions.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires immediate vacation of government accommodations from the unauthorized occupants and recovery of penal rent besides fixing responsibility.

*(Para No. 24 of AIR-JHL/AIMC, Lahore-2011-12)*

**6.4.33 *Non-deduction of cost of x-ray films for Rs. 1.01 millions***

According to Government of the Punjab, Health Department letter no. S.O (H.D) 1-42/94 (P) dated 16.11.1973, the department should deduct the cost of x-ray films from the receipt before making apportionment of share.

During audit of Allama Iqbal Medical College, Jinnah Hospital and Allied Institutions Lahore, it transpired that the x-ray films valuing Rs. 1.01 millions were consumed but cost of the same was neither deducted nor deposited into the government treasury before making distribution of share money in violation of above instructions.

Audit was of the view that non-observance of government instructions caused a loss of Rs. 1.01 millions to public exchequer due to weak supervision and financial controls.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 31.12.2012, directed the department to recover the balance amount. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for disregard to rules.

*(Para No. 23 of AIR-Jinnah Hospital / AIMC , Lahore-2011-12)*

**6.4.34 *Loss due to non- forfeiture of securities for Rs. 1.52 millions***

According to Rule 2.33 of PFR Vol-I, every government servant should realize fully and clearly that he will held personally responsible for any loss sustained by government through fraud or negligence on his part.

During audit of Services Hospital and Punjab Institute of Mental Health Lahore, it was observed that supply orders were issued to various suppliers for supply of medicines and disposable items. The suppliers failed to supply the stores but neither the securities of the suppliers forfeited nor were efforts made for black listing of the suppliers. This resulted into loss of Rs. 1.52 millions on account of non-deduction of securities.

Audit was of the view that loss of Rs. 1.52 millions occurred due to weak supervisory and financial controls.

Audit pointed out the matter during September and October 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 11.12.2012, directed the department to forfeit their securities besides taking necessary action against the firms. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directives besides fixing of responsibility.

*(Para No. 25 of AIR-SIMS, Lahore- 2011-12)*

*(Para No. 1 of AIR-PIMH- 2011-12)*

### ***Others***

#### ***6.4.35 Irregular purchase of medicines at higher rate for Rs.17.70 millions***

According to rule 2.10 (a)(1) of 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.

During audit of Nishtar Hospital Multan, for the year 2011-12, it was observed that annual rate contracts for the purchase of medicines were awarded to different suppliers up to 30.06.2012. The management of the hospital re-advertised the tender for the purchase of medicines



disposable and new supply orders at high rates were issued during May 2012 to the firms other than those to whom the original rate contracts for the year 2011-12 were awarded.

Audit was of the view that re-advertisement despite the existence of annual rate contract resulted in loss of Rs.17.70 millions.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that responsibility be fixed for making purchases at high rates besides recovery of the overpaid amount.

*(Para No. 5 of AIR-Nishtar Hospital and Allied Institutions, Multan-2011-12)*

#### **6.4.36 Irregular payment of adjustment charges for Rs.13.18 millions**

According to Rule 2.10 (a)(1) of 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.

During audit of Mayo Hospital Lahore, it was observed that an amount of Rs.13.18 millions on account of adjustment charges was paid to Sui-gas authorities during the month of March 2012. The bill pertained to the month of January 2012 and payment of huge adjustment charges was made without any justification.

Audit was of the view that weak supervisory and financial controls resulted in unauthorized payment.

Audit pointed out the matter during August 2012.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 19.12.2012, directed

the department to seek clarification from Sui Gas Department. Further progress was not reported till the finalization of this report.

Audit requires that matter of abnormal adjustment be got clarified from sui gas authorities or amount paid be got adjusted in the next upcoming sui-gas bills besides strengthening of financial as well as supervisory controls to avoid recurrence of such lapses in future.

*(Para No. 22 of AIR-Mayo Hospital, Lahore-2011-12)*

**6.4.37 Irregular payment of low power factor penalty to LESCO worth Rs.10.50 millions**

According to Rule 2.10 (a)(1) of 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.

During audit of Health Department, it was observed that Low power factor penalty of Rs.10.50 millions was irregularly paid to WAPDA by the hospital authorities. No remedial steps were taken by the hospital authorities to avoid the penalty charges causing undue burden on public exchequer. The details are given hereunder:

*(Rs. in millions)*

<b>Sr No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	Mayo Hospital Lahore	2011-12	19	2.58
2.	Faisalabad Institute of Cardiology	2011-12	19	0.61
3.	Ch. Pervaiz Elahi Institute of Cardiology Multan	2011-12	13	0.78
4.	Nishtar Hospital Multan	2011-12	15	3.50
5.	Bahawal Victoria Hospital Bahawalpur	2011-12	7	2.51
6.	Sheikh Zayed Hospital, Rahim Yar Khan	2011-12	8	0.52
<b>Total</b>				<b>10.50</b>

Audit was of the view that irregular payments made due to weak supervisory and financial controls.

Audit pointed out the matter during August 2012.

The matter was further reported to the administrative department during December 2012 to January 2013. DAC in its meeting held on 19.12.2012, directed the department to seek technical clarification from UET Electrical Department. Further progress was not reported till the finalization of this report.

Audit requires that matter needs to be taken up with LESCO authorities and irregular payment of low power factor penalty needs to be adjusted in the electricity bills of future period.

**6.4.38 *Loss due to non-supply of complete unit of Neuro Angiography Machine and its non functioning for Rs.10 millions***

According to Rule 15.18 of PFR Vol-I, balances of stores must not be held in excess of the requirement of a reasonable period or in excess of any prescribed maximum limit.

During audit of Mayo Hospital Lahore, it was observed that an expenditure of Rs. 10 millions was incurred on purchase of a complete unit of Neuro Angiography machine. However, it was noticed that despite a lapse of a considerable period of 19 years, the complete unit was not supplied making it impossible for the management to install and function the machine for the purpose for which it was purchased. The detail is as under:

- |                             |                    |
|-----------------------------|--------------------|
| 1) Generator of the machine | purchased in 1984  |
| 2) Main unit of the machine | purchased in 1988  |
| 3) Essential Accessories    | yet to be supplied |

The Associate Professor of Neurology Department, also confirmed that the said machine was not yet handed over to the Neurology Department by the concerned supplier. The case was discussed in the meeting of condemnation committee dated: 11.02.2010. The committee instead of recommending the condemnation of machine decided to fix the

responsibility against the defaulter because a huge amount was spent on the purchase of a machine which was never made functional.

Audit was of the view that mismanagement, weak supervisory and internal controls caused huge financial loss due to non receipt of complete unit of machine. As a result the machine could not be made functional depriving the poor patients of its utility.

Audit pointed out the matter in August 2012. Management replied that the case had already been referred to the Government for taking strict action against firm for causing immense loss to the hospital. Reply was not satisfactory because the matter of installation of the machine was pending since 1993 and despite lapse of 19 years no action had been taken against the supplier.

The matter was further reported to the administrative department during December 2012. DAC in its meeting held on 19.12.2012, directed the department to take appropriate action. Further progress was not reported till the finalization of this report.

Audit requires compliance of DAC directives besides fixing responsibility.

*(Para No. 29 of AIR-Mayo Hospital Lahore-2011-12)*

#### **6.4.39 *Loss due to theft of machinery and vehicle etc for Rs.5.98 millions***

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 through fraud or negligence on his part.

During audit of six institutions of Health Department, it was observed that machinery, equipments and vehicle valuing Rs. 5.98 millions were stolen. In case of Sr. No. 2 & 3 no FIR was lodged. In remaining cases although the department got registered FIRs with the

police station concerned but the record was silent about any departmental inquiry. Further, in case, the police could not trace the culprits, the department was required to move write off cases of the stolen properties but despite the lapse of considerable period no action was initiated as per record. The details are given hereunder:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Items Stolen</b>	<b>Amount</b>
1.	College of Ophthalmology Lahore	2010-11	1	Medical equipments and laptop etc	2.49
2.	Mayo Hospital Lahore	2011-12	7	Two Dermatomes	0.95
3.	SIMs / Services Hospital Lahore	2011-12	19	Laptops and computers etc	1.41
4.	Mayo Hospital Lahore	2011-12	27	One ambulance	0.40
5.	SIMs / Services Hospital Lahore	2010-11	35	Generator parts	0.22
6.	Executive Director, Punjab Institute of Mental Health Lahore	2011-12	3	One Mazda Van	0.51
<b>Total</b>					<b>5.98</b>

Audit was of the view that weak internal controls on asset management, resulted in theft of machinery and vehicle etc.

Audit pointed out the matter during February to March and August to October 2012.

The matter was further reported to the administrative department during August to December 2012. DACs in its four meetings held during December 2012, directed the department to fix responsibility and effect recovery. Further progress was not reported till the finalization of this report.

Audit requires compliance of DAC directives.

**6.4.40     *Non-receipt of journals against annual subscription for Rs. 1.22 millions***

According to supply order issued to M/S Student Services the Mall Lahore, the supply of journals must be arranged within one month after printing by the publishers every month.

During audit of De-Montmorency College of Dentistry Lahore, it was observed that an amount of Rs. 1.22 millions was paid to M/s Student Services Lahore for purchase of journals in June 2012. The journals were not received even after a lapse of 3 months whereas 14 journals were due per month as evident from supply order.

Audit was of the view that non-supply of the journals in time by the firm killed the purpose of provision of latest information/research results for the students. The purpose for which money was withdrawn in advance could also not be achieved due to weak supervisory and financial controls.

Audit pointed out the matter in October 2012. The management replied that the journals would be received within this month. Reply being evasive was not satisfactory because 14 journals were due from the firm and management was reluctant to initiate any action against the firm for non-supply of material.

The matter was further reported to the administrative department during December 2012. In DAC meeting held on 28.12.2012, the amount of the para was reduced to Rs. 1.22 millions after verification of record. Further progress was not reported till the finalization of this report.

Audit requires that outstanding journals be recovered from the firm without further delay and responsibility be fixed for the negligence.

*(Para No. 2 of AIR-Principal, De-Montmorency College of Dentistry, Lahore-2011-12)*

**6.4.41     *Doubtful expenditure on the repair of transport for Rs.2.23 millions***

According to Rule 17.18 of PFR Vol-I, under no circumstances may charges incurred be allowed to stand over to be paid from the grant of

another year. If possible, expenditure should be postponed till the preparation of a new budget has given opportunity of making provision and till the sanction of that budget has supplied means.

During audit of Health Department, it was observed that an amount of Rs. 2.23 millions was incurred on the repair of government vehicles for the payment of previous year's pending liabilities. The payment of pending liabilities was made from the current budget grant of the financial year 2011-12. Neither the pending liabilities register was found maintained nor the paid vouchers were defaced as "Paid and cancelled". The history sheets of the vehicles were also not found maintained.

Audit was of the view that weak budgetary controls resulted in irregular creation of liabilities for the government to the tune of Rs. 2.23 millions.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that matter be probed at an appropriate level and factual position be communicated to audit.

*(Para No. 7 of AIR-Secretary to Govt. of the Punjab, Health Department. Lahore -2011-12)*

#### **6.4.42 Non replacement of defective absorbent cotton gauze for Rs.2.02 millions**

According to Rule 15.4 of PFR Vol-I, all materials received should be examined, counted, measured and weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible government servant.

During audit of Allama Iqbal Medical College, Jinnah Hospital and allied Institutions Lahore, it transpired that 230,000 meters absorbent

cotton guaze was supplied by M/s Medicare Enterprises. The whole supply was declared substandard by the Drug Analyst Punjab Lahore. The replacement of defective supply was not made till the close of audit on 10.03.2012.

Audit was of the view that loss occurred due to weak supervisory and financial controls

Audit pointed out matter during March 2012.

Audit pointed out the matter during November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that either material be got replaced from firm with up to date LD charges or amount paid be recovered from the firm besides taking appropriate action against supplier.

*(Para No. 17 of AIR-Jinnah Hospital/ AIMC, Lahore-2010-11)*

**6.4.43 Loss due to payment of L.P. surcharge on sui gas charges for Rs. 2.02 millions**

According to Rule 2.10(a)(1) of 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.

During audit of Health Department, it was observed that sui gas bills were not paid within due date. Due to late payments, LP surcharges were invoked which caused heavy loss of Rs. 2.02 millions to the public exchequer as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	Services Hospital / SIMS Lahore	2011-12	6	1.08
2.	Mayo Hospital Lahore	2011-12	32	0.95
<b>Total</b>				<b>2.03</b>



Audit was of the view that loss occurred due to weak supervisory and financial controls.

Audit pointed out the matter during August and October 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that responsibility for delay in the payments of sui gas charges be fixed besides taking up the matter with sui gas authorities for adjustments of the already paid surcharges in subsequent bills.

**6.4.44 *Non functioning and irregular repair of medical equipment for Rs.1.98 millions***

According to Rule 4 of PPRA Rules 2009, the procuring agency should ensure that the procurements are made in a fair and transparent manner, so that the object of procurement brings value for money to the agency and the procurement process is efficient and economical.

During audit of Jinnah Hospital Lahore, it was observed that the contract for the repair and maintenance of Angiography machine for the year 2011-12 was awarded to M/s Medi-equip for Rs.1.98 millions per annum, without advertising the tender on PPRA website and in print media. It was further noticed that ETT and Angiography machines were out of order since July 2011 and December 2011 respectively. No efforts were made for the repair of machines despite executing the maintenance contract with the firm which deprived the poor patients of utility of these machines.

Audit was of the view that weak supervisory controls caused non-functioning of life saving machines.

Audit pointed out the matter during March 2012.

The matter was further reported to the administrative department during November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that the matter for non maintenance of machines be inquired at appropriate level and responsibility be fixed.

*(Para No. 39 of AIR-Jinnah Hospital / AIMC, Lahore-2010-11)*

**6.4.45 Loss due to non-auction of shops and medical store for Rs.1.15 millions**

According to Rule 4.1 of PFR Vol-I, the departmental controlling officer should see that all sums due to government are regularly received and checked against demands and they are paid into the treasury.

During audit of Lady Willingdon Hospital Lahore, it was observed that shops and medical store were operating in the hospital premises since years but same were not auctioned and not a single penny was deposited into government account. The details are given hereunder:

*(Rs. in millions)*

<b>Sr. No</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Description</b>	<b>Amount</b>
1.	Lady Willingdon Hospital Lahore	2011-12	5	Non-auction of four shops	0.79
2.	Lady Willingdon Hospital Lahore	2011-12	11	Non-auction of medical store	0.36
<b>Total</b>					<b>1.15</b>

Audit was of the view that loss of Rs. 1.15 millions occurred due to weak supervisory and financial controls.

Audit pointed out the matter in July 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 17.12.2012, directed the department for inquiry at administrative level and forfeiture of security. Further progress was not reported till the finalization of this report.

Audit requires the implementation of DAC directive.

**6.4.46 *Doubtful payment of telephone charges for Rs.1.03 millions***

According to Rule 2.33 of PFR Vol-I, every government servant will be held personally responsible for any loss sustained by government through fraud or negligence on his part.

During audit of Health Department, it was observed that an amount of Rs.1.03 millions was withdrawn for payments of telephone bills. The copies attached with the claimed vouchers were un-paid and no proof of deposit of telephone charges into the bank was produced to audit for verification.

Audit was of the opinion that weak supervisory and financial controls lead to the doubtful payment to the stated extent.

Audit pointed out the matter in September 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires that matter be probed and appropriate action be taken accordingly.

*(Para No. 3 of AIR-Secretary Health, Government of the Punjab , Lahore-2011-12)*

**6.4.47 *Discrepancy in cash receipts for Rs.1.03 millions***

According to Rule 2.33 of PFR Vol-I, every government servant will be held personally responsible for any loss arising due to fraud or negligence on his part.

During audit of Nishtar Hospital Multan, for the year 2011-12, it was observed that 52 cash receipt books and 29 leaves of cash book receipt No.73 were missing from central lab. The loss sustained by the government due to the missing receipt books as worked out by the inquiry committee of the hospital comes to Rs.0.72 millions. Moreover an amount of Rs. 0.31 millions pertaining to 22 Nos. cash receipt books and 71 leaves of receipt book No.73 was not entered in the cash register and hence not deposited into the government account.

Audit pointed out the matter in October 2012.

The matter was further reported to the administrative department during January 2013. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires recovery besides strengthening the internal and supervisory controls.

*(Para No. 16 of AIR-Nishtar Hospital and Allied Institutions, Multan-2011-12)*



## **CHAPTER 7**

### **HIGHER EDUCATION DEPARTMENT**

#### **7.1      *Introduction***

Education is the medium and vehicle for the preservation, transmission and promotion of cultural, social and economic values and provides the means to realize the objectives through the process of curricula, teaching and learning. Education is universally recognized to be the prime key to multi-dimensional development of a nation. To create a safe and secure environment where the human beings can live with dignity, peace and equality.

Higher education, according to National Education Policy 1998, is recognized as a capital investment and is of paramount importance for economic and social development of the country. Institutions of higher education have the main responsibility for equipping individuals with advanced knowledge and skills required for keeping the country on the crossroad of progress and prosperity.

The Higher Education Department, Government of the Punjab deals with Universities, Boards and colleges from Inter to Postgraduate level in various disciplines. There are two attached departments of Higher Education Department:

- Directorate Public Instructions (Colleges)
- Director General Public Libraries

## 7.2 *Comments on Budget & Accounts (Variance Analysis)*

### *Introduction*

The Appropriation Accounts of Higher Education Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab for voted items of budget.

### *Summary of Appropriation Accounts*

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original</b>	<b>Supplementary Grant / Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditure</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
PC21010	100.368	(5.244)	95.124	95.022	(.102)
PC21015	14,464.266	712.454	15,176.720	14,037.278	(1,139.441)
PC22036	4,440.294	3,115.163	7,555.457	7,233.720	(321.736)
<b>Total</b>	<b>19,004.928</b>	<b>3,827.617</b>	<b>22,827.301</b>	<b>21,366.02</b>	<b>(1,461.279)</b>

### *Overview of Expenditure*

The total budget of Higher Education Department for the year 2011-12 was Rs. 22,827.301 millions. Out of this amount the actual expenditure was Rs. 21,366.021 millions. The breakup of current and development expenditure is given below:

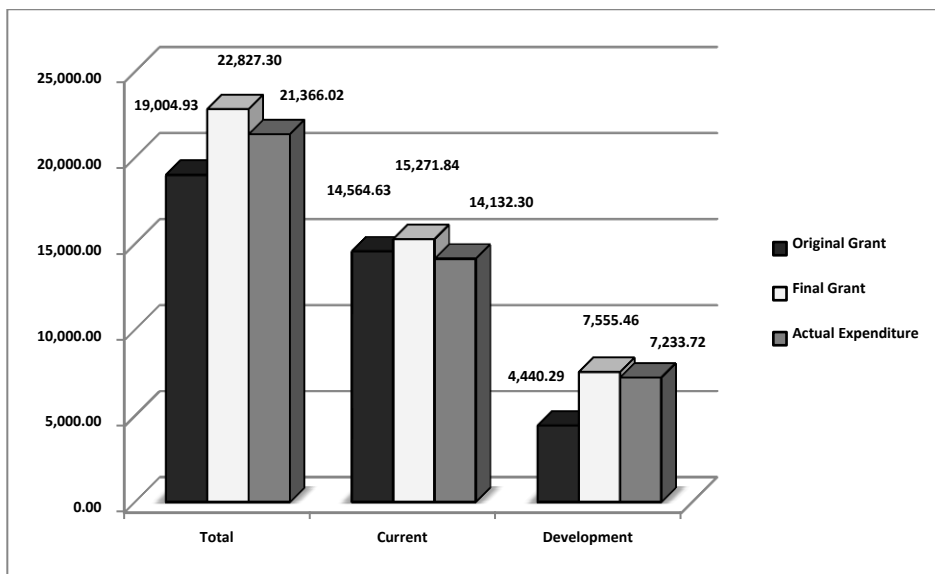
*(Amount in Rupees)*

<b>Grant Type</b>	<b>Original Grant</b>	<b>Actual Expenditure</b>	<b>Excess/ (Savings)</b>	<b>Variance %</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4(3-2)</b>	<b>5(4/2*100)</b>
Current	14,564,634,000	14,132,300,978	(432,333,022)	2.97
Development	4,440,294,000	7,233,720,142	2,793,426,142	62.91
<b>Total</b>	<b>19,004,928,000</b>	<b>21,366,021,120</b>	<b>2,361,093,120</b>	<b>12.42</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

(Amount in Rupees)

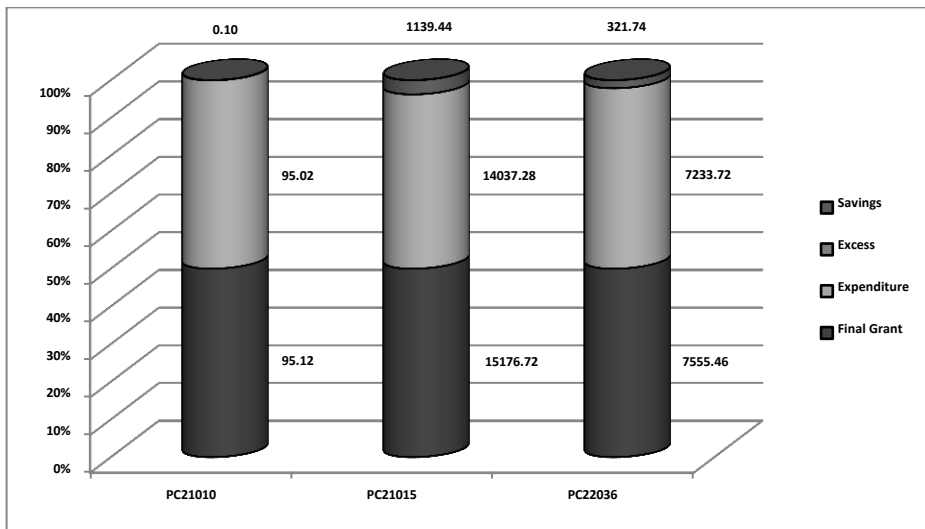
Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	15,271,844,000	14,132,300,978	(1,139,543,022)	7.46
Development	7,555,457,000	7,233,720,142	(321,736,858)	4.26
<b>Total</b>	<b>22,827,301,000</b>	<b>21,366,021,120</b>	<b>(1,461,279,880)</b>	<b>6.40</b>





### *Anticipated savings not surrendered*

According to the rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department whenever the savings are anticipated. However, saving amounting to Rs. 1461.279 millions at the close of the year 2011-12 under grants PC21010, PC21015 & PC22036 had not been surrendered.



### 7.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC Directives, for reports of Education Department discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1985-86	11	6	05	54
2	1986-87	18	7	11	39
3	1987-88	21	2	19	10
4	1988-89	37	11	26	30
5	1989-90	88	5	83	6
6	1990-91	74	4	70	5
7	1991-92	65	15	50	23
8	1992-93	39	17	22	44
9	1993-94	22	2	20	9
10	1994-95	45	4	41	9
11	1995-96	38	10	28	26
12	1996-97	70	46	24	66
13	1997-98	150	56	94	37
14	1998-99	184	83	101	45
15	1999-00	410	260	150	63
16	2000-01	314	137	177	44
17	2001-02	411	286	125	70
18	2002-03	23	3	20	13
<b>Total</b>		<b>2020</b>	<b>954</b>	<b>1066</b>	<b>47</b>

The Education Department was split into Four Departments i.e Higher Education Department, Special Education Department, School Education Department & Literacy Department in the Financial Year 2003-04. The status of compliance with PAC Directives, for reports of Higher Education Department discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	2003-04	64	0	64	0
2	2004-05	32	3	29	9
3	2005-06	65	2	63	3
4	2006-07	144	80	64	56
5	2007-08	85	0	85	0
6	2008-09	43	0	43	0
7	2009-10	84	27	57	32
8	2010-11	111	0	111	0
<b>Total</b>		<b>628</b>	<b>112</b>	<b>516</b>	<b>18</b>

The compliance with PAC Directives in Higher Education Department is quite low. Concerted & consistent efforts are required on the part of department to improve upon the compliance percentage.

## 7.4 AUDIT PARAS

### *Non production of record*

#### 7.4.1 *Non-production of record for Rs.1.14 billions*

According to Section 14 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Article 171(2) of the Constitution of Islamic Republic of Pakistan 1973, the head of the department and the officer in charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information. Any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

During audit of six entities of Higher Education Department, relevant record was not produced to audit as detailed below.

*(Rs. in millions)*

<b>Sr. No</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars</b>	<b>Amount</b>
1	BISE Rawalpindi	2011-12	9	Project Record	1053.14
2	University of Education Lahore	2011-12	1	M & R of building	68.27
3	BISE DG Khan	2010-12	2	M & R of building	19.75
4	University of Education Lahore	2011-12	14	Non production of vouched accounts	0.64
5	GC (W) Madina Town Faisalabad	2009-12	7	Magazine record	0.60
6	University of the Punjab, Lahore	2011-12	30 & 42	Misc. records	0
<b>Total</b>					<b>1,142.40</b>

Audit was of the view that due to non production of record audit could not ascertain the authenticity of accounts.

Audit pointed out the matter during July to November 2012.

The matter was further reported to the administrative department during October 2012. DAC in its meeting held on 22.01.2013, directed the department to produce the record to audit. Further progress was not reported till the finalization of this report.

Audit requires that disciplinary action be initiated against those responsible for hindering the auditorial functions besides production of record for audit scrutiny.

### ***Irregularity and non compliance***

#### ***7.4.2 Non-remission of prospectus receipts into university main account for Rs.17.47 millions***

According to Section 40 of University of the Punjab Act 1973, the University shall have a fund to which shall be credited its income from fees, donations, trusts, bequests, endowments, contributions, grants and all other sources.

During audit of the University of the Punjab, it was observed that various departments of the University sold prospectus and admission/entry test forms and collected an amount of Rs.16.94 millions. Instead of depositing the receipts into the main account of the university, the same was retained by the departments in their respective departmental accounts without any authority. It was further noticed that an amount of Rs. 0.52 millions was less deposited in their accounts.

Audit was of the view that weak financial control mechanism resulted in unauthorized retention of university receipts.

Audit pointed out the matter during August 2012. In reply, the management stated that the department of Zoology and Institute of Business Administration had deposited the full amount of prospectus in the University main Account.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 02.01.2013, directed to transfer the amount to the University's main account.

Audit requires that full amount along with interest accrued thereon be remitted into University's main account besides taking action against the persons responsible for the delay.

*(Para No.32 of AIR-University of the Punjab, Lahore-2011-12)*

### ***7.4.3 Un-economical printing of answer books for Rs.9.90 millions***

According to Rule 15 (2) under chapter-I of the Board calendar, it shall be the duty of the chairman to ensure that the provisions of this act, the regulations, rules and directions of the controlling authority are faithfully observed and carried out.

During audit of BISE Rawalpindi, it was observed that contract a for printing 900,000 answer books containing 32 leaves each @ Rs.11 was awarded to M/s 'The Packers' whereas tender was advertised in the newspaper for printing of 800,000 answer books having 20 leaves each. The firm originally offered rate of Rs. 6.99 per book which was subsequently enhanced to Rs.11 per book due to change in the scope of

procurement. It resulted into unauthorized procurement for Rs.9.90 millions, in violation of PPRA Rules.

Audit was of the view that instead of re-advertising the tender, the contract was awarded by changing the scope of procurement in order to provide undue financial benefit to the contractor.

Audit pointed out the matter during December 2012. In response to the preliminary audit observation the management replied that re-advertisement in the press could take a lot of time and due to emergency, the competent authority had decided to get the answer books printed from the same firm on enhanced rate which was calculated on the basis of per page rate on the recommendations of Board Purchase Committee in the interest of the Board. The reply was not satisfactory as re-advertisement was necessary for availing competitive rates.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 22.01.2013, directed to get the expenditure regularized from the competent authority. Further progress was not reported till the finalization of this report.

Audit emphasizes implementation of PPRA Rules in letter and spirit besides fixing responsibility for not obtaining competitive rates through re-advertising the tenders.

*(Para No.22 of AIR -BISE,Rawalpindi-2010-12)*

#### ***7.4.4 Irregular purchase of tonners and computer accessories for Rs.8.41 millions***

According to Rule 42 C (i) of Punjab Procurement Rules 2009, a procuring agency shall only engage in direct contracting if the procurement concerns the acquisition of spare parts or supplementary

services from original manufacturer or supplier provided that the same are not available from alternative sources.

During audit of BISE Rawalpindi, it was observed that toners and computer accessories worth Rs. 8.41 millions were purchased in violation of prescribed procurement rules and procedures. The required quotations were not invited for the reason that procurement was being made for proprietary items.

Audit was of the view that the decision taken by the Board to procure the items in question was against the provisions of PPR 2009.

Audit pointed out the matter in October 2012. In response to the preliminary audit observation, the management stated that the Board is fully competent to make any decision in the financial matters and the Board has declared these firms as proprietary as such the purchases from these firms stand regularized. The reply of the management was not tenable as the decision of Board was against the provisions of PPR 2009.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 22.01.2013, directed to terminate the contract and to get it regularized from competent authority.

Audit requires implementation of DAC directive.

*(Para No.19 of AIR - Board of Intermediate & Secondary Education, Rawalpindi-2010-12)*

#### **7.4.5 Non transfer of university funds into main account for Rs.3.49 millions**

According to Section 28 of University of Education Ordinance 2002, the University shall have a fund to which shall be credited its



income from fees, donations, trusts, bequests, endowments, contributions, grants and all other sources.

During audit of University of Education, it was noticed that the Government Teachers Training College Bank Road Lahore was declared as its sub campus in 2006. Therefore, all the balances of college funds were required to be transferred into the main account of the university but the stated amount was not transferred into main account of the university.

Audit was of the view that due to weak financial controls, the university failed to utilize the student funds properly.

Audit pointed out the matter in August 2012, the management stated that the principal concerned was requested to transfer the amount as pointed out by audit into university's main account.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 10.12.2012, directed to transfer the amounts in university's main account besides regularization of expenditure from syndicate. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive.

*(Para No.5 of AIR -University of Education Lahore-2011-12)*

#### **7.4.6 *Unlawful sanction of additional/double duty allowance for Rs.1.38 millions***

According to University Notification No. 264-72/Finance dated 10.10.2006, the additional charge may be allowed initially for three months, extendable upto six months. The payment of additional charge allowance is made @ 20% of basic pay subject to maximum of Rs.6,000

per month. Moreover, combination of appointments in terms of FR 49 should be made as a temporary measure and should not ordinarily be made for a period of more than 6 months.

During audit of University of the Punjab, for the year 2011-12, it was observed that additional/double duty allowance amounting to Rs.1.38 millions was paid on account of additional charge beyond 06 months without approval of Syndicate in 168 cases while no such powers were delegated by the Syndicate for approval of additional/double duty allowance.

Audit was of the view that non observance of rules resulted in unlawful grant of additional/double duty allowance amounting to Rs. 1.38 millions.

Audit pointed out the matter during August 2012. In reply, the management stated that the Vice-Chancellor was the competent authority to assign additional duties under section 15(4)(iv). It was a stop gap arrangement to run the day to day affairs in the interest of University. Therefore, there was no need to place the cases before the Syndicate. The reply was not acceptable as the University letter referred to above was very clear on the subject that the Vice Chancellor can grant additional charge for a period of three months, extendable upto six months only.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 02.01.2013, directed to recover the overpaid amount. Further progress was not reported till the finalization of this report.

Audit requires expeditious recovery besides fixing responsibility for allowing unlawful additional charge allowance granted beyond six months.

*(Para No.35 of AIR - University of the Punjab, Lahore-2011-12)*

### **7.4.7 Irregular appointments**

According to Article 2 (2) of University Calendar, the criteria for appointment of administrative officer is graduation with ten years office experience.

According to order of the Honorable Supreme Court of Pakistan dated 19.01.1993, circulated by the S&GAD vide No.SOR-III-2/91 dated 05.10.1995, no recruitment should be made against any post which is not advertised properly, no ad-hoc appointments should be converted into regular appointments without advertising the posts and no recruitment should be made without observing rules and prescribed procedures.

According to Universities Acts, the Registrar & Treasurer will be whole time officers of the university and shall be appointed by the Chancellor on the recommendation of the Govt.

During audit of Higher Education Department, it was observed that various appointments were made in violation of rules.

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>
1.	BZU Multan	2011-12	4
2.	Govt. Fatima Jinnah College for Women,	2011-12	6A
3.	Chuna Mandi, Lahore		6B
4.	University of the Punjab, Lahore	2011-12	24, 29, 35& 36

Audit was of the view that non-observance of rules and weak administrative controls resulted in irregular appointments.

Audit pointed out the matter during July to November 2012.

The matter was further reported to the administrative department during December 2012. Neither any reply was received nor DAC meeting convened till the finalization of this report.

Audit emphasizes strict adherence to the recruitment policy besides fixing responsibility for making appointment by violating the prescribed procedure.

### *Internal control weakness*

#### **7.4.8      *Non-adjustment of advances for Rs.105.08 millions***

According to rule 2.20 of PFR Vol-I, every payment including repayment of money previously lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of the claims.

During audit of the University of the Punjab, it was revealed that advances worth Rs. 105.08 millions were granted to University employees for various purposes during the financial year 2011-12 but those were not adjusted till the close of the financial year.

Audit was of the view that university did not frame requisite procedure for the timely adjustment of such advances which led to non adjustment of advances to the stated extent.

Audit pointed out the matter during August 2012. The management replied that due consideration was given to the adjustment of previous advance while allowing fresh advance. The reply of the management was not acceptable as it was not based on facts.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 02.01.2013, directed the management to adjust the advances forthwith.

Audit requires implementation of DAC directive besides fixing responsibility for allowing advances in violation of prescribed procedure.

*(Para No. 1 of AIR - University of the Punjab, Lahore-2011-12)*

#### **7.4.9 Excess printing of Answer Books for Rs.3.07 millions**

According to Rule 15 (2) under chapter-I of the Board calendar, it shall be the duty of chairman to ensure that the provision of Punjab Boards Act 1976, the regulations, rules and directions of the controlling authority are faithfully observed and carried out.

During audit of Higher Education Department, it was noticed that answer books, result gazettes and prospectus were printed in excess of actual requirement in the institutions as detailed below:

*(Rs. in millions)*

<b>Sr. No</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars</b>	<b>Amount</b>
1	BISE Faisalabad	2010-12	15	Excess printing of Answer books	1.12
2	BISE Rawalpindi	2010-12	7	Excess printing of Answer books	1.95
<b>Total</b>					<b>3.07</b>

Audit was of the view that due to negligence wasteful expenditure was incurred by the respective managements, the institutions sustained a loss for Rs. 3.07 millions.

Audit pointed out the matter December 2012. In response to the preliminary audit observations, the DDOs stated that the material was got

printed on the demand of the concerned branch. The reply was not satisfactory as unnecessary expenditure was incurred without any need.

The matter was further reported to the administrative departments during December 2012. DAC in its meetings held on 14.01.2013 and 22.01.2013, directed to utilize the surplus answer books elsewhere. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for incurring expenditure without any need.

***7.4.10 Un-authorized expenditure on account of POL/Repair for Rs.3.50 millions***

According to Rule 6 (iii) of Chapter (vi) of University Financial Rules, the university vehicles may, under special circumstances and with the previous permission of the Head of the Department, be used for private purpose on payment of charges.

During audit of the University of the Punjab, it was revealed that five vehicles were allocated to Academic Staff Association (ASA) without any lawful authority. The POL and repair and maintenance amounting to Rs.3.50 millions were borne by the university during the financial year. It was further transpired that the ASA rented out these vehicles and the amount of rent was deposited in the Association's account instead of university receipt account. Further, the closing balance of the account was Rs.1.96 millions as on 30.06.2012 out of which an amount of Rs. 0.35 million was drawn from July 2011 to June 2012, but vouched account was not produced to Audit. The allocation of vehicles to ASA, commercial usage and deposit of rent into ASA's account was without any lawful authority.

Audit was of the view that lack of financial and administrative controls led to an unauthorized expenditure besides misuse of university assets.

Audit pointed out the matter during August 2012.

The matter was further reported to the Administrative department in December 2012. DAC in its meeting held on 02.01.2013, directed the management to retrieve the vehicles from ASA and place the same to university's transport pool. Further, expenditure on this account be stopped forthwith besides effecting recovery. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing responsibility for misuse of university assets.

*(Para No. 23 of AIR- University of the Punjab, Lahore-2011-12)*

#### ***7.4.11 Unauthorized retreat of faculty and staff members for Rs.1.10 millions***

According to Rule 12 (i) of Fatima Jinnah Women University, Rawalpindi Act 1998, the VC shall be the principal executive and academic officer of the university and shall ensure that the provisions of this ordinance, the statutes, the regulations and the rules are faithfully observed in order to promote the general efficiency and good order of the university.

During audit of Fatima Jinnah Women University Rawalpindi, it was revealed that two groups of university faculty and the staff visited Austria for retreat purpose. An amount of Rs. 2.83 millions was spent on their visit out of university account. Later on, Rs.1.73 millions were reimbursed by the university faculty/staff and rest of the amount of

Rs.1.10 millions was borne by the university unlawfully being personal visit of faculty and staff of the university.

Audit was of the view that due to weak financial and management controls, the loss of Rs. 1.10 millions was caused to the institution.

Audit pointed out the matter during October 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 22.01.2013, directed the management to provide justification for the expenditure otherwise effect recovery of the amount spent unauthorizedly. Further progress was not reported till the finalization of this report.

Audit requires recovery of the amount besides fixing responsibility for unauthorized expenditure.

*(Para No. 36 of AIR -Fatima Jinnah Women University, Rawalpindi-2011-12)*

#### **7.4.12 Loss due to missing books worth Rs.2.50 millions**

According to Rule 2.33 of PFR Vol-I, every person is held personally responsible for any loss sustained to government through fraud or negligence on his part.

During audit of Bahauddin Zakariya University Multan, it was observed that 8331 library books were missing since long.

Audit was of the view that a loss of Rs. 2.50 millions occurred due to weak internal controls and supervisory mechanism.

Audit pointed out the matter during November 2012.



The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 14.12.2012, directed to keep the para pending for decision of the syndicate on the issue.

Audit requires fixing of responsibility and retrieval of the books from the defaulting officers/officials.

*(Para No. 5 of AIR -Bahauddin Zakariya University, Multan-2011-12)*

### ***Recovery and overpayments***

#### ***7.4.13 Payment of inadmissible allowances for Rs.27.75 millions***

According to Finance Department letter No.106(SR)IV/7 dated 18.08.1977, conveyance allowance is not admissible during leave including LPR. Moreover, as per Finance Department letter No. FD (M-I) 1-15/82-P-I dated 15.01.2000, the drawl of house rent allowance is not permissible to the officers/officials to whom government residences have been provided. In addition 5% maintenance charges are also required to be deducted from the salary of officers/officials who have been allotted official accommodation. Furthermore, as per Finance Department letter No. SO(AB-I)3-9/89 dated 25.04.1989 orderly allowance is admissible only to the officers of BPS-20 and above working in the Punjab Civil Secretariat.

During audit of 12 institutions of Higher Education Department, it was observed that contrary to the above provisions, the payment of conveyance, house rent and orderly allowance was made to the non-entitled officers/officials (Annexure-12).

Audit was of the view that payment of inadmissible allowances worth Rs. 27.75 millions was made due to weak financial controls.

Audit pointed out the matter during July to November 2012.

The matter was further reported to the administrative department during November and December 2012. DACs in its meetings held during November 2012 to January 2013, directed the department to effect balance recoveries. Further progress was not reported till the finalization of this report.

Audit requires recovery of inadmissible allowances from the concerned at the earliest besides fixing responsibility.

#### ***7.4.14 Non deposit of government receipts worth Rs.8.69 millions***

According to Rule.7 (1) under Section V of Treasury Rules, all moneys received by or tendered to, government servants on account of revenues of the province, as defined in section 136 of the act, shall without undue delay be paid in full into the treasury or into the bank shall be included in the Public Account of the Province.

During audit of Higher Education Department, it was observed that tuition/admission fee to the stated extent realized from the students was not deposited into government treasury as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars</b>	<b>Amount</b>
1.	Govt. PG Islamia College (W) Cooper Road, Lahore	2011-12	1	Non-deposit of Govt. Receipts	4.81
2.	Govt. PG College (Boys) Sahiwal	2006-12	3	Non-deposit of tuition/admission fee	3.88
<b>Total</b>					<b>8.69</b>

Audit was of the view that weak financial and supervisory controls deprived the government of revenue of Rs. 8.69 millions.

Audit pointed out the matter from August to October 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 22.11.2012, directed the department to deposit the amount into government treasury. Further progress was not reported till the finalization of this report.

Audit requires that government receipts along with interest be deposited into government treasury besides fixing of responsibility.

#### ***7.4.15 Non- deduction of income tax for Rs. 6.59 millions***

According to Section 153 (1) of income tax ordinance 2001, income tax is required to be deducted at source @ 3.5% on supply of goods and 6% on services rendered respectively.

During audit of 10 institutions of Higher Education Department, it transpired that payments were made to different contractors and employees of institutions but income tax worth Rs. 6.59 was not deducted at source (Annexure-13).

Audit was of the view that weak internal controls and financial management led to non deduction of income tax.

Audit pointed out the matter during July to November 2012.

The matter was further reported to the administrative department during November 2012. DACs in its meetings held during December 2012

to January 2013, directed the department to pursue the cases with court and effect recoveries. Further progress was not reported till the finalization of this report.

Audit requires to effect recovery from the concerned besides fixing responsibility.

**7.4.16 Non deposit of lease money of canteens and shops worth Rs. 10.45 millions**

According to Section V of Rule 7 (1) Treasury Rules (Government of Punjab), all moneys received by or tendered to, Government servants on account of revenues of the province, as defined in section 136 of the act, shall without undue delay be paid in full into the treasury or into the bank shall be included in the Public Account of the Province.

During audit of seven institution of Higher Education Department, it was observed that contracts were awarded to the different contractors but the lease money/rent thereof for the year 2011-12 was not recovered and deposited into the government treasury as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars</b>	<b>Amount</b>
1	Fatima Jinnah Women University, Rawalpindi	2011-12	13	Recovery from contractors	6.11
2	Government Post Graduate College for Women Samanabad, Lahore	2011-12	4	Deposit of lease money in college account instead of government account.	1.61

3	Government Zamindar College Gujrat	2006-12	1	Recovery of canteen rent and income tax	1.50
4	Government Post Graduate Islamia College for Women Cooper Road, Lahore	2011-12	2	Deposit of lease money in college account instead of government account.	0.63
5	UET Taxila	2011-12	25	Recovery from contractors	0.32
6	BZU Multan	2011-12	10	Non-recovery of rent of Canteen & shops	0.18
7	University of Education Lahore	2011-12	58	Recovery of Canteen rent	0.10
<b>Total</b>					<b>10.45</b>

Audit was of the view that due to weak financial controls on receipts, the government had to sustain a loss of Rs. 10.45 millions.

Audit pointed out the matter during December 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meetings held on 30.11.2012, 14.12.2012 and 22.01.2013, directed the department to pursue the case with court and effect balance recoveries. Further progress was not reported till the finalization of this report.

Audit requires recovery of lease money and fixing of responsibility for non deposit of lease money into government treasury.

**7.4.17 Non recovery of utility charges from the contractors for Rs.10.23 millions**

According to Rule 4.1 of PFR Vol.-I, the departmental controlling officers should accordingly see that all sums due to Government are regularly received and checked against demands, and that they are paid into the treasury.

During audit of Higher Education Department, it was observed that an amount of Rs. 10.23 millions on account of utilities bills was outstanding against different canteen/shop contractors as detailed below.

*(Rs. in millions)*

<b>Sr. No</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars of Non/less recovery</b>	<b>Amount</b>
1.	University of the Punjab, Lahore	2011-12	15	Electricity charges	8.75
2.	BZU Multan	2011-12	3	Electricity & gas charges	0.96
3.	Govt. Islamia Degree College Sambrial	2008-11	2	Electricity charges	0.28
4.	UET Lahore	2011-12	22	Sui gas charges	0.24
<b>Total</b>					<b>10.23</b>

Audit was of the view that due to weak financial controls the government was deprived of revenue to the stated extent.

Audit pointed out the matter during July to November 2012.

The matter was further reported to the administrative department during November 2012. DACs in its meetings held on 14.11.2012, 14.12.2012 and 02.01.2013, directed the department to effect balance recoveries. Further progress was not reported till the finalization of this report.

Audit requires to effect recovery from the concerned besides fixing responsibility.

**7.4.18 *Loss of potential earning for Rs.6.83 millions***

According to section 15 (a)(3)(a) of University of Education Ordinance 2002, the Treasurer shall manage the property, the finances and the investments of the university.

During audit of University of Education, it was noticed that university gardens located at Okara campus were auctioned to various contractors for Rs. 8.22 millions. The contractors absconded and the university could recover only Rs.1.39 millions in shape of forfeiture of earnest money and 1<sup>st</sup> installment. The university failed to recover the balance amount Rs. 6.83 millions from the contractors.

Audit was of the view that due to weak supervisory and management controls, the university sustained a loss of revenue to the stated extent.

Audit pointed out the matter during September 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 11.12.2012, directed the department to effect recovery.

Audit requires recovery of the stated amount and fixing responsibility.

*(Para No. 4 of AIR- University of Education Lahore-2011-12)*

**7.4.19 *Non collection of fee from the students for Rs.1.20 millions***

According to Rule 3.2 under section-III of the UET Taxila, Financial Rules 2012, university or any person generally or specially authorized by it may apply to the collector for recovery of any sum due to

the university. Moreover, as per Rule 16 (3) (a) of UET, Taxila Act, 1994, the treasurer shall manage the property, the finances and the investment of the university.

During audit of University of Engineering and Technology Taxila, it was noticed that outstanding fee from undergraduate students worth Rs. 1.20 millions was not collected.

Audit was of the view that due to weak supervisory and management controls, the university sustained loss to the stated extent.

Audit pointed out the matter during December 2012.

The matter was further reported to the Administrative department during November 2012. DAC in its meeting held on 22.01.2013, directed to department to recover the balance amount. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for non collection of dues.

*(Para No. 9 of AIR -UET Taxila-2011-12)*

#### **7.4.20 Non deposit of university receipts for Rs.1.91 millions**

According to Section V of Rule 7 (1) of Treasury Rules (Government of the Punjab), all moneys received by or tendered to, Government servants on account of revenues of the province, as defined in section 136 of the act, shall without undue delay be paid in full into the treasury or into the bank shall be included in the Public Account of the Province. Moreover, Section 28 of University of Education Ordinance 2002 states that the University shall have a fund to which shall be credited its income from fees, donations, trusts, bequests, endowments, contributions, grants and all other sources.



During audit of University of Education Lahore, it was noticed that room rent charges of hostel worth Rs.1.91 million collected from students was deposited into hostel charges account instead of university main account.

Audit was of the view that due to weak financial controls university receipt were not deposited in university's main account.

Audit pointed out the matter during December 2012.

The matter was further reported to the Administrative departments during November 2012, DAC in its meeting held on 14.11.2012, directed the department to transfer the amount into university's main account.

Audit requires that the amount in question along with interest be deposit into university main account besides fixing of responsibility.

*(Para No. 7 of AIR - University of Education Lahore-2011-12)*

#### ***Others***

#### ***7.4.21 Unlawful auction of marriage lawns for Rs.21 millions***

According to Financial Rule-III(2) of the University of the Punjab, as far as possible the opportunities to lease shops or other places shall be advertised in the press by the committee constituted by the Vice Chancellor.

During audit of University of Punjab, it was observed that four marriage lawns were leased out for Rs. 21 millions on annual rent basis to M/s Dean Caterers and M/s Moon Caterers for three years without inviting competitive rates. The tender was floated only for catering facilities but subsequently these lawns were leased out as a whole on the basis of annual rent in violation of conditions of the tender.

Audit was of the view that unlawful auction occurred due to weak financial and administrative control.

Audit pointed out the matter during August 2012. The management replied that tenders were invited through press and university website. The reply was not acceptable as tender was floated only for catering facilities and not for auction of marriage lawns as a whole.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 02.01.2013, directed the department to cancel the unlawful auction immediately, proceed for re-auction besides fixing of responsibility. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive.

*(Para No. 12 of AIR - University of the Punjab, Lahore-2011-12)*



## **CHAPTER 8**

### **HOME DEPARTMENT**

#### **8.1 Introduction**

Home Department comprises six attached departments. As per Rules of Business, 1974 (amended to-date), the department has been assigned the business of:

- Public Order and internal Security.
- Arms, ammunition & military stores.
- Matter relating to police establishment and administration institutions.
- Prisons, reformatories, remand homes, borstal and similar institutions, classification and transfer of prisoners; state, political and martial law prisoners, good conduct prisoners and Probation Release Act.
- Protection of key points and vital installations.
- Recovery of missing persons.
- Enforcement of provisions of Motor Vehicle Ordinance, 1965 and rules thereunder relating to control of traffic and inspection and checking of motor vehicles for the purpose of traffic control.
- Appointment of non-official visitors for the jail.
- Hoarding and Black-marketing.
- Civil Defence and Afghan Refugees.

## 8.2 *Comments on Budget & Accounts (Variance Analysis)*

### *Introduction*

The Appropriation Accounts of Home Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### *Summary of Appropriation Accounts*

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original Grant</b>	<b>Supplementary Grant/Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditures</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
PC21010	2,184.232	(780.118)	1,404.114	1,266.059	(138.055)
PC21012	4,068.730	721.415	4,790.145	4,736.036	(54.109)
PC21013	52,116.785	7,207.293	59,324.078	58,231.954	(1,092.124)
PC21031	1,908.665	17.358	1,926.023	1,802.148	(123.875)
PC22032	45.965	.001	45.966	43.846	(2.119)
PC22036	1,937.590	(517.776)	1,419.814	1,183.806	(236.007)
<b>Total</b>	<b>62,261.967</b>	<b>6.648.17</b>	<b>68,910.14</b>	<b>67,263.849</b>	<b>(1,646.289)</b>

### *Overview of Expenditure*

The total budget of Home Department for the Financial Year 2011-12 was Rs. 68,910.14 millions. Out of this amount the actual expenditure was Rs. 67,263.849 millions. The breakup of current and development expenditure is given below:

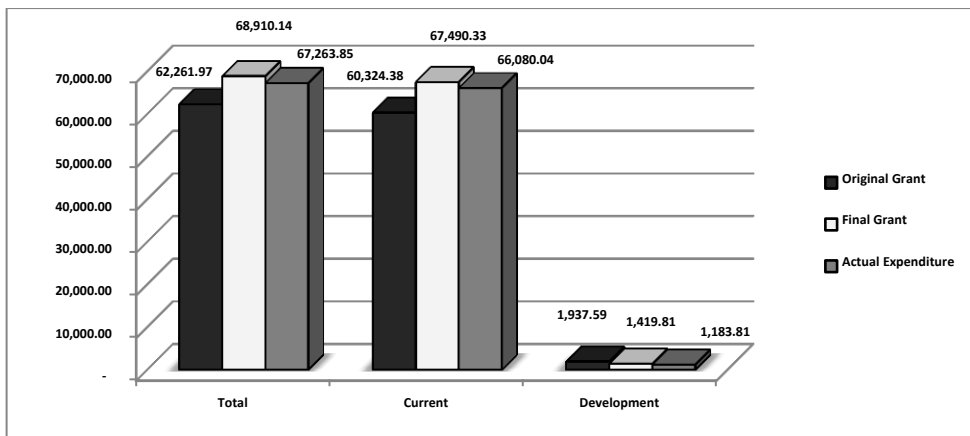
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	60,324,377,000	66,080,043,201	5,755,666,201	9.54
Development	1,937,590,000	1,183,806,408	(753,783,592)	38.90
<b>Total</b>	<b>62,261,967,000</b>	<b>67,263,849,609</b>	<b>5,001,882,609</b>	<b>8.03</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

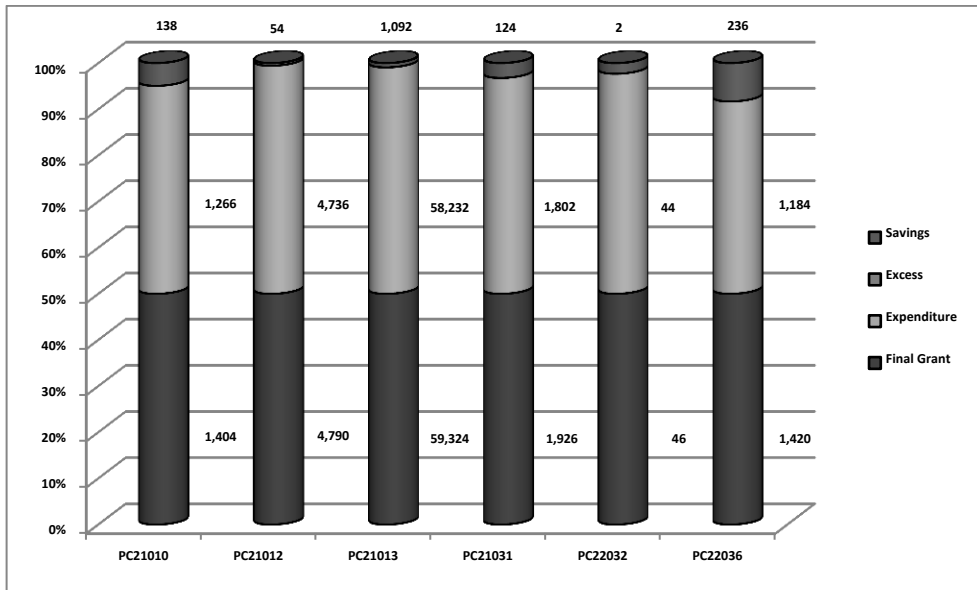
(Amount in Rupees)

Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
Current	67,490,326,000	66,080,043,201	(1,410,282,799)	2.09
Development	1,419,814,000	1,183,806,408	(236,007,592)	16.62
<b>Total</b>	<b>68,910,140,000</b>	<b>67,263,849,609</b>	<b>(1,646,290,391)</b>	<b>2.39</b>



***Anticipated savings not surrendered***

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to Rs. 1,646.290 millions at the close of the year 2011-12 under grants PC21010, PC21012, PC21013, PC21031, PC22032 & PC22036 had not been surrendered.



### 8.3 *Brief comments on the status of compliance with PAC Directives*

The status of compliance with PAC Directives, for reports discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1985-86	35	34	1	97
2	1986-87	25	21	4	84
3	1987-88	22	16	6	73
4	1988-89	96	76	20	79
5	1989-90	10	2	8	20
6	1990-91	30	15	15	50
7	1991-92	27	14	13	52
8	1992-93	19	6	11	42
9	1993-94	11	6	5	55
10	1994-95	21	4	17	19
11	1995-96	16	1	15	6
12	1996-97	38	13	25	34
13	1997-98	122	47	75	39
14	1998-99	118	50	68	42
15	1999-00	176	88	88	50
16	2001-02	106	62	44	59
17	2002-03	25	8	17	32
18	2003-04	23	5	18	22
19	2004-05	20	9	11	45
20	2005-06	28	12	16	43
21	2006-07	139	62	77	45
22	2009-10	37	13	24	35
<b>Total</b>		<b>1144</b>	<b>564</b>	<b>578</b>	<b>49</b>

The compliance with PAC Directives in Home Department is better than other departments. However, the situation needs improvement.



## 8.4 AUDIT PARAS

### *Fraud-Misappropriation*

#### 8.4.1 *Misappropriation of store articles, POL and cash for Rs. 10.83 millions*

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 through fraud or negligence on his part.

During audit of Home Department, it was revealed that the store articles were misappropriated by the ex-store keeper from New Central Jail Multan during the period December 2004 to September 2008. While, examining the account of CPO, Faisalabad it was transpired that POL and cash was misappropriated by the Accountant of Police Welfare Petrol Pump Faisalabad. Inquiries were duly conducted by the department and misappropriation/embezzlement was proved as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Items misappropriated</b>	<b>Amount</b>
1	Superintendant New Central Jail Multan	2008-11	1	Store articles	5.87
2	City Police Officer Faisalabad	2011-12	1	POL	4.96
<b>Total</b>					<b>10.83</b>

Audit was of the view that negligence besides lack of internal controls led to misappropriation of assets.

Audit pointed out the matter during April and September 2012.

The matter was further reported to the Administrative department during June and November 2012. DAC in its meeting held on 01.11.2012, directed the department to recover the amount. Further progress was not reported till finalization of this report.

Audit requires expeditious recovery besides fixing responsibility for not taking appropriate steps in time to safeguard government assets.

#### **8.4.2      *Embezzlement/ Misappropriation for Rs.4.92 millions***

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 through fraud or negligence on his part.

During audit of Home Department Government of Punjab, it was revealed that an amount of Rs. 4.92 millions was drawn from government treasury for paying outstanding utility bills, POL, rent of building, newspaper charges, purchase of stationery and repair of transport. But payment was not made. The payees' receipts, paid bills were not produced by the department. The inquiry conducted by the department proved that Accountant was responsible for the misappropriation/embezzlement.

Audit was of the view that negligence and lack of financial controls led to misappropriation/embezzlement of Rs. 4.92 millions.

The matter was pointed out in August 2012.

The matter was further reported to the Administrative department in December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires expeditious recovery of misappropriated funds besides fixing responsibility.

*(Para No. 6 of AIR-SP Special branch Gujranwala-2011-12)*

***Non production of record***

**8.4.3 Non production of Record worth Rs. 89.76 millions**

According to Section 14 of the Auditor General’s (Function, Power and Terms and Conditions of Service) Ordinance 2001 provides that the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information. Any person or authority hindering the functions of the Auditor-General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules.

During audit of Home Department, it was observed that expenditure was incurred on purchase of store and stock articles but the department did not produce record regarding their utilization/consumption as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Nature of record</b>	<b>Amount</b>
1	SSP RIB Gujranwala,	2007-11	2	Stationery	0.09
2	S.P Traffic Punjab, DG Khan	2008-11	2	Paid vouchers/ TA Bills	2.80
3	S.P Traffic Punjab, DG Khan	2008-11	8	Hot & cold, Stationery etc	0.74
4	DG M&I Punjab Highway Patrolling Police, Lahore	2005-11	14	Stationery	1.88
5	DG M&I Punjab Highway Patrolling Police, Lahore	2005-11	23	Other store articles	0.69

6	Sub Jail Chakwal	1998-2011	1	Vouched Account	2.64
7	DPO Hafizabad	2011-12	9	Vouched Account	54.29
8	DPO Hafizabad	2011-12	13	Vouched Account	2.32
09	CTO, Lahore	2011-12	14	Log books	3.01
10	SP, Traffic, Bahawalpur	2011-12	1	Paid vouchers	21.30
<b>Total</b>					<b>89.76</b>

Audit was of the view that weak supervisory controls resulted in non production of relevant record due to which the authenticity of accounts could not be verified.

Audit pointed out the matter during March, April and October 2012.

The matter was further reported to the Administrative department during December 2012. DAC in its meeting held on 15.01.2013, directed the department to produce record for audit. Further progress was not reported till the finalization of this report.

Audit requires that responsibility be fixed besides production of record without further delay.

#### *Irregularity and non compliance*

#### **8.4.4 *Unauthorized mode of payment of salaries for Rs.721.59 millions***

According to Government of the Punjab Finance Department letter No. SO (TT) 2-2/72-Pt-I dated 19.07.2008, monthly salary of all government employees may strictly be disbursed through their bank accounts alone, failing which the salary of defaulting employees may be stopped.

During audit of 18 offices of Home Department, it was revealed that salaries of the officers/officials were paid on manual bills instead of paying the same through their bank accounts on computerized Pay Roll system. Audit could not ascertain the authenticity of payment through manual bills because supporting record like LPC, transfer orders, sanctioned strength of police force etc. were not produced to audit for verification (Annexure-14).

Audit was of the view that weak financial and management controls led to unauthorized mode of payment of salaries amounting to Rs.721.59 millions.

Audit pointed out the matter in April and November 2012.

The matter was further reported to the Administrative department during January to November 2012. DAC in its meetings held on 27.09.2012, 08.01.2013 and 15.01.2013, directed the department to get the payments condoned from the Finance Department. Further progress was, however, not reported till finalization of the report.

Audit requires implementation of DAC directive besides fixing responsibility.

#### ***8.4.5 Non submission of vouched account for Rs. 72.86 millions***

According to Para 72 of CPWA Code, every payment including repayment of money provisionally lodged with government for whatever purpose must be supported by a voucher setting forth full and clear particulars of claim and all information necessary for its proper classification and identification in the accounts.

During audit of the Project Director Forensic Science Agency Lahore, it was revealed that an amount of Rs 72.86 millions was paid to Land Acquisition Collector Lahore, on account of purchase of additional 28 Kanal 16 Marla land. But the vouched account was not shown to audit.

Audit was of the view that weak financial discipline resulted in non submission of vouched account.

Audit pointed out the matter in March 2012.

The matter was further reported to the administrative department in October 2012. DAC in its meeting held on 06.12.2012, directed the department to produce vouched account within one month.

Audit requires implementation of DAC directive.

*(Para No. 69 of AIR-PIU, PMU, Forensic Science Agency -2009-11)*

#### **8.4.6      *Blockage of capital worth Rs. 62.60 millions***

According to Rule 15.21(4) & (5) of PFR Vol-I, stores, in many cases, represent a locking up of capital which is not justifiable unless essential and purchase and retention of store in excess of the probable requirement of the department in the near future may result in loss to Government through deterioration. Moreover, Rule ibid also provides that balances of stores should not be held in excess of the requirements of a reasonable period or in excess of any prescribed maximum limit.

During audit of Home Department, it was observed that machinery, equipment and other stores worth Rs.62.60 millions were purchased but were not installed/utilized and were lying in stores as detailed below.

(Rs. in millions)

Sr. No.	Name of formation	Period of Audit	Para No. of AIR	Amount
1.	DG (M&I) PHP Lahore.	2011-12	11	45.16
2	DG, Punjab Emergency Service 1122, Lahore.	2010-12	3	10.43
		2010-12	18	4.66
3	CTO, Lahore.	2011-12	8	2.35
<b>Total</b>				<b>62.60</b>

Audit was of the view that weak financial and management controls led to irregularity.

Audit pointed out the matter from March to October 2012.

The matter was further reported to the administrative department during the month of December 2012. DAC in its meeting held on 08.01.2013 directed the department to fix responsibility for delay in making the PHP posts operational and getting the matter regularized from the competent authority. Further progress was, however, not reported till finalization of this report.

Audit requires implementation of DAC directive.

#### ***8.4.7 Unauthorized sanction of expenditure for Rs.38.62 millions***

According to Rule 2(b) (i) of Delegation of Financial Powers Rules, 2006, Administrative department is competent to accord the sanction of expenditure on “Stationery including Toners, Ribbons, and Computer related Stationery” up to Rs. 500,000, Category Officer-I is competent to accord sanction up to Rs. 400,000 and Category Officer-II is competent to accord sanction up to Rs. 300,000 during a financial year. Moreover, as per Rule 2 (b) (xxv) *ibid*, City Police Officer being a category-I Officer is competent to accord sanction to incur expenditure up

to Rs. 2,00,000 under the head “Other”. As per Rule2 (b) (XXV) (a) and (b) of delegation of power the officer of category III was competent to accord the sanction of expenditure on “ Medicine” up to Rs.10,000 and 40,000.

Contrary to above, during audit of 25 offices of Home Department, it was revealed that various formations got printing work done and purchased stationery items, computer stationery, medicines and other items worth Rs. 38.62 millions beyond delegated financial powers (Annexure-15).

Audit was of the view that weak financial discipline resulted in such an irregularity.

Audit pointed out the matter during February to April and July to October 2012.

The matter was further reported to the administrative department during the month of December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires that responsibility be fixed for violating the delegation of financial powers.

#### **8.4.8      *Unauthorized mode of payment for Rs. 20.85 millions***

According to Rule 4.49(a) of Subsidiary Treasury Rules read with Finance Department letter No. FD (FR)V-6/75(P) dated 20.06.2007, payments exceeding Rs.100,000 shall be made through cheque instead of cash.

During audit of Home Department, it was revealed that various formations contrary to above, made payments of Rs. 100,000 and above in cash as detailed below.



(Rs. in millions)

Sr. No.	Name of Formation	Period of Audit	Para No. of AIR	Amount
1	SSP PC Battalion- I, Lahore	2009-11	6	4.00
2	DPO, Jhang	2011-12	2	0.56
3	District Jail, Lahore	2011-12	10	3.92
4	CPO, Faislabad	2011-12	11	11.18
5	DPO Bahawalpur	2011-12	7	1.19
<b>Total</b>				<b>20.85</b>

Audit was of the view that weak financial discipline and lack of effective administrative supervisory controls led to unauthorized payment of Rs. 20.85 millions.

Audit pointed out the matter during May, July and September 2012.

The matter was further reported to the administrative department during the month of December 2012. DAC in its meeting held on 15.01.2013, directed the department to get the payment regularized from the competent authority. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing of responsibility for disregard to rules.

#### **8.4.9 Irregular expenditure on cost of investigation for Rs.9.87 millions**

According to Rule 8.5 of PFR Vol-I, actual payee receipt duly stamped where necessary, showing, showing full particulars, of the charges, should invariably be obtained, when making payments of claims against Government. Moreover, as per Rule 2.33 *ibid*, 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. Furthermore, Addl. Inspector General Police, Investigation Branch, Punjab vide letter no. 1/2005 dated 28.06.2005 and letter no.4710-4820/RA dated 14.07.2008 issued guidelines regarding expenditure to be incurred under head cost of investigation.

During audit of Home department, it was revealed that an expenditure of Rs. 9.87 millions was incurred on provision of food to prisoners and fare charges of vehicles used for raiding and capturing the culprits. The expenditure was held irregular as FIR Ledger register was not maintained. Actual payee receipts and certificate regarding non provision of official vehicle were not available. Moreover, acquaintance roll were not authenticated by the SP/Investigation as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Para No. of AIR</b>	<b>Period of Audit</b>	<b>Amount</b>
1.	DPO, Gujrat	2	2011-12	1.98
2.	CPO, Faislabad	6	2011-09	4.88
3.	DPO Sargodha	7	2011-12	0.20
4.	SP, RIB Sargodha	3	2007-12	0.22
5.	DPO, Hafizabad	7	2011-12	0.16
6.	CPO, Gujranwala	9	2011-12	0.36
7.	DPO, Khushab	4	2011-12	0.63
8.	DPO, Layyah	9	2011-12	1.44
<b>Total</b>				<b>9.87</b>

Audit was of the view that weak financial and supervisory controls led to irregular expenditure of Rs. 9.87 millions.

Audit pointed out the matter during August to September 2012.

The matter was further reported to the administrative department during the month of December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires fixing of responsibility besides strengthening of supervisory and financial controls.

#### ***8.4.10 Unauthorized construction of building for Rs.5.48 millions***

According to Government of the Punjab Finance Department letter No. FD (FR)II-2/89 (Police Department) dated 27.03.2008, it was clarified that present limit of work order in C&W i.e. Rs.50,000 in each case, would also be applicable in the maintenance and repair works in police tender pertaining to M&R works exceeding the value of Rs.50,000 would be called through wide publicity, in the prescribed manner.

During Audit of Director General (Monitoring & Inspection) Punjab Highway Patrolling Police Lahore, it was observed that a sum of Rs. 5.08 million was already paid to the Punjab Information Technology Board on account of advance rent of building for the period from 01.04.2009 to 31.05.2016. Subsequently, a sum of Rs.5.48 million was paid to a private contractor on account of construction of third storey of hired building, which is to be adjusted after the expiry of the previous advance paid rent. The following irregularities were noticed:

- No rough cost estimate was prepared.
- Technical sanction was not obtained.
- Measurement book was not shown to audit.
- Completion report was not obtained.
- Sanction of competent authority was not obtained.
- Old/ damage material was not entered in Dead Stock Register.

Audit was of the view that weak financial and supervisory controls led to irregular payment to the stated extent.

Audit pointed out the matter during March 2012.

The matter was further reported to the Administrative department during the month of September 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires that matter be inquire at administrative level for fixing responsibility for payment of advance payment for construction of third story of hired building and strengthening supervisory and financial control.

*(Para No. 1 of AIR- D.G. (M&I) Punjab Highway patrolling Police Lahore-2005-11)*

#### ***8.4.11 Purchase of items not mentioned in the tender documents for (USD 14,400) PKR 1.21millions***

According to Rule 12(1) of PPR 2009, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency.

During audit of Punjab Forensic Science Agency/Laboratory, it was observed that tender for purchase of ovens, refrigerators, baths, stirrers etc. was floated in press. The bid of M/s M. Ayub Brothers, Lahore was accepted. However, the Performa Invoice dated 02.04.2010 for USD 14,400 revealed that acceptance was for purchase of "*Centrifuge machines manufactured by UK*" whereas these items were neither mentioned in the tender documents nor quoted by the bidders in their quotations. Moreover, the purchase was not approved by the Project Steering Committee.

Audit was of the view that the evasion of rules led to unauthorized and non-transparent expenditure.

Audit pointed out the matter during February 2012.

The matter was further reported to the administrative department in September, 2012. DAC in its meeting held on 28.09.2012, directed the department to seek regularization. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for non adherence to rules.

*(Para No. 22 of AIR-PIU, PMU, Forensic Science Agency -2009-11)*

### ***Internal control weakness***

#### ***8.4.12 Consumption of POL beyond prescribed ceiling for Rs. 243.87 millions.***

According to Chief Secretary Punjab's Circular letter No.PA/DG(G) 1.57/90 dated 03.07.1991, the officers/officials using patrolling/operational vehicles in Police Department will adhere to the prescribed ceiling of POL. However, journeys performed outside the Municipal limits for official duties and duty entered in the log book from point to point shall be in addition to the above mentioned fuel limits prescribed for the duties within the Municipal limits.

During audit 68 offices of Home Department, it was observed that operational/patrolling vehicles were consuming POL more than the prescribed ceiling (Annexure-16).

Audit was of the view that weak financial and supervisory controls led to consumption of POL over and above the ceiling and thus unauthorized expenditure of Rs. 243.87 million.

Audit pointed out the matter during January to November 2012.

The matter was further reported to the administrative department during January to November 2012. DACs in its meetings held during

September 2012 to January 2013, directed the department to seek regularization from the Finance Department. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for non adherence to rules.

**8.4.13 Likely misappropriation for Rs. 34.05 millions.**

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 through fraud or negligence on his part.

During audit of Home Department, it was observed that an amount of Rs. 34.05 millions was drawn from government treasury on account of utility charges, POL, stationery charges and repair of machinery/transport but the same was neither paid to the concerned quarters nor actual payee receipts/paid copies of utility bills were produced. Further, on physical verification of speedometers of vehicles and on its comparison with the entries of log books, it was revealed that log books were showing excess mileage covered than the actual meter reading of vehicles as detailed below.

*(Rs. in millions)*

Sr. No.	Name of formation	Period of Audit	Para No. of AIR	Items of expenditure	Amount
1	City Police Officer, Faisalabad.	2011-12	3	POL	16.69
2	District Police Officer, Hafizabad.	2011-12	3	POL	15.88
3	Regional Police Officer, Sargodha.	2010-12	1 & 3	Utility charges, POL, stationery charges and repair of machinery/transport.	0.93

4	Superintendant of Police, Regional Investigation Bureau, Sargodha.	20007-12	2	Stationery & utility charges	0.28
5	Regional Police Officer, Sargodha.	2011-12	2	POL	0.27
<b>Total</b>					<b>34.05</b>

Audit was of the view that negligence of the management besides lack of internal controls led to misappropriation.

Audit pointed out the matter during July and September 2012.

The matter was further reported to the administrative department during October and November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till the finalization of this report.

Audit requires expeditious recovery besides fixing responsibility for not taking appropriate steps in time to safeguard government assets.

***8.4.14 Expenditure incurred on purchase of substandard dietary articles for Rs.9.46 millions***

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 through fraud or negligence on his part.

During audit of District Jail Faisalabad, it was revealed that an expenditure of Rs. 9.46 million was incurred on purchase of dietary articles (Vania packed milk, Shams cooking oil and tea leaves) which were declared substandard by the Inspector General (Prisons) Punjab.

Audit pointed out the matter in September, 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 08.01.2013, directed the department to take action against the persons responsible. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive.

*(Para No.1 of AIR--District jail, Faisalabad 2011-12)*

#### **8.4.15 Double drawl of POL charges for Rs.1.67 millions**

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 through fraud or negligence on his part.

During audit of Regional Investigation Bureau Sargodha, it was observed that POL charges for Rs.1.67 million were drawn twice from government treasury.

Audit was of the view that weak financial and supervisory controls led to double drawl/embezzlement of POL charges.

Audit pointed out the matter to the management in September 2012.

The matter was further reported to the administrative department in November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires that matter be inquired to fix responsibility besides recovery of embezzled amount.

*(Para No.1 of AIR-SP RIB Sargodha-2007-12)*



### ***Recovery and overpayments***

#### ***8.4.16 Non recovery of police guard charges for Rs. 172.98 millions***

According to Rule 4.7(1) of PFR Vol-I, it is primarily the responsibility of the departmental authorities to see that all revenue, or other debts due to Government, which have to be brought to account, are correctly and promptly assessed, realized and credited to Government account. Moreover, Rule 2.37 *ibid* says that the payment shall be required in all cases where a Govt. department renders services or made supplies to a non Government body/institution.

During audit of 25 offices of Home Department, it was revealed that police guard services were provided to various departments, autonomous bodies and banks but the amount of service charges was not recovered (Annexure-17).

Audit was of the view that ineffective supervisory/management controls led to non recovery of government dues of Rs. 172.98 million.

Audit pointed out the matter during January to September 2012.

The matter was further reported to the administrative department from April to October 2012. DAC in its meeting held on 27.09.2012, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit requires that strenuous efforts be made to recover the outstanding government dues.

#### ***8.4.17 Less recovery of traffic fines for Rs.72.97 millions***

According to Rule 4.1 of PFR Vol-I, the departmental controlling officer should see that all sums due to government are regularly received and checked against demands, and that they are paid into the treasury.

During audit of 19 offices of Home Department, it was observed that fine for Rs. 758.62 million was imposed, out of which an amount of Rs. 685.65 million was recovered and deposited. Balance of Rs. 72.97 million was recoverable till finalization of this report (Annexure-18).

Audit was of the view that weak and ineffective recovery process led to non recovery of Rs. 72.97 millions.

Audit pointed out the matter during January to November, 2012.

The matter was further reported to the administrative department during January to November 2012. DACs in its four meetings held during September 2012 to January 2013, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive.

**8.4.18 *Loss due to undue financial benefit to the contractor for Rs.62.62 millions.***

According to Clauses 4.16 & 14.1 of General Conditions of Contract, the contractor was responsible for packing, loading, transporting, receiving, unloading, storing and protecting all goods and other things required for the work and shall indemnify and hold the employer harmless against and from all damages, losses and expenses resulting from the transport of goods, and shall negotiate and pay all claims arising from their transport. The contractor had to pay all taxes, duties and fees required to be paid by him under the contract, and the contract price shall not be adjusted for any of these costs.

During audit of Forensic Science Agency Lahore, it was revealed that an expenditure of Rs. 151.23 million was incurred on behalf of contractor for opening of 26 Letters of Credit for import of different building items/plants & equipment. As per provisions of contract

agreement payment of all duties and taxes was the responsibility of the contractor. Decision of opening of LCs by the PD office was taken to provide undue financial benefit to the contractor in the shape of savings due to non-payment of taxes and duties and resulted in loss to government for Rs. 62.62 millions.

Audit was of the view that negligence on the part of the department in ensuring the fulfillment of the contractual agreement led to undue financial benefit to the contractor.

Audit pointed out the matter to the management in February 2012.

The matter was further reported to the administrative department during the month of September 2012. DAC in its meeting held on 6.12.2012, directed the department to effect recovery. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing of responsibility for extending undue benefit to the contractor.

*(Para No. 63 of AIR-Punjab forensic science agency Lahore for 2009-11)*

#### **8.4.19 Overpayment of ration allowances for Rs.52.88 millions**

According to Rule 2.31 of PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations. Moreover, as per government of the Punjab, Finance Department letter No. FD/SR.1-9-5/98-1 dated 24.09.2010, Ration Allowance is admissible only to the subordinate jail staff who are in receipt of the same prior to the introduction of revised pay package to the jail staff. Furthermore, as per I.G of Police letter No.10370-480/F-IV/Dir-F&W, dated 10.06.2009, Ration Allowance @ Rs. 1,038 p.m. is not admissible to the Elite Force as they were already in receipt of ration allowance @ Rs.3,000 p.m.

During audit of payrolls of Home Department, it was observed that ration allowance for Rs.52.88 millions was irregularly paid to the officials as detailed below:

(Rs. in millions)

Sr. No.	Name of Formation	Period of Audit	Para No. of AIR	Amount
1	Sub Jail Chakwal	1998-11	6	0.12
2	District Jail T.T Singh	2006-11& 2011-12	2 & 8	1.12
3	DPO, Lodhran	2011-12	5	0.16
4	DPO, Sheikhpura	2011-12	7	0.38
5	DPO, Nankana Sahib	2010-11	4	0.30
6	DPO, D G Khan	2011-12	3	0.45
7	DPO, Attock	2011-12	4	0.11
8	DPO, Bakhar	2011-12	4	0.03
9	Commandant Police Training College Sihala, Rawalpindi.	2011-12	1	7.20
10	DPO, Bahawalpur	2011-12	11	0.14
11	DPO, Rajanpur	2011-12	6	0.28
12	DPO, Chakwal	2011-12	6	0.09
13	DPO, Kasur	2011-12	4 & 6	0.66
14	S P PHP ,Multan	2011-12	1	0.62
15	Principal Elite Police Training School Lahore.	2010-11	10	7.81
16	SP Police Training School, Sargodha	2005-11	3 & 18	12.68
17	SSP Police Training School, Multan	2008-11	1	20.32
18	Central Jail ,Lahore	2011-12	2	0.41
<b>Total</b>				<b>52.88</b>

Audit was of the view that weak supervisory and financial controls led to overpayment of ration allowance of Rs. 52.88 million.

Audit pointed out the matter to the management during January and November, 2012.

The matter was further reported to the administrative department during January and November 2012. DACs in its five meetings held

during May, October to December 2012 and January 2013, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for overpayment.

**8.4.20 *Unauthorized payment of Fixed Daily Allowance and Risk allowance for Rs.52.45 millions***

According to Finance Department U.O letter No. FD.PR-6-3/2002 dated 06.06.2009, letter No.FD.PR .6-3/2002, dated 03.02.2010 and letter No.F.D. PR-6-2/04 dated 20.04.2006, risk allowance and fixed daily allowance are not admissible to the employees under suspension, fixed daily allowance is not admissible for the month if the officers/officials avail leave for more than 11 days in a month and fixed daily allowance is admissible to the officers/officials on operational duties and is not admissible during training.

During audit of 64 offices of Home Department, it was observed that fixed daily allowance, risk allowance and conveyance allowance were paid to the police officials who were suspended from service or proceeded on leave for more than 11 days during a calendar month or remained on training (Annexure-19).

Audit was of the view that non-observance of laid down procedure and weak supervisory controls led to unauthorized payment of allowances for Rs. 52.45 million.

The matter was pointed out to the managements during January to November, 2012.

The matter was further reported to the administrative department from January to November, 2012. DACs in its four meetings September, October 2012 and January 2013, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit stresses implementation of DAC directive besides fixing of responsibility for overpayment of allowances.

#### ***8.4.21 Overpayment of inadmissible allowances for Rs.15.13 millions***

According to Finance Department letter No.FD.PF.6-3/2002 (PTI) dated 06.06.2009, Special Allowance @ Rs.2000 per month admissible to Constables and Head Constables was discontinued w.e.f. 01.04.2009 and as per Inspector General of Police, Punjab letter No. 18617 dated 17.09.2009 read with letter No. 10370-480/DIR-F&W dated 10.06.2009, technical allowance @ 20% of basic pay admissible to the staff of Telecommunication, was abolished by the government with immediate effect.

According to Government of Punjab Finance Department notification No. FD.PC.21-1/77 dated 16.05.1977, all the civil servants not residing within the work premises shall be allowed conveyance allowance. Moreover, as per letter No. FD (M-I) 1-15/82-P-I dated 15.01.2000, the drawl of house rent allowance is not permissible to the officers/officials to whom government residences have been provided. In addition 5% maintenance charges are also required to be deducted from their salary. Furthermore, as per letter no.FD.SR-IV 9-1/77 dated 30.8.1992, it was clarified that government officials serving outside the municipal limits are not entitled for big city allowance. The house rent allowance is admissible to civil servants @ 45% in the big city and @ 30% in other districts of Punjab.

During audit of 27 offices of Home Department, it was observed that technical, special, house rent, conveyance, and prison allowances were irregularly paid to the officials contrary to the above provisions (Annexure-20).

Audit was of the view that weak supervisory and financial controls led to overpayment of inadmissible allowances for Rs. 15.13 million.

Audit pointed out the overpayments during February to August 2012.

The matter was further reported to the administrative department from April to October 2012. DACs in its five meetings held during September, November, December 2012 and January 2013, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit stresses implementation of DAC directive besides fixing of responsibility for overpayment of allowances.

***8.4.22 Non recovery of outstanding dues from employees for Rs. 11.69 millions.***

According to Rule 4.1 of PFR Vol-I, the departmental controlling officer should see that all sums due to government are regularly received and checked against demands, and that they are paid into the treasury.

During audit of Home Department, scrutiny of monthly report of punishments to police officials and office orders revealed that Police Officials were imposed fines as disciplinary measures but the same had not been recovered and deposited in government treasury as detailed below:

(Rs. in millions)

Sr. No.	Name of formation	Period of Audit	Para No. of AIR	Amount
1.	District Police Officer, D G Khan	2009-11	4	0.28
2.	District Police Officer, Lodhran	2011-12	3	0.07
3.	District Police Officer, Rehim Yar Khan	2011-12	5	0.16
4.	District Police Officer, Pakpattan	2011-12	6	0.13
5.	City Police Officer, Multan	2011-12	6	0.21
6	District Police Officer, Sheikhpura	2011-12	5	0.17
7	City Police Officer, Faisalabad	2011-12	13	0.16
8	CTO Multan	2011-12	5	0.06
9	S P Traffic Sargodha	2011-12	2	0.34
10	District Police Officer, Bahawalpur	2011-12	3 & 6	0.35
11	CTO Lahore	2011-12	3	8.23
12	S S P Telecommunication, Lahore	2011-12	12	0.11
13	District Police Officer, Muzzaffargarh	2011-12	9	0.21
14	District Police Officer, Sialkot	2010-11	11	0.16
15	CPO Gujranwala	2011-12	3	1.05
<b>Total</b>				<b>11.69</b>

Audit was of the view that weak financial and administrative controls led to overpayment of Rs.11.69 million.

Audit pointed out the matter to the managements during January to October 2012.

The matter was further reported to the administrative department during January to October 2012. DACs in its meetings held on 04.10.2012, 28.12.2012 and 08.01.2013, directed the department to effect recovery. Further progress was not reported till the finalization of this report.

Audit stresses implementation of DAC directive besides fixing of responsibility for overpayment of allowances.



**8.4.23 Un-authorized payment of special allowance and fixed TA for Rs.10.72 millions**

According to Government of the Punjab, Police Department letter No.16201/F-1 dated 28.9.2010, the following allowances stood withdrawn/discontinued w.e.f. 01.04.2009 and recovery was ordered to be effected from those who were drawing these allowances in addition to new salary package.

- Special Allowances equal to one month basic pay admissible to the officers of Legal Affairs Division.
- Fixed TA @ Rs.200 per month to the constables and head constables.
- Any other special pays /allowance admissible prior to introduction of new salary package.

During audit of accounts of Home Department, it was observed that contrary to the above provisions, payment of allowances was made as detailed below.

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	DPO, Bahawalnagar	2010-11	1	0.47
2.	SSP Battalion Commander Guard Qurban Line Lahore.	2009-11	3	1.81
3.	SP Traffic, Sargodha.	2008-09	1	0.41
4.	SP Traffic, Sahiwal.	2009-11	1	0.31
5.	SP Traffic, Multan.	2008-11	6	0.08
6.	Chief Traffic Officer Faisalabad.	2011-12	6	0.26
7.	SP Traffic, Gujranwala	2008-11	8	3.57
8.	SP police Training School Sargodha	2005-11	8	3.81
<b>Total</b>				<b>10.72</b>

Audit was of the view that non-observance of laid down procedure and weak supervisory controls led to unauthorized payment of Special Allowance and fixed TA for Rs. 10.72 million.

Audit pointed out the matter to the managements during January to November 2012.

The matter was further reported to the administrative department from January to November 2012. DACs in its meetings held on 27.09.2012, 04.10.2012 and 02.01.2013, directed the department to effect recovery. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for overpayment of allowances.

**8.4.24    *Loss to government due to non-recovery of training cost for Rs.5.69 millions***

According to Para No. 11 of appointment letter to the newly recruited staff of Forensic Laboratory/Agency, the training cost plus emoluments received during period of service will be recovered in case of service/contract termination.

During audit of Forensic Science Agency Lahore, it was observed that two Forensic Scientists were terminated from service due to disciplinary reasons. Accordingly cost of training in USA plus emoluments received by them were required to be recovered.

Audit was of the view that weak financial and administrative controls led to non recovery of Rs. 5.69 million.

Audit pointed out the matter to the management in February 2012.

The matter was further reported to the administrative department in September 2012. In DAC meeting held on 28.09.2012, the department

informed that the scientists had filed a case in the court. The committee kept the para pending till the decision of court. Further progress was not intimated till the finalization of this report.

Audit requires effective pursuance of the case in the court of law and recovery of the amount from the defaulters.

*(Para No. 21 of AIR-Punjab forensic science agency Lahore for 2009-11)*

**8.4.25 Non-recovery of outstanding dues of canteen for Rs.3.68 millions.**

According to Rule 4.7 (1) of PFR Vol-I, it is primarily the responsibility of the departmental authorities to see that all revenues or other debts due to government, which have to be brought to account are correctly and promptly assessed, realized and credited to government account.

During audit of Home Department, it was observed that various canteens were leased out to contractors but lease money for Rs. 3.68 million was not recovered as detailed below:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	District Jail Mandi Bahuddin	2005-11	2	0.09
2	C P O Faisalabad	2011-12	5	0.24
3	Central Jail, Mianwali	2011-12	1	3.07
4	Central Jail, Sahiwal	2011-12	5	0.28
<b>Total</b>				<b>3.68</b>

Audit was of the view that weak supervisory and financial controls led to non recovery of Rs. 3.68 million from the lessees of the canteens.

The irregularities were pointed out to the managements during March to November 2012.

The matter was further reported to the administrative department during October 2012. DAC in its meeting held on 09.10.2012, directed the department to effect recovery. Further progress was not reported till the finalization of this report.

Audit stresses implementation the DAC directive besides fixing responsibility.

**8.4.26 Non/less deduction of income tax for Rs.3.26 millions**

According to Section 153 of income Tax Ordinance 2001, withholding tax @3.5% on supply of goods and 6% on all type of services should be deducted at source. Furthermore, as per Section 236A ibid, income tax @5% of auction value shall be recovered from successful bidder w.e.f. 01.07.2009. Moreover, as per Excise & Taxation Officer letter no.1527 dated 25.5.1998, the contractors making supplies of goods and services are required to pay Professional tax at the prescribed rate.

During audit of Home Department, it was observed that income tax was either not deducted or was less deducted at source. Further, professional tax was also not deducted from the concerned firms as detailed below:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Year of Audit</b>	<b>Para No. of AIR</b>	<b>Nature of deduction</b>	<b>Amount</b>
1	Director General, (M&I) Punjab Highway Patrolling Police Lahore.	2005-11	8 & 24	Non deduction of income tax at source/on payment of rent of building	1.75
2	Chief Traffic Officer Lahore	2011-12	10	Income tax on income from fork lifters	0.66

3	District Jail Shahpur Sargodha	2008-11	2 & 8	Professional tax	0.25
4	DG Punjab Emergency service Rescue 1122 Lahore	2010-12	28	Non deduction of Income- tax at source	0.22
5	District Jail Muzaffargarh	2008-11	10	Advance tax	0.19
6	District Jail Sialkot	2005-11	7	Advance tax on auction of canteen	0.07
7	District Jail, T.T Singh	2006-11	8	Non deduction of Income- tax at source	0.07
8	District Jail M. B. Din	2005-11	3	Advance tax on auction of canteen	0.05
<b>Total</b>					<b>3.26</b>

Audit was of the view that disregard to government rules led to a loss of Rs. 3.26 million.

Audit pointed out the matter to the managements during February to June 2012.

The matter was further reported to the administrative department during June to September 2012. DACs in its meetings held on 10.05.2012, 04.10.2012 and 09.10.2012, directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for non/less deduction of income tax at source.

**8.4.27 Non deposit of un-disbursed pay and allowances Rs. 2.70 millions.**

According to Rule 7.12 of PFR Vol-I, the amount of undisbursed pay may at the option of disbursing officer, be retained for the period not

exceeding three months provided proper arrangement can be made for the safe custody of the sums retained.

During audit of Home Department, it was observed that undisbursed pay and allowances and recoveries effected from officials were not deposited into government treasury for the period exceeding three months as detailed below:

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Item</b>	<b>Amount (Rs.)</b>
1	City Police Officer Rawalpindi	2011-12	8	Pay/financial assistance	0.92
2	SP PHP Bahawalpur	2009-12	1	Undisbursed pay, recovery of pay	0.87
3	SP/Battalian Commander PC BTN 2 Rawalpindi	2011-12	1	Undisbursed pay	0.68
4	Senior Superintendant of Police Telecommunication Lahore	2011-12	8	Undisbursed pay	0.12
5	Superintendant of Police PHP Lahore	2011-12	8	Undisbursed pay	0.11
<b>Total</b>					<b>2.70</b>

Audit was of the view that disregard to the rules led to temporary misappropriation to the tune of Rs. 2.70 million.

Audit pointed out the matter to the managements during Mach to October 2012.

The matter was further reported to the administrative department during July to December 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires immediate deposit of the amounts into government treasury besides fixing of responsibility for temporary misappropriation.

**8.4.28    *Non deposit of sale proceeds of application forms for Rs.3.07 millions***

According to Rule 4.7(1) of PFR Vol-I, it is the primary responsibility of the departmental authorities to see that all revenue, or other debts due to government, which have to be brought to account are correctly and promptly assessed, realized and credited to government accounts.

During audit of the accounts of Punjab Emergency Service 1122 Lahore, it was observed that 1,153,417 Nos. of recruitment application forms were sold @ Rs. 20 per form but sale proceeds of the same were not deposited into government treasury.

Audit was of the view that due to weak supervisory and financial controls resulted in non deposit of sale proceeds of forms into government treasury.

Audit pointed out the matter to the management in July 2012. It was replied that the amount was utilized as expenses of recruitment process and remaining amount was deposited in emergency service fund. The reply was not acceptable as the sale proceeds of forms was government receipt and should have been deposited into government treasury and the expenses should have been charged to the budget.

The matter was further reported to the administrative department during November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires fixing of responsibility for non adherence to government rules besides regularization of the expenditure and immediate deposit of the balance amount into government treasury.

*(Para No. 5 of AIR-DG Punjab Emergency Service- 2011-12)*

**8.4.29 Non-recovery of utility charges from the residents of government accommodations for Rs.2.20 millions**

According to Rule 4.7 (1) of PFR Vol-I, it is primarily the responsibility of the departmental authorities to see that all revenue, or other debts due to government, which have to be brought to account, are correctly and promptly assessed, realized and credited to government account.

During audit of Home Department, it was observed that the residents of official accommodations were consuming electricity and sui gas from the bulk supply meters. Rates of electricity and sui gas charges were fixed un-authorizedly i.e. without approval of the Finance Department and even those were not being recovered as detailed below:

*(Rs. in millions)*

<b>Sr No.</b>	<b>Name of formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	District Jail, Lahore	2011-12	4	1.92
2	Commandant Battalion 2 Rawalpindi	2011-12	3	0.28
<b>Total</b>				<b>2.20</b>

Audit was of the view that weak financial and supervisory controls led to non recovery of Rs. 2.20 million on account of electricity and sui gas charges.

Audit pointed out the matter to the managements during July and September 2012.

The matter was further reported to the administrative department during April and October 2012. DAC in its meeting held on 15.01.2013,



directed the department to effect recovery. Further progress was not reported till finalization of this report.

Audit requires implementation of DAC directive besides justification of fixing utility charges without approval/sanction of the Finance Department.

#### ***8.4.30 Loss due to non recovery of stamp duty for Rs.1.68 millions***

According to Section 22(A)(b) of Schedule-I of Stamp Act 1899 read with Finance Act 1995 (Act-VI of 1995), stamp duty on the contracts entered into for procurement of stores and materials by a contractor with government, agencies or organizations set up or controlled by the provincial government at the rate of 25 paisa for every Rs.100 or part thereof of the amount of contract was levied.

During audit of Punjab Forensic Science Agency/Laboratory, it was observed that the Agency entered into contract agreement with various contractors for procurement of stores and material for Rs. 673.77 million but the stamp duty prescribed at the above mentioned rate amounting to Rs. 1.68 million was not recovered.

Audit was of the view that disregard to the rules and regulations led to loss of Rs. 1.68 million.

Audit pointed out the irregularity to the management during March 2012.

The matter was further reported to the administrative department in September 2012. DAC in its meeting held on 28.09.2012 directed the department to effect recovery. Further progress was not reported till the finalization of this report.

Audit requires immediate implementation of DAC directive besides fixing of responsibility for disregard to rules.

*(Para No.35 of AIR-PIU, PMU, Forensic Science Agency -2009-11)*

***Others***

***8.4.31 Loss due to theft of vehicles and motorcycles worth Rs. 16.88 millions***

According to Rule 2.35(2) of PFR Vol-I, losses occurring in offices, should at once be reported to the Head of the Department concerned. The report on a loss occurring in the office of a Head of a Department may be submitted direct to government.

During audit of 20 offices of Home Department, it was observed that some vehicles, motorcycles and rifles were stolen/badly damaged in accidents. Although the department got registered FIRs with the police stations concerned but the record was silent regarding any departmental inquiry, if conducted against the officers/officials concerned for determination of the element of omission/negligence. Further, in case, the police could not trace the culprits, the department was required to move write off cases of the stolen properties but despite the lapse of considerable period no action was initiated as per record (Annexure-21).

Audit was of the view that weak internal controls on asset management led to theft of vehicles and motorcycles.

Audit pointed out the loss during February to July 2012.

The matter was further reported to the administrative department during September and October 2012. DACs in its meetings held on 04.10.2012 and 28.12.2012, directed the department to conduct inquiries and proceed accordingly. Further progress was not reported till finalization of this report.

Audit requires immediate compliance of DAC directive.



## **CHAPTER 9**

### **INDUSTRIES, COMMERCE AND INVESTMENT DEPARTMENT**

#### ***9.1 Introduction***

Industries, Commerce and Investment Department, Government of the Punjab aims at achieving orderly, planned and rapid industrialization of Punjab by providing turnkey solutions to the problems faced by entrepreneurs. The vision of Industries, Commerce and Investment Department is to play an effective and efficient role as an facilitator for:

- Industrial growth through multifarious means;
- Provision of state of the art infrastructure including one window facilities.
- Establishment of small industrial estates for small and medium sectors.
- Collection of industrial data and pre-investment feasibility studies.
- Monitoring of supplies and prices of essential commodities.

The department is headed by a Secretary. The detail of the attached departments and special institutions is given below:

#### ***Attached Departments/Organizations***

- Punjab Small Industries Corporation (PSIC)
- Punjab Industrial Estates Development and Management Company (PIEDMC)
- Faisalabad Industrial Estates Development and Management Company (FIEDMC)

- Punjab Consumer Protection Council (PCPC)
- Directorate of Industries
- Punjab Printing and Stationery Department
- Punjab Prices and Supplies Board

***Special Institution***

Technical Education and Vocational Training Authority (TEVTA)

## 9.2 Comments on Budget & Accounts (Variance Analysis)

### Introduction

The Appropriation Accounts of Industries, Commerce and Investment Department for the year 2011-12 indicate capital expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### Summary of Appropriation Accounts

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

(Rupees in millions)

Grant No.	Original Grant	Supplementary Grant / Re-Appropriation	Final Grant	Actual Expenditures	Saving (-) Excess (+)
1	2	3	4	5	6(5-4)
PC21010	213.350	11.897	225.247	212.182	(13.065)
PC21022	5,860.923	504.406	6,365.329	6,326.422	(38.907)
PC22029	59.138	24.426	83.564	81.757	(1.807)
PC22036	2,000.000	112.192	2,112.192	1,479.069	(633.123)
<b>Total</b>	<b>8,133.411</b>	<b>652.921</b>	<b>8,786.332</b>	<b>8,099.43</b>	<b>(686.902)</b>

### Overview of Expenditure

The total budget of Industries, Commerce and Investment Department for the Financial Year 2011-12 was Rs. 8,786.332 millions. Out of this amount the actual expenditure was Rs. 8,099.43 millions. The breakup of current and development expenditure is given below:

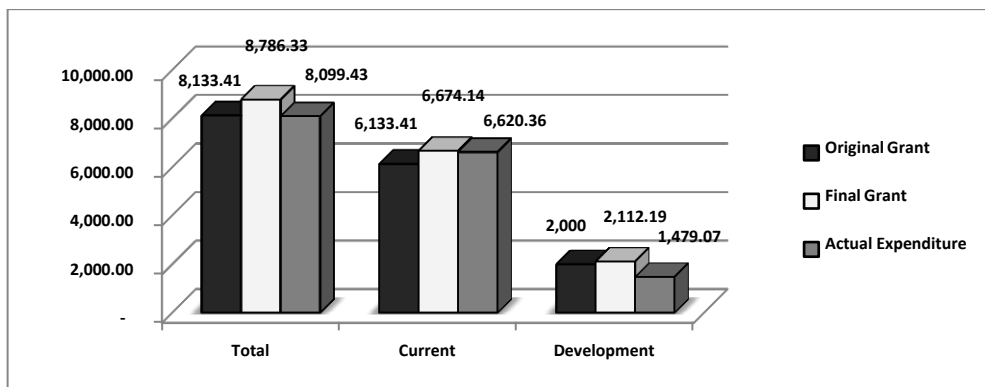
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	6,133,411,000	6,620,361,220	486,950,220	7.94
<b>Development</b>	2,000,000,000	1,479,069,333	(520,930,667)	26.05
<b>Total</b>	<b>8,133,411,000</b>	<b>8,099,430,553</b>	<b>(33,980,447)</b>	<b>0.42</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

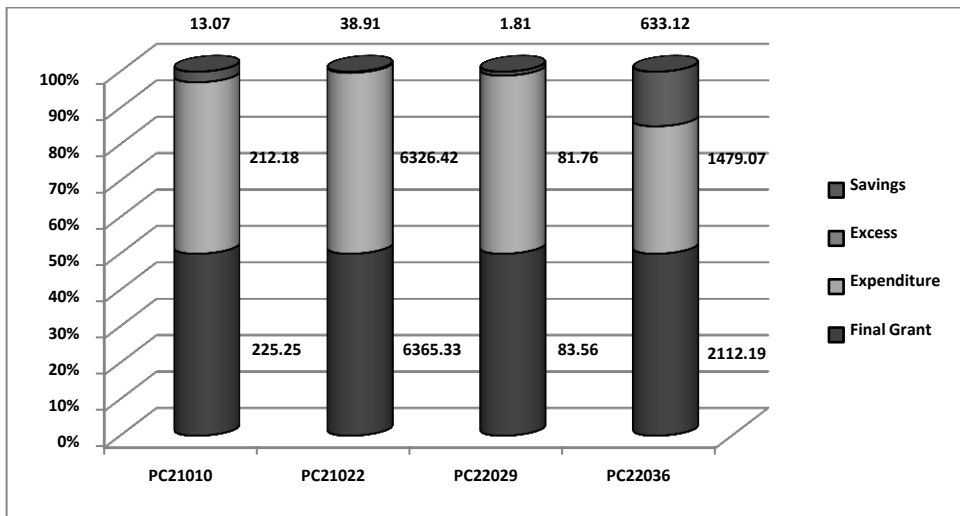
(Amount in Rupees)

Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	6,674,140,000	6,620,361,220	(53,778,780)	0.81
<b>Development</b>	2,112,192,000	1,479,069,333	(633,122,667)	29.97
<b>Total</b>	<b>8,786,332,000</b>	<b>8,099,430,553</b>	<b>(686,901,447)</b>	<b>7.82</b>



***Anticipated savings not surrendered***

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to Rs. (686.902) millions at the close of the year 2011-12 under grants PC21010, PC21022, PC22029 & PC22036 had not surrendered.





### **9.3      *Brief comments on the status of compliance with PAC Directives***

The status of compliance with PAC Directives, for reports discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>No. of Paras in which Compliance received</b>	<b>No. of Paras in which Compliance not Received</b>	<b>Percentage of compliance</b>
1	2001-02	80	13	67	16
<b>Total</b>		<b>80</b>	<b>13</b>	<b>67</b>	<b>16</b>

The compliance with PAC Directives in Industries, Commerce and Investment Development Department is quite low. Further, no PAC meeting was convened for this department after Audit Report for the year 2001-02 was reviewed by PAC, for reasons best known to Assembly Secretariat. The PAO, however, has ensured to look into the matter personally and improve upon the percentage of compliance.

## **9.4 AUDIT PARAS**

### *Irregularity and non compliance*

#### **9.4.1 *Unauthorized expenditure on purchase for Rs.1.70 millions***

According to Para 3(vii) of Government of the Punjab Finance Department letter No.SO(Goods)44-4 dated 09.10.2009,09.08.2010 and 23.07.2011 refreshment/interior decoration of office, establishment of new office, purchase of Furniture & Fixtures, procurement of generator, machinery & equipments and luxury items etc. shall not be allowed except with the prior concurrence of the Austerity Committee constituted for this purpose. Moreover, as per Rule 12(1) of the PPRA Rule 2009, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website.

During audit of the Directorate General Sasti Roti Authority Lahore, for the period 2009-12, it was observed that an expenditure of Rs.1.70 millions was incurred on purchase of machinery & equipment, furniture & fixture, air conditioners and luxury items without prior concurrence of Austerity Committee and advertisement on PPRA's website. It was also observed that the office was not fully established and accordingly machinery and equipment was lying unused in the store.

Audit was of the view that the unnecessary procurement of machinery without following rules resulted in blockage of capital and unauthorized purchase of Rs. 1.70 millions.

The matter was pointed out management in September 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 21.12.2012, directed the department to produce record for audit.

Audit requires compliance of the DAC directive and fixing of responsibility.

*(Para No.3 of AIR-Director General Sasti Roti Authority, Lahore-2009-12)*

### ***Recoveries and overpayments***

#### ***9.4.2 Unauthorized drawl of over time allowance for Rs.1.22 millions***

According to the Government of the Punjab Finance Department Notification No.FD.SR 1-9-6/91 dated 01.11.2006 and No.FD-SR-1/9-6/2001, 01.08.2008, the overtime allowance was admissible to staff car drivers, dispatch riders and mechanics working in the Punjab Civil Secretariat and drivers attached with the Judges of the Lahore High Court and officers of BS-21, who are entitled to private use of staff car.

During audit of the Director Provincial Consumer Protection Council Punjab Lahore, for the year 2005-12, it was observed that contrary to the above rule, the drivers of the Directorate were unauthorizedly paid overtime allowance of Rs.1.22 millions.

Audit was of the view that weak financial controls resulted in unauthorized payment of Rs.1.22 millions.

The matter was reported to management in September 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 21.12.2012, directed the department for recovery and follow up action.

Audit requires recovery of the amount at the earliest besides fixing of responsibility.

*(Para No.1 of AIR-Director Provincial Consumer Protection Council Punjab, Lahore-2005-12)*

#### **9.4.3 Un-authorized cash payment for Rs.17.13 millions.**

According to Rule 4.49 of STR and Government of the Punjab Finance Department Notification No. FD (FR)V-6/75 (P) dated 20.06.2007, payments of Rs.100,000 and above to contractors and suppliers shall not be made in cash by the Drawing and Disbursing Officers.

During audit of the Director Provincial Consumer Protection Council Punjab Lahore, for the year 2005-12, it transpired that various payments amounting to Rs. 17.13 millions (Annexure-22) were made in cash instead of cheques/drafts in contravention of the above provision.

Audit was of the view that weak financial controls on payments resulted in un-authorized cash payment.

The matter was brought to notice of the management in September 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 21.12.2012, directed the department to seek condonation of irregularity from the Finance Department.

Audit requires implementation of DAC directive besides fixing of responsibility.

*(Para No.3 of AIR-Director Provincial Consumer Protection Council Punjab, Lahore-2005-12)*



## **CHAPTER 10**

### **INFORMATION CULTURE AND YOUTH AFFAIRS DEPARTMENT**

#### ***10.1 Introduction***

The Information, Culture and Youth Affairs Department is focal point for the projection of the Government through the media. It is therefore, linked up with the activities and plans of other Government Departments and offices acting as a service Department for other Offices. The Department also acts a bridge between the Government and the Press and electronic media providing a well suited platform for free exchange of views from both sides. The Department acts as the enabling arm of the Government for the promotion of art and culture and preservation and display of archaeological treasures of Punjab.

These objectives are achieved by providing infrastructure in form of buildings for Arts Councils and Art Galleries, arranging cultural programmes, preservation and projection of archaeological/ cultural heritage through the establishment of museums, financial assistance to cultural and literary bodies and awards for literary/publishing endeavors. The Department also patronizes and facilitates meaningful activities by Youth Organizations in coordination with the Federal Government. The following institutions/formations are under the administrative control of IC&YA department:

The department has been assigned the duties of;

- Publicity & Public Relations
- Administration of Press Laws relating to newspapers, books, magazines, etc.

- Policy & Procedures regarding release of official & semi-official advertisement through electronic media of press.
- Arranging seminars or exhibitions, etc. relating to such events as International Youth Year, National Youth Festivals, etc.
- Facilities for the journalists including accreditation of press correspondents & press photographers, etc.
- Grant-in-aid to cultural & literary bodies.

## **10.2 Comments on Budget & Accounts (Variance Analysis)**

### **Introduction**

The Appropriation Accounts of Information, Culture & Youth Affairs Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### **Summary of Appropriation Accounts**

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original Grant</b>	<b>Supplementary Grant / Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditures</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
PC21010	143.677	201.257	344.934	324.593	(20.341)
PC21014	48.668	15.675	64.343	60.706	(3.637)
PC22023	702.823	227.262	930.085	868.873	(61.213)
PC22036	132.683	130.257	262.940	143.332	(119.608)
<b>Total</b>	<b>1027.851</b>	<b>574.451</b>	<b>1602.302</b>	<b>1397.504</b>	<b>(204.798)</b>

### **Overview of Expenditure**

The total budget of Information, Culture & Youth Affairs Department for the Financial Year 2011-12 was Rs. 1602.302 millions. Out of this amount the actual expenditure was Rs. 1397.504 millions. The breakup of current and development expenditure is given below:



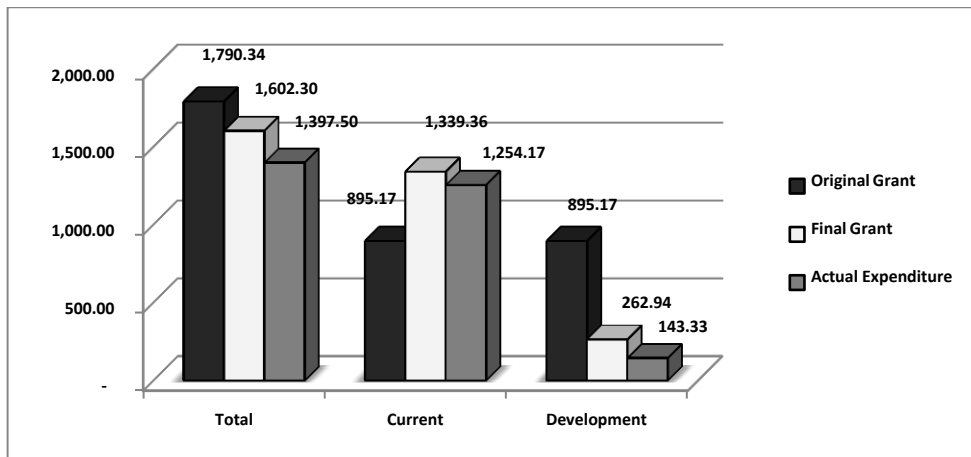
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	895,168,000	1,254,172,329	359,004,329	40.10
<b>Development</b>	895,168,000	143,332,386	(751,835,614)	83.99
<b>Total</b>	<b>1,790,336,000</b>	<b>1,397,504,715</b>	<b>(392,831,285)</b>	<b>21.94</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

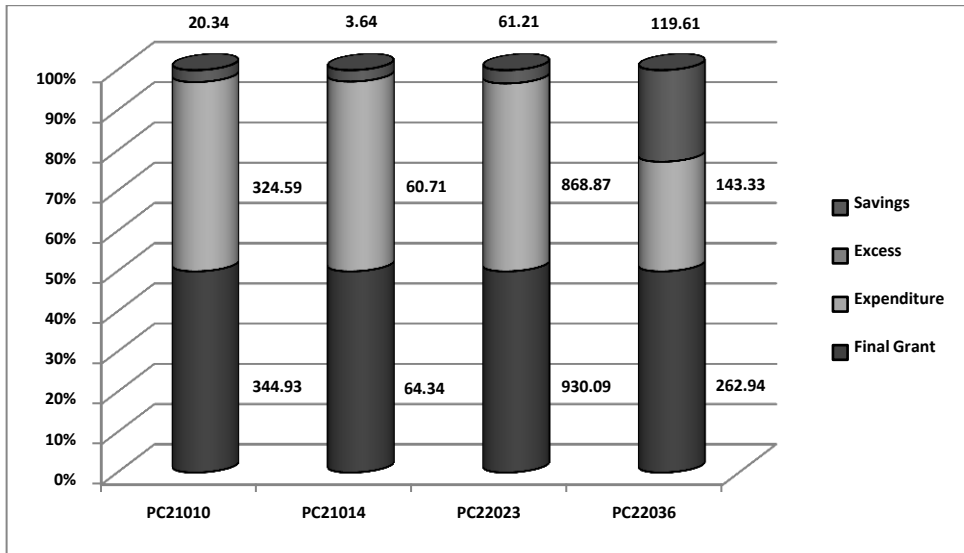
(Amount in Rupees)

Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	1,339,362,000	<b>1,254,172,329</b>	(85189671)	6.36
<b>Development</b>	262,940,000	143,332,386	(119,607,614)	45.49
<b>Total</b>	<b>1,602,302,000</b>	<b>1,397,504,715</b>	<b>(204,797,285)</b>	<b>12.78</b>



***Anticipated savings not surrendered***

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to Rs. (204.799) millions at the close of the year 2011-12 under grants PC21010, PC21014, PC22023 & PC12036 had not surrendered.



### **10.3      *Brief comments on the status of compliance with PAC Directives***

The status of compliance with PAC Directives, for reports discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1996-97	5	4	1	80
2	1999-00	13	3	10	23
3	2000-01	51	18	33	35
4	2001-02	29	3	26	10
5	2004-05	6	2	4	33
6	2005-06	14	3	11	21
7	2006-07	40	18	22	45
<b>Total</b>		<b>158</b>	<b>51</b>	<b>107</b>	<b>32</b>

The compliance with PAC Directives in Information Culture & Youth Affairs Department is not very encouraging. The department needs to improve it.

## **10.4 AUDIT PARAS**

### *Irregularity and non compliance*

#### ***10.4.1 Unauthorized expenditure without approval of budget for Rs. 20.13 millions***

According to Sr. No. 2 (J) of Bye Laws of Board for Advancement of Literature (Majlis-e-Adab), the Director shall prepare the annual budget of Board and submit it to the Board for approval.

During audit of Board for Advancement of Literature (Majlis-e-Adab), for the year 2000-11, it was observed that expenditure to the stated extent was incurred without approval of annual and revised budget estimates for the year 2000-11 from the BOG.

Audit was of the view that weak internal controls on budgetary provisions resulted in unauthorized expenditure of Rs. 20.13 millions.

Audit pointed out the matter to management in May 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 03.01.2013, directed the department to seek regularization from competent authority.

Audit requires compliance of the DAC directive besides fixing responsibility for unauthorized expenditure.

*(Para No.7 of AIR- Majlise-Tariq-e-Adab -2000-11)*

#### ***10.4.2 Unauthorized retention of money in the Board's account for Rs.5.67 millions***

According to Rule 2.10 (b) (5) of PFR Vol I, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance and that it is not

permissible to draw advances from the treasury for the execution of works the completion of which is likely to take a considerable time.

During audit of Board for Advancement of Literature (Majlis-e-Adab), for the year 2000-11, it was observed that an amount of Rs.12 millions was provided by the Secretary Information and Culture and Youth Affairs Department for repair works. Out of this an amount of Rs. 6.33 millions was paid to the Executive Engineer Building Department. The un-utilized balance of Rs. 5.67 millions was not refunded to government treasury. Instead it was retained in Board's Saving Account in a commercial bank.

Audit was of the view that weak financial and supervisory controls resulted in unauthorized retention of government money.

Audit pointed out the matter to management in May 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 03.01.2013 directed the department to deposit back the amount alongwith profit in to government treasury besides regularization of the expenditure if any made therefrom.

Audit requires implementation of the DAC directive.

*(Para No.13 of AIR -Majlise-Tariq-e-Adab-2000-11)*

#### ***10.4.3 Irregular appointments without advertisement***

According to Rule 17 of the Punjab Civil Servants (Appointment & Conditions of Service) Rules, 1974, no post can be filled in without proper advertisement. Further, Supreme Court of Pakistan in its judgment dated 19.01.1993 in Human Rights Case No. 104 of 1992 stated that recruitments, both ad-hoc and regular, without publicly and properly advertising the vacancies, is violation of fundamental rights. As such no post could be filled in without proper advertisement, even on ad-hoc or contract basis.

During audit of Board for Advancement of Literature (Majlis-e-Adab) for the year 2000-11, it was observed that some appointments (Annexure-23) were made without advertisement and in contravention of above rules and orders of the honorable Supreme Court of Pakistan. It is pertinent to mention here that some appointments were also made without approval of the BOG.

Audit was of the view that weak management controls resulted in irregular appointments.

Audit pointed out the observation in May 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 03.01.2013, directed the department to get the appointments regularized from the competent authority.

Audit requires implementation of the DAC directive and fixing of the responsibility for violation of rules.

*(Para No.18 & 19 of AIR -Majlise-Tariq-e-Adab-2000-11)*

### ***Recovery and overpayments***

#### ***10.4.4 Excess drawl of allowances for Rs. 3.81 millions***

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

During the course of audit on the accounts of Board for Advancement of Literature (Majlis-e-Adab) for the year 2000-11, it was observed that certain officers/officials were appointed on fixed pay package but they were paid different allowances in addition to their fixed pay package which were not admissible to them as per terms and conditions of their appointments.

Audit was of the view that weak internal controls on pay and allowances resulted in excess drawal of allowances.

Audit pointed out the matter in May 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 03.01.2013, directed the department to seek write off sanction in respect of Mr. Shahzad Ahmed ex-Director who had since been died. The committee further directed that outstanding dues may not be paid till the decision of the Finance Department regarding write off. As regards remaining officers/officials, it was decided to stop overpayment of undue allowances and to effect recovery of overpayment from the concerned.

Audit requires implementation of the DAC directive besides fixing of responsibility for excess payment.

*(Para No.1, 3 & 5 of AIR - Majlise-Tariq-e-Adab-2000-11)*

#### **10.4.5 Non Recovery of rent for Rs.1.06 millions**

According to Rule 4.1 of PFR Vol-I, the departmental controlling officers should see that all sums due to Government are regularly received and checked against demands, and that they are paid into the treasury.

During audit of Lahore Arts Council, Lahore for the year 2009-11, it was observed that Hall No. I & II of Al-Hamra Arts Council were used for the programme 'Bazm-e-Tariq Aziz'. The rental charges of halls Rs.1.06 millions were not recovered.

Audit was of the view that weak financial and supervisory controls resulted in loss to the government.

Audit pointed out the lapse in March 2012. The DDO noted the observation for compliance.

The matter was further reported to the administrative department in 2012. Neither any reply was received nor DAC meeting convened till the finalization of this report.

Audit requires that responsibility be fixed for non recovery of rent besides taking effective measures to recover the stated amount.

*(Para No. 3of AIR -Lahore Arts Council -2009-11)*





# **CHAPTER 11**

## **LIVESTOCK AND DAIRY DEVELOPMENT DEPARTMENT**

### ***11.1 Introduction***

Livestock & Dairy Development Department (established 1973) caters to the requirements of livestock sector in the province. Livestock is increasingly becoming a very important sector of national economy, contributing even more than all the other agricultural crops. Livestock & Dairy Development Department strives to ensure growth and development of livestock sector in the province. Thus this department is contributing to national food security, economic uplift, rural development, poverty alleviation, employment generation and foreign exchange earnings.

Livestock and Dairy Development Department has two attached departments viz, Director General (Extension) and Director General (Research).

## **11.2 Comments on Budget & Accounts (Variance Analysis)**

### **Introduction**

The Appropriation Accounts of Live Stock and Dairy Development Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab for voted items of budget.

### **Summary of Appropriation Accounts**

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original Grant</b>	<b>Supplementary Grant/Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditures</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
PC21010	27.224	1.858	29.082	27.959	(1.123)
PC21020	2,354.152	.001	2,354.153	2,011.686	(342.467)
PC22036	2,384.595	(1,993.224)	391.371	366.072	(25.299)
PC12043	0	590.000	590.000	590.000	0
<b>Total</b>	<b>4,765.971</b>	<b>(1,401.365)</b>	<b>3,364.606</b>	<b>2,995.717</b>	<b>(368.889)</b>

### **Overview of Expenditure**

The total budget of Live Stock and Dairy Development Department for the Financial Year 2011-12 was Rs. 3364.606 millions. Out of this amount the actual expenditure was Rs. 2995.717 millions. The breakup of current and development expenditure is given below:

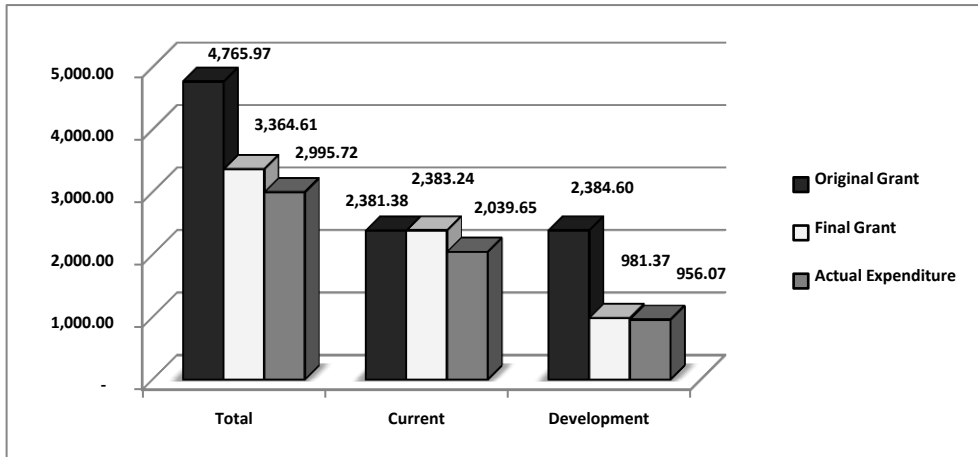
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	2,381,376,000	2,039,645,322	(341,730,678)	14.35
<b>Development</b>	2,384,595,000	956,072,178	(1,428,522,822)	59.91
<b>Total</b>	<b>4,765,971,000</b>	<b>2,995,717,500</b>	<b>(1,770,253,500)</b>	<b>37.14</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

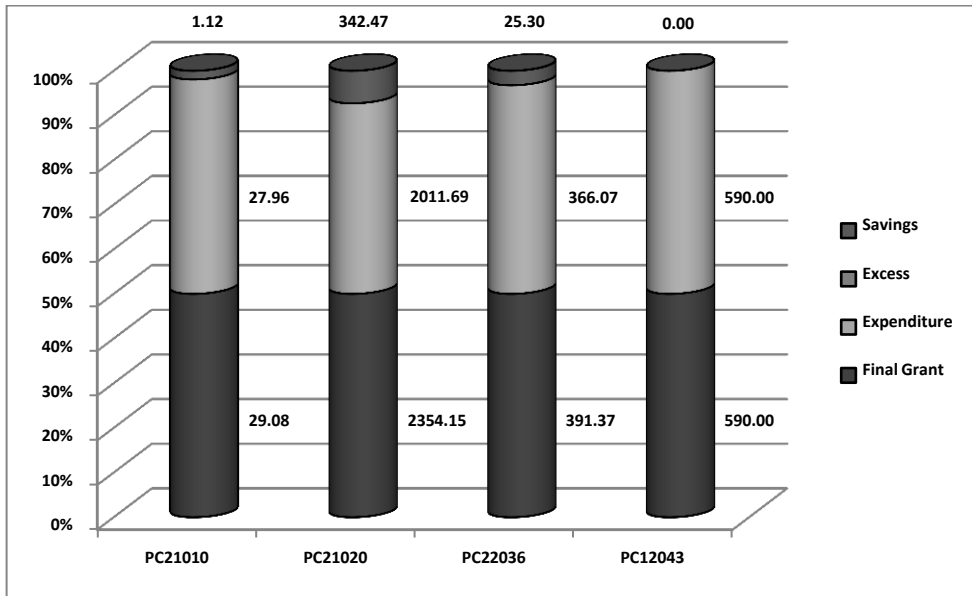
(Amount in Rupees)

Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	2,383,235,000	2,039,645,322	(343,589,678)	14.42
<b>Development</b>	981,371,000	956,072,178	(25,298,822)	2.58
<b>Total</b>	<b>3,364,606,000</b>	<b>2,995,717,500</b>	<b>(368,888,500)</b>	<b>10.96</b>



***Anticipated savings not surrendered***

According to the rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department whenever the savings are anticipated. However, saving amounting to Rs. 368.889 millions at the close of the year 2011-12 under grants PC21010, PC21020, PC22036 & PC12043 had not been surrendered.



### **11.3      *Brief comments on the status of compliance with PAC Directives***

The status of compliance with PAC Directives, for reports of L&DD discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1986-87	8	6	2	75
2	1987-88	7	4	3	57
3	1988-89	10	7	3	70
4	1989-90	5	2	3	40
5	1990-91	5	4	1	80
6	1992-93	5	3	2	60
7	1993-94	5	1	4	20
8	1994-95	11	4	7	36
9	1996-97	4	2	2	50
10	1997-98	6	1	5	17
11	1998-99	52	30	22	58
12	1999-00	24	12	12	50
13	2000-01	63	23	40	37
14	2001-02	32	10	22	31
15	2002-03	21	4	17	19
16	2005-06	15	3	12	20
17	2006-07	74	27	47	36
<b>TOTAL</b>		<b>347</b>	<b>143</b>	<b>204</b>	<b>41</b>

The compliance with PAC Directives is on the lower side. It is worth mentioning that status of compliance for Audit Years 2005-06 & 2006-07 is in stark contrast to compliance percentage in other years, due to inexplicable reasons.

## **11.4 AUDIT PARAS**

### *Irregularity and non compliance*

#### ***11.4.1 Irregular appointments of officers for Rs.21.47 millions***

According to Clause 15(4) (i) of UVAS Ordinance 2002, the Vice Chancellor can create and fill temporary posts for a period not exceeding six months.

During audit of University of Veterinary and Animal Sciences, Lahore for the period 2011-12, it transpired that appointments in grades 16 to 22 were made from time to time against sanctioned posts for a period of six months but they were retained and paid beyond the period of six months without their regular appointment in contravention of the provisions of above ordinance.

Audit was of the view that the violation of rules resulted in irregular appointment and payment of salary amounting to Rs.21.47 million.

The irregularity was pointed out to the formation in August 2012. The management replied that all contract appointments had been made as per requirements and policy approved by the competent body of the University. The reply was not tenable as provisions of UVAS Ordinance 2002 were not followed.

The matter was further reported to the administrative department in October 2012. DAC in its meeting held on 22.12.2012, directed the department to seek regularization from the competent authority.

Audit requires implementation of the DAC directive besides fixing of responsibility for disregard to rules.

*(Para No. 2 of AIR - University of Veterinary and Animal Sciences, Lahore - 2011-12)*

**11.4.2 Blockage of government money due to un-necessary purchases for Rs. 21.32 millions**

According to Rule 15.18 of PFR Vol-I, balances of stores must not be held in excess of the requirement of a reasonable period or in excess of any prescribed maximum limit.

During audit of Livestock and Dairy Development Department, it transpired that some purchases were made by various formations. The expenditure was held unnecessary as the items purchased were either lying uninstalled/unused or the heavy balances thereof were available even at the end of the financial year. It was, therefore, evident that these items were unnecessarily purchased to prevent the lapse of budget. The details are given hereunder:

Sr. No.	Name of Formation	Period of Audit	Para No. of AIR	Particulars	Amount (Rs.)
1	Director Animal Diseases (Reporting and Surveillance), Lahore	2004-11	1	Machinery and Equipment	17,488,200
			2	Chemicals and Glassware	2,380,124
2	Livestock Experimental Station, Qadirabad, Sahiwal	2008-11	8	Anmol Wanda	1,450,027
<b>Total</b>					<b>21,318,351</b>

Weak financial controls on asset/inventory management resulted in unnecessary purchase and blockage of government money amounting to Rs. 21.32 million.

The irregularities were pointed out to the formations in March, 2012 which were noted for compliance.



The matter was further reported to the administrative department during May and June 2012. DAC in its meetings held on 11.09.2012 and 08.11.2012 directed the department to conduct inquiry.

Audit requires implementation of the DAC directive besides fixing of responsibility for unnecessary purchases.

#### ***11.4.3 Irregular payment of house rent and conveyance allowance for Rs.3.22 millions***

According to Government of the Punjab, Finance Department letter No. FD-SR-IV-9-77 dated 30.08.1992, the officials/officers posted in the institutions located outside the municipal limits of big cities are allowed to draw House Rent Allowance @ 30% instead of 45% and conveyance allowance is not admissible to them.

During audit of University of Veterinary and Animal Sciences, Pattoki Campus, scrutiny of payrolls and personal files of staff and officers revealed that house rent allowance @ 45% was being paid instead of 30% and the payment of conveyance allowance was also being made to the officers/officials posted in the campus which was outside the municipal limits of Lahore.

Weak internal controls on payroll resulted in overpayment of Rs. 1.41 million and Rs. 1.81 million on account of house rent allowance and conveyance allowance respectively.

The matter was reported to the management in April 2012.

The matter was further reported to the administrative department during June 2012. DAC in its meeting held on 20.10.2012, directed the department to effect recovery. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing of responsibility for the negligence.

*(Para No. 2 of AIR- UVAS, Lahore (Pattoki Campus)- 2010-11)*

### ***Recovery and Overpayments***

#### ***11.4.4 Non recovery of lease money from tenants/pattadars for Rs. 218.22 millions***

According to Rule 4.1 of PFR Vol-I, departmental controlling officers should see that all sums due to government are regularly received and checked against demands, and that they are paid into the government treasury.

During audit of 14 offices of the Livestock and Dairy Development Department, it was observed that various measurements of land were leased out to tenants/*pattadars* but the lease money and surcharge was not recovered from them. Moreover, it was observed that either their lease agreements were not cancelled or the lands were not got vacated from them. In some cases, it was also observed that the tenants were occupying the lands since long and no efforts were made by the department to refresh the lease agreements. (Annexure-24).

Audit was of the view that negligence on the part of the department caused a loss of Rs. 218.22 million to the government.

The matter was reported to managements during March to December 2012.

The matter was further reported to the administrative department during March to December 2012. DACs in its four meetings held during September to December 2012, directed the department to effect balance

recoveries. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing of responsibility for the negligence.

#### ***11.4.5 Less deduction of Benevolent Fund for Rs.2.36 millions***

According to notification No. BF 674/07 dated 31.12.2007 of Punjab Government Servants Benevolent Fund, the rate of contribution in the fund by the employees shall be 3% of the basic pay w.e.f. 01.10.2007.

During audit of University of Veterinary and Animal Sciences Lahore, for the year 2011-12, it was observed that the deduction of benevolent fund from the employees of University from Scale 1 to 22 was being made @ 2% of the basic pay in violation of the rule.

Audit was of the view that non observance of rules resulted in less deduction of Benevolent Fund amounting to Rs.2.36 millions.

The irregularity was pointed out to the management in July 2012.

The matter was further reported to the administrative department in October 2012. DAC in its meeting held on 22.12.2012, directed the department to follow the government rules till the approval of university's own rules.

Audit requires implementation of the DAC directive by recovery of the difference of deduction and its deposit into relevant head of account.

*(Para No. 10 of AIR-University of Veterinary and Animal Sciences, Lahore - 2011-12)*

#### ***Others***

**11.4.6 Non auction of liquid Nitrogen plant and two vehicles worth Rs. 47.46 millions**

According to Rule 15.18 of PFR Vol-I, periodic inspections must be made by a responsible government servant who must submit a report of unserviceable and obsolete stores to the authority competent to issue orders for their disposal in accordance with the provisions. Moreover, Rule 15.3 ibid requires that unserviceable stores should be sold/disposed off after obtaining the sanction of the competent authority.

During audit of Livestock Services Training Centre Sheikhpura for the year 2006-11, it was observed that one liquid nitrogen plant and two off road vehicles were non-functional since long and deteriorating day by day. No effort was made to dispose off these assets. The details are given hereunder:

Sr. No.	Items	Value in Rupees	Period of non-functional
1	Liquid Nitrogen Plant	46,462,445	Since its installation 1988
2	SAA-9939 Toyota Hiace	700,000	Since long
3	LHM-4260 Car Charade	300,000	Since long
<b>Total</b>		<b>47,462,445</b>	

Audit was of the view that non auction of assets deprived the government of potential earnings from the disposal of these assets.

The irregularity was pointed out to the management in April 2012.

The matter was further reported to the administrative department during May 2012. DAC in its meeting held on 08.11.2012, directed the department to proceed for auction of unserviceable items and to take action against responsible for delay.

Audit requires implementation of the DAC directive.

*(Para No.2 of AIR-Livestock Services Training Centre, Sheikhpura- 2006-11)*

**11.4.7 Wastage of funds on purchase of non operational steam boiler worth Rs.3.30 millions**

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 through fraud or negligence on his part.

During audit of Veterinary Research Institute Lahore, for the year 2010-11, it was observed that a steam boiler horizontal type was purchased by the management at a total cost of Rs. 3.30 millions against the project “Free Vaccination under Chief Minister’s Programme 2005”. The boiler was provided and installed by a local firm “M/s Precision Technologies, Lahore” on 30.04.2008 but the equipment could not become functional due to low pressure of sui gas. The warrantee of equipment also expired during the idle period. The non functioning of steam boiler, which was essential for the project valuing Rs. 116.23 millions, resulted in non achievement of project objectives.

Audit was of the view that due to lack of planning the funds amounting to Rs. 3.30 millions were wasted as the equipment was lying idle/non functional since its purchase.

Audit pointed out the irregularity in February 2012.

The matter was further reported to the administrative department during April 2012. DAC meeting was held on 11.09.2012. The department did not offer any satisfactory reply. The para was kept pending.

Audit requires probe to fix responsibility and action against those at fault.

*(Para No. 1 of AIR-Veterinary Research Institute, Lahore- 2010-11)*

## CHAPTER 12

### SCHOOL EDUCATION DEPARTMENT

#### *12.1 Introduction*

The Education Department has been split into four departments viz., Higher Education Department, Special Education Department, School Education Department and Literacy & Non-formal Basic Education Department. The legislation, policy formulation and planning areas of the School Education Department are:

- Primary Education.
- Elementary Education.
- Secondary and Higher Secondary Education.

The functions performed by the School Education Department are:

- Formulating the curricula and syllabi up to class XII.
- Production and publication of text books for class I to XII.
- Regulatory policy concerning private sector schools.
- Children libraries and libraries affiliated with Children Library Complex.
- Promotion of sports in schools.
- Provision of compulsory and free education to all of age 5-16 years.
- The matters relating to the Punjab Daanish Schools and Centers of Excellence.
- To promote quality education through public-private partnership through Punjab Education Foundation.

## **12.2 Comments on Budget & Accounts (Variance Analysis)**

### **Introduction**

The Appropriation Accounts of School Education for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab.

### **Summary of Appropriation Accounts**

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original Grant</b>	<b>Supplementary Grant/ Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditures</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
PC21010	88.310	(1.632)	86.678	83.867	(2.811)
PC21015	10,835.449	5,607.836	16,443.285	11,786.207	(4,657.078)
PC22036	24,099.965	(10,109.158)	13,990.807	11,805.777	(2,185.030)
<b>TOTAL</b>	<b>35,023.724</b>	<b>(4,501.322)</b>	<b>30,520.77</b>	<b>23,675.851</b>	<b>(6,844.919)</b>

### **Overview of Expenditure**

The total budget of School Department for the Financial Year was Rs. 30,520.77 millions. Out of this amount the actual expenditure was Rs. 23,675.851 millions. The breakup of current and development expenditure is given below:

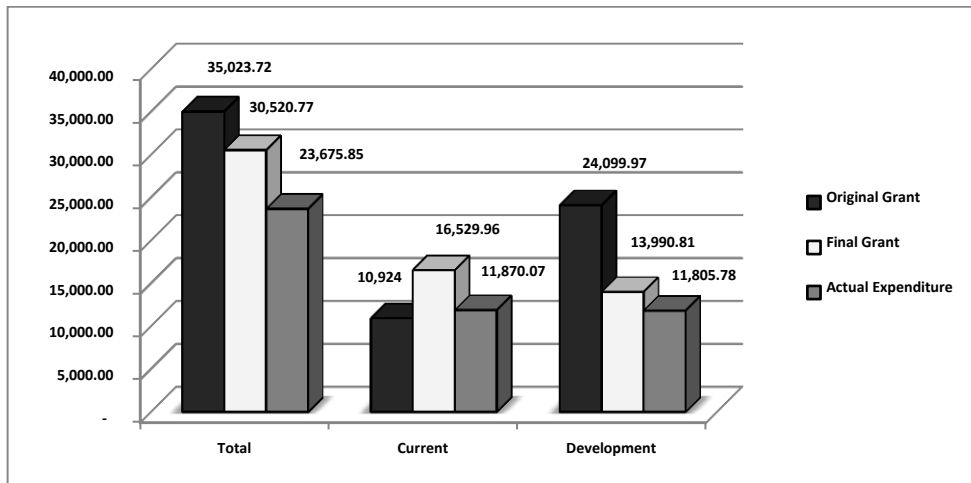
(Amount in Rupees)

Grant Type	Original Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	10,923,759,000	11,870,074,241	946,315,241	8.66
<b>Development</b>	24,099,965,000	11,805,776,602	(12,294,188,398)	51.01
<b>Total</b>	<b>35,023,724,000</b>	<b>23,675,850,843</b>	<b>(11,347,873,157)</b>	<b>32.40</b>

However, due to supplementary grants and surrenders during the year, this composition changed, Variance of Final Grant and Actual Expenditure is given below:

(Amount in Rupees)

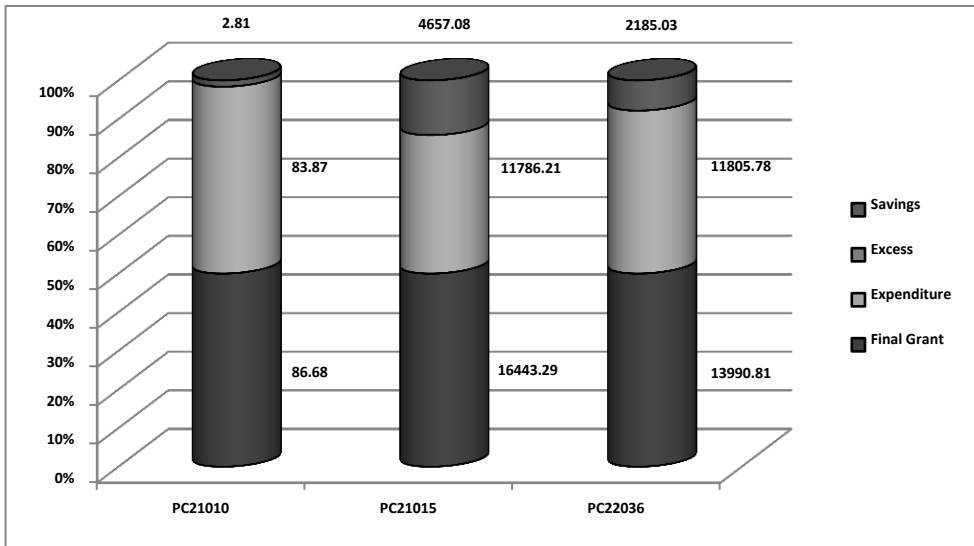
Grant Type	Final Grant	Actual Expenditure	Excess/ (Savings)	Variance %
1	2	3	4(3-2)	5(4/2*100)
<b>Current</b>	16,529,963,000	11,870,074,241	4,659,888,759	28.19
<b>Development</b>	13,990,807,000	11,805,776,602	2,185,030,398	15.62
<b>Total</b>	<b>30,520,770,000</b>	<b>23,675,850,843</b>	<b>6,844,919,157</b>	<b>22.43</b>





### *Anticipated savings not surrendered*

According to the rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to Rs.6844.919 millions at the close of the year 2011-12 under grants PC21010, PC21015 & PC22036 had not been surrendered.



### **12.3      *Brief comments on the status of compliance with PAC Directives***

The status of compliance with PAC Directives, for reports of Education Department discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	1985-86	11	6	05	54
2	1986-87	18	7	11	39
3	1987-88	21	2	19	10
4	1988-89	37	11	26	30
5	1989-90	88	5	83	6
6	1990-91	74	4	70	5
7	1991-92	65	15	50	23
8	1992-93	39	17	22	44
9	1993-94	22	2	20	9
10	1994-95	45	4	41	9
11	1995-96	38	10	28	26
12	1996-97	70	46	24	66
13	1997-98	150	56	94	37
14	1998-99	184	83	101	45
15	1999-00	410	260	150	63
16	2000-01	314	137	177	44
17	2001-02	411	286	125	70
18	2002-03	23	3	20	13
<b>Total</b>		<b>2020</b>	<b>954</b>	<b>1066</b>	<b>47</b>

The Education Department was split into Four Departments i.e Higher Education Department, Special Education Department, School Education Department & Literacy Department in the Financial Year 2003-04.

The status of compliance with PAC Directives, for reports of School Education Department discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>Compliance received</b>	<b>Compliance not Received</b>	<b>Percentage of Compliance</b>
1	2003-04	3	0	3	0
2	2004-05	2	0	2	0
3	2005-06	8	0	8	0
4	2006-07	2	0	2	0
5	2007-08	2	0	2	0
6	2010-11	5	0	5	0
<b>Total</b>		<b>22</b>	<b>0</b>	<b>22</b>	<b>0</b>

The compliance with PAC Directives in School Education is nil which is in stark contrast with the compliance percentage in other departments. Concerted & consistent efforts are required on the part of department to improve upon the compliance percentage.

## **12.4 AUDIT PARAS**

### ***Non production of record***

#### ***12.4.1 Non production of vouched account of Remuneration for Rs.257.46 millions***

According to Section 14 of the Auditor-General's (Functions, Powers and Terms & Conditions of Service) Ordinance 2001, the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information. Any person or authority hindering the auditorial functions of the Auditor-General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules. Further, as per Punjab Finance Department letter No. FD (M1) III-2/87(P-III), dated 22.2.1994, DDO himself will be responsible for production of record to Audit Party at the time of audit and that in case of any lapse on his part, severe disciplinary action will be taken against him by the Administrative Secretary personally apart from submitting a report to the Chief Minister/Chief Secretary.

During audit of Punjab Examination Commission Lahore, for the year 2011-12, it was observed that an amount of Rs. 257.46 million was paid to 36 EDOs on account of remuneration for the payment of conducting examinations of grade V and VIII. The vouched account of the remuneration paid was, however, not produced for audit.

Audit was of the view that weak administrative controls and non adherence to rules resulted in non production of record due to which authenticity of accounts could not be verified.

The preliminary audit observation was issued in September 2012.

The matter was further reported to the administrative department in November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires production of record and disciplinary action against the responsible for non production of record.

*(Para No.4 of AIR-Punjab Examination Commission, Lahore-2011-12)*

### ***Irregularity and non-compliance***

#### ***12.4.2 Purchase from unregistered firms without GST deduction for Rs. 2.49 millions***

According to instructions of the Directorate of Sales Tax issued vide circular no.46-ST/Pvt.Deptt/1039, dated 20.12.1998, the purchase of goods should be made from the person, registered under Sales Tax Act 1990 and sales tax invoice should be issued by such registered persons showing their sales tax registration number. The invoice issued by such registered persons should show the amount of sales tax deducted. Moreover verification of sales tax deposit is also required under Rule 2.4 of PFR Vol-I.

During audit of Children Library Complex Lahore, for the year 2008-12, it was observed that a sum of Rs.2.49 million was paid to different firms not registered under Sales Tax Act 1990 and sales tax invoice also not shown to audit.

Audit was of the view that due to weak supervisory and financial controls government had to sustain a loss to the stated extent.

The matter was pointed out to the management in September 2012.

The matter was further reported to the administrative department in November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit desires that the recovery be made from the concerned suppliers/firms and be deposited into government treasury.

*(Para No. 4 of AIR -Children Library Complex, Lahore-2008-12)*

### **12.4.3 Irregular recruitments for Rs.1.88 millions**

According to Rule 13 (ii) issued vide No.SO (P-I)/60/89 dated 15.09.1998, the Project Director is authorized to make appointments from BPS 1 to 15.

During audit of Children Library Complex, Lahore for the year 2008-12, it was observed that the Project Director had made recruitments in BPS-16 beyond his competence. Moreover, written test before recruitment conducted and confidential verification of certificates/degrees of qualification and character certificates from the issuing institution was not carried out by the department.

Audit was of the view that weak supervisory controls resulted in irregular appointments causing a loss of Rs. 1.88 millions.

Audit pointed out the irregularity to the management in September 2012.

The matter was further reported to the administrative department during November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires recovery from the responsible persons or condonation of irregularity with the sanction of the competent authority.

*(Para No. 8 of AIR -Children Library Complex, Lahore-2008-12)*

#### ***12.4.4 Unauthorized payments to contingent staff for Rs.1.51 millions***

According to Finance Department letter No. FD.SO(G-I)6-40/2009 dated 09.10.2009 and No. FD.SO(GOODS)44-4/2010 dated 09.08.2010 regarding Austerity/Economy measures for the financial year 2009-10 and 2010-11, no contingent paid staff shall be appointed without obtaining the prior approval of Finance Department to keep the expenditure strictly within the budgetary allocation.

During audit of Government Central Model School Lahore, it was observed that an amount of Rs.1.51 millions were paid to the contingent staff which was appointed without prior approval of the Finance Department and payment of salaries were made from the regular budget for pay and allowances.

Audit was of the view that evasion of government instructions resulted in unauthorized payment of contingent staff.

Audit pointed out the matter in February 2012.

The matter was further reported to the administrative department during November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires regularization of unauthorized expenditure from the Finance Department besides fixing of responsibility for disregard to government instructions.

*(Para No. 8 of AIR -Govt. Central Model School, Lower Mall Lahore-2010-11)*

### ***Recovery and overpayments***

#### ***12.4.5 Non deduction of Income Tax and GST for Rs. 4.44 millions***

According to Section 153(1) of Income tax Ordinance, the rates of income tax for the sale of goods is 3.5% and on services is 6%. As per Sales Tax Act, 1990, sales tax @ 15% shall be deducted from the payments to be made to the supplier.

During audit of Punjab Examination Commission Lahore, for the year 2006-11, it was observed that a sum of Rs. 24 million was paid to Pakistan International Printers Pvt. Ltd. for printing but the firm did not pay income tax amounting to Rs. 0.84 millions and sales tax amounting to Rs. 3.6 millions. The firm produced income tax exemption certificate under section 153 of Income Tax ordinance 2001 which was valid up to 30.06.2007 whereas payment was made on 22.09.2007 i.e. after expiry of the exemption certificate.

The matter was pointed out to the management in February 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting directed the department to recover and deposit the amounts of income tax and GST.

Audit requires implementation of the DAC directive besides fixing of responsibility for the negligence.

*(Para No. 3 of AIR -Punjab Examination Commission, Lahore-2010-11)*

#### ***12.4.6 Undue retention of income tax for Rs. 1.41 millions***

According to Rule 4.1 of PFR VoI-I, the departmental controlling offices should see that all sums due to government are regularly received and checked against demands that they are paid in to the Treasury.



During Audit of Punjab Examination Commission Lahore, for 2006-11, it was observed that a sum of Rs. 23.43 was drawn from PLA for payment of cost of scanned copies of answer sheets to a firm. Income tax amounting to Rs. 1.41 millions was deducted from the supplier but not deposited into government treasury.

The matter was pointed out to the management in February 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 29.11.2012, directed the department to deposit the amount into government treasury.

Audit requires implementation of the DAC directive besides fixing of responsibility for undue retention of government money.

*(Para No. 6 of AIR -Punjab Examination Commission, Lahore-2006-11)*

## **CHAPTER 13**

### **SERVICES AND GENERAL ADMINISTRATION DEPARTMENT**

#### ***13.1 Introduction***

According to Rules of Business, 1974 (amended to-date) Services and General Administration Department has been assigned the business of:-

- Cabinet work, including cabinet appointments, salaries & privileges of Ministers and all secretarial work of the cabinet including convening of meetings.
- Service rules (other than civil service rules) relating to various services, posts and interpretation thereof.
- Matters connected with the all Pakistan services & other Federal Services.
- Appointment of commissions of inquiry or panel of officers in cases of misconduct of government servants.
- Re-employment of retired officers.
- Administrative matters related to Punjab Services Tribunal.
- Framing and alteration of Rules of Business for Provincial Government Servants and allocation of business among ministers.
- Standardization of stores/equipments etc. of common use of all departments.
- Absorption of surplus staff and allied matters.
- Preparation of civil list of Official Gazette.

## **13.2 Comments on Budget & Accounts (Variance Analysis)**

### **Introduction**

The Appropriation Accounts of Services and General Administrative Department for the year 2011-12 indicate revenue expenditure on various specified services vis-à-vis those authorized by Government of the Punjab for both voted and charged items of budget.

### **Summary of Appropriation Accounts**

The grant wise summarized position of actual expenditure during 2011-12 is as follows:

*(Rupees in millions)*

<b>Grant #</b>	<b>Original</b>	<b>Supplementary Grant /Re-Appropriation</b>	<b>Final Grant</b>	<b>Actual Expenditure</b>	<b>Saving (-) Excess (+)</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6(5-4)</b>
<b>PC21010</b>	2,072.187	147.026	2,219.213	2,154.295	(64.917)
<b>PC21011/24</b>	7,464.798	(499.560)	6,965.238	6,526.487	(438.751)
<b>PC21031</b>	51.610	(0.231)	51.379	51.240	(.139)
<b>PC22036</b>	-	22.396	22.396	22.174	(.222)
<b>PC24045</b>	1.600	-	1.600	1.600	-
<b>TOTAL</b>	<b>9,590.195</b>	<b>(330.37)</b>	<b>9,259.826</b>	<b>8,755.796</b>	<b>(504.029)</b>

### *Overview of Expenditure*

The total budget of Services and General Administrative Department for the Financial Year 2011-12 was Rs. 9,259.826 millions. Out of this amount the actual expenditure was Rs. 8,755.796 millions. The breakup of current and development expenditure is given below:

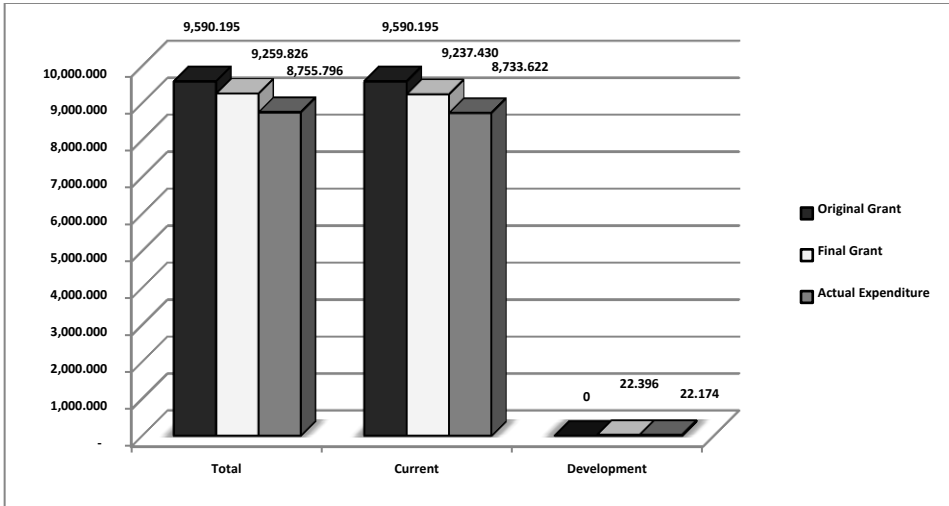
*(Amount in Rupees)*

<b>Grant Type</b>	<b>Original Grant</b>	<b>Actual Expenditure</b>	<b>Excess/ (Savings)</b>	<b>Variance %</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4(3-2)</b>	<b>5(4/2*100)</b>
<i>Current</i>	9,590,195,000	8,733,622,410	(856,572,590)	8.93
<i>Development</i>	-	22,173,694	22,173,694	-
<i>Total</i>	<b>9,590,195,000</b>	<b>8,755,796,104</b>	<b>(834,398,896)</b>	<b>8.70</b>

However, due to supplementary grants and surrenders during the year, this composition changed. Variance of Final Grant and Actual Expenditure is given below:

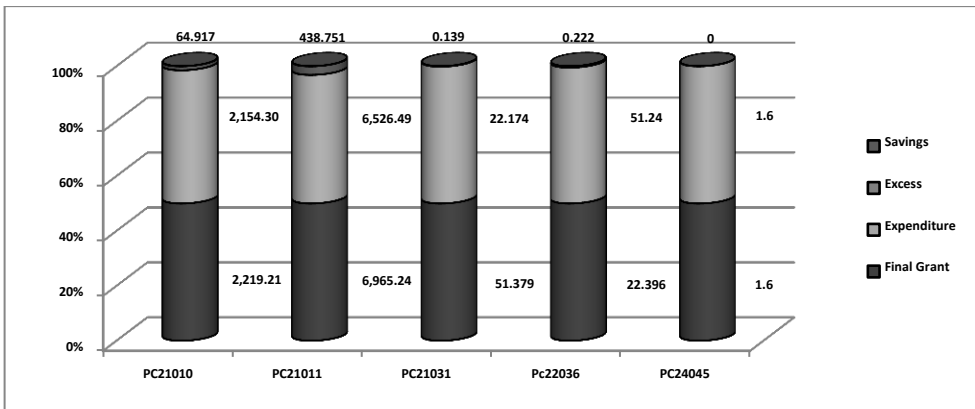
*(Amount in Rupees)*

<b>Grant Type</b>	<b>Final Grant</b>	<b>Actual Expenditure</b>	<b>Excess/ (Savings)</b>	<b>Variance %</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4(3-2)</b>	<b>5(4/2*100)</b>
<i>Current</i>	9,237,430,000	8,733,622,410	(503,807,590)	5.45
<i>Development</i>	22,396,000	22,173,694	(222,306)	0.99
<i>Total</i>	<b>9,259,826,000</b>	<b>8,755,796,104</b>	<b>(504,029,896)</b>	<b>5.44</b>



***Anticipated savings not surrendered***

According to rules laid down in Chapter 14 of Punjab Budget Manual, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, saving amounting to Rs. 504.030 millions at the close of the year 2011-12 under grants PC21010, PC21011, PC21031&PC22036 have not been surrendered.



### **13.3      *Brief comments on the status of compliance with PAC Directives***

The status of compliance with PAC Directives, for reports discussed so far, is given below:

<b>Sr. No.</b>	<b>Audit Report Year</b>	<b>Total Paras</b>	<b>No. of Paras in which Compliance received</b>	<b>No. of Paras in which Compliance not Received</b>	<b>Percentage of compliance</b>
1	1998-99	15	4	11	27
2	2001-02	41	9	32	22
3	2003-04	17	7	10	41
4	2004-05	9	2	7	22
5	2005-06	19	3	16	16
6	2006-07	2	2	-	100
7	2009-10	16	7	9	44
<b>Total</b>		<b>119</b>	<b>34</b>	<b>16</b>	<b>29</b>

The compliance with PAC Directives in S&GAD Department is not very encouraging. The situation needs improvement.

## **13.4 AUDIT PARAS**

### *Non production of record*

#### ***13.4.1 Non production of record relating to allotment and rent of government residences***

According to Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, Section 14(2) & (3), the officer in-charge of any office or department shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition. Any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person.

During audit of Services and General Administration Department Lahore, record relating to allotment and rent of government residences was not produced.

Audit was of the view that non adherence to government instructions and weak management controls led to non production of record to audit.

Audit pointed out the matter to the management in September 2012.

The matter was further reported to the administrative department during November 2012. DAC in its meeting held on 01.01.2013 directed the department to produce record for audit. Further progress was not reported till the finalization of this report.

Audit requires implementation of DAC directive besides fixing of responsibility for non-production of record.

*(Para No. 19 of AIR-ACS (S&GAD), Lahore -2011-12)*

***Irregularity and non compliance***

***13.4.2 Expenditure without advertisement for Rs. 22.25 millions***

According to Rule 12 of PPRA 2009, procurements over one hundred thousand rupees and up to the limit of two millions rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time.

During audit of accounts of Chief Minister's Secretariat Punjab Lahore, it was observed that expenditure was incurred on repair of transport by splitting up to avoid advertisement on PPRA's website/floating tenders in violation of the aforesaid rules.

Audit was of the view that non observance of rules and weak financial and procurement controls led to irregular expenditure of Rs. 22.25 million.

The matter was pointed out to the management in September 2012.

The matter was further reported to the administrative department in November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit requires regularization of the expenditure besides fixing responsibility regarding violation of rules.

*(Para No. 1 of AIR -Chief Minister Secretariat Punjab Lahore -2010-12)*



*Internal controls weakness*

***13.4.3 Unauthorized use of government aircraft and non realization of hiring charges for Rs.56.69 millions***

According to Rule 4.1 of PFR VoI-I, the departmental controlling offices should see that all sums due to government are regularly received and checked against demands that they are paid in to the Treasury. Further as per charter Registration form for aircraft of Government of the Punjab, Beech jet 400A will be available for domestic/international charter. The charterer will pay rupees equivalent to US\$ 2000 for Beech Jet per flying hour (block off to block on) in advance for whole duration of flight. All the payment will be made to the Chief Pilot VIP flight government of the Punjab, Lahore and will be deposited as general administration receipts. Each request for the charter will be got cleared from Secretary to Chief Minister/PSO-I to Chief Minister/Military Secretary to Governor of the Punjab beforehand.

During audit of Chief Pilot VIP Flight S&GAD Punjab Lahore, it was observed that aircraft Hawker 400XP (Beechjet400A) was utilized by the persons other than Chief Minister and Governor of the Punjab as detailed in the out station claims of the Chief Pilot and Co-Pilots. Neither charter requisition form dully filled and signed by the charterer and approved by the Secretary to Chief Minister/PSO to Chief Minister and order of the competent authority to utilize the aircraft nor payment of hiring charges were shown as realized. Either above stated documents may be shown or hiring charges @ US\$ 2000 per hour may be recovered and deposited into government treasury for Rs.56.69 million.

Audit was of the view that due to weak supervisory and financial controls, the aircraft was used unauthorizedly and recovery thereof could not be effected.

The matter was pointed out to the management in September 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 01.01.2013, directed the department to get the schedule of flights carried out during the year 2011-12 attested from the PSO to Chief Minister. Further progress was not reported till the finalization of this report.

Audit requires implementation of the DAC directive besides fixing of responsibility for non-adherence to government rules.

*(Para No. 2 of AIR -Chief Pilot VIP Flight Lahore - 2011-12)*

#### ***13.4.4 Use of POL in excess of prescribed limit for Rs. 2.21 millions***

According to Government of the Punjab S&GAD letter No. MTO (S&GAD) AT.II dated 22.09.1999, a maximum limit of 200, 175, and 150 liters was fixed on vehicles used by Secretaries to Government of Punjab, Additional Secretaries, Deputy Secretaries and staff officers respectively for control on expenditure on use of official vehicles.

During audit of Chief Minister's Secretariat, it was observed that POL for Rs. 2.21 million was consumed in excess of the prescribed limit.

Audit was of the view that weak financial and supervisory controls led to unauthorized expenditure of Rs. 2.21 million.

The matter was pointed out to management in November 2012.

The matter was further reported to the administrative department in November 2012. Neither any reply was received nor DAC meeting convened despite repeated reminders till finalization of this report.

Audit stresses recovery of excess amount besides fixing of responsibility.

*(Para No. 5 of AIR- Chief Minister's Secretariat- 2010-12)*

### ***Others***

#### ***13.4.5 Non auction of damaged air craft for Rs.14.10 millions***

According to Rule 15.21 (5) of PFR Vol-I, the accounting for and maintenance of unserviceable stores which cannot be utilized by the department in whose custody they are kept involve waste of labour and spare, a competent authority may sanction the sale or disposal of stores regarded as surplus, obsolete or unserviceable.

During audit of accounts of Chief Pilot VIP Flight S&GAD Punjab, Lahore revealed that the Beechjet 400 A (RK-80) aircraft suffered structural damage due to collapse of hanger on 06.06.2004. As per report of M/S Raytheon Aircraft Company, the repair of the air craft was found un-economical. Later on as per para 10 of summary approved by Chief Minister of the Punjab dated 17.2.2009, it was decided to utilize the parts of damaged aircraft. However the decision was not found feasible, finally a committee was constituted for its disposal vide para 59 of the summary approved by the Chief Minister of the Punjab dated 13.10.10, but damaged aircraft was not auctioned even after a lapse of about two years.

Audit was of the view that weak supervisory and management controls led to non auction of damaged aircraft depriving the government of potential revenue of Rs.14.10 millions.

The matter was pointed out to the management in September 2012.

The matter was further reported to the administrative department in December 2012. DAC in its meeting held on 01.01.2013, directed the department to expedite the disposal of damaged aircraft. Further progress was not reported till the finalization of this report.

Audit requires immediate implementation of the DAC directive.

*(Para No. 1 of AIR -Chief Pilot VIP Flight Lahore - 2011-12)*

#### ***13.4.6 Loss due to theft of vehicles for Rs.1.90 millions***

According to Rule 2.35(2) of PFR Vol-I, losses occurring in offices, as soon as they occur or come to notice, should be at once reported, through the immediate departmental superior of the government servant reporting the loss, to the Head of the Department concerned, with a statement of the steps taken in matter. When the matter has been fully inquired into a further and complete report should be submitted of the nature and extent of the loss showing the errors or neglect of rules by which such loss was rendered possible and the prospects of effecting recovery.

During audit of Punjab Public Service Commission Lahore, it was observed that four vehicles valuing Rs.1.90 million approximately were stolen. Although the department got registered FIRs with the police stations concerned but the record was silent about any departmental inquiry for the determination of element of omission/negligence. Further, in case, the police could not trace the culprits, the department was required to move write off cases of the stolen properties but despite the lapse of considerable period no action was taken.

(Rs. in millions)

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars</b>	<b>Amount</b>
1.	Additional Chief Secretary, S&GAD Punjab, Lahore.	2011-12	10	Three vehicles	1.30
2.	Punjab Public Service Commission Lahore.	2010-12	5	Suzuki Bolan	0.60
<b>Total</b>					<b>1.90</b>

Audit was of the view that weak internal controls on asset management led to theft of vehicles.

The matter was pointed out to the management in August 2012.

The matter was further reported to the administrative department in November 2012. DAC in its meeting held on 01.01.2013, directed the department to conduct inquiry effect recovery. Further progress was not reported till the finalization of this report.

Audit stresses immediate implementation of DAC directive.

**Annexure- 1****MEFDAC***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Para No. of AIR</b>	<b>Audit Year</b>	<b>Caption of Para</b>	<b>Amount</b>
<b>ENVIRONMENT AND PROTECTION DEPARTMENT</b>					
1	Deputy Director Implementation EPD, Lahore	14	2010-12	Loss to Government Due to Excess payment of Rent of Laboratories	3.70
2	DG Environmental Protection Agency, Lahore	5	2010-12	Irregular payment of Rs.121,960 on the account of rate and taxes	0.12
3	Deputy Director Implementation EPD, Lahore	9	2010-12	Non/ less deduction of income tax	0.03
4	Deputy Director Implementation EPD, Lahore	5	2010-12	Un-authorized Expenditure of Rs. 973,900 for the purchase of fifty UPS.	0.97
5	Deputy Director Implementation EPD, Lahore	7	2010-12	Un-authorized Expenditure of Rs. 960,000 on account of purchase of Car	0.96
6	Deputy Director Implementation EPD, Lahore	1	2010-12	Irregular expenditure of Rs.598,201 on account of purchase of furniture	0.60
7	Deputy Director Implementation EPD, Lahore	19	2010-12	Un-authorized sanction of the expenditure	-
8	DG environmental protection Agency EPD, Lahore	4	2010-12	Doubtful expenditure of Rs 242,345 on account of POL	0.24
9	DG environment Protection Agency, Lahore	1	2010-12	Less deduction of income tax from rent of office building	0.43
10	Deputy Director Implementation, EPD Lahore	13	2010-12	Unauthorized expenditure on account of utility bills	0.45

<b>FINANCE DEPARTMENT</b>					
1	Secretary Finance Department, Lahore	11	2010-11	Non receipt of electricity profit	2600
2	Secretary Finance Department, Lahore	15	2011-12	Grant of loans to Financial and non Financial Institution without considering their pay back ability	13,964
3	Secretary Finance Department, Lahore	7	2011-12	Irregular release of loan without execution of an agreement & service charges	1,053.2
4	Secretary Finance Department, Lahore	14	2011-12	Excess expenditure over and above the budget allocation	3,456
5	Secretary Finance Department, Lahore	22	2011-12	Loss to public funds due to non investment	400
<b>FOOD DEPARTMENT</b>					
1	District Food Controller, Vehari	3	2009-11	Additional burden due to irrational wheat procurement	319.90
2	District Food Controller, Vehari	3	2011-12	Irregular expenditure on repair and maintenance of godown	2.53
3	District Food Controller, Vehari	5	2011-12	Loss due to shortage of bardana	0.26
4	District Food Controller, Vehari	2	2011-12	Irregular payments on mud plastering of godowns	2.71
5	District Food Controller, Vehari	4	2011-12	Un authorized D-classification or tarpaulins	2.79
6	District Food Controller, Layyah	6	2011-12	Irregular expenditure on purchase of bhoosa	3.30
7	District Food Controller, Layyah	2	2011-12	Loss not recovered / calculated	-
8	District Food Controller, Khanewal	4	2011-12	Irregular payment of land hired for storage of wheat	0.30
9	District Food Controller, Lodhran	3	2011-12	Cost of wheat supplied to KPK not recovered	821.27

10	District Food Controller, Muzaffargarh	7	2011-12	Doubtful deposit of challan due to non maintenance of record	0.00
11	District Food Controller, Muzaffargarh	4	2011-12	Non recovery of cost of bardana	0.15
12	Deputy Director Food, Lahore	2	2011-12	Irregular drawl of pay & allowances by three drivers against two vehicles	0.14
13	District Food Controller-I, Lahore	5	2011-12	Loss to Government revenue due to change of classification of bardana	0.71
14	District Food Controller-I, Lahore	3	2011-12	Enroute shortage of wheat	0.36
15	District Food Controller, Pakpattan	7	2011-12	Irregular excess expenditure than budget allocation	1.20
16	District Food Controller, M. B. Din	3	2011-12	Irregular excess expenditure than budget allocation	0.41
17	District Food Controller, Pakpattan	3	2011-12	Non deposal of 90,053.358 m.ton wheat	2251.41
18	District Food Controller, Pakpattan	2	2011-12	Less accountal of 1028 B class bags sent by Adda Jhanb	0.09
19	District Food Controller, Khanewal	5	2011-12	Non disposal of 57887.639 m.ton wheat	1447.19
20	District Food Controller, MuzaffarGarh	6	2011-12	Non maintenance of SF-21 sale register and non obtaining of acknowledgements of wheat	61.53
21	District Food Controller, MuzaffarGarh	5	2011-12	Irregular purchase of PP bags	0.85
22	District Food Controller, MuzaffarGarh	1	2009-11	Loss to Govt. due to damage of wheat due to flood	211.18
23	District Food Controller-I, Lahore	6	2011-12	Non utilization of bardana of previous years	2.18
24	District Food Controller, Khanewal	3	2011-12	Non handing over charge of bardana and stock articles	0.58
25	District Food Controller, Khanewal	2	2011-12	Un authorized D-classification or tarpaulins	6.57



26	Dy. Director Food , Gujanwala	1	2011-12	Outstanding recovery against official of Food deptt.	44.80
27	Food Directorate Punjab, Lahore	8	2011-12	Non recovery of Rs 630.239 millions	630.24
28	Food Directorate Punjab, Lahore	5	2011-12	Recovery of outstanding dues from Relief Commissioner	103.89
29	Food Directorate Punjab, Lahore	15	2011-12	Loss due to irregular payment of conveyance allowance	0.12
30	District Food Controller, Rajan pur	2	2011-12	Irregular drawl of basic pay , adhoc relief-2009	0.11
31	District Food Controller, Multan	14	2011-12	Less payment of Rs 2918371 in the payment against procurement	0.92
32	District Food Controller, Bahawalpur	5	2011-12	Shortage of wheat	0.24
33	District Food Controller, Bahawalpur	3	2011-12	Un authorized declassification of 559 tarpaulins	6.76
34	District Food Controller, Dera Ghazi Khan	3	2011-12	Irregular purchase of bhoosa	1.41
35	District Food Controller, Dera Ghazi Khan	4	2011-12	Irregular expenditure on repair and maintenance of godown	0.91
36	District Food Controller, Jhang	3	2011-12	Non disposal of confiscated quantity of wheat	2.40
37	District Food Controller, Jhang	2	2011-12	Un authorized D- classification or tarpaulins	0.45
38	District Food Controller, Multan	9	2011-12	Recovery of Rs 270995 on account of less transportation of wheat	0.27
39	District Food Controller, Multan	10	2011-12	Recovery on account of less transportation of wheat	0.12
40	District Food Controller, Multan	6	2011-12	Recovery on account of non deposit of stock articles	-
41	District Food Controller, Rawalpindi	4	2011-12	Un authorized declaring of tarpaulins as unserviceable without sanction	0.20

42	District Food Controller, Kasur	6	2011-12	Un authorized declassification of 559 tarpaulins	1.68
43	District Food Controller, Bhakkar	1	2011-12	Un authorized D-classification of tarpaulins	4.80
44	District Food Controller, Gujrat	2	2011-12	Un authorized D-classification of tarpaulins	0.40
45	District Food Controller, sahiwal	4	2011-12	Loss sustained to govt. due to non availability of 199 tarpulins 258PP bags	3.00
46	District Food Controller, sahiwal	8	2011-12	Irregular drawl of basic pay, adhoc relief 2009 and dearness allowance	0.09
47	District Food Controller, Sargodah	4	2011-12	Irregular drawl of adhoc relief 2009 and dearness allowance Rs 234,771	0.23
48	District Food Controller, II Lahore	2	2011-12	Irregular drawl of adhoc relief 2009 and dearness allowance	0.23
49	District Food Controller, Attock	1	2011-12	Irregular drawl of basic pay, adhoc relief 2009 and dearness allowance	0.11
50	District Food Controller, Mianwali	3	2011-12	Irregular drawl of adhoc relief 2009 and dearness allowance	0.09
51	District Food Controller, Mianwali	4	2011-12	Irregular expenditure on account of construction of plinths	0.61
52	District Food Controller, Sheikhpura	4	2011-12	Non utilization of bardana of previous years	40.72
53	District Food Controller, Sheikhpura	3	2011-12	Irregular expenditure on repair and maintenance of godowns	1.53
54	District Food Controller, Chiniot	2	2011-12	Misappropriation of 295 jute bags 407 B class	0.07
55	District Food Controller, Chiniot	1	2011-12	Recovery of Rs 775,320 due to damage	0.78
56	District Food Controller, Jhelum	1	2011-12	Irregular repair of godowns of different centre	2.31
57	District Food Controller, M.B.Din	1 & 2	2011-12	Irregular repair	2.00

58	District Food Controller, Nankana Sab	5	2011-12	Unauthorized De-classification	0.59
59	District Food Controller, Nankana Sab	2	2011-12	Recovery against Officials	152.54
60	District Food Controller, Kasur	7	2011-12	Recovery against officials	13.19
61	District Food Controller, Gujranwala	6	2011-12	Recovery against Officials	9.20
62	DFC, Sahiwal	6	2011-12	Loss to government due to robbery	0.45
63	DFC, Rawalpindi	1	2011-12	Non recovery of cost of enroute shortage of wheat	0.93
<b>FORESTRY, WILDLIFE &amp; FISHERIES DEPARTMENT</b>					
1	DFO Sargodha	6	2011-12	Loss due to non pursuance/Finalization of prosecuted cases	0.44
2	DFO Jehlum	4	2011-12	Loss due to non pursuance/finalization ion of prosecuted cases	2.40
3	DFO Lahore/Sheikhupura	6	2011-12	Loss due to non pursuance/finalization of prosecuted cases	0.19
4	DFO Mianwali	5	2009-11	Loss due to non pursuance/finalization of prosecuted cases	0.67
5	DFO Multan	5	2009-11	Loss due to non pursuance/finalization of prosecuted cases	2.24
6	DFO Sahiwal	7	2009-11	Loss due to non pursuance/finalization of prosecuted cases	1.30
7	DFO Okara	6	2009-11	Loss due to non pursuance/finalization of prosecuted cases	0.82
8	DFO Gujranwala	3	2008-11	Loss due to non pursuance/finalization of prosecuted cases	3.97

9	DFO Jehlum	2	2008-11	Loss due to non pursuance/finalization of prosecuted cases	2.40
10	DFO Rajanpur	6	2009-11	Loss due to non pursuance/finalization of prosecuted cases	1.03
11	D.D Fisheries (H) Rawalpindi	5	2010-12	Irregular expenditure on control of dengue	0.22
12	DFO Gujrat	3	2011-12	irregular purchase of plants from Private Nursery	0.39
13	Secretary FW&F Department	3	2009-12	Doubtful expenditure on Photocopy	0.06
14	DFO G/Wala	7	2011-12	Unlawful installation of water tank on trolley	0.18
15	DFO Sialkot	6	2011-12	Pilferage of Govt. funds	0.10
16	DFO Kasur	6	2011-12	Unlawful and unjustified expenditure on purchase of plants	0.27
17	AD Livestock Jallo park Lhr	7	2009-12	Irregular creation of pending liabilities	0.71
18	D.D Fisheries G/Wala	4	2002-12	Non surrendering of savings with in stipulated period	1.42
19	Distt Wild life Officer B/Nagar	1	2003-12	Non surrendering of savings with in stipulated period	0.70
20	DD. Fisheries (H)F/Abad	4	2002-12	Non surrendering of savings with in stipulated period	5.31
21	Curator B/Pur zoo	1	2001-12	Non surrendering of savings with in stipulated period	3.65
22	DD Fisheries (H) B/Pur	5	2008-12	Non surrendering of savings with in stipulated period	0.50
23	DWO R.Y.Khan	2	2003-12	Non surrendering of savings with in stipulated period	2.49
24	D.D Fisheries Faisalabad	3	2002-11	Irregular expenditure pay & allowances of Tubewell operator and driver without job	1.97
25	D.D Fisheries G/wala	2	2003-12	Irregular payment of pay exceeding sanctioned of Chokidar	0.13

26	D. G Wildlife & parks Lhr	1	2011-12	Irregular payment of pay & allowances to the official posted at place other than headquarter	4.36
27	Director Fisheries R&T Lhr	3	2010-12	Irregular payment of pay & allowances to the official posted at place other than headquarter	2.10
28	A.D Jallo Park Lhr	3	2009-12	Unauthorized payment of integrated allowance	0.07
29	DFO Lahore/S/Pura	7	2011-12	Loss to Govt revenue due to negligence	0.24
30	Curator B/Pur Zoo	3	2001-12	Irregular payment of pay without performance	0.49
31	DG Fisheries (HM) Lahore	5	2001-12	Unauthorized payment of integrated allowance	0.05
32	Director Fisheries (Aqua) Pb Lhr	2	2008-12	Irregular payment of pay & allowances through shifting of headquarter of driver	1.07
33	D.G Wildlife & Parks Pb Lahore	2	2011-12	Unauthorized expenditure on pol & repair without sanction strength of vehicles	2.44
34	D.D Fisheries G/Wala	1	2002-12	Unauthorized expenditure on pol & repair without sanction strength of vehicles	1.22
35	A.D Wildlife Jallo Park Lhr	2	2009-12	Expenditure on pol & repair without sanction strength of vehicles	1.34
36	DFO Chichawatni	2	2008-12	Irregular consumption of pol & repair charges	0.99
37	DFO R/Pindi	2	2003-12	Unauthorized expenditure on pol & repair without sanction strength of vehicles	1.64
38	Curator zoo B/pur	2	2001-12	Targets of receipt not obtained	4.69
39	DD Fisheries (H) R/Pindi	4	2010-12	Irregular expenditure through Misclassification	0.04
40	DD ' Fisheries (H) B/Nagar	3	2008-12	Irregular purchase through Misclassification	0.08

41	DFO Sialkot	1	2011-12	Defective construction of APOs	9.29
42	DFO Sargodha	11	2011-12	Doubtful and unjustified expenditure	6.21
43	DD Fisheries (H) R/Pindi	3	2010-12	Irregular payment for repair of vehicle without obtaining sanction of higher authority	0.06
44	DG Wildlife & Parks Pb Lahore	7	2011-12	Irregular payment of house building advance . without execution of Mortgage deed	0.25
45	DD Fisheries F/Abad	1	2002-11	Loss to Govt, due to-auction of public water at less rate	0.63
46	DD Fisheries (H) R/Pindi	2	2010-12	Irregular auction of vehicle without observing Govt. Policy	0.74
47	DFO B/Nagar	3	2011-12	Irregular purchase from General sales tax unregistered firm	0.56
48	DD wildlife B/Pur	4	2010-12	Loss of GST due to non receipt of GST Invoices	0.23
49	DFO Okara	11A & 11B	2009-11	Non production of record	1.88
50	DFO Sialkot	8	2011-12	Likely Misappropriation of POL	0.06
51	DFO South Rawalpindi	3	2011-12	Non Maintenance of History File	0.63
52	DFO TED Rawalpindi	4	2011-12	Non Maintenance of Accounts record of expenditure	1.16
53	DFO B/Pur	4	2008-12	Irregular expenditure due to non maintenance of Log book	0.26
54	DFO Lahore/S/Pura	8	2011-12	Non Maintenance stock entries in Material Form-7	0.10
55	DFO Gujrat	3	2009-11	Non imposition of Penalty late deposit of auction money of standing trees	0.50
56	DD Fisheries (H) R/pindi	6	2010-12	Non maintenance of schedule of payments	22.00

57	DWO Kasur	4	2003-12	Non maintenance of schedule of payments	1.82
58	DFO Kasur	7	2011-12	Loss of planting stock	0.15
59	DD Fisheris (H) G/vvala	3	2002-12	Expenditure exceeding budget allocation	0.24
60	DD Fisheries (H) B/Pur	4	2008-12	Expenditure exceeding budget allocation	2.16
61	DWO RY Khan	4	2003-12	Expenditure exceeding budget allocation	1.94
62	DWO Rawalpindi	3	2003-12	Expenditure exceeding budget allocation	1.03
63	DFO Attock	12	2008-12	Non verification of sale tax deposits	0.13
64	DFO Okara	8	2011-12	Doubtful and unjustified Nursery operations	0.05
65	DFO Okara	7	2011-12	Unjustified expenditure on polughing leveling of bed nursery	0.08
66	DFO Okara	2	2011-12	Non achievement of Revenue target difference	3.18
67	DFO Murree	10	2011-12	Irregular expenditure on Secretary Camp office	0.08
68	DFO Murree	8	2011-12	Unjustified expenditure on maintenance of afforestation	9.05
69	DFO Murree	4	2011-12	Loss due to sale of plants on less rates	0.08
70	DD Fisheries (H) F/Abad	9	2002-12	Irregular expenditure through Misclassification	0.07
71	DD Fisheries (H) F/Abad	7	2002-12	Irregular payment of pay & allowances of the official posted place other than headquarters	0.24
72	DD Fisheries (H) F/Abad	7	2002-12	Non maintenance of record vouched accounts	4.27

73	DG Fisheries Lahore	2	2011-12	Irregular payment of pay & allowances to the Laboratory staff without performance	8.26
74	DG Fisheries Lahore	1	2011-12	Violation between FI data and cash book	15.16
75	DFO B/Pur	9	2008-12	Loss to Govt, due to bogus damage reports	0.96
76	CCF PM&E Lhr	2	2011-12	Unauthorized expenditure on pol and repair without sanction strength of vehicles	0.48
77	DFO Kasur	5	2011-12	Excess expenditure on Forestry work	0.12
78	DFO Attock	6	2008-12	Unjustified expenditure on ' afforestation	0.11
79	DFO TED R/Pindi	5	2011-12	Non achievement of outturn of timber excess expenditure	0.88
80	DFO Okara	17	2009-11	Irregular expenditure on repair of maintenance of buildings	0.54
81	DWO B/Nagar	2	2003-12	Targets of receipt not obtained	1.16
82	Director Fisheries (AQUA) Lahore	3	2008-12	Payment of pay & allowances to the extra driver without performance	2.17
83	DWO M/Garh	7	2003-12	Irregular payment without obtaining sanction of competent authority	0.05
84	DG Wildlife & Parks Pb. Lahore	6	2011-12	Receipt not entered in the cash book	0.37
85	DWO R/Pindi	1	2003-12	Receipt not entered in the cash book	14.37
86	DD Fisheries (H) F/Abad	6	2002-12	Irregular payment of pending liabilities	0.11
87	DFO Sargodha	4	2011-12	Non reconciliation of amount shown in Form-15	0.69
88	Director Fisheries (AQUA)	1	2008-12	Non-reconciliation of expenditure from DAO	6.69
89	DWO R.Y.Khan	3	2003-12	Non-reconciliation of expenditure from DAO	1.18



90	Secretary, Forestry Wildlife & Fisheries	4	2009-12	Recovery due to excess payment of pay & allowances	0.05
91	Secretary, Forestry Wildlife & Fisheries	1	2009-12	Unlawful payment of C.A.	0.09
92	AD Wildlife Jallo Park Lahore	8	2009-12	Unauthorized payment of social security benefit to the regular staff.	0.02
93	Secretary Okara	2	2011-12	Doubtful consumption of Uniform.	0.07
94	DFO Okara	8	2009-11	Doubtful issuance of plants.	0.25
95	DFO Sargodha	7	2011-12	Doubtful distribution of plants free of cost	0.58
96	DFO Kasur	5	2011-12	Illegal disposal of planting staff	0.38
97	Curator B/Pur zoo	7	2001-11	Non clearance /disposal of amount lying under head "P- deposit"	0.05
98	DFO Rajan pur	6	2009-11	Non finalization of forest offence cases	0.01
99	DFO, Layyah	3	2009-11	Non pursuance of forest offence cases	0.03

#### HEALTH DEPARTMENT

1	Services Institute of Medical Sciences	2	2011-12	Un-authorized payment of Salaries to charge nurses	17.70
2	Services Institute of Medical Sciences	16	2011-12	Irregular expenditure on hiring hostel building	4.40
3	Services Institute of Medical Sciences	22	2011-12	Irregular expenditure on SEMS Allowance	1.04
4	Services Institute of Medical Sciences	24	2011-12	Irregular expenditure on purchase of laptops	0.60
5	Services Institute of Medical Sciences	18	2011-12	Irregular expenditure on work charge employees	42.27
6	Services Institute of Medical Sciences	20	2011-12	Non-Utilization of Development Grant	53.63

7	Services Institute of Medical Sciences	15	2011-12	Non-transparent Purchase of patient's beds.	1.90
8	Services Institute of Medical Sciences	14	2011-12	Non-receipt of self finance fees	10.42
9	Services Institute of Medical Sciences	13	2011-12	Non-transparent Purchase of bulk medicines	292.64
10	AIMC/ J Hospital, Lahore.	28	2011-12	Non-disbursement of share money	2.99
11	AIMC/ Jinnah Hospital, Lahore.	21	2011-12	Un-authorized payment of share money to non-entitled officials.	1.25
12	AIMC/ Jinnah Hospital, Lahore.	3	2011-12	Non-receipt of self finance fees	US\$ 10,000
13	AIMC/ Jinnah Hospital, Lahore.	4	2011-12	Loss due to non-transparent award of contract	4.81
14	AIMC/ Jinnah Hospital, Lahore.	12	2011-12	Non-recovery of hostel dues	0.14
15	AIMC/ Jinnah Hospital, Lahore.	7	2010-11	Un-authorized payment of share money to non-entitled officials.	1.33
16	AIMC/ Jinnah Hospital, Lahore.	1	2010-11	Irregular approval of budget	16.81
17	AIMC/ Jinnah Hospital, Lahore.	18	2010-11	Loss due to purchase at higher rates	0.41
18	AIMC/ Jinnah Hospital, Lahore.	61	2010-11	Un-authorized occupation of designated house	-
19	AIMC/ Jinnah Hospital, Lahore.	30	2010-11	Loss due to purchase at higher rates	0.36
20	D.G Health Services	10	2011-12	Un-authorized payment of pay & Allowances/ Shifting of headquarter	1.39
21	Secretary Health	4	2010-11	Loss due to non-transparent award of contract	8.72
22	M.S. Mayo Hospital	12	2011-12	Loss due to non-replacement of metal stunts	0.80
23	M.S. Mayo Hospital	26	2011-12	Irregular expenditure on purchase of E.T.T machine	2.00

24	M.S. Mayo Hospital	40	2011-12	Non-recovery of stipend against absconders	0.10
25	M.S. Mayo Hospital	24	2011-12	Irregular expenditure on purchase of machine	8.72
26	M.S. Mayo Hospital	1	2011-12	Irregular expenditure on installation of machine	36.00
27	Secretary Health	13	2011-12	Irregular expenditure on purchase of operation tables	3.53
28	Secretary Health	17	2011-12	Irregular expenditure on advertisement	0.25
29	Secretary Health	4	2011-12	irregular advance payment for purchase of machinery	36.00
30	Secretary Health	6	2011-12	irregular payment of pending liabilities	5.26
31	Secretary Health	2	2011-12	irregular purchase of medicines	0.65
32	College of Ophthalmology	4	2010-11	Misclassification of expenditure	0.39
33	College of Ophthalmology	3	2010-11	Irregular payment of electricity charges	1.67
34	Institute of Blood Transfusion Services, Lahore	1	2011-12	Non-transparent Purchase of generator.	1.78
35	Institute of Blood Transfusion Services, Lahore	2	2011-12	Non-transparent Purchase of apheresis kits.	10.17
36	King Edward Medical University	10	2011-12	Non-auction of condemned vehicles	0.70
37	King Edward Medical University	3	2011-12	Overpayment due to non deduction of steel rates	0.35
38	Public Health Nursing School Multan	1	2011-12	Non-auction of condemned vehicles	1.26
39	Institute of Public Health	6	2011-12	Outstanding tuition fees	0.78
40	Institute of Public Health	3	2011-12	irregular payment of Health Professional allowance	3.12

41	Secretary Health	29	2011-12	Misclassification due to irregular purchase of telephone sets from wrong head a/c & Recovery of GST Rs.16,480	0.12
42	Secretary Health	28	2011-12	Unauthorized retention and use of Govt. vehicles	-
43	Secretary Health	27	2011-12	Doubtful expenditure on the purchase of telephone cards	0.10
44	Secretary Health	24	2011-12	Irregular payment of NPA. Clarification recovery thereof	0.12
45	Secretary Health	7	2010-11	Mis-procurement of equipments due to unlawful negotiations of the contract Rs.97.149 millions +Euro 149,633+US\$156,485	97.15
46	Secretary Health	9	2010-11	Unauthorized approval of contractors over and above delegated financial powers Rs.63.628 millions+Euro77125	63.63
47	Secretary Health	10	2010-11	Non transparent conclusion of contract for purchase of Rapid Anti HCV Screening Kits	10.83
48	Secretary Health	1	2010-11	Non-transparent award of contract for PCR kits	35.52
49	Secretary Health	2	2010-11	Non-transparent award of contract for air conditioners (split type)	3.30
50	Secretary Health	8	2010-11	Non-transparent conclusion of contracts for purchase of equipments Rs.44.589+Euro 168,524+US\$ 46,500	44.59
51	Secretary Health	25	2011-12	Un-necessary expenditure on the payment of Internet charges	1.17
52	Jinnah Hospital and Nursing School Lahore	1	2011-12	Non deposit of donations into PLA	58.06
53	Jinnah Hospital and Nursing School Lahore	14	2011-12	Non transparent expenditure on purchase of medicines and equipments	295.83

54	Lady Walingdon Lahore	8	2011-12	Non forfeit of security deposit of defaulter firm	0.63
55	Principal, De- Montmorency College of Dentistry, Lahore	3	2011-12	Non-Production of Receipt/expenditure a/c against the collection of utility charges	4.39
56	Principal, College of Dentistry, Lahore	4	2011-12	Irregular purchase of stores without observing PPRA Rules	1.10
57	Executive Director, Punjab Institute of Mental Health Lahore	9,10, 11 & 12	2011-12	Doubtful expenditure without having necessary completion documents costing	5.97
58	Executive Director, Punjab Institute of Mental Health Lahore	2	2011-12	Irregular mode of payment	43.87
59	Services Hospital	3	2010-11	Irregular expenditure on Janitorial Services	14.75
60	Services Hospital	13	2010-11	Furniture not received from TEVTA	10.86
61	DG Health Services Lahore	3	2011-12	Non-transparent purchase of Deltamethrin	2.50
62	Jinnah Hospital	8	2010-11	Blockage of public money due to excessive and un-necessary purchase	5.05
63	Jinnah Hospital	31	2010-11	Irregular award of contract of Taxi stand 133	0.29
64	College of Ophthalmology	5	2010-11	Irregular use of vehicles without tour programme	0.13
65	Institute of Blood Transfusion Services Lahore	7	2011-12	Mis-procurement in contracts for purchase of blood bags etc	482.00
66	DGHS, Lahore	6 & 9	2011-12	Non-utilization of development budget	209.57
67	Jinnah Hospital/AIMC, Lahore	10	2011-12	Non-utilization of development budget	92.49
68	Mayo Hospital, Lahore	30	2011-12	Non-utilization of development budget	125.08

69	Punjab Institute of Mental Health, Lahore.	8	2011-12	Non-utilization of development budget	26.77
70	CPEIC, Multan	7	2011-12	Holter recorder found missing-Rs.125,000	0.13
71	CPEIC, Multan-	8	2011-12	Non return of replacement-Rs.120,000	0.12
72	CPEIC, Multan	5	2011-12	Loss to government due to theft of precious items of the hospital valuing lacs of rupees	-
73	Punjab Institute of Health, Lahore.	11	2011-12	Loss due to unauthorized payment of allowances	0.19
74	Jinnah Hospital/AMIC Lahore	25	2011-12	Non collection of 5% advance income tax	0.15
75	SIMS/Services Hospital, Lahore	39	2010-11	Non deduction of income tax from share money	0.11
76	Secretary Health Government of the Punjab Lahore	2	2011-12	Fraud through double drawl of arrears of telephone charges	0.59
77	Secretary Health, Govt. of the Punjab Lahore	20	2011-12	Over payment of residential utility charges.	0.24
78	Secretary Health, Govt. of the Punjab Lahore	22	2011-12	Over payment of residential telephone charges.	0.15
79	Jinnah Hospital / AIMC , Lahore-	16	2011-12	Loss due to excessive consumption of POL	0.43
80	Nawaz Sharif Medical College Gujrat.	3	2008-11	Loss due to payment on account inadmissible social security benefit	0.33
81	Services Hospital / SIMS Lahore	23	2011-12	Loss due to payment on account inadmissible social security benefit	0.33
82	CPEIC, Multan	4	2011-12	Recovery outstanding against contractor-Rs.225,000	0.23
83	Jinnah Hospital Lahore	14	2010-11	Loss due to non replacement of expired medicines-Rs. 199,879	0.20
84	D.G. Health Services Punjab, Lahore	1	2011-12	Unauthorized use of government vehicles-	0.59

				Rs. 593,357	
85	CPEIC, Multan	6	2011-12	Non replacement of expired disposable items-Rs.500,000	0.50
86	CPEIC, Multan	3	2011-12	Loss due to two ECG machines missing from emergency ward- Rs.400,000 (Approx)	0.40
87	Mayo Hospital Lahore	34	2011-12	Use of expired Metal Stents for the treatment of Cardiac patients-Rs.255,000	0.26
<b>HIGHER EDUCATION DEPARTMENT</b>					
1	University of Education Lahore	3	2011-12	Non auction of condemned vehicle - Rs.400,000	0.40
2	University of Education Lahore	3	2011-12	Non disbursement of scholarship worth- Rs.14.634 millions	14.63
3	Queen Marry College, Lahore	5	2011-12	Non recoupment of transfer payment of Rs.4,952,867 to the fund	4.95
4	Queen Marry College, Lahore	8	2011-12	Unapproved financial statement Rs.190,812,541	190.81
5	Bahauddin Zakriya University, Multan	6	2011-12	Irregular payment of hiring charges of buses- Rs.5,436,936 Transport Section	5.44
6	Bahauddin Zakriya University, Multan	16	2011-12	Non recovery of loans on account of wheat and irregular mode of recovery amounting to Rs.1,280,000	1.28
7	University of Engineering & Technology, Lahore.	1	2011-12	Unauthorized drawl and expenditure without approval of the budget and sanction of the competent authority-Rs. 198,221,040	198.22
8	University of Engineering & Technology, Lahore.	3	2011-12	Non formulating of the transport policy and misuse of vehicle and POL –Rs. 4,434,599	4.43

9	University of Engineering & Technology, Lahore.	19	2011-12	Uneconomical expenditure on POL-Rs.297,549.90 (approximately) by providing transport policy to officers (KSK Campus)	0.30
10	University of Engineering & Technology, Lahore.	11	2011-12	Loss of Rs.1,500,000 due to irregular purchase at less discount rate without floating tender notice in newspapers	1.50
11	Board of Intermediate & Secondary Education, Faisalabad	11	2010-12	Non auction of used mobil oil –Recovery of Rs.83,160	0.08
12	Board of Intermediate & Secondary Education, Rawalpindi	11	2010-12	Less deposit of affiliation fee-Rs.1,020,600	1.02
13	Board of Intermediate & Secondary Education, Rawalpindi	12	2010-12	Unjustified refund of affiliation fee- Rs.706,683	0.71
14	Board of Intermediate & Secondary Education, Sargodha	5	2010-12	Recoverable due to excess payment of General Sales Tax-Rs.310,978	0.31
15	Board of Intermediate & Secondary Education, Gujranwala	3	2010-12	Non recovery of late delivery charges-Rs.110,000 (Store Section)	0.11
16	Government College for Women, Shah Rukn e Alam, Multan	4	2011-12	Likely misappropriation of Rs.220,818 on account of canteen auction deposits.	0.22
17	Government College for Women, Shah Rukn e Alam, Multan	4	2011-12	Unauthorized retention of student funds into Bank of Punjab Rs.354,470	0.35
18	Government College for Women, Shah Rukn e Alam, Multan	1	2011-12	Unjustified retention of income tax charged upon computer fee income into ESCROW account not deposited into government treasury-Rs.53,069	0.05
19	Government Islamia College (B) Badomalhi, Narowal	2	2006-12	Purchase of store items without immediate requirement Rs.1,860,700	1.86
20	Government Degree College	5	2006-12	Fraudulent drawl of Rs.41,915 on account of excess claim	0.04



	(W)Badomalhi, Narowal			under revenue grant 2008-09	
21	Government Degree College (W)Badomalhi, Narowal	4	2006-12	Purchase at higher rates by ignoring the lowest offers- Rs.701,318	0.70
22	Government Degree College (W)Badomalhi, Narowal	6 & 7	2006-12	Purchase of store items without immediate requirement – Rs. 1,501,000	1.50
23	Government Post Graduate College for Women Katchery Road, Sialkot	3	2006-11	Recovery of liquidated damages charges and income tax recovery thereof Rs.108,000+54000= Rs.162,000	0.16
24	Government Post Graduate College for Women Katchery Road, Sialkot	1	206-11	Less disbursement of library security to the students- Rs.1,238,900	1.24
25	Government Shalimar College Lahore.	1	2011-12	Overpayment of 30% Social Security Benefit recovery thereof –Rs.90,461	0.09
26	Government College for Women Madina Town, Faisalabad	3	2009-12	Recovery of Rs.103,120 on account of profit earned on salary account	0.10
27	Government MAO College, Lahore	5	2011-12	Unjustified payment of fine to Punjab University – Rs.442,040	0.44
28	Government Post Graduate College Bhakkar	2	2007-11	Irregular expenditure under head A09203 on purchase of IT items and machinery and equipment for Rs.999,950 under the development program	1.00
29	Government Fatima Jinnah College for Women Chuna Mandi, Lahore.	6A	2011-12	Irregular payment of Rs.5,257,984 on account of the staff recruited on contract	5.26
30	UET, Texila	13	2011-12	Irregular contract of janitorial services-959,532	0.96

31	Kinnaird College for Women, Lahore	12	2011-12	Irregular award of remuneration-Rs.450,000	0.45
32	University of the Punjab, Lahor	37	2011-12	Unlawful grant of higher qualification increments-Rs.311,318	0.31
33	BISE Faisalabad	4	2010-12	Excess printing of result gazzet	0.27
34	MAO College Lahore	6	2011-12	Excess printing of prospectus	0.14
35	University of Engineering and Technology, Lahore	23	2011-12	Recovery due to unauthorized use of vehicle-Rs.221,340	0.21
36	Queen Mary College Lahore	6	2011-12	Loss to institution due to non investment of funds	2.00
37	University of Education, Lahore	21	2011-12	Non recovery of HRA	0.16
38	Govt. PGC for women Sialkot	9	2006-11	Excess drawl of CA	0.05
39	UET Lahore	24	2011-12	Non-payment of General Sales Tax	0.20
40	BZU Multan	11	2011-12	Non-payment of General Sales Tax	0.14
41	UET Taxila	19	2011-12	Non-payment of General Sales Tax	0.16
42	Government PG College (B) Sahiwal	0	2006-12	Unauthorized possession of residence	0.80
43	GC (W) Madina Town, Faisalabad	8	2009-12	Unauthorized possession of residence	0.17
44	University of Education Lahore	8	2011-12	Temporary misappropriation of university funds	0.50
45	BZU Multan	2	2011-12	Non recovery of advance tax on auction	0.68
46	University of Engineering and Technology, Lahore	11	2011-12	Recovery due to irregular payment of rent of building and utility charges	0.93

47	Govt. College (W) Madina Town Faisalabad	1	2009-12	Recovery of overpaid 30% Social Security Benefit	0.40
48	Govt. Guru Nanak College Nankana Sahib	3	2006-11	Recovery of overpaid 30% Social Security Benefit	0.18
49	Government Gulshan e Ravi College for women, Lahore	1	2011-12	Recovery of overpaid 30% Social Security Benefit	0.11
50	Government Alama Iqbal College for women Sialkot	6	2004-12	Recovery of overpaid 30% Social Security Benefit	0.95
51	Govt. PG College (w) Kechery Road Sialkot	18	2006-12	Recovery of overpaid 30% Social Security Benefit	0.84
52	BZU Multan	13	2011-12	Non recovery of hostel dues	0.57
53	BISE Rawalpindi	14	2010-12	Recovery of outstanding inspection fee	0.21
54	University of Education, Lahore	28	2011-12	Recovery of overpaid salary	0.11
55	Fatima Jinnah Women University Rawalpindi	24	2011-12	Irregular appointments	6.02
56	Fatima Jinnah Women University Rawalpindi	20	2011-12	Irregular appointments	-
57	UET Taxila	1, 2, 26, 33, 36 & 40	2011-12	Irregular appointments	-
<b>HOME DEPARTMENT</b>					
1	DPO, Sialkot	6	2010-11	Irregular mode of payment	1.55
2	Principal Elite PTS Lahore	3	2010-11	Income Generated laundry not deposited	1.01
3	Principal Elite PTS Lahore	1	2010-11	Unauthorized retention of Government money	36.57
4	Principal Elite PTS Lahore	20	2010-11	Likely misappropriation	0.14

5	Principal Elite PTS Lahore	13	2010-11	Likely misappropriation	0.25
6	Principal Elite PTS Lahore	16	2010-11	Likely misappropriation	0.19
7	DPO, Bahawalpur	8	2011-12	Misappropriation of POL	0.48
8	Principal Elite PTS Lahore	9	2010-11	Loss to government due to recovery of fuel charges	3.16
9	DPO, Khushab	5	2011-12	Doubtful payment on investigation	0.71
10	DPO, MB.Din	4	2011-12	Irregular expenditure on investigation	1.37
11	Principal Elite PTS Lahore	18	2010-11	Likely misappropriation	1.31
12	DPO, Bahwalnagar	2	2011-12	Irregular expenditure on account of investigation	0.34
13	SP, PHP, Gujranwala	9	2011-12	Unauthorized payment of purchase of goods	0.23
14	Principal Elite PTS Lahore	12	2010-11	Income generated from canteen	0.25
15	DPO, Sahiwal	5	2011-12	Unauthorized use of POL	0.36
16	CTO, Gujranwala	8	2011-12	Misuse of Govt. Vehicle covering distance of 89732 KM	-
17	Principal Elite PTS Lahore	5	2010-11	Unauthorized transfer of Funds	74.73
18	Secretary Home, Lahore.	2	2011-12	Misappropriation	0.27
19	SP Traffic Rawalpindi	5	2011-12	Misclassification	0.28
20	DPO, MB.Din	5	2011-12	Misclassification	0.20
21	District Jail Lahore	5	2011-12	Loss due to purchase of dietary articles at higher rates	0.10
22	Principal Elite PTS Lahore	14	2010-11	Doubtful expenditure due to non maintenance of record	31.56

23	SP Traffic Rawalpindi	1	2011-12	Unauthorized sanction of beyond competency	0.38
24	Principal Elite PTS Lahore	17	2010-11	Illigimates stitching charges	0.92
25	DG(M&I) PHP, Lahore	5	2005-11	Excess drawl of PHP 46 posts	3.62
26	DG. Rescue 1122 Lahore	14	2010-12	Irregular expenditure on drugs	2.85
27	SP Special Branch Multan	6	2011-12	Unauthorized payment of FDA and CA to employees on leave	0.002
28	District Jail, Lahore.	12	2011-12	Unauthorized purchase of dietary items	9.11
29	DPO, Sheikhpura	9	2011-12	Non verification of deposit	0.58
30	Principal Elite PTS Lahore	6	2010-11	Wasteful expenditure on training	16.09
31	DG (M&I) PHP, Lahore	32	2005-11	In fructuous expenditure	13.41
32	CPO, Faisalabad	12	2011-12	Lose of use of Mobile Oil not paid in treasury	0.49
33	DG (M&I) PHP, Lahore	33	2005-11	Non disposal of government Generated and UPS	19.70
34	CPO, Faisalabad	2	2011-12	Income generated from rent of shop	1.60
35	DG (M&I) PHP, Lahore	17	2005-11	Irregular expenditure of vehicles	2.40
36	DPO, Bahawalpur	2	2011-12	Unauthorized retention of government money	0.37
37	DG (M&I) PHP, Lahore	27	2005-11	Non achievement of target	-
38	DPO, M.B.Din	7	2010-11	Misclassification of expenditure	0.27
39	SSP Telecommunication, Lahore.	5	2011-12	Misclassification of expenditure	1.63

40	Central Jail Lahore	7	2011-12	Non deduction of Income tax	0.16
41	DPO, Gujrat	8	2011-12	Irregular expenditure on contingent paid staff	0.92
42	DG (M&I) PHP, Lahore	26	2005-11	Unauthorized award of contract to the retired officer	46.09
43	DPO, Gujrat	9	2011-12	Unauthorized payment of PQR	0.72
44	DG (M&I) PHP, Lahore	6	2005-11	Excess drawl of 46 PHP) post	12.12
45	SP Traffic Sheikhpura	1	2008-11	Loss to government through of fixing fake stamps	6.00
46	DG Punjab Rescue 1122, Lahore.	25	2010-12	Lost to government revenue due to non registration of 278 rescue vehicles	-
47	CTO, Lahore	1	2011-12	Illegitimate expenditure incurred out of Govt. funds	11.69
48	DPO, Pakpattan	3	2011-12	Irregular payment of TA to PQR	2.52
49	DPO, D.G.Khan	7	2011-12	Non verification of deposit	2.26
50	PIU, PMU, FSA, Lahore	40	2009-11	Lost due to irregular appropriation	28.70
51	District TT Singh	3	2006-11	Irregular expenditure incurred through annual rate contract	73.68
52	District Jail Chakwal	2	1998-2011	Irregular expenditure incurred through annual rate contract	8.19
53	Central Jail DG Khan	4	2008-11	Non deduction of income tax on rent of building	0.03
54	District Jail Muzaffargarh	1	2008-11	Irregular expenditure incurred through annual rate contract	11.34
55	District Jail, Shahpur	1	2008-11	Irregular expenditure without obtaining approved rates	1.50
56	DG Punjab Rescue 1122, Lahore.	6	2010-12	Irregular expenditure incurred through annual rate contract	0.45

57	Principal Elite PTS Lahore	2	2010-11	Expenditure incurred on dietary articles	31.56
58	Principal Elite PTS Lahore	29	2010-11	Irregular fair exhibition charges through split	0.20
59	DG (M&I) PHP, Lahore	12	2005-11	Irregular expenditure on store different items	7.23
60	DG (M&I) PHP, Lahore	13	2005-11	Irregular purchase of M&E	2.79
61	DG (M&I) PHP, Lahore	19	2005-11	Irregular purchase of M&E	5.43
62	DG Punjab Rescue 1122	7	2010-12	Split up expenditure of stationery	1.09
63	DG Punjab Rescue 1122	8	2010-12	Split up expenditure of stationery	0.32
64	DG Punjab Rescue 1122	24	2010-12	Irregular purchase of medicines	8.87
65	Additional IGP Traffic, Lahore	1	2011-12	Irregular expenditure of purchase	8.33
66	Commandant Boarder Military D.G.Khan	2	2008-11	Irregular purchase of uniform	2.64
67	CPO, Multan	2	2011-12	Irregular purchase of Stationery	2.12
68	CPO, Multan	7	2011-12	Irregular repair of vehicle	1.54
69	CTO, Lahore	7	2011-12	Violation of PPRA rules	2.02
70	SP. PHP, Sargodha	5	2011-12	Irregular expenditure on repair of vehicles	1.46
71	SSP Batalion-1, Lahore	4	2009-11	Irregular expenditure on repair of vehicles	0.13
72	DPO, Rajanapur	1	2011-12	Irregular purchase of uniform	1.00
73	DPO, Sargodha	3	2011-12	Irregular purchase of stationery	0.50
74	DPO, Sargodha	6	2011-12	Irregular repair of vehicle	0.38
75	SP Traffic Gujranwala.	5	2011-12	Irregular repair of vehicle	0.50
76	SP Traffic Rawalpindi	1	2008-11	Irregular expenditure on purchase of stationery	0.45

77	CPO, Faisalabad	4	2011-12	Irregular repair of transport	0.43
78	DPO, Narowal	4	2010-11	Irregular expenditure on purchase of tyre	0.39
79	SP special Branch, Multan	1	2011-12	Irregular expenditure on purchase of stationery	0.31
80	Additional IG Police, Lahore.	4	2008-11	Irregular expenditure on purchase of stationery	0.13
81	Additional IG Police, Lahore.	5	2008-11	Irregular expenditure on purchase of other store articles	0.13
82	RPO, Sheikhpura	2	2011-12	Irregular expenditure on purchase of other store articles	0.19
83	Central Jail Rawalpindi	4	2011-12	Non recovery of electricity and gas charges from the residence of jail colony	0.03
84	Sub Jail Chakwal	7	1998-2011	Irregular purchase of Dal Mash etc	0.16
85	District Jail Faisalabad	4	2011-12	Likely misappropriation in purchase of cooking oil	1.50
86	PIU PMU FSA	27	2009-11	Irregular purchase of DNA 16	4.22
87	District Jail PT Singh	9	2006-11	Irregular payment of house rent allowance and CA	0.28
88	DG (M&I) PHP, Lahore	4	2005-11	Misuse of machinery and equipment	1.95
89	SP PHP, Sargodha	7	2001-12	Wasteful expenditure on purchases devices/traffic arrangements	-
90	Distt. Jail M.Garh	6	2008-11	Non auction of due to late deposit of canteen	0.57
91	CTO, Lahore	12	2011-12	Doubtful expenditure of arrear/amount	27.70
92	CTO, Lahore	5	2011-12	Traffic ticket fine and receipt not recovered.	44.72
93	PIU PMU FSA	5	2009-11	Irregular payment of insurance	0.09
94	PIU PMU FSA	2	2009-11	Purchase of Ups without competitive rate	1.31



95	PIU PMU FSA	25	2009-11	Loss due to irregular appointment	9.33
96	DG (M&I) PHP,Lahore	25	2005-11	Non-production of log book	0.18
97	DG (M&I) PHP, Lahore	15	2005-11	Irregular purchase of novel items	0.43
98	DG (M&I) PHP, Lahore	7	2005-11	POL	0.94
99	SP Traffic , Sheikhpura	3	2008-11	Department receipt/traffic ticket	2.47
100	SP Punjab Highway Patrolling, Sargodha	6	2010-11	Non production of log book	0.63
101	SP Traffic Rawalpindi	11	2008-11	Irregular expenditure on repair of Machinery	0.17
102	DG Punjab Rescue 1122	13	2010-12	Irregular expenditure POL	1.28
103	PIU PMU FSA	23	2009-11	Unjustified payment of VISA fee	0.39
104	SP Traffic Rawalpindi	6	2008-11	Non production of log book	0.47
105	CTO, Gujranwala	6	2010-11	Non verification of deposits	4.14
106	SP Traffic Rawalpindi	5	2008-11	Private use of vehicles	0.99
107	District Jail, M./Garh	8	2008-11	Irregular advance payment	0.27
108	District jail Sargodha	6	2008-11	Loss due to non recovery on account of risk and cost	0.40
109	SP Traffic D.G.Khan	12	2008-11	Contingent bills not entered	0.17
110	District Jail TT Singh	6	2006-12	Loss due to non recovery on account of risk and cost	0.13
111	RPO , Bahawalpur	2	2010-11	Irregular expenditure on repair of building	0.19
112	PHP,Sargodha	8	2011-12	Irregular expenditure on repair of building	0.15

113	DPO, Sargodha	4	2011-12	Irregular expenditure on repair of building	0.47
114	DG (M&I) PHP, Lahore	18	2005-11	Misclassified expenditure	0.49
115	Additional I.G CTD, Lahore.	6	2011-12	Misclassified expenditure	0.44
116	DPO, Hafizabad	8	2011-12	Misclassified expenditure	0.30
117	AIG Elite Police force, Lahore.	2	2011-12	Misclassified expenditure	0.24
118	DPO, Khushab	2	2011-12	Misclassification expenditure	0.25
119	DPO, M/Garh	3	2011-12	Misclassification expenditure	0.51
120	DPO, Gujrat	5	2011-12	Misclassification expenditure	0.84
121	SP PHP, Sargodha	1	2010-11	Recovery of on account of excess consumption of electricity	0.81
122	SP PHP, Sargodha	3	2011-12	Recovery of on account of excess consumption of electricity	0.78
123	SP PHP, Gujranwala	3	2009-11	Non disposal of condom vehicle	4.40
124	SP PHP, Sargodha	5	2010-11	Non disposal of vehicle	3.60
125	DG (M&I) PHP, Lahore	21	2005-11	Loss to Government due to non auction of unserviceable article	21.69
126	DPO, Jhang	7	2010-11	Loss to Government due to non auction of unserviceable article	2.06
127	DPO, T.T.Singh	6	2010-11	Non disposal of road vehicle	1.00
128	DPO, Nankana Sab	2	2010-11	Non disposal of road vehicle	14.50
129	SP PHP, D.G, Khan	4	2009-12	Non disposal of condom vehicle	4.56

130	District Emergency Service 1122,Sialkot	1	2008-12	Unauthorized use of vehicle	3.12
131	New Central Jail, Multan	9	2008-11	Irregular expenditure on shesham wood	1.73
132	New Central Jail, Multan	7	2008-11	Irregular advance payment	2.58
133	SP Traffic , Sheikhpura	2	2008-11	Excess drawl of through arrear bill	1.94
134	Additional IG. Police , Welfare PQR, Lahore	1	2008-11	Irregular drawl of pay and allowances against sanction strength	0.42
135	District Jail Shahpur	5	2008-11	Irregular purchase of drugs medicines	4.74
136	CTO, Lahore	2	2011-12	Medical examination fee charged by doctor not deposited into Govt. Treasury	0.30
137	District Jail Vehari	4	2006-11	Loss due to non recovery on account of risk and cost	0.17
138	PC Battalion, No.5, Lahore	2	2011-12	Non recovery of pay and allowances	7.95
139	New Central Jail, Multan	13	2008-11	Cost of prison articles no recovered	0.08
140	CTO, Multan	4	2011-12	Double payment 20 days TA	0.18
141	SSP, Police Training School,Chung Lahore.	4	2008-11	Non auction of canteen	7.03
142	DPO, Jhang	8	2011-12	Non recovery of price of POL sold	1.41
143	DPO, M/Garh	4	2011-12	Non recovery of price of POL sold	21.73
144	CPO, Faisalabad	4	2011-12	Non recovery of price of POL sold	0.43
145	Central D.G.Khan	7	2008-11	Unauthorized expenditure from receipt of transferred Fund	0.96

146	DG. (M&I), Lahore.	20	2005-11	Unauthorized shifting of vehicles	25.02
147	PIU PMU FSA, Lahore	4	2009-11	Irregular purchase of APV Van	15.60
148	PIU PMU FSA, Lahore	46	2009-11	Irregular purchase of Histology	0.57
149	PIU PMU FSA, Lahore	3	2009-11	Loss due to non deduction of LD charges	18.33
150	PIU PMU FSA, Lahore	18	2009-11	Irregular purchase of Spector copy	2.42
151	PIU PMU FSA, Lahore	13	2009-11	Irregular fabrication of vehicle	9.75
152	District jail Sialkot	1	2005-11	Rent of canteen not deposited	2.74
153	District Jail Shahpur	3	2008-11	Irregular deposited of canteen	7.69
154	New Central Jail Multan	3	2008-11	Auction of canteen not deposited	3.00
155	District Jail, T.T.Singh	1	2006-11	Auction of canteen not deposited	3.19
156	District Jail Vehari	1	2006-12	Unauthorized deposit into canteen rent	1.05
157	Central Jail D.G.Khan	2	2008-11	Unauthorized deposit into canteen rent	2.84
158	District Jail MB. Din	1	2005-11	Unauthorized deposit into canteen rent	1.02
159	District Jail, M/Garh	4	2008-11	Unauthorized deposit into canteen rent	2.76
160	District Jail, Lahore	11	2011-12	Income from rent of canteen	3.24
161	Central Jail, Lahore	1	2011-12	Unauthorized deposit into canteen rent	2.38
162	District Jail, Faisalabad	7	2011-12	Income from rent of canteen	4.29

163	Central Jail, Rawalpindi	1	2011-12	Unauthorized deposit into canteen rent	4.72
164	Central Jail, Gujranwala	1	2011-12	Irregular deposit of canteen	0.08
165	Central Jail, Gujranwala	2	2011-12	Unauthorized deposit of cycle stand	3.35
166	Central Jail, Sahiwal	4	2010-11	Income Generated from canteen not deposit	3.37
167	Central Jail, Sahiwal	1	2011-12	Unlawful deposit of canteen rent	1.18
168	Central Jail, Mianwali	7	2008-11	Unlawful deposit of canteen rent	0.37
169	Central Jail, Mianwali	4	2011-12	Unlawful deposit of canteen rent	0.11
170	Central Jail DG Khan	3	2008-11	Loss due to non replacement of Tea leaves	0.53
171	Additional IG. Special Branch, Lahore.	1	2011-12	Advance payment without vouched account	17.66
172	District Jail, Lahore.	1	2011-12	Advance payment	1.00
173	PIU PMU FSA, Lahore	49	2009-11	Irregular purchases	US Dollar 80,680
174	PIU PMU FSA, Lahore	50	2009-11	Irregular purchases	US Dollar 515,499.68
175	PIU PMU FSA, Lahore	51	2009-11	Irregular purchases	US Dollar 190,398.45
176	PIU PMU FSA, Lahore	58	2009-11	Irregular purchases	US Dollar 1,100,000
177	PIU PMU FSA, Lahore	42	2009-11	Loss due to arrangement of polygraph	US Dollar 4,500
178	RPO, sheikhupura	3	2011-12	Misclassification	0.14
179	SP, PTS, Sargodha	12	2005-11	Special Allowance	0.58

180	PIU PMU FSA, Lahore	23	2009-11	Loss due to unlawful reduction of tax liability	1.70
181	PIU PMU FSA, Lahore	46	2009-11	Irregular appointment of Forensic Scientist	53.35
182	PIU PMU FSA, Lahore	1	2009-11	Irregular purchase of equipment.	US\$ 812,500 US\$81,250
183	PIU PMU FSA, Lahore	6	2009-11	Non submission of vouched accounts.	1,112,126
184	PIU PMU FSA, Lahore	7	2009-11	Non submission of vouched accounts.	1,663,518,0 59
185	PIU PMU FSA, Lahore	9	2009-11	Non recovery from Forensic scientist	5 millions
186	PIU PMU FSA, Lahore	10	2009-11	Loss due to purchase of furniture at higher rates	3.16
187	PIU PMU FSA, Lahore	14	2009-11	Irregular expenditure on boarding & lodging	0.12 0.20
188	PIU PMU FSA, Lahore	17	2009-11	Irregular payment of freight charges	0.31
189	PIU PMU FSA, Lahore	28	2009-11	Irregular purchase of Autoclave without competitive rate	0.38
190	PIU PMU FSA, Lahore	29	2009-11	Irregular purchase of equipments.	6.48 0.33
191	PIU PMU FSA, Lahore	31	2009-11	Irregular purchase of life sciences equipments	US\$ 302,730 US\$ 15,300
192	PIU PMU FSA, Lahore	32	2009-11	Expenditure on account of conference seminar on workshop beyond competency	1.00
193	PIU PMU FSA, Lahore	33	2009-11	Irregular purchase of microscopes	US\$ 392,227
194	PIU PMU FSA, Lahore	34	2009-11	Irregular purchase of Histology equipments	12.44
195	PIU PMU FSA, Lahore	36	2009-11	Appointment of person with two universities	1.77

196	PIU PMU FSA, Lahore	37	2009-11	Irregular purchase of radiology equipments	30.65
197	PIU PMU FSA, Lahore	39	2009-11	Irregular purchase of SEM equipments	US\$ 215,926
198	PIU PMU FSA, Lahore	41	2009-11	Irregular purchase of audio visual equipments	US \$ 25,700
199	PIU PMU FSA, Lahore	43	2009-11	Loss due to arrangements computer forensic training	US\$ 46,400 US\$ 6,000
200	PIU PMU FSA, Lahore	44	2009-11	Loss due to non imparting educational training in Cleveland state University	US\$ 75,000 US\$ 22,500
201	PIU PMU FSA, Lahore	45	2009-11	Loss due to non imparting educational training in Cleveland state University	US\$ 212,500 US\$ 76,500
202	PIU PMU FSA, Lahore	53	2009-11	Irregular purchase of networking	US\$169,000 US\$ 215,050 US\$ 29,285
203	PIU PMU FSA, Lahore	60	2009-11	Non recovery of LCs opening charges	151,227
204	PIU PMU FSA, Lahore	62	2009-11	Undue financial benefit to all the contractor due to enhancement of fixed cost contract	70.00
205	PIU PMU FSA, Lahore	64	2009-11	Pre mature release of retention money to the contractor	44.38
206	PIU PMU FSA, Lahore	68	2009-11	Over payment due to higher rates	20.46
207	PIU PMU FSA, Lahore	70	2009-11	Unjustified payments due to higher rates	150,452
208	PIU PMU FSA, Lahore	71	2009-11	Non accountal and consumption of material.	36,346
209	Addl. IGP Special Branch Lahore.	3	2011-12	Unauthorized mode of payment of salary	0.76
210	Addl. IGP Special Branch Lahore.	5	2011-12	Excess use of POL than ceiling	0.15
211	Addl. IGP Special Branch Lahore.	2	2011-12	Loss due to theft of Motor Cycles	0.18

212	DPO DG Khan	5	2009-11	Loss due to theft of Motor Cycles	0.20
213	Secretary Home Department Lahore	7	2011-12	Rent of building and advertisement	0.08
214	District Jail M.B. Din	5	2005-11	Non deduction of Sales Tax	0.07
215	PIU, PMU, Forensic Science Agency	52	2009-11	Irregular purchases of Library books-(US\$22,257) Rs.1.866 millions	1.87
216	District Jail, Lahore	5	2011-12	Loss due to purchase of dietary articles at higher rates	0.10
217	Sp. Special Branch, Multan	6	2011-12	Unauthorized payment of FDA and CA	0.00
218	Central Jail, Lahore	7	2011-12	Non deduction of income tax	0.16
219	Central Jail, D.G. Khan	4	2008-11	Non deduction of income tax on rent of building	0.03
220	Central Jail, Rawalpindi	4	2011-12	Non recovery of electricity and gas charges from resident of jail colony	0.03
<b>INDUSTRIES, COMMERCE AND INVESTMENT DEPARTMENT</b>					
1	Secretary Industries, Commerce & Investment, Lahore	2	2010-12	Un-authorized expenditure of Rs. 322,697 on account of seminar	0.32
2	Secretary Industries, Commerce & Investment, Lahore	3	2010-12	Unauthorized expenditure of Rs.4,769,092 over and above the budget allocation.	4.77
3	Director Provincial Consumer Protection Council Punjab, Lahore	9	2005-12	Un-authorized expenditure of Rs. 1,212,271 without budget	1.21
4	Director Provincial Consumer Protection Council Punjab, Lahore	10	2005-12	Loss to government due to the theft of government vehicle -Rs.603,000	0.60
5	Director General Sasti Roti Authority, Lahore	2	2009-12	Loss to government Rs.118,720 due to theft of lap top	0.12



6	Director Provincial Consumer Protection Council Punjab, Lahore	12	2005-12	Un-authorized expenditure on purchase of F&F	1.64
7	Director Industries Punjab, Lahore	1	2010-12	Unauthorized drawl of Rs. 325,343 in higher grade, recovery thereof.	0.33
8	Director Provincial Consumer Protection Council Punjab, Lahore	5	2005-12	Un-authorized expenditure without advertisement in newspaper	1.68
9	Director of Industries Punjab, Lahore	1	2010-12	Un authorized drawl in higher grade	0.33
10	Director Provincial Consumer Protection Council Punjab, Lahore	5	2005-12	Unauthorized expenditure without advertisement	2.13
11	Secretary Industries, Commerce & Investment, Lahore	4	2010-12	Irregular drawl of 20% special allowance	0.53
<b>INFORMATION CULTURE AND YOUTH AFFAIRS DEPARTMENT</b>					
1	Majlise-Tariq-e-Adab, Lahore	6	2000-11	Misappropriation of 2,723 books	-
2	Majlise-Tariq-e-Adab, Lahore	12	2000-11	Irregular expenditure on repair of official buildings due to vouched account not shown	328.00
3	Majlise-Tariq-e-Adab, Lahore	21 & 22	2000-11	Grant of personal pay scales without bog approval	-
4	Majlise-Tariq-e-Adab, Lahore	25	2000-11	Lapse of sda funds due to non surrendering	500.00
5	Majlise-Tariq-e-Adab, Lahore	15	2000-11	Non maintenance of LOG books against purchase of POL/CNG	0.86
6	Majlise-Tariq-e-Adab, Lahore	14	2000-11	Non recovery of outstanding amount of debtors	0.17
7	Lahore Arts Council	16	2005-11	Non/Less deduction of income tax	0.09
8	Majlise-Tariq-e-Adab, Lahore	23	2000-11	Constant deficit in receipt and payment statement	441.00

9	Punjab Institute of Languages, Art & Culture	16	2009-11	Loss due to Excess Drawl of Ph.D Allowance-Rs. 120,000	0.12
10	Majlise-Tariq-e-Adab, Lahore	16 & 27	2000-11	Uneconomical purchase of machinery and equipment-Rs.771,691	
<b>LIVESTOCK AND DAIRY DEVELOPMENT DEPARTMENT</b>					
1	Livestock experimental station, Allabad Jehanian, Khanewal	12	2002-12	Non deposit of auction money into government account	0.03
2	University of Veterinary and Animal Sciences, Lahore	13	2010-11	Irregular expenditure on pay of contingent paid staff	942
3	Deputy Director R&D Centre, Rakh Khairewala , Layyah	7	2007-12	Irregular purchase of fertilizers and seed	5.90
4	University of Veterinary and Animal Sciences, Lahore	7	2011-12	Irregular & un-economical purchases of chemicals & glassware at high rates	1.19
5	Superintendent LES, Khushab	6	2008-12	Irregular and unjustified expenditure on repair of vehicle No. LOK-6230	0.38
6	Director Animal Disease Reporting & Surveillance Punjab, Lahore	8	2004-11	Unauthorized purchase of AC system without concurrence of austerity committee	0.15
7	Superintendent LES, Khushab	11	2008-12	Irregular expenditure on civil works	0.14
8	Directorate of Veterinary Research Institute, Lahore	1	2011-12	Non-recovery of cost of vaccine	3.44
9	Livestock Experiment Station, Chak Katora (Hasilpur), Bahawalpur	1	2008-12	Less realization of auction money of standing crops	0.12

10	Government Livestock Farm Jugait Peer, Bahawalpur	1	2008-12	Loss due to un-authorized occupation of Government property	1.50
11	Deputy Director R&D Centre, Rakh Khairewala, Layyah	1	2007-12	Loss due to damage of Government property by the Tress Passers	1.25
12	Manager 205 TDA, Sara-e-Mahajir, Bhakkar	0	2007-12	Loss due to illegal Encroachment/Possession of land by the Tress passers	0.53
13	Superintendent Livestock Experiment Station Khizrabad, Sargodha	9	2008-11	Loss of Rs.159,371 due to selling milk at lower rates	0.16
14	Veterinary Research Institute, Lahore	4	2010-11	Loss due to purchase of poultry feed at higher rates	0.06
15	University of Veterinary and Animal Sciences, Lahore	11	2011-12	Non deduction of house rent-Rs.971,152	0.97
16	University of Veterinary and Animal Sciences, Lahore (Pattoki Campus)	14	2011-12	Excess payment of HRA	0.17
17	Directorate of Animal Disease Reporting & Surveillance Punjab, Lahore	3	2004-11	Irregular/uneconomical purchase of machinery and equipment	13.08
18	Directorate of Animal Disease Reporting & Surveillance Punjab, Lahore	4	2004-11	Irregular purchase of chemical and glass wares	1.99
19	Manager Livestock Experimental Station Rakh Ghulman, Bhakkar	6	2010-11	Irregular expenditure on purchase of fertilizers	1.26
20	Livestock Experiment Station, Rakh Ghulaman, Bhakkar.	9	2011-12	Non deposit of sale proceeds of animals.	0.03

21	University of Veterinary and Animal Sciences, Lahore	9	2011-12	Non-adjustment of outstanding advances	0.26
22	Government Poultry Farm, Multan.	6	1999-2012	Non realization of sale proceeds of birds.	0.11
23	Livestock Experiment Station, Allahdad Jahanian, Khanewal.	8	2002-12	Non deposit of sale proceeds of animals.	0.62
24	LES Rakh Ghulaman, Bhakkar	6	2011-12	Non recovery of sale proceeds	0.50
25	LES, Chack Kattora, Hasilpur, Bahawalpur	6	2008-11	Non recovery of sale proceeds	0.14
26	Directorate of Breed Improvement, Punjab, Lahore.	5	2011-12	Loss due to non recovery of income tax	0.16
27	Secretary, L&DD, Lahore.	2	2008-11	Loss due to non recovery of income tax	0.031
28	R&D Centre, Rakh Khairewala, Layyah.	6	2007-12	Loss due to mortality of animals	0.78
29	Manager 205 TDA, Shara-e-Mahajir Bhakkar	1	2007-12	Loss due to mortality of animals	0.19
30	Livestock Experimental Station, Bhunikey, Pattoki	9	2011-12	Non disposal of dead and dry fallen trees	0.10
31	Livestock Experimental Station, Shah Jewna, Jhang.	2	2007-11	Non disposal of dead and dry fallen trees	0.35
32	Government Poultry Farm, Gujrat.	4	2007-11	Non disposal of dead and dry fallen trees	0.14
33	LES, Jehangirabad, Khanewal	4	2010-11	Loss due to theft of Hydraulic trolley	0.40
34	LES, Qadirabad District Sahiwal	1	2008-11	Loss due to theft of 06 cows	0.08

35	LES, Allahdad Jahanian, District Khanewal	16	2002-12	Loss due to theft of 08 sheep	0.06
36	Livestock Experimental Station, Bahadar Nagar, District Okara	10	2011-12	Loss to government due to non-recovery of stolen wood	0.22
<b>SCHOOL EDUCATION DEPARTMENT</b>					
1	Govt. College for Elementary Teachers, Faisalabad	14A, 14B & 14C	2000-11	Irregular expenditure on Carpeting, Soling and Weather shield of college out of Farogh-e-Taleem Fund	1.48
2	Govt. College Elementary Teacher, Gujrat	2	2006-07	Un-Lawful acceptance of Supplies-Rs.836,770	0.84
3	Children Library Complex, Lahore	7	2008-12	Undue retention of Government money amounting to Rs.746,938	0.75
4	Children Library Complex, Lahore	12	2008-12	Non production of vouchers and receipt cash book	9.47
5	Govt. College for Elementary Teachers, Faisalabad	11	2005-11	Loss to Government due to non-auction of canteen-Rs.260,360	0.26
6	Govt. College Elementary Teacher, Multan	5	2002-08	Non deposit of sale proceed of prospectus Rs.204,900	0.20
7	Secretary School Education	3	2008-12	Irregular double drawl of pay and allowances -Rs.86,873	0.09
8	Children Library Complex, Lahore	9	2008-12	Un-authorized payment of Rs.961,236 on void appointments	0.96
9	Children Library Complex, Lahore	16	2008-12	Doubtful advance payment not appearing in summary of next month bill	0.57
10	Govt. College for Elementary Teachers, Faisalabad	4	2005-11	Irregular expenditure due to non advertisement on purchase of furniture	0.35
11	Govt. College for Elementary Teachers, Faisalabad	9	2005-11	Excess drawl of conveyance allowance	0.11

12	Govt. College for Elementary Teachers, Faisalabad	3	2005-11	Irregular expenditure on construction of works	0.57
13	Punjab Examination Commission Lahore	9	2006-11	Unauthorized expenditure without approval of commission	446.17
14	Punjab Examination Commission, Lahore	5	2010-11	Non accountal of stock- Rs. 17.67 millions	17.67
15	Punjab Examination Commission, Lahore	3	2011-12	Unauthorized drawl of arrears of honorarium/leave encashment-Rs.653,333	0.65
16	Punjab Examination Commission, Lahore	7	2006-11	Non/less deduction of income tax	0.27
17	Secretary School Education, Lahore.	5	2008-12	Non/less deduction of income tax	0.14
18	Children Library Complex, Lahore	5	2008-12	Non/less deduction of income tax	0.11
19	Govt. college for Elementary Teachers, Multan	4	2008-11	Non/less deduction of income tax	0.05
20	Govt. College for Elementary Teachers, Multan	8	2002-11	Overpayment of 30% Social Security Benefit	0.08
21	Secretary School Education, Lahore	8	2008-12	Overpayment of 30% Social Security Benefit	0.06
<b>SERVICES AND GENERAL ADMINISTRATION DEPARTMENT</b>					
1	Additional chief Secretary, S & GAD, Lahore.	18	2011-12	Irregular payment of civil Judge Lahore.	0.32
2	Additional chief Secretary, S & GAD, Lahore.	11	2011-12	Non Production of Log Books.	3.36
3	Additional chief Secretary, S & GAD, Lahore.	12	2011-12	Non Production of Log Books	0.76

4	Chief Minister Secretariat, Lahore	4	2010-12	Irregular shifting of Head Quarter	10.33
5	Chief Pilot VIP, Flight Lahore	4	2011-12	Un due retention of Public Money.	0.36
6	DG, Protocol, Lahore	4	2011-12	Non Accountal of Store Articles	0.02
7	DG, Protocol, Lahore	3	2011-12	Irregular repair of Govt. Vehicle	0.03
8	Chief Minister Secretariat, Lahore	6	2010-12	Overpayment on telephone charges	1.45
9	Chief Minister Secretariat, Lahore	9	2010-12	Irregular payment of utility charges	17.15
10	Chief Minister Secretariat, Lahore	11	2010-12	Un-authorized use of discretionary grant on Payment to the persons of other Province	1.77
11	Additional chief secretary S&GAD	17	2011-12	Recovery for clearance of consignments from various departments	0.32
12	Additional chief secretary S&GAD	1	2011-12	Irregular fixation of reserve price of vehicles	17.24
13	Chief Minister's Secretariat	3	2010-12	Irregular Purchase beyond competency	3.73
14	Chief Minister's Secretariat	7	2010-12	Irregular expenditure on entertainment	3.56
15	Punjab Public Service Commission	2	2010-12	Un-authorized expenditure without advertisement on PPRA's website	1.52
16	Punjab Public Service Commission	5	2010-12	Un-authorized expenditure on advertisement	0.96
17	Punjab Public Service Commission	2	2010-12	Irregular contract agreement for rented office building	-
18	Punjab Public Service Commission	8	2010-12	Fictitious accounts of service stamps	5.20
19	Punjab Public Service Commission Lahore	7	2010-12	Expenditure without advertisement	0.15

20	Chief Pilot VIP Flight, Lahore	9	2011-12	Vouched account not produced	0.67
21	Punjab Public Service Commission Lahore	7	2010-12	Unauthorized Expenditure over and above than sanction power	0.70
22	Chief Minister Secretariat Punjab Lahore	13	2010-12	Non/less deduction of income tax	0.11
23	Chief Minister Secretariat Punjab Lahore	12	2010-12	Non/less deduction of income tax	0.19
24	DG Protocol Lahore.	1	2011-12	Non deduction of income tax on rent of building	0.09
25	ACS (S&GAD), Lahore	14	2011-12	Non obtaining of sales tax invoices from the firms and non withholding of 1/5th sales tax	0.36
26	Chief Minister Secretariat Punjab Lahore	10	2010-12	Irregular payment of conveyance allowance- Rs.243,040	0.24
27	Chief Minister Secretariat Punjab Lahore	14	2010-12	Non deduction of 5% house rent-Rs. 110,160	0.11



## Annexure-2

(Rs. in millions)

Sr. No.	Name of Formation	Period of Audit	Para No. of AIR	Amounts
1	DFO Jhang	2011-12	1	131.16
2	DFO R.Y.Khan	2009-11	1	97.96
3	DFO Sahiwal	2011-12	1	88.4
4	DFO, Kasur at Changa Manga	2009-11	5	80.66
5	DFO Gujrat	2011-12	1	46.38
6	DFO, Gujrat	2009-11	1	44.62
7	DFO Lahore/Sheikhupura	2011-12	3	30.54
8	DFO, Sahiwal	2009-11	6	27.36
9	DFO, Jhang	2009-11	6	24.91
10	DFO, Okara	2009-11	3	21.2
11	DFO Bahawalpur	2008-12	3	12.34
12	DFO B/Pur	2008-12	1	10.51
13	DFO Gujranwala	2008-11	2	9.46
14	DFO D.G Khan	2011-12	1	8.33
15	DFO Muzzaffargarh	2011-12	1	7.86
16	DFO Kasur	2011-12	2	7.41
17	DFO, South	2011-12	1	5.27
18	DFO, Jehlum	2008-11	1	4.02
19	DFO, Jehlum	2011-12	1	3.6
20	DFO National Park Bahawalpur	2009-11	3	2.76
21	DFO, Multan	2009-11	1	1.54
22	DFO, Rajanpur	2009-11	5	1.48
23	DFO, Chakwal	2009-11	1	1.04
24	DFO South R/Pindi	2011-12	2	0.96
25	DFO Mianwali	2011-12	2	0.89
26	DFO, Layyah	2009-11	5	0.12
27	DFO G/wala	2011-12	1	0.44
28	DFO Chakwal	2011-12	2	0.35
<b>Total</b>				<b>671.57</b>

**Annexure-3***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amounts</b>
1	DFO, Bahawalnagar	2008-12	1	36.90
2	DFO Layyah	2011-12	1	22.14
3	DFO, Jhang	2009-11	1	11.51
4	DFO, Sahiwal	2009-11	1	9.45
5	DFO Faisalabad	2011-12	1	8.51
6	DFO Muzaffargarh	2011-12	1	5.37
7	DFO Jhang	2011-12	3	5.31
8	CF, Gujranwala Circle	2008-11	2	5.00
9	DFO Kasur at Changa Manga	2009-11	1	3.77
10	DFO Kasur	2011-12	3	3.44
11	DFO, Gujranwala	2008-11	5	2.31
12	DFO, Layyah	2009-11	1	2.14
13	DFO Sargodha	2011-12	2	1.80
14	DFO G/wala	2011-12	1	1.36
15	DFO, Rajanpur	2009-11	1	1.36
16	DFO National Park Bahawalpur	2009-11	3	1.27
17	DFO, Okara	2009-11	4	1.07
18	DFO Mianwali	2011-12	2	1.00
19	DFO Chichawatni	2011-12	3	0.79
20	DFO Gujrat	2011-12	9	0.76
21	DFO, Chichawatni	2009-11	1	0.75
22	DFO Bahawalpur	2008-12	3	0.60
23	DFO D.G Khan	2011-12	1	0.52
24	DFO Chichawatni	2008-12	4	0.41
25	DFO, Multan	2009-11	7	0.38
26	DFO, Gujrat	2009-11	6	0.17
27	DFO Lahore/Sheikhupura	2011-12	3	0.06
<b>Total</b>				<b>128.15</b>

**Annexure-4***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Nature of dues</b>	<b>Amounts</b>
1	DFO Jehlum	2011-12	4	Illegal expenditure on conversion	0.75
2	DFO Layyah	2011-12	3	Non forfeiture of earnest money	0.62
3	DFO Multan	2009-11	2	Receipt of Compound Cases	0.57
4	DFO Gujrat	2011-12	11	Extraction of Mudhies	0.14
5	DFO TED	2011-12	7	Illegal felling conversion	0.13
6	DFO Jhang	2011-12	10	Excess charges on Nursery operation	0.13
7	DFO Sargodha	2011-12	9	Non deposit of compensation receipt	0.08
8	DFO Chakwal	2011-12	3	Non- realization lease money	0.07
9	DFO Gujrat	2011-12	12	Illegal revision of auction money	0.07
10	DFO South Rawalpindi	2011-12	5	Excess expenditure on earth work	0.05
11	DFO Sargodha	2011-12	10	Excess rate of plants	0.05
12	DFO Sargodha	2011-12	12	Illegal Forest Operation	0.04
<b>Total</b>					<b>2.70</b>

**Annexure-5**

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amounts</b>
1	DFO, TED.	2011-12	2	22.62
2	DFO Kasur at Changa Manga	2009-11	3	10.61
3	DFO Jhang	2011-12	2	7.23
4	DFO, Gujrat	2011-12	4	5.81
5	DFO Chichawatni	2009-11	3	4.94
6	DFO Jhang	2009-11	3	3.32
7	DFO, Bahawalnagar	2008-12	2	2.71
8	DFO R.Y.Khan	2009-11	2	2.64
9	DFO, Muzaffargarh	2011-12	2	1.88
10	DFO, Jehlum	2011-12	3	1.65
11	DFO R.Y.Khan	2009-11	4	1.59
12	DFO Okara	2009-11	2	1.46
13	DFO, TED.	2011-12	3	1.40
14	DFO, Sialkot	2011-12	2	1.37
15	DFO, Chichawatni	2008-12	1	1.18
16	DFO Gujranwala	2008-11	7	1.13
17	DFO, Gujranwala	2011-12	3	0.90
18	DFO Bahawalpur	2009-11	15	0.80
19	DFO Rajanpur	2009-11	3	.04
20	DFO Chakwal	2011-12	1	0.63
21	DFO Muzaffargarh	2009-11	6	0.49
22	DFO Multan	2011-12	8	0.47
23	DFO, Multan	2009-11	3	0.42
24	DFO, Sargodha	2011-12	5	0.35
25	DFO Jhang	2009-11	5	0.28
26	DFO, Sargodha	2011-12	8	0.21
27	DFO, Gujranwala	2011-12	4	0.20
28	DFO, Gujranwala	2011-12	5	0.19
29	DFO Layyah	2009-11	4	0.13
30	DFO Rajanpur	2009-11	4	0.12
<b>Total</b>				<b>76.77</b>

**Annexure-6**

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amounts</b>
1	DFO B/Pur	2008-12	8	4.26
2	DFO, Muzaffargarh	2009-11	2	1.58
3	DFO, Okara	2009-11	7	3.60
4	DFO, R. Yar. Khan	2009-11	6	3.39
5	DFO R. Y. Khan	2009-11	3	3.14
6	DFO, Muzaffargarh	2009-11	4	.09
7	DFO, Sahiwal	2009-11	2	1.67
8	DFO, Muzaffargarh	2011-12	3	1.59
9	DFO, Sargodha	2011-12	3	1.31
10	DFO, Jhang	2009-11	2	1.10
11	DFO, Okara	2009-11	5	1.10
12	DFO, Jhang	2009-11	4	1.04
13	DFO, Layyah	2009-11	2	0.23
14	DFO, Kasur at Changa Manga	2009-11	2	0.73
15	DFO, Gujranwala	2008-11	4	0.70
16	DFO, Rajanpur	2009-11	2	0.69
17	DFO, Mianwali	2011-12	3	0.62
18	DFO Kasur at Changa Manga	2011-12	4	0.59
19	DFO, Multan	2009-11	4	0.46
20	DFO, Sialkot	2011-12	3	0.40
21	DFO, Chichawatni	2009-11	2	0.32
22	DFO, Kasur at Changa Manga	2009-11	9	0.25
23	DFO, Chichawatni	2009-11	4	0.19
24	DFO, Mianwali	2009-11	8	0.19
25	DFO, Gujrat	2011-12	10	0.17
26	DFO, Jehlum	2011-12	5	0.09
<b>Total</b>				<b>29.50</b>

**Annexure-7***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Detail of Record</b>	<b>Amount</b>
1	Jinnah Hospital/AIMC Lahore	2010-11	49	Complete record of development schemes like PC-I, Administrative Approvals, Technical Sanctions, work orders, quotations, paid vouchers etc.	1275.04
2	Secretary Health Punjab Lahore	2010-11	11	Complete record like bidding document, technical proposals, bills / invoices of the items purchased along with stock registers, tender sale and deposit record etc in connection with contract No. S.O(P-III)2-16/2010; dated 28.04.2011.	36.00
3	College of Ophthalmology Lahore	2010-11	2	Record consisting of cash book, paid vouchers etc pertaining to Development scheme "Survey of child blindness".	4.38
4	Jinnah Hospital/AIMC Lahore	2010-11	46	Record consisting of tender, quotations, stock registers etc on account of purchase of cable.	3.25
5	Lady Willingdon Hospital Lahore	2011-12	2	Paid vouchers, technical sanctions, satisfactory work completion certificate, measurement books etc.	2.94

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Detail of Record</b>	<b>Amount</b>
6	D.G. Health Services Lahore	2011-12	8	Inspections reports in respect of work done and fate of unspent balance.	2.77
7	Jinnah Hospital/AIMC Lahore	2010-11	55	Paid vouchers of POL and repair of transport.	2.15
8	Institute of Public Health Lahore	2011-12	4	Record like Administrative approval, technical estimates of repaired work etc.	1.26
9	Secretary Health Govt. of Punjab Lahore	2011-12	5	Paid vouchers and purchase record of plant and machinery	709.81
10	Govt. Public Health Nursing School Nishtar Hospital Multan	2003-12	6	Vouched account of repair of building, unspent balance, inspection report etc	1.82
11	Secretary Health Govt. of Punjab Lahore	2011-12	11	Log books of vehicles	1.73
12	Nishtar Hospital Multan	2011-12	2	ADP schemes	75.16
<b>Total</b>					<b>2116.29</b>

**Annexure-8**

*(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Description</b>	<b>Amount</b>
1	Mayo Hospital Lahore	2011-12	4	Purchase of ICU ventilators	2.99
2	Secretary Health Lahore	2010-11	3	Contract for purchase of Primary Care incubators for Mayo Hospital Lahore	1.09
3	Secretary Health Lahore	2011-12	23	Purchase of diathermy machines DHQ Hospital D.G.Khan	0.13
4	Jinnah Hospital /AIMC Lahore	2010-11	4	Payment of GST on utility charges	15.65
5	Mayo Hospital Lahore	2011-12	21	Payment of GST on utility charges	14.65
6	SIMS/SHL Lahore	2011-12	9	Payment of GST on utility charges	9.24
7	SIMS/SHL Lahore	2010-11	32	Payment of GST on utility charges	5.62
8	Lady Willindon Hospital Lahore	2011-12	4	Payment of GST on utility charges	2.39
9	Nishtar hospital Multan	2011-12	14	Payment of GST on utility charges	18.93
10	Ch. Pervaiz Elahi Institute of Cardiology Multan	2011-12	12	Payment of GST on utility charges	1.44
11	Ch. Pervaiz Elahi Institute of Cardiology Multan	2011-12	11	Payment of GST on utility charges	0.4
12	Faisalaabd Institute of Cardiology	2011-12	18	Payment of GST on utility charges	3.6
13	Bhawalpur Victoria Hospital Bahawalpur	2011-12	5	Payment of GST to firms	10.57
14	Sheikh zayed Hospital R.Y.Khan	2011-12	9	Payment of GST to firms	3.29
15	Sheikh zayed Hospital R.Y.Khan	2011-12	10	Payment of GST on utility bills	0.25
<b>Total</b>					<b>90.24</b>



**Annexure-9***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Nature of recovery</b>	<b>Amount</b>
1	Jinnah Hospital/ AIMC Lahore	2010-11	12	Non-recovery of income from Jinnah Model Pharmacy	10
2	SIMS/ Services Hospital Lahore	2010-11	5 A&B	Less recovery from rent of hospital pharmacies	5.55
3	Jinnah Hospital/ AIMC Lahore	2010-11	15	Less recovery of rent and utility charges from contractors	2.03
4	Jinnah Hospital/ AIMC Lahore	2010-11	16 a & b	Non-recovery of late payment charges from contractors	1.27
5	SIMS/ Services Hospital Lahore	2010-11	6	Non-recovery of penalty charges from contractor	1.25
6	Mayo Hospital Lahore	2011-12	5	Less recovery of utility charges from the residents of the colony	1.05
7	SIMS/ Services Hospital Lahore	2010-11	22 a & b	Non-collection of 5 % advance income tax	0.98
8	Jinnah Hospital/ AIMC Lahore	2010-11	22	Non-collection of 5 % advance income tax	0.71
9	SIMS/ Services Hospital Lahore	2010-11	33	Less recovery of utility charges from the residents of the colony	0.13
10	SIMS/ Services Hospital Lahore	2010-11	37	Less recovery of utility charges from the residents of the hostel	0.16
11	Jinnah Hospital/ AIMC Lahore	2010-11	26	Non-collection of 5 % advance income tax	0.13

12	Jinnah Hospital/ AIMC Lahore	2010-11	25	Non-collection of 5 % advance income tax	0.13
13	Jinnah Hospital/ AIMC Lahore	2011-12	26	Non-collection of 5 % advance income tax	0.21
14	Jinnah Hospital/ AIMC Lahore	2011-12	27	Non-recovery of utility charges from contractors	0.12
15	Nishtar Hospital Multan	2011-12	23	Non-collection of 5 % advance income tax	0.11
16	Nishtar Hospital Multan	2011-12	12	Non-recovery of utility charges from residents	1.31
17	Ch. Pervaiz Elahi Institute of Cardiology Multan	2011-12	2	Recovery of rent	3.48
18	Punjab Institute of Cardiology Lahore	2011-12	5	Income tax from hospital pharmacy	9.15
19	Sheikh Zayed Hospital, Medical College Rahim Yar Khan	2011-12	5	Non-recovery of utility charges & income tax from contractors	0.42
<b>Total</b>					<b>38.19</b>

**Annexure-10***(Rs. in millions)*

<b>Sr. No</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Nature</b>	<b>Amount</b>
1	Mayo Hospital Lahore	2011-12	6	Non-deduction of income tax from stipend of Post Graduate Trainees.	1.14
2	Lady Willingdon Hospital Lahore	2011-12	7	Non-deduction of income tax from pay of officers	0.61
3	SIMS/Services Hospital Lahore	2011-12	17	Non-deduction of income tax from stipend of Post Graduate Trainees.	4.14
4	SIMS/Services Hospital Lahore	2011-12	11	Non-deduction of income tax on SEMS allowance	0.64
5	Jinnah Hospital /AIMC Lahore	2010-11	32	Non-deduction of income tax from share money	0.28
6	SIMS/Services Hospital Lahore	2011-12	21	Non-deduction of income tax from supply of goods	0.24
7	Institute of Blood Transfusion Services Lahore	2010-12	6	Non-deduction of income tax from supply of goods	0.16
8	Mayo Hospital Lahore	2011-12	36	Less deduction of income tax from salaries of officers	0.12
9	Secretary Health, Govt. of the Punjab Lahore	2011-12	21	Less deduction of income tax from salaries of officers	0.19

10	Executive Director, Punjab, Institute of Mental Health Lahore	2011-12	13	Non- deduction of income tax from salaries of officers	0.11
11	Ch. Pervaiz Elahi institute of cardiology Multan	2011-12	10	Non- deduction of income tax from post graduate trainees	0.14
12	Ch. Pervaiz Elahi institute of cardiology Multan	2011-12	1	Non- deduction of income tax from pay and allowances	3.74
13	Ch. Pervaiz Elahi institute of cardiology Multan	2011-12	9	Non- deduction of income tax from medicine suppliers	0.29
14	Nishtar Hospital Multan	2011-12	1	Non- deduction of income tax from stipend of post graduate trainees	4.92
15	Nishtar Hospital Multan	2011-12	13	Non- deduction of income tax from pay and allowances	1.23
16	Nishtar Hospital Multan	2011-12	32	Non- deduction of income tax from share money	0.09
17	Faisalabad Institute of Cardiology	2011-12	3	Non- deduction of income tax from pay and allowances	1.55
<b>Total</b>					<b>19.59</b>

**Annexure-11***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Nature of recovery</b>	<b>Amount</b>
1	SIMS / Services Hospital Lahore	2010-11	7	Non-recovery of conveyance allowance from the staff residing in residences located within same boundary wall	0.17
2	JHL/AIMC Lahore	2011-12	18	Non-recovery of 5 % house maintenance charges	0.46
3	Institute of Public Health Lahore	2011-12	10	Non-recovery of HRA from the staff residing in official accommodations.	0.45
4	Lady Willingdon Hospital Lahore	2011-12	10	Non-recovery of HRA & conveyance allowance from the staff residing in official accommodations.	0.21
5	Institute of Public Health Lahore	2011-12	12	Non-recovery of 5 % house maintenance charges	0.09
6	Lady Willingdon Hospital Lahore	2011-12	12	Non-recovery of 5 % house maintenance charges	0.06
7	Mayo Hospital Lahore	2011-12	43	Non-recovery of 5 % house maintenance charges	0.06
8	Nawaz Sharif Medical College Gujrat	2008-11	1	Non-recovery of house rent allowance paid @ 45 % instead of 35 %	2.32

9	Principal De-Montmorency College of Dentistry Lahore	2011-12	6	Non-recovery of conveyance allowance allowed during leave, summer and winter vacations	0.33
10	Secretary Health, Government of the Punjab Lahore	2011-12	15	Non-recovery of conveyance allowance from holders of allotted vehicles.	0.30
11	Executive Director, Punjab Institute of Mental Health Lahore	2011-12	4	Non-recovery of salaries drawn during absent period.	0.08
12	Secretary Health, Government of the Punjab Lahore	2011-12	26	Non-recovery of 5 % house maintenance charges	0.11
13	Govt. Public Health Nursing School Nishtar Hospital, Multan	2011-12	4	Non-recovery of conveyance allowance allowed during leave period.	0.04
14	SIMs/ SHL Lahore	2010-11	40	Conveyance allowance paid to Project Director despite allotment of vehicle.	0.09
15	Lady Willingdon Hospital Lahore	2011-12	14	Conveyance allowance paid to officers / officials during leave.	0.06
16	Nishtar hospital Multan	2011-12	19	Non recovery of house rent and conveyance allowance	0.3
17	Nishtar hospital Multan	2011-12	21	Payment of conveyance allowance during leave	0.21

18	Nishtar hospital Multan	2011-12	22	Non-recovery of 5 % house maintenance charges	0.2
19	Ch Pervaiz Elahi Institute of Cardiology Multan	2011-12	14	Recovery of Benevolent fund	0.22
20	Children Hospital and Institute of child health Multan	2011-12	14	Recovery of House rent	0.29
21	Children Hospital and Institute of child health Lahore	2011-12	5	Recovery of conveyance allowance	1.86
<b>Total</b>					<b>7.91</b>

**Annexure-12***(Rs. in millions)*

<b>Sr. No</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Particulars</b>	<b>Amount</b>
1.	University of Education Lahore	2011-12	2	Irregular drawl of conveyance Allowance.	1.00
2.	UET Taxila	2011-12	4	Unauthorized payment of Allowances	10.32
3.	UET Taxila	2011-12	33	5% HRA	6.85
4.	UET Taxila	2011-12	35	Irregular payment of CA	4.18
5.	UET Taxila	2011-12	16	Over payment of Allowances	1.79
6.	Govt. PGC (W) Silakot	2006-11	12	Excess drawl of CA	1.22
7.	UET Lahore	2011-12	9	Less deduction of house rent Allowance and non deduction of 5% maintenance charges.	1.18
8.	BZU Multan	2011-12	8	Recovery of orderly Allowance	0.57
9.	University of the Punjab, Lahore	2011-12	13	Unauthorized payment of Computer Allowance	0.34
10.	University of Education Lahore	2011-12	17	Recovery of house rent Allowance, conveyance Allowance and 5% maintenance charges.	0.14
11.	Govt. College (B) Township Lahore	2010-12	6	Excess drawl of CA	0.12
12.	Govt. College (w) People Colony Faisalabad	2006-11	1	5% HRA	0.04
<b>Total</b>					<b>27.75</b>



**Annexure-13***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	BISE, DG Khan	2006-12	1	2.08
2	Fatima Jinnah women University, Rawalpindi	2011-12	29	1.35
3	University of the Punjab, Lahore	2011-12	28	1.05
4	BISE, DG Khan	2006-12	4	0.92
5	Govt. PG College for Women, Katchery Road, Sialkot	2006-11	9	0.50
6	Govt. Degree College for women Wapda Town, Lahore	2009-11	2	0.31
7	BISE, Faisalabad	2010-12	6	0.20
8	Govt. Guru Nanak Degree College Nankana Sahib	2006-11	5	0.07
9	Govt. Shalimar College Lahore	2011-12	2	0.06
10	Govt. Islamia Degree College Sambrial	2008-11	5	0.05
<b>Total</b>				<b>6.59</b>

**Annexure-14***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	DG (M&I) PHP, Lahore.	2005-11	28	102.37
2.	SSP PC No.5 Badian Road, Lahore.	2011-12	1	46.40
3.	Central Jail, Gujranwala.	2011-12	3	42.60
4.	SSP BTN Commander Guard Battalion Qurban Line, Lahore.	2009-11	7	38.07
5.	DG Punjab Emergency Service 1122, Lahore.	2010-12	23	23.69
6.	Regional Police Officer, Gujranwala.	2010-12	3	0.87
7.	S P Traffic Sargodha	2011-12	4	2.27
8.	Central Jail, Rawalpindi	2011-12	2	27.19
9.	Central Jail, Lahore	2011-12	6	81.76
10.	DPO, Jhang	2011-12	12	12.13
11.	DPO, Attock	2011-12	8	6.38
12.	City Police Officer, Rawalpindi.	2010-12	7	133.90
13.	Addl. IGP Special CTD (CID), Lahore.	2011-12	1	118.06
14.	Central Jail Sahiwal	2011-12	2	3.54
15.	DPO ,Gujrat	2011-12	3	10.36
16.	S P Traffic Gujranwala	2011-12	2	33.52
17.	Central Jail Mianwali	2011-12	8	15.47
18.	S P PHP Gujranwala	2011-12	4	23.01
<b>Total</b>				<b>721.59</b>

**Annexure-15***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Items of expenditure</b>	<b>Amount (Rs.)</b>
1.	SP,PHP Bahawalpur	2009-12	9	Stationery& computer stationery	0.65
2.	IG Police Investigation, Lahore	2010-11	1	Printing	0.30
3.	DG M&I PHP, Lahore	2005-11	22	Stationery& computer stationery	11.06
4.	District Jail, T.T Singh	2006-11	5	Medicine	2.20
5	SSP RIB Gujranwala	2007-11	1	Stationery& computer stationery	0.41
6	DPO, Jhang	2011-12	1	Stationery& computer stationery	0.94
7	DPO, Hafizabad	2011-12	2	Stationery& computer stationery	1.07
8	SP, RIB, Multan	2011-12	1	Stationery& computer stationery	0.61
9	RPO, Multan	2011-12	1	Stationery& computer stationery	1.01
10	Addl., IGP, CTD (CID) Lahore	2011-12	7	Stationery & computer stationery	3.49
11	Principal, Elite Police Training School, Lahore	2010-11	15	Stationery& computer stationery	0.54
12	SSP Telecommunication, Lahore	2011-12	2	Stationery& computer stationery	2.78

13	Commandant, Police College Sihala, Rawalpindi	2011-12	14	Stationery & computer stationery	0.84
14	AIG Elite Police Force Lahore	2011-12	1	Stationery & computer stationery	0.50
15	DPO, Sheikhpura	2011-12	3	Stationery & computer stationery	0.94
16	DPO, khushab	2011-12	1	Stationery & computer stationery	0.91
17	DPO, Muzaffargarh	2011-12	1	Stationery & computer stationery	1.31
18	DPO, Gujrat	2011-12	4	Stationery & computer stationery	1.77
19	DPO, Layyah	2011-12	1	Stationery & computer stationery	1.19
20	Comandant, Police College Lahore	2011-12	4	Stationery & computer stationery	0.74
21	RPO, Sargodha	2011-12	4	Stationery	0.41
22	DPO Sialkot	2011-12	2	Stationery	2.29
23	SP, PHP, Gujranwala	2011-12	1	Stationery	0.62
24	DPO, Mandi Bahaudin	2011-12	1	Stationery	1.19
25	DPO, Mandi Bahaudin	2010-11	4	Stationery	0.85
<b>Total</b>					<b>38.62</b>

**Annexure-16***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1.	SP Traffic Sheikhpura Range	2008-11	4	11.56
2.	DPO, Rajan pur	2011-12	4	7.01
3.	SP Traffic, D.G Khan	2008-11	6	5.51
4.	DPO, Narowal	2010-11	2	3.74
5.	SSP, PC Battalion-4, Faisalabad	2009-11	9	1.48
6.	Addl. IGP Investigation Lahore	2010-11	3	1.42
7.	SP Special Branch, Sheikhpura	2008-11	5	1.07
8.	SSP PC Battalian-1, Lahore	2009-11	5	1.01
9.	SP PHP, Bahawalpur	2009-12	6	0.97
10.	Addl. IGP Welfare & PQR, Lahore	2008-11	1	0.93
11.	DPO, T.T Singh	2010-11	4	0.87
12.	SSP Special Branch, PTS Chung Lahore	2008-11	3	0.86
13.	SP Traffic, Bahawalpur Region	2008-11	3	0.81
14.	CTO, Faisalabad	2011-12	2	0.68
15.	SSP Battalion Commander Guard Qurban Line, Lahore.	2009-11	4	0.64
16.	SSP PHP, Rawalpindi	2009-11	2	0.63
17.	DPO, Jhang	2010-11	6	0.58
18.	DPO, Nankana Sahib	201011& 2011-12	3 & 4	1.36
19.	DPO, Chiniot	2010-11	9	0.49
20.	DPO, Bahawalnagar	2010-11	5	0.48
21.	DPO, Okara	2011-12	4	0.42
22.	SP PHP, Gujranwala Region	2009-11	4	0.35
23.	CTO, Gujranwala	2010-11	4	0.31
24.	SP Special Branch Multan	2011-12	7	0.28
25.	Addl. IGP. PHP Punjab, Lahore	2011-12	2	0.22
26.	SP Special Branch Sargodha	2011-12	2	0.21
27.	SSP PC No.5 Badian Road Lahore	2011-12	4	0.15
28.	SP PHP, Sargodha	201011& 2011-12	2 & 8	9.23
29.	DPO, D.G Khan	200911& 2011-12	5 & 10	0.43

30.	SP CTD Multan	2010-11	2	0.16
31.	SP Traffic Sargodha	2011-12	1	0.85
32.	DPO Sargodha	2011-12	5	4.26
33.	DPO Vehari	2011-12	3	1.07
34.	SP Special Branch, Gujranwala	2011-12	4	0.79
35.	SP PHP, Multan	2011-12	4	0.12
36.	Addl. IGP CTD (CID) Lahore	2011-12	5	0.49
37.	DPO, Jhang	2011-12	5	4.03
38.	CTO, Lahore	2011-12	9	3.97
39.	DPO, Jhelum	2011-12	4	0.12
40.	DPO, Sheikhpura	2011-12	4	0.68
41.	SP PHP, Lahore	2011-12	3	1.17
42.	CPO Gujranwala	2011-12	6	4.11
43.	CPO, Rawalpindi	2011-12	4	0.34
44.	DPO, Hafiz bad	2011-12	6	11.18
45.	SSP Battalion Commander, PC.1 Lahore	2011-12	3	1.92
46.	DPO, Pakpattan	2011-12	4	0.88
47.	DG Punjab Emergency Service Rescue.1122 Lahore.	2011-12	4	0.15
48.	CPO, Faisalbad	2011-12	7	32.31
49.	CCPO, Lahore	2011-12	9	2.69
50.	DPO, Chinot	2011-12	2	1.53
51.	DPO, T T Singh	2011-12	8	0.32
52.	SSP Battalion Commande., PC.2, Rawalpindi	2011-12	4	0.11
53.	Commandant Police College Sihala, Rawalpindi.	2011-12	9	4.56
54.	Commandant Police College Lahore	2011-12	1	0.32
55.	DPO, Bahawalpur	2011-12	5	37.44
56.	DPO, Chakwal	2011-12	3	0.56
57.	DPO, Muzzaffargarh	2011-12	8	14.85
58.	DPO, Gujrat	2011-12	11	0.58
59.	DPO, Layyah	2011-12	6	1.64
60.	S P Traffic , Bahawalpur	2011-12	4	2.25
61.	CTO, Gujranwala	2011-12	5	4.71
62.	DPO, Bahawalnagar	2011-12	1	1.36
63.	DPO, Khuab	2011-12	8	2.01
64.	DPO, Mandi Bohudin	2010-11 2011-12	2 & 10	19.94

65.	DPO, Sialkot	2010-11 2011-12	4 & 11	13.44
66.	SP Traffic Rawalpindi	2011-12	7	0.57
67.	SP PHP Gjeranwala	2011-12	7	1.15
68.	SP Traffic Gujranwala Range	2008-11	3	11.54
<b>Total</b>				<b>243.87</b>

**Annexure-17***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Particulars of Recovery</b>	<b>Amount</b>
1.	SSP Battalion Commander Guard PC. Battalion NO.7	2009-11	1	Recovery of service charges from various Government Organizations.	66.05
2	Capital City Police Officer Lahore	2011-12	1	Recovery of service charges from various Government Organizations.	14.62
3	District Police Officer Sialkot	2011-12	1	Recovery of service charges from various Government Organizations.	8.75
4	District Police Officer Gujranwala	2011-12	1	Recovery of service charges from various autonomous institutions.	7.43
5	District Police Officer Muzaffargarh	2011-12	10	Recovery of service charges from various autonomous institutions.	6.52
6	District Police Officer Bahawalpur	2011-12	10	Recovery of service charges from various autonomous institutions.	6.12
7	District Police Officer Rahim Yar Khan	2011-12	1	Recovery of service charges from various autonomous institutions.	6.12
8	District Police Officer Sargodha	2011-12	2	Recovery of service charges from various autonomous institutions.	5.95
9	District Police Officer Bhakkar	2011-12	1	Recovery of service charges from various autonomous institutions.	5.69
10	District Police Officer Attock	2011-12	1	Recovery of service charges from various autonomous institutions.	5.22



11	City Police Officer Gujranwala	2011-12	2	Recovery of service charges from various autonomous institutions.	4.56
12	District Police Officer Khushab	2011-12	11	Recovery of service charges from various autonomous institutions.	4.23
13	District Police Officer Mianwali	2011-12	1	Recovery of service charges from various autonomous institutions.	3.83
14	District Police Officer Layyah	2011-12	4	Recovery of service charges from various autonomous institutions.	3.70
15	City Police Officer Rawalpindi	2011-12	3	Recovery of service charges from various autonomous institutions.	3.54
16	District Police Officer Kasur	2011-12	7	Recovery of service charges from various autonomous institutions.	3.45
17	District Police Officer Mandi Bahuddin	2010-11	6	Recovery of service charges from various autonomous institutions.	3.16
18	District Police Officer Sahiwal	2011-12	1	Recovery of service charges from various autonomous institutions.	2.32
19	District Police Officer Hafizabad	2011-12	10	Recovery of service charges from various autonomous institutions.	2.21
20	District Police Officer Jehlum	2011-12	1	Recovery of service charges from various autonomous institutions.	2.17
21	City Police Officer Faisalabad	2011-12	10	Recovery of service charges from various autonomous institutions.	2.00
22	District Police Officer Jhang	2011-12	7	Recovery of service charges from various autonomous institutions.	1.65
23	District Police Officer Rajanpur	2011-12	8	Recovery of service charges from various autonomous institutions.	1.55

24	City Police Officer Multan	2011-12	1	Recovery of service charges from various autonomous institutions.	1.17
25	District Police Officer DG Khan	2009-11	2	Recovery of service charges from various autonomous institutions.	0.97
<b>Total</b>					<b>172.98</b>

**Annexure-18**

(Rs. in millions)

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Total recovery</b>	<b>Amount recovered</b>	<b>Amount recoverable</b>
1	S P Traffic Bahawalpur	2008-11 2011-12	2 & 6	21.75 13.89	20.87 13.04	0.88 0.84
2	S P Traffic Multan	2008-11 & 2011-12	4 & 4	48.26 3.93	45.90 3.42	2.36 0.51
3	S P PHP Multan	2009-11	4	6.81	3.54	3.27
4	S P PHP Gujranwala	2009-11 & 2011-12	5 & 5	5.34 2.63	4.50 2.43	0.84 0.20
5	S P PHP Rawalpindi	2009-11	4	1.86	0.88	0.98
6	S P PHP Sargodha	2010-11	3	3.07	2.53	0.54
7	Chief Traffic Officer Gujranwala	2010-11 & 2011-12	3 & 4	45.59 33.14	41.44 31.07	4.14 2.07
8	Chief Traffic Officer Multan	2011-12	1	98.02	79.80	18.22
9	S P Traffic Sargodha	2011-12	3	65.05	64.54	0.51
10	S P PHP Multan	2011-12	3	2.62	1.11	1.51
11	S P Traffic Faisalabad	2011-12	1	21.13	20.00	1.13
12	S P PHP Sargodha	2011-12	4	5.48	3.66	1.82
13	S P PHP Lahore	2011-12	4	23.63	11.50	12.13
14	S P Traffic Sheikhpura	2011-12	3	44.05	40.56	3.49

15	Chief Traffic Officer Faisalabad	2011-12	7	186.82	179.07	7.75
16	S P Traffic Gujranwala	2008-11 2011-12	2 & 5	1.56 79.98	0.26 76.84	1.30 3.14
17	S P Traffic Bahawalpur	2009-12	5	1.28	0.63	0.64
18	S P PHP Faisalabad	2009-12	1	7.35	4.08	3.27
19	S P Traffic ,Rawalpindi	2011-12	2	35.38	33.96	1.43
<b>Total</b>				<b>758.61</b>	<b>685.64</b>	<b>72.97</b>

**Annexure-19**

(Rs. in millions)

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>
1	DPO, Sahiwal.	2011-12	2 & 3	2.89
2	DPO, DG Khan.	2009-11& 2011-12	1, 3, 2 & 2	0.23
3	DPO, Okara.	2011-12	1, & 2	1.18
4	DPO, Rehim Yar Khan.	2011-12	2 & 3	1.53
5	SP Traffic, DG Khan.	2008-11	4 & 5	1.31
6	SSP PC BTN-I, Lahore.	200911& 2011-12	3 & 2	1.07
7	SP PHP, Sargodha.	2010-11& 2011-12	2 & 9	0.83
8	SP PHP, Multan.	2009-11& 2011-12	1, 2, 2 & 3	1.00
9	SP Traffic, Multan.	2008-11	2, 3 & 5	0.69
10	DPO, Rajanpur.	2011-12	2	0.56
11	DPO, Jhang.	2011-12	3 & 4	0.47
12	SP PHP, Gujranwala Region.	2009-11	6 & 7	0.42
13	DPO, Vehari.	2011-12	1 & 2	0.78
14	SP Traffic, Gujranwala.	2011-12	3 & 4	0.21
15	SP Traffic, Sargodha	2008-11	2 & 3	0.50
16	DPO, T.T Singh.	2010-11& 2011-12	10, 2 & 3	0.20

17	SP Traffic, Bahawalpur Region.	2008-11&	1, 5, & 3	0.70
		2011-12		
18	SP Traffic, Sahiwal.	2009-11	2 & 5	0.26
19	SP PHP, Rawalpindi.	2009-11	1	0.26
20	CTO, Gujranwala.	2011-12	3 & 5	0.46
21	CTO, Faisalabad.	2010-11&	5, 3 & 4	0.91
		2011-12		
22	DPO, Narrowal.	2010-11	6	0.19
23	SP Traffic, Rawalpindi.	2008-11	3	0.18
24	CCPO, Lahore	2011-12	2 & 3	7.36
25	DPO, Nankana Sahib.	2010-11&	5, 6 & 5	0.33
		2011-12		
26	DPO, Lodhran.	2011-12	2 & 4	0.46
27	SP PHP, Bahawalpur.	2009-12	7	0.11
28	SP Special Branch, Gujranwala.	2011-12	5	0.07
29	CTO, Multan	2011-12	2 & 3	0.81
30	Principal Elite Police Training School, Lahore.	2011-12	22	0.16
31	CPO, Multan	2011-12	3 & 4	0.92
32	DPO, Sargodha	2011-12	8 & 9	0.29
33	DPO, Bakhar	2011-12	3 & 5	0.22
34	DPO, Sheikhpura	2011-12	1 & 2	2.16
35	SP PHP, Lahore	2011-12	2, 6 & 9	1.23
36	CPO, Gujranwala	2011-12	4 & 5	0.72
37	DPO, Pakpattan	2011-12	1	0.30
38	CPO, Rawalpindi	2011-12	1 & 2	0.68
39	DPO, Hafiz bad	2011-12	5 & 6	0.41

40	SP Traffic, Sheikhupura.	2011-12	4	0.25
41	SP PHP, D G Khan	2009-12	1	0.94
42	CPO, Faisalabad.	2011-12	5 & 14	0.49
43	CTO, Lahore	2011-12	6	2.96
44	SP Traffic, Faisalabad	2011-12	5	0.14
45	Additional I G CTD(CID) Lahore	2011-12	2	0.08
46	DPO, Attock	2011-12	2 & 3	0.35
47	DPO, Jhelum	2011-12	2 & 3	0.17
48	SP RIB Sargodha	2007-12	5	0.06
49	SSP Telecommunication, Lahore.	2011-12	4, 7 & 11	2.41
50	DPO, Bahawalpur.	2011-12	4 & 9	0.31
51	DPO, Chakwal.	2011-12	1 & 2	0.28
52	DPO, Muzzaffargarh	2011-12	2 & 6	1.03
53	DPO, Layyah.	2011-12	1 & 10	0.34
54	DPO, Sialkot	2010-11	2, 7, 12 , 13 & 14	3.80
		2011-12		
55	DPO, Chiniot	2011-12	6	0.11
56	Commandant P C Farooqabad	2011-12	5	0.29
57	SP PHP, Faisalabad	2009-12	2	1.83
58	Commandant Police Training College, Lahore.	2011-12	2 & 3	0.79
59	Commandant Police Training College, Sihala Rawalpindi.	2011-12	3	0.20
60	Additional Investigation Punjab Lahore	2011-12	1 & 5	0.18

61	DPO, Mandi Baha-uddin	2010-11	5, 8, 11 & 12	1.21
		2011-12		
62	DPO, Mianwali	2011-12	2 & 4	0.37
63	SP Traffic, Multan	2011-12	2, 5 & 21	0.40
64	SP PHP, Gujranwala	2011-12	6	0.40
<b>Total</b>				<b>52.45</b>



**Annexure-20**

(Rs. in millions)

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Nature of allowance</b>	<b>Amount (Rs)</b>
1.	Director General (MI) Punjab Highway Patrolling Police Lahore	2005-11	3	Adhoc relief allowance given to employee appointed on contract basis on pay package	3.48
2.	Superintendent Of Police Traffic Sheikhpura range	2008-11	5	Recovery of special allowance	2.38
3.	Chief traffic Officer Faisalabad	2010-11	6	Recovery of special allowance	2.23
4.	City Police Officer Multan	2011-12	8	45% House rent allowance and fixed DA instead of 30% to the lower subordinates posted outside Municipal limits.	0.21
5.	Additional Inspector General Police Elite Police Force Lahore	2011-12	4	Recovery of conveyance allowance	0.13
6.	SSP PC BTN 1 Lahore	2009-11	2	Unauthorized absence from duty recovery of pay& allowances	1.18
7.	Superintendent Of Police Traffic Region Rawalpindi	2011-12	3	Conveyance Allowance	0.81
8.	Commandant PC Headquarter Farooqabad	2011-12	3	Recovery of penal rent	0.72

9.	Superintendant Of Police Traffic, Multan	2008-11	1	Recovery of house rent allowance	0.57
10	DG Punjab Emergency Service Rescue 1122 Lahore	2010-12	9 & 19	House rent allowance and Unauthorized absence from duty recovery of pay& allowances.	0.54
11.	Superintendant Of Police Traffic Bahawalpur	2008-11	2& 4	Recovery of special allowance	0.42
12.	District Police Officer DG Khan	2009-11	6 & 7	Technical Allowance excess payment as referred to pay fixation in Service book.	0.36
13.	Senior Superintendant Of Police Punjab Highway patrol Faisalabad	2009-12	5	Conveyance allowance	0.30
14.	Superintendant Of Police PHP DG Khan	2009-12	2	Unauthorized absence from duty recovery of pay& allowances	0.28
15.	Senior Superintendant Of Police Punjab Constabulary.5 Bedian Road Lahore	2011-12	5	Dismissed persons	0.17
16.	District Police Officer DG Khan	2011-12	8	Unauthorized absence from duty recovery of pay& allowances	0.15
17.	Superintendant Of Police special branch Multan	2011-12	2	conveyance allowance	0.12

18.	District Police Officer Okara.	2011-12	3	Unauthorized absence from duty recovery of pay& allowances	0.14
19.	Superintendent Of Police Special branch Police Training school Chung Lahore.	2008-11	5	Conveyance Allowance	0.12
20.	Superintendent Of Police Punjab Highway Patrol Sargodha	2010-11	9& 10	Conveyance allowance	0.24
21.	Superintendent Of Police Traffic DG Khan	2008-11	3	Technical allowance	0.11
22.	Superintendent Central Jail Lahore	2011-12	3	Computer allowance	0.11
23.	Superintendent Central Jail Mianwali	2011-12	6	Unauthorized absence period	0.09
24.	District Police Officer Nankana Sahib	2011-12	6	Unauthorized absence from duty recovery of pay& allowances	0.09
25.	Superintendent Of Police Traffic Multan	2008-11	7	Constabulary allowance	0.07
26.	Superintendent Central Jail Sahiwal	2011-12	7	Prison allowance	0.06
27.	Superintendent new central Jail Multan	2008-11	15	Prison allowance, personal allowance, pay due to absence from duty.	0.05
<b>Total</b>					<b>15.13</b>

**Annexure-21**

(Rs. in millions)

<b>Sr. No.</b>	<b>Name of formation</b>	<b>Period of audit</b>	<b>Para No. of AIR</b>	<b>Items Stolen</b>	<b>Amount (Rs.)</b>
1	District Police Officer Sialkot	2010-11	3	Vigo Toyota Pickup	4.40
2.	District Police Officer Vehari	2011-12	6	Land cruiser Jeep	2.85
3	District Police Officer Bahawalpur	2011-12	1	1 land cruiser jeep and three Toyota pickups	2.42
4	Capital City Police Officer Lahore	2011-12	8	Vigo, one car, 2 Toyota pickups, 2 land cruiser jeeps, 2 Hino buses & one Hino truck	2.10
5	District Police Officer Jhang	2010-11	8	Land cruiser Jeep & Toyota pickup burnt during procession	1.55
6	Superintendent Of Police Punjab Highway Patrol Bahawalpur	2009-12	3	Two pistols, ammunition	0.60
7	District Police Officer, Rajanpur	2011-12	3	2 Rifles G.III With 40 rounds and two magazines	0.50
8	Commandant PC HQ Farooqabad	2010-12	3	Ambulance	0.50
9	Additional Inspector General Of Police Investigation Punjab Lahore	2011-12	2	Double cabin pickup	0.40
10	Senior Superintendent Of Police Punjab Highway Patrol Gujranwala	2011-12	10	Ammunition	0.30
11	Chief Traffic Officer Lahore	2011-12	11	Two motorcycles	0.15
12	District Police Officer Muzaffar garh	2011-12	7	Two motorcycles	0.15

13	District Police Officer Jehlum	2011-12	9	Two motorcycles burnt	0.13
14	Superintendent Of Police Punjab Highway Patrol Lahore	2011-12	7	SMG Rifle with 60 rounds	0.10
15	District Police Officer Mandi Bahaudin	2011-12	14	SMG Rifle with 60 rounds	0.10
16	SSP Battalion I, PC Lahore	2011-12	6	MP.5 and AUG Rifle	0.09
17	Senior Superintendent Of Police Special branch Rawalpindi	2011-12	4	Motor cycle	0.09
18	Senior Superintendent Of Police Training School Multan	2008-11	3	Motorcycle	0.08
19	District Police Officer Attock	2011-12	9	Motorcycle	0.07
20	SP,PHP, Sargodha	2011-12	6	Toyota Pick up	0.30
<b>Total</b>					<b>16.88</b>

**Annexure-22***(Rs. in millions)*

<b>Voucher No.</b>	<b>Month</b>	<b>Amount</b>	<b>Head</b>
15	6-Jun	0.41	---
23	6-Jun	0.84	Purchase of F& F
26	6-Jun	0.16	Purchase of M&E
27	6-Jun	0.45	Purchase of M&E
29	6-Jun	1.28	Purchase of M&E
30	6-Jun	0.24	Purchase of M&E
9	6-Sep	0.61	Purchase of F& F
21&22	6-Jun	0.25	Rent of Building
15&16	6-Oct	0.31	Rent of Building
26	6-Nov	0.13	Rent of Building
28	6-Nov	0.13	Rent of Building
38A	6-Dec	0.13	Rent of Building
65	7-Feb	0.25	Rent of Building
80	7-Mar	0.13	Rent of Building
87	7-Apr	0.13	Rent of Building
119	7-May	0.13	Rent of Building
152	7-Jun	0.13	Rent of Building
159	7-Jun	0.13	Rent of Building
46	7-Aug	0.13	Rent of Building
48	7-Sep	0.13	Rent of Building
70	7-Oct	0.13	Rent of Building
89	7-Nov	0.13	Rent of Building
109	7-Dec	0.13	Rent of Building
131	8-Jan	0.13	Rent of Building
147	8-Feb	0.13	Rent of Building

160	8-Mar	0.13	Rent of Building
183	8-Apr	0.13	Rent of Building
201	8-May	0.13	Rent of Building
205	8-May	0.13	Rent of Building
224	8-Jun	0.13	Rent of Building
42	8-Nov	0.54	Rent of Building
55	8-Nov	0.14	Rent of Building
56	8-Dec	0.14	Rent of Building
74	9-Feb	0.14	Rent of Building
103	9-Feb	0.14	Rent of Building
118	9-Apr	0.14	Rent of Building
131	9-Apr	0.14	Rent of Building
154	9-Jun	0.14	Rent of Building
185	9-Jun	0.14	Rent of Building
20	9-Sep	0.29	Rent of Building
41	9-Oct	0.15	Rent of Building
57	9-Nov	0.14	Rent of Building
66	9-Dec	0.14	Rent of Building
77	10-Jan	0.14	Rent of Building
96	10-Feb	0.14	Rent of Building
105	10-Feb	0.14	Rent of Building
144	10-Apr	0.14	Rent of Building
187	10-Jun	0.12	Rent of Building
188	10-Jun	0.12	Rent of Building
237	10-Jun	0.12	Rent of Building
28	10-Oct	0.44	Rent of Building
29	10-Oct	0.15	Rent of Building
56	10-Dec	0.15	Rent of Building

86	10-Dec	0.15	Rent of Building
124	11-Feb	0.15	Rent of Building
138	11-Mar	0.15	Rent of Building
149	11-Mar	0.15	Rent of Building
193	11-May	0.15	Rent of Building
238	11-Jun	0.14	Rent of Building
265	11-Jun	0.14	Rent of Building
11	11-Aug	0.14	Rent of Building
45	11-Aug	0.14	Rent of Building
92	11-Oct	0.14	Rent of Building
93	11-Nov	0.14	Rent of Building
100	11-Nov	0.14	Rent of Building
122	12-Jan	0.14	Rent of Building
170	12-Feb	0.14	Rent of Building
173	12-Mar	0.14	Rent of Building
211	12-Apr	0.14	Rent of Building
228	12-May	0.14	Rent of Building
264	12-Jun	0.14	Rent of Building
282	12-Jun	0.14	Rent of Building
9	6-May	0.04	Repair of Transport.
24	6-Jun	0.09	Repair of M&E
28	6-Jun	0.06	Repair of M&E
14	6-Jun	0.09	Repair of M&E
8	6-Jun	0.10	Repair of F&F
7	6-Jun	0.08	Repair of F&F
6	6-Jun	0.04	Stationery
5	6-Jun	0.10	Stationery
01	6-May	0.10	Printing



3	6-May	0.10	Stationery
2	6-Jun	0.10	Repair of F&F
41	6-Dec	0.04	POL
82	7-Mar	0.10	Repair of M&E
48	7-Jan	0.06	POL
5	6-Jun	0.10	Stationery
133	7-May	0.09	Repair of F&F
16	6-Jun	0.07	Repair of F&F
234	8-Jun	0.11	Stationery
250	8-Jun	0.14	Printing
187	12-Feb	0.11	Publicity
186	12-Feb	0.12	--do--
171	12-Feb	0.10	POL
189	12-Apr	0.10	POL
218	12-May	0.11	POL
249	12-Jun	0.11	POL
283	12-Jun	0.12	POL
295	12-Jun	0.29	POL
304	12-Jun	0.31	Publicity
<b>Total</b>		<b>17.13</b>	

**Annexure-23**

(Amount in Rs.)

Sr. No.	Name	Designation	Pay Rs.	Letter No. & Date of Appointment	Letter No. & Date of 1 <sup>st</sup> Extension
1	Mehreen Shehzadi	Librarian	27,006	Bs-16 BAL239 3,JULY 2006(for Six Month)	No.BAL 444 1 <sup>st</sup> Jan 2008
				Ist extensioin	No.BAL 444 1 <sup>st</sup> Jan 2008
				2 <sup>nd</sup> Extension BS-17	No .BAL 694 3 <sup>rd</sup> Jan 2009
2	Mr.Talib Hussain	Cashier	12,240	BAL690 dated 15 Dec,2008	Permanent
3	Lubna Nazar	P.A	14,025	BAL354 dated 27 June,2007	Permanent
4	Abdul Ghaffar	Driver	18,158	dated 26 Feburary,1987	Permanent
5	Saqib	Library Assistant	10,175	BAL622 dated 10,Sep 2008	Permanent
6	M.Boota	Astt.store Keeper	11,762	BAL737 dated 20,Mar 2009	Permanent
7	M.Riaz	Driver	10,567	BAL697 dated 06,Jan 2009	Permanent
8	M.Irshad	Qasid	12,081	BAL51 dated 21,Aug 1984	Permanent
9	M.Qasim	N/Q	9,368	dated 08,Jan 2007	Permanent
10	M.Hussain	Mali	8,648	BAL640 dated 07,oct2008	Permanent
11	Waseema	N/Q	8,531	BAL696 dated 06,Jan2009	Permanent
12	Shehzad Rafiq	N/Q	9,368	BAL658 dated 25,oct 2008	Permanent
13	M.Hanif	N/Q	9,368	dated 12,Jan 2007	Permanent
14	M.Fakhrul Islam	N/Q	9,368	BAL657 dated 25,oct 2008	Permanent

15	Nadeem Maseeh	Sweeper	11497	dated 20,oct 1994	Permanent
16	M.Munir	(Contract) Store Keeper	13000	BAL2011 dated 31,Dec 2011	Contract
17	Ashraf Javaid	(Contract) Editor	11000	BAL2063 dated dated 31,Dec 2011	Contract

**Annexure-24***(Rs. in millions)*

<b>Sr. No.</b>	<b>Name of Formation</b>	<b>Period of Audit</b>	<b>Para No. of AIR</b>	<b>Amount</b>	<b>Recovery</b>	<b>Balance</b>
1.	LES, Bahadarnagar, Okara	2011-12	1	71.12	-	71.12
2.	Livestock Experimental Station, Allahabad Jehanian, Khanewal.	2002-12	1	56.88	-	56.88
3.	Livestock Experiment Station Khizerabad, Sargodha.	2008-11	3	19.00	9.56	9.44
4.	Livestock Experiment Station, Rakh Ghulaman, Bhakkar.	2011-12	1	17.84	-	17.84
5.	Livestock Experiment Station, Shah Jewna, Jhang.	2011-12	1	17.72	0.57	17.15
6.	Livestock Experiment Station, Qadirabad, Sahiwal.	2008-11	3	17.27	3.17	14.10
7.	Livestock Experiment Station, Jehangirabad, Khanewal.	2010-11	1	10.71	0.39	10.32
8.	Livestock Experiment Station, Shah Jewna, Jhang.	2007-11	1	9.48	0.13	9.35
9.	Livestock Experiment Station, Qadirabad, Sahiwal	2011-12	1	6.34	-	6.34
10.	Livestock Experiment Station, Daarkhana, Khanewal.	2002-12	1	4.04	0.25	3.79

11.	Livestock Experiment Station, Shergarh, Okara.	2005-12	3	0.92	0.03	0.89
12.	Government Livestock Farm, Kalorkot, Bhakkar.	2011-12	5	0.86	0.14	0.72
13.	Livestock Experimental Station, Bahadarnagar, Okara	2011-12	11	0.15	-	0.15
14.	Livestock Experiment Station, Chak Katora, Hasilpur, Bahawalpur.	2008-11	2	1.48	1.35	0.13
<b>Total</b>				<b>233.81</b>	<b>15.59</b>	<b>218.22</b>