



**AUDIT REPORT
ON
THE ACCOUNTS OF
DISTRICT GOVERNMENT
RAHIM YAR KHAN
AUDIT YEAR 2012-13**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
B&R	Building & Road
CCB	Citizen Community Board
CD	Community Development
C&W	Communication & Works Department
DAC	Departmental Accounts Committee
DCO	District Coordination officer
DDC	District Development Committee
DDO	Drawing and Disbursing Officer
DEO (EE-M)	District Education Officer (Elementary Education-Male)
DHQ	District Headquarters
DO	District Officer
DTL	Drug Testing Laboratory
EDO	Executive District Officer
F&P	Finance and Planning
FD	Finance Department
LG&CD	Local Government & Community Development Department
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
OFWM	On Farm Water Management
P&D	Planning and Development
PDG	Punjab District Government
PESRP	Punjab Education Sector Reforms Programme
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
SE	Superintending Engineer
S&GAD	Services and General Administration Department
SMC	School Management Council
SP	Special Project
THQ	Tehsil Head Quarter
TS	Technical Sanction
W&S	Works & Services

PREFACE

Articles 169 and 170 (2) of the Constitution of the Islamic Republic of Pakistan, 1973, read with Sections 8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section 115 of the Punjab Local Government Ordinance 2001, requires the Auditor General of Pakistan to conduct the audit of receipts and expenditure of the District Fund and Public Account of the District Government.

This Report is based on audit of the accounts of various offices of the District Government, Rahim Yar Khan for the financial year 2011-12. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during audit year 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 million or more. Relatively less significant issues are listed in Annexure-I of the Audit Report. The audit observations listed in the Annexure-I shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized without DAC meeting as the meeting could not be convened despite to the Principal Accounting Officer.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance 2001, for causing it to be laid before the Provincial Assembly of the Punjab.

Islamabad

Dated:

(Muhammad Akhtar Buland Rana)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of City District Governments and District Governments in Punjab (South). The Regional Directorate of Audit, District Governments Bahawalpur, a field audit office of the DGA, District Governments, Punjab (South), Multan, carries out audit of District Governments Bahawalpur, Bahawalnagar and Rahim Yar Khan.

The Regional Directorate has a human resource of 34 including 17 officers and other staff. Total mandays available were 5,022 and the budget amounted to Rs 9.163 million in audit year 2012-13. The office is mandated to conduct regularity (financial attest audit & compliance with authority audit) on test check basis and performance audit of the projects / programmes with a view to reporting significant findings to relevant stakeholders for taking appropriate actions and measures where required.

The District Government, Rahim Yar Khan, conducts its operations under the Punjab Local Government Ordinance, 2001. The DCO is the Principal Accounting Officer of the District Government and carries out functions of the District Governments through group of officers as notified in PLGO. According to the Ordinance, the District Government Fund comprises District Local Fund and Public Account. Due to delay of electoral process Zila Nazim / Zila Council were not elected therefore the Annual Budget Statement was authorized by the DCO, who has been notified as Administrator by the Government of the Punjab in February, 2010.

District Rahim Yar Khan is administratively divided into five Tehsils namely Rahim Yar Khan, Chishtian, Haroonabad, Fortabbas and Minchanabad.

a. Audit objectives

Audit was conducted to ensure that:

1. Moneys shown as expenditure in the accounts were authorized for the purpose for which they were spent.

2. Expenditure incurred was in conformity with the laws, rules and regulations framed to regulate the expending of public money.
3. Every item of expenditure was incurred with the sanction of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment and collection of revenue was made in accordance with the prescribed laws, rules and regulations and accounted for in the books of accounts of the District Governments.

b. Audit Approach

Audit was carried out against the standards of financial propriety provided under various rules of the Punjab Local Government Ordinance, 2001 (as amended), PFR Vol-I and II, Delegation of Financial Powers and other relevant overriding laws.

Selection of formations for audit was made keeping in view significance of expenditure, risk areas and materiality. Samples were selected after prioritizing risk sensitivity by determining key controls.

Audit selected 25 formations including PAO out of total 264 formations in the District Government.

c. Audit of Expenditure and Receipts

Total non development budget of the District Government, Rahim Yar Khan for the financial year 2011-2012, was Rs 8,301.582 million against which total expenditure of Rs 6,304.413 million was incurred showing savings of Rs 1,997.169 million. Similarly total development budget for the financial year 2011-12 was Rs 1,528.038 million out of which expenditure of Rs 373.082 million was incurred showing savings of Rs 1,154.956 million.

Audit of non development expenditure amounting to Rs 838.352 million was conducted which was 13.30% of the total expenditure whereas audit of development expenditure of Rs 79.029 million was conducted which was 21.18% of the total development expenditure. Sample size selected for audit ranged from 28 % to 93% of total expenditure.

Total receipts of the District Government, Rahim Yar Khan, for the financial year 2011-2012, were Rs 285.363 million. RDA Bahawalpur audited receipts of Rs 12.315 million which was 4.31% of total receipts.

d. Recoveries at the Instance of Audit

Recoveries of Rs 65.346 million were pointed out by Audit which was not in the notice of the management before audit. No amount was recovered by the management and verified by Audit during year 2012-13, till the time of compilation of the Report.

e. Audit Methodology

Audit Methodology included Desk Audit which helped the Auditors in understanding the systems, procedures, environment of the entity and identification of high risk areas for additional compliance testing in the field. The Audit Command Language (ACL) was applied centrally on the Payroll part of appropriation accounts. On the spot examination and verification of record was also carried out in accordance against the applicable laws / rules and according to the INTOSAI auditing standards.

f. Key Audit Findings

- i. Non production of record of Rs 39.990 million was noted in one case¹
- ii. Irregularity and non-compliance amounting to Rs 1.786 milion was noted in one case².
- iii. Weakness of internal controls were noted in fourteen cases involving an amount of Rs 80.313 million³.
- iv. While analyzing the budget and expenditure, it was noticed that despite availability of budget in social and development sectors, funds were not utilized to the optimum as indicated below:

(Rs. in million)

Grant No.	Name of the Grant	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	(+) Excess / (-) Saving	Saving %
15	Education.	4,606.730	1,833.046	6,439.776	4,904.000	-1,535.776	23.85%
16	Health Services.	641.989	284.169	926.158	742.790	-183.368	19.80%
17	Public Health.	1.472	0.589	2.061	1.744	-0.317	15.36%
24	Civil Works.	71.508	8.944	80.452	66.802	-13.651	16.97%
25	Communications.	160.840	38.761	199.601	168.029	-31.572	15.82%
31	Miscellaneous.	22.625	6.180	28.805	19.929	-8.876	30.81%
Total Non-Development		5,505.164	2,171.689	7,676.853	5,408.693	-1,773.559	23.10%
36	Development.	1,430.332	97.706	97.706	0.000	-97.706	- 100 %
Total Development :			97.706	97.706	0.000	-97.706	- 100 %
Grand Total		5,505.164	2,269.395	7,774.559	5,699.808	-1,871.265	24.07%

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum of Departmental Accounts Committee (MEFDAC) Annexure-A.

Recommendations

The Principal Accounting Officer should ensure that the rules, regulations, instructions and procedures as laid down are followed in letter and spirit besides compliance of the following recommendations:

- i. Conduct physical stock taking of the fixed and current assets.
- ii. Comply with the Punjab Public Procurement Rules for economical and rational purchases of goods and services.
- iii. Inquiries be held and responsibility fixed for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. Efforts be made for expediting the realization of various Government receipts.

- v. Ensure establishment of internal control system and proper implementation of the monitoring system.
- vi. Take appropriate action against those persons held responsible for non-production of record and ensure providing record to Audit.
- vii. Rationalize budget with respect to utilization.

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- i. 1 Para 1.2.1.1
 - ii. 2 Para 1.2.2.1
 - iii. 3 Para 1.2.3.1 to 1.2.3.14

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

(Rs. in million)			
Sr. No.	Description	No.	Budget
1	Total PAOs in Audit jurisdiction	1	8,016.496
2	Total formations DAO/DDOs in Audit jurisdiction	297	8,016.496
3	Total entities (PAOs) audited	1	8,016.496
4	Total formations DAO / DDOs audited	25	3,167.720
5	Audit & Inspection Reports	25	3,167.720
6	Special Audit Reports	-	-
7	Performance Audit Reports	-	-
8	Other Reports (relating to District Government)	-	-

Table 2: Audit Observations Classified by Category

(Rs. in million)		
Sr. No.	Description	Amount under Audit Observation
1	Asset management	0
2	Financial management	1.786
3	Internal controls	80.313
4	Others	39.990
Total		122.089

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

Sr. No.	Description	Expe. on Physical Assets	Salary	Non-Salary	Civil Works	Receipt	Total Current Year	Total Last Year
1	Outlays audited	3.824	42.366	103.581	7.628	12.315	169.714	4054.035
2	Amount placed under audit observations /irregularities pointed out	1.786	17.595	92.398	8.158	2.152	122.089	2644.407
3	Recoveries pointed out at the instance of audit	-	17.595	52.408	8.158	2.152	80.313	2078.601
4	Recoveries accepted /established at the instance of audit	-	17.595	52.408	8.158	2.152	80.313	2078.601
5	Recoveries realized at the instance of audit	-	-	-	-	-	-	2.111

Table 4: Irregularities Pointed Out

(Rs. in million)		
Sr. No.	Description	Amount under Audit Observation
1	Violation of rules and regulations and violation of principle of propriety and probity in public operations.	1.786
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	0
3	Accounting errors (accounting policy departure from IPSAS ¹ , misclassification, overstatement 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.	0
4	Quantification of weaknesses of internal control systems (Managerial Controls).	0
5	Recoveries and overpayments, representing cases of established overpayments or misappropriations of public monies (Financial Controls).	80.313
6	Non-production of record.	
7	Others, including cases of accident, negligence etc.	0
Total		122.089

Note: Quantification of weaknesses of internal control systems is combination of financial controls (recoverables) and managerial controls, which becomes Rs 80.313 million.

¹ The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

CHAPTER 1

1.1.1 Introduction

As per the Punjab Local Government Ordinance, the District Governments / Local Governments established under the Ordinance shall function within the provincial framework and adhere to the Federal and Provincial Laws. In performance of the functions, Local Governments carried out the functions devolved by the Provincial Government to the District Government level.

The District Governments consist of Zila Nazim/Administrator and District Administration. The District Government shall be competent to acquire, hold or transfer any property, moveable and immovable, to enter into contract and to sue or be sued in its name through District Coordination Officer. The authority of the District Government comprises the management and control of offices of the departments which are decentralized or set up under the Ordinance. The District Governments exercise such authority within the District in accordance with general policy of the Government. The District Government is responsible to the people and the Government for improvement of governance and delivery of services within the ambit of authority decentralized under this Ordinance.

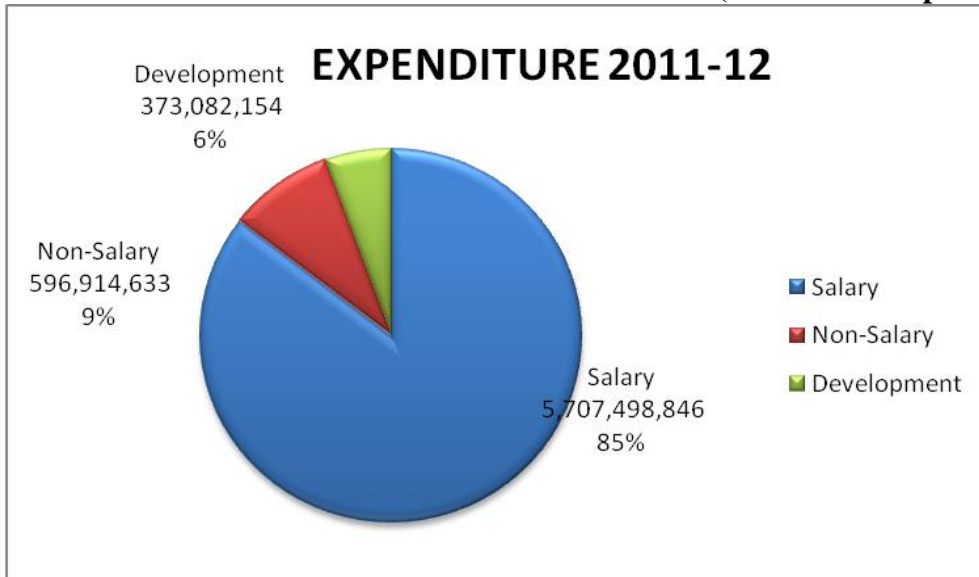
The DCO is the Principal Accounting Officer of the District Government and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the District Coordination Group of Offices is carried out in accordance with the laws and coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

1.1.2 Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

2011-12	Budget	Expenditure	Excess (+) / Savings (-)	%
Salary	1,477.371	5,707.498	4,230.127	286.328%
Non-salary	6,824.212	596.915	-6,227.297	-91.253%
Development	1,528.038	373.082	-1,154.956	-75.584%
Surrender / Withdrawal	-1,813.124		1,813.124	
Total	8,016.497	6,677.495	-1,339.002	-16.703%

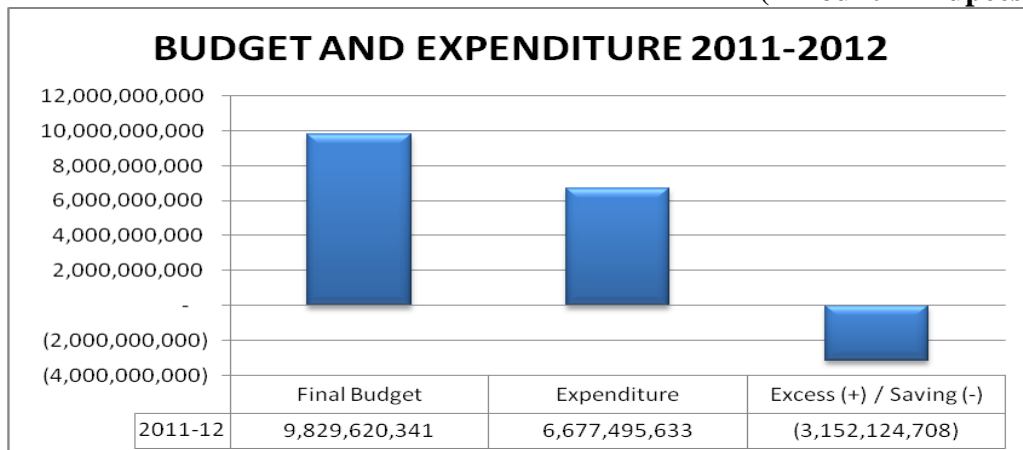
(Amount in Rupees)



Detail is given in Annexure-B

As per the Appropriation Account 2011-12 of the District Government, Rahim Yar Khan, total original budget (Development and Non-Development) was Rs8,301.582 million, supplementary grants of Rs(-)1,813.124 million were provided and the final budget was Rs 8,016.496 million. Against the final budget, total expenditure of Rs 6,677.496 million was incurred by the District Government during 2011-12. Annexure-C

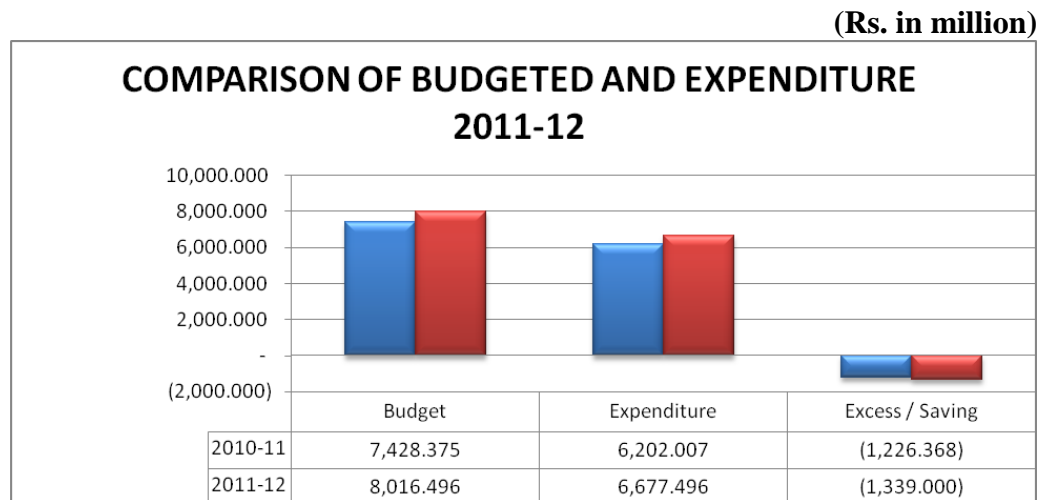
(Amount in Rupees)



Due to inefficient financial management by the Principal Accounting Officer / DCO there was saving of Rs 1,339.000 million after surrendering of Budget. Major portion of savings occurred as detailed below:

- (i) In Health Department, savings of Rs183.368 million (19.80% of allocation) occurred due to non-utilization of budget allocations made under SP-I and SP-II of PMDGP. Health Department delayed in finalization of rate contract, which resulted in non-utilization of budget for purchase of medicines. This resulted into depriving the populace from better health facilities.
- (ii) Savings of Rs 1,154.95 million (75.6 % of allocation) occurred in grant - 36 (Development Expenditure) due to non-execution/completion of development schemes by various departments.

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



There was 8 % decrease in budget allocation and 8% increase in expenditure incurred respectively, while there were overall savings of Rs 1,339.000 million during 2011-12.

1.1.3 Brief Comments on the Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2002-03	19	Not convened
2	2003-04	17	Not convened
3	2004-05	22	Not convened
4	01/07/2005 to 31/03/2008 Special Audit Report	80	Not convened
5	2009-10	22	Not convened
6	2010-11	75	Not convened
7	2011-12	29	Not convened

*Period covered in Special Audit for Financial Year 2005-08

1.2 AUDIT PARAS

1.2.1 Non Production of Record

1.2.1.1 Non Provision of Record – Rs 39.990 million

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

Furthermore, according to section 115(6) of the Punjab Local Government Ordinance 2001 “All officials shall afford all facilities and provide record for audit inspection and comply with the requests for information in as complete a form as possible and with all reasonable expedition.

Various offices under DCO, EDO (Health), EDO (Works & Services), EDO (CD) and EDO (F&P) did not produce record of expenditure of Rs 39.990 million incurred under different objects / codes of classification, in violation of the above rules. The detail is given at Annexure – D.

The non production of record may lead to doubts about legitimacy of expenditure which could not be ascertained due to non production of record.

The matter was reported to concerned DDOs, EDOs and DCO during November and December 2012. The Dy DEO(M) Rahim Yar Khan replied that SMC are not fall under jurisdiction of Audit and all other DDOs replied that record is available and will be shown to audit soon. Reply of Dy DEO (EE-M) Rahim Yar Khan was incorrect and misleading as the Auditor General has powers to audit the expenditure incurred through public resources. The DAC in its meeting held on 23-24.01.2013 directed to get the record verified during next audit.

No progress was intimated till finalization of this Report.

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

[AIR Paras:09,10,13, 16,08,10,11,17, 07,14,16,11,14, 15,18, 18, 14, 14, 8, 15, 13 24, 17]

1.2.2 Irregularity / Non Compliance

1.2.2.1 Irregular Expenditure due to Non-compliance of PPRA Rules – Rs 1.786 million

According to rules 9 and 12(1) of the Punjab Procurement Rules 2009, procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's website. Procurement opportunities over Rs100,000 and up to Rs2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

The Dy.DO (Agriculture) Sadiq Abad, Dy.DEO (EE-M) Rahim Yar Khan and various DDOs under the control of EDO (Health) and EDO (F&P) incurred expenditure of Rs 1.786 million on purchase of stationery, computers, medicine etc during 2010-12. Annual requirement of procurement opportunities was neither determined at start of concerned financial years nor the procurement opportunities were advertised on the website of PPRA to achieve benefits of competitive bidding, in violation of above rules. Moreover, the indents were split in order to avoid rate contracts and fair tendering process. The detail is given below:

(Amount in Rupees)

Sr. No.	Name of DDO	Description	Period	Amount
1	DO (Health) Rahim Yar Khan	Purchase of medicines	2011-12	297,350
2	THQ Hospital Khanpur	Purchase of X-Ray	2011-12	499,030
4	Dy.DEO (EE-M) Rahim Yar Khan	Purchase of stationery	2010-12	567,003
6	DO (Cooperatives) Rahim Yar Khan	Purchase of computer etc	2002-12	423,593
Total				1,786,976

Due to non-compliance of procurement rules and ineffective financial and managerial controls, the financial indiscipline occurred, which resulted into irregular expenditure of Rs 1.786 million.

The matter was reported to concerned DDOs, EDOs and DCO during November and December 2012. The DO (Health) replied that no violation of PPRA rules have been made by the department. The Dy DEO(M) Rahim Yar

Khan replied that purchases were made as per demand, DO(Co-operative) replied that purchases were made from the registered supplier, whereas the MS THQ Khanpur replied that purchases were made due to urgency and to avoid threat of terrorism. Reply of the DDOs were not tenable as neither annual requirement of supplies was determined nor procurement opportunities exceeding Rs 100,0000 were advertised on the web site of PPRA. The DAC, in its meeting held on 23-24.01.2013 directed to get the expenditure regularized from the competent authority, in case of Dy DEO (EE-M) Rahim Yar Khan the committee directed the EDO (Education) to inquire into the matter within 15 days.

No progress was intimated till finalization of this Report.

Audit recommends initiating disciplinary action against the person(s) at fault and getting the expenditure regularized from the competent authority within a month, under intimation to Audit.

[AIR Paras: 5, 1, 4(viii)&13]

1.2.3 Internal Control Weaknesses

1.2.3.1 Loss due to Misuse of Administrative Authority- Rs 32.502 million

According to 2.33 of Punjab Financial Rules 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.

TMO Khan Pur auctioned collection rights of cattle market for Rs 35.100 million during 2008-09 and received highest bid of same amount during 2009-10. The DCO Rahim Yar Khan vide letter No. 3352 dated 07.12.2009 directed the TMO to stop further process and do not make allotment of the collection rights for the year 2009-10 till further orders of DCO. The TMO stopped the bidding process, started self collection and realized amount of Rs 2.597 million from the cattle market during 2009-10, which resulted into loss of Rs 32.502 million as revenue of Rs 35.100 million could have been realized if the DCO did not interfere auctioning process of the TMA.

The government sustained loss of Rs 32.502 million due to planned act of misappropriation through unjustified interference of the DCO, delay in further orders to the TMO and intentionally less realization of revenue.

The matter was reported to the DCO during November 2012. The DCO replied that the handing over process was stopped due to complaints received from contractors. It was duty of the TMO to pursue contract bidding and to get it finalized as per rules / procedure. He was required to submit detailed report with regards to issue / charges rose in the complaint and should get the matter decided. Reply of the DCO was not tenable as the TMO was directed to stop process till his further orders as an inquiry was in progress in office of the DCO. Moreover, neither the TMO was required to submit any detailed report regarding the complaint nor any action was taken to stop loss or monitor realization of revenue on this account. The DAC in its meeting held on 23-24.01.2013 directed the DO (Planning) to submit a detailed report.

No progress was intimated till finalization of this Report.

Audit recommends that loss of Rs 32.502 million be recovered besides initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para:- 16]

1.2.3.2 Loss due to Abnormal Delays in Completion of Projects and Non-Imposing of Penalty – Rs 11.699 million

According to clauses 37 and 39 of the contract agreement, the contractor shall pay as compensation an amount up to 10 % of the estimated cost of work if the work is not completed within stipulated period of time.

The DO (Buildings) allotted 21 development projects valuing Rs 116.997 million. The contractors did not work with the desired pace and abnormally delayed completion of projects, in violation of terms of agreements. The District Officer did not take appropriate action to improve the pace of work. The contractors were also granted undue favor and penalty up to 10% of contract price was not imposed to the concerned contractors despite the fact that they were neither granted time extension nor their requests for the same were on record. The detail is given at Annexure-E

The loss occurred due to ineffective financial and managerial controls, negligence of the management and undue favor to the contractors.

Due to weak internal controls and negligence of the management, completion of the development projects was abnormally delayed and the government treasury sustained loss of Rs 11.699 million due to non imposing of penalty.

The matter was reported to the DO (Buildings), EDO (W&S) and DCO during November 2012. The DO (Buildings) replied that there was no need for time extension in most cases however time extension in few cases were obtained from District Development Committee. Reply of the DDO was not tenable as no substantiating evidences were produced in support of the reply. The DAC in its meeting held on 23-24.01.2013 directed to recover the amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that disciplinary action be initiated against the person(s) at fault and amount of Rs 11.699 million be recovered within one month and deposited into relevant head of account, under intimation to Audit.

[AIR Para: 21]

1.2.3.3 Loss due to Unauthorized Payment of Conveyance / Mobility Allowance Rs 7.784 million

According to Government of the Punjab, Education Department (School Wing), letter No. So (S-III) 1-2-16/2007 dated 24-09-2007, Mobility Allowance is not admissible during the period of leave. Furthermore, according to rule 1.15 of Punjab TA Rules, 1976 Conveyance allowance is not admissible during any kind of leave.

In violation of above rule, following DDOs working under the control of EDO (Health); EDO (Education) and EDO (Agriculture) paid conveyance allowance amounting to Rs 1.928 million to 120 officers/officials to whom government accommodations situated within premises of the office were provided and conveyance / mobility allowance amounting to Rs 5.856 million was paid to 5,823 persons during the period of leave / vacations. The detail is given at Annexure - F.

Ineffective financial controls and negligence of the management resulted into unauthorized payment of conveyance allowance and loss of Rs 7.784 million to government.

The matter was reported to concerned DDOs, EDO (Health), EDO (Agriculture) and DCO during October and November 2012. The DO(Health), THQ Sadiqabad, M.S Eye Hospital Khanpur, Dy DEO(W) Rahim Yar Khan, Dy DEO(M) Khanpur, RHC Khan Bella replied that amount will be recovered soon and compliance will be shown to audit. EDO (Education) and Dy DO (Agriculture) Khanpur replied that no recovery is involved to their offices. Dy DEO (EE-M) Rahim Yar Khan and MS THQ Khanpur replied that concerned DAO has been requested to recover the amount, whereas Dy DO (Agriculture) Sadiqabad replied that all official are entitled to draw conveyance allowance. The DAC in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till finalization of this Report.

Audit recommends that recovery of Rs 7.784 million be started within a month and amount be recovered in easy instalments; equal to 1/3rd of pay; besides initiating disciplinary proceedings against the person(s) held responsible for making unauthorized payments, under intimation to Audit.

[AIR Paras:5,1,84,1 & 13]

1.2.3.4 Loss due to Non Recovery of Electricity Charges - Rs 5.220 million

According to the letter No. SO (B&A) 1-1/9192, dated 31.10.1992, issued by the Health Department, Government of the Punjab, occupants of government residences are required to arrange separate meters for electricity, otherwise electricity charges at prescribed rates are required to be recovered from the employees who are using electricity from meter of the hospital.

Eighteen (18) government residences situated within premises of RHC Mianwali Qureshian were occupied by the staff of the hospital. The staff did not arrange separate meters of electricity for the residences and used electricity from main supply / meter of the hospital. The SMO did not recover electricity charges amounting to Rs 5.22 million during 2006-12. The detail is given at Annexure – G.

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

Government sustained a loss of Rs 5.22 million due to non recovery of electricity charges.

The matter was reported to concerned SMO, EDO (Health) and DCO during November 2012. The SMO RHC replied that efforts are made for recovery and compliance will be shown at next audit. The DAC, in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till finalization of this Report.

Audit recommends that amount of Rs 5.22 million be recovered within a month and deposited into relevant head of account besides initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 9]

1.2.3.5 Loss due to Non Recovery of HRA and M&R Charges – Rs 4.788 million

According to letter No. FD (M.1)1-15/82-P-1 dated 15.01.2002 issued by the Finance Department, Government of the Punjab and House Allotment Policy at District level, House Rent Allowance is not permissible when facility of official accommodation is availed by government servant and deduction on account of M&R charges @ 5% of pay is required to be made from the allottees

of government accommodation. Moreover, HRA is not allowed when facility of designated residence is available, even if it is not occupied by the government servant.

Following DDOs working under the control of EDO (Health), EDO (Agriculture) and EDO (W&S) Rahim Yar Khan did not recover House Rent Allowance and /or M&R charges amounting to Rs 4.788 million from 129 officers / officials who were either availing the facility of government accommodation or designated residences were available for them. The detail is given below:

(Amount in Rupees)

Sr. No.	Name of Formation	No. of persons	Period	Amount
1	DO (Health) Rahim Yar Khan	15	2011-12	704,064
2	Eye Hospital Khanpur	02	2006-12	63,630
		07	2000-12	245,592
3	THQ Hospital Liaqat Pur	03	2010-12	186,861
4	RHC Khan Bela	09	2008-12	386,530
5	RHC Taranda Muhammad Pannah	03	2010-12	53,232
6	Dy. DO (Agriculture) Khan Pur	45	2010-12	31,200
7	Dy. DO (Agriculture) Sadiq Abad	33	2006-12	2,615,036
8	DO (Roads) Rahim Yar Khan	02	2008-12	502,605
	Total	129		4,788,750

The loss occurred due to ineffective financial controls and non-compliance of relevant rules.

Non recovery of HRA and M&R charges from allottees of government residences resulted into loss of Rs 4.788 million.

The matter was reported to concerned DDOs, EDO (Health), EDO (Agriculture) and DCO during October and November 2012. The DO (Health) and MS THQ Liaqatpur replied that no employee are residing in quarters pointed out by the audit. The DO (Roads) replied that recovery has been started from the pay of concerned official. The Dy DO (Agriculture) Sadiq Abad replied that all field offices have been declared as office cum residence and comprise single room residence attached with office of Agriculture Assistant and all the residences are in poor condition. The Dy DO (Agriculture) Khanpur replied that no financial irregularity has been done by the department. MS Eye Hospital Khanpur replied that payment of allowance was made as per notification of Government of Punjab, but no documentary evidence was shown to audit in support of their reply. SMO RHC Tranda Muhammad Pannah

replied that concerned official have been directed to deposit the amount. The DAC in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account. In case of Dy DO (Agriculture) Khanpur and Dy DO (Agriculture) Sadiqabad the committee directed the EDO (Agriculture) to enquire into the matter within 15 days.

No progress was intimated till finalization of this Report.

Audit recommends that recovery of Rs 4.788 million be started within a month and amount be recovered in easy instalments; equal to 1/3rd of pay besides initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Paras: 4,4,9,4,11,13,6,1,3 &10]

1.2.3.6 Loss due to Inadmissible Payment of NPA and PCA – Rs 4.538 million

According to letter No PMU/PHRSP/G1-06-61-270/340 dated 16-03-07 issued by the Health Department, Government of the Punjab, Non Practicing Allowance shall not be allowed to those doctors who are doing private practice and Practice Compensatory Allowance will be admissible to only those doctors who are posted at RHCs and BHUs and who carry out private practice at their place of posting.

The Medical Superintendents of THQ Hospitals at Khan Pur, Liaqat Pur and Sadiq Abad incurred expenditure of Rs 558,548 million during 2010-12 on account of “Non Practicing Allowance” and payment was made to 13 doctors. The NPA was not admissible to the doctors as they were carrying out private practice and were not entitled to receive that allowance. Similarly, in violation of above rule, DO (Health), Zila Health Officer Rahim Yar Khan, Medical Superintendents of THQ Hospitals at Khan Pur, Liaqat Pur, Sadiq Abad, M.S Eye Hospital Khan Pur and Senior Medical Officers of RHCs at Taranda Muhammad Pannah and Mian Wali Qureshian made payment of Rs 3.980 million on account of “Practice Compensatory Allowance” to 58 doctors who were not carrying out private practice at their place of posting, therefore the allowance was not admissible to them.

(Amount in Rupees)

Sr. No.	Name of formation	Period of Audit	No. of Doctors	Amount
	<i>Non Practicing Allowance</i>			
1	THQ Hospital Sadiq Abad	2010-12	10	367,500

2	THQ Hospital Liaqat Pur	2010-12	02	143,048
3	THQ Hospital Khanpur	2011-12	01	48,000
	Total		13	558,548
	<i>Practice Allowance</i>			
	<i>Compensatory</i>			
4	DO (Health) Rahim Yar Khan	2011-12	13	780,000
5	Zila Health Officer Rahim Yar Khan	2010-12	06	360,000
6	THQ Hospital Sadiq Abad	2010-12	16	1,120,000
7	THQ Hospital Liaqat Pur	2010-12	03	210,000
8	THQ Hospital Khanpur	2011-12	14	537,500
9	Government Eye Hospital Khanpur	2009-12	01	112,500
10	RHC Mian Wali Qureshian	2007-12	04	720,000
11	RHC Taranda Muhammad Pannah	2010-12	01	140,000
	Total		58	3,980,000
	Grand Total		71	4,538,548

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

Payment of NPA and PCA to unauthorized persons caused loss of Rs 4.538 million to the Government.

The matter was reported to concerned DDOs, EDO (Health) and DCO during October, November and December, 2012. MS THQ Sadiqabad, SMO RHC Tranda Muhammad Pannah and MS THQ Liaqatpur and MS THQ Hospital Sadiq Abad replied that efforts were made for recovery. DO (Health), Zila Health Officer, M.S THQ Hospital Liaqat Pur and MS Eye Hospital Khanpur replied that Medical Officers posted in rural area are entitled to draw Practice Compensatory Allowance (PCA) therefore no irregularity has been occurred whereas MS THQ Khanpur replied that no doctor of hospital drawing NPA. SMO RHC Mianwali Qureshian replied that matter of overpaid amount under investigation. Replies of Zila Health Officer, MS Eye Hospital Khanpur and MS THQ Khanpur were not tenable as concerned doctors were not entitled to receive the allowance. The DAC, in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till finalization of this Report.

Audit recommends that recovery of Rs 4.538 million be started within a month and amount be recovered in easy instalments; equal to 1/3rd of pay; besides initiating disciplinary proceedings against the person(s) held responsible for making unauthorized payments, under intimation to Audit.

[AIR Para: 10,15,7,3,8,6,6,7,3,3,3]

1.2.3.7 Loss due to Unauthorized Revision of Cost Estimates of Water Courses - Rs 3.227 million

As per clause 14 of the PC-I of National Programme for improvement of Water Courses, there will be no financial implementation on the part of first party (i.e. DO-OFWM), if the actual expenditure exceeds the initially estimated cost.

The District Officer (OFWM) estimated cost of Rs 10.880 million for construction of six (06) water courses and entered into agreement with the Water User Associations during 2009-2011. The schemes were to be completed within three months of date of agreement. Funds of Rs 10.881 million were released to the Water User Associations during 2011-12 the Water User Associations did not complete the projects on time and abnormally delayed. The District Officer shifted burden of price escalation on public exchequer by revising the cost estimates to Rs 14.108 million, in violation of above rule. The detail is given below:

(Amount in Rupees)

Sr. No.	Water Course No.	Date of Original TS	Amount of Original TS	Date of Revised TS	Amount of Revised TS	Difference
1	35800-R	25.10.10	2,059,533	20.12.11	3,149,181	1,089,648
2	99500-R	23.11.11	1,640,893	29.03.12	1,713,348	72,455
3	3906-L	07.01.11	889,706	18.12.11	1,120,651	230,945
4	35800-R	26.10.10	1,318,102	21.12.11	2,015,476	697,374
5	82490-R	07.06.11	4,034,429	13.03.12	4,769,767	735,338
6	14250-L	14.12.09	938,212	07.03.11	1,339,936	401,724
	Total		10,880,875		14,108,359	3,227,484

The loss occurred due to unauthorized revision of cost estimates by extending undue favour to the WUAs.

Incurring of expenditure in excess of initially estimated cost caused loss of Rs 3.227 million.

The matter was reported to the DO (OFWM), EDO (Agriculture) and and DCO during December 2012. The DO (OFWM) replied that construction

of watercourses was delayed due to non collection of farmer share and there is no provision that the WUAs shall bear the loss due to price escalation. Reply of the DDO was not tenable as the projects were to be completed within three months of the agreement and there would not be financial implication on the part of Government due to price escalation etc. The DAC in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till finalization of this Report

Audit recommends that loss of Rs 3.227 million be recovered within 15 days and deposited into treasury besides initiating disciplinary proceedings against the person(s) held responsible, under intimation to Audit.

[AIR Para: 5]

1.2.3.8 Non Recovery of Registration/Inspection Fee from Private Registered Schools -Rs 2.194 million

According to the Government of the Punjab, Education Department Letter No. SO (budget)I-II/98(KW) Dated 10-09-1998, annual inspection fee from High Schools and Higher Secondary Schools is required to be collected @ Rs. 1000 and from Elementary and primary Schools @ Rs. 500 per year.

Gazzete books of the EDO (Education) indicated that 358 private schools (166 middle schools and 182 high schools) were doing business in the district. The EDO (Education) did not recover registration and inspection fee of Rs 2.194 million from the owners of the schools. The detail is given below:

(Amount in Rupees)

Sr. No.	Category of School	Nos. of school	Registration fee	Inspection fee	Recovery
01.	High school	182	7,000	1000	(8000*160)=1,281,000
02.	Middle school	166	5,000	500	(5500*166) = 913,000
Recovery					2,194,000

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

Government sustained loss of Rs 2.194 million due to non recovery of prescribed fee from private schools.

The matter was reported to the EDO (Education) and DCO during November 2012. The DDO replied that registration fee from concerned school have recovered and no amount is recoverable. The reply of the department was

not tenable as amount of Rs 2.194 million was outstanding and no documentary evidence regarding recovery of that amount was produced in support of the reply. The DAC in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till finalization of this Report.

Audit recommends that amount of Rs 2.194 million be recovered within a month and deposited into relevant head of account besides initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 07]

1.2.3.9 Loss due to Allowing Purchase of T.S.T Materials from Far Quarry -Rs 1.996 million

According to Chief Engineer Punjab High Way Department letter no. 954-98/m(I), dated 02-10-2007, the following new aggregate sources / quarries are therefore approved for use in sub base course, base course, surface treatment to roads. i.e Girdu area alongwith N-70 Sulaiman range, district D.G.Khan.

The DO (Roads) Rahim Yar Khan allowed purchase of T.S.T material from Sikhani Wali Quarry, Sargodha (422.22 KMs far from Distt. RYK) rather than Girdu quarry, Sakhi Sarwar (214.53 KMs far from Distt. RYK) and made payment for extra 207.69 KMs to contractors of all executed projects during 2011-12 in violation of above mentioned instructions. The detail is given at Annexure – H.

The above irregularity occurred due to not observing instructions of the department.

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

The matter was reported to the DCO during December 2012. The DO (Roads) replied that available material was only suitable for base and subbase therefore it could be utilized for surfacing of the road. The reply of the department not tenable the material and quarry was approved by the High Way Department. The DAC, in its meeting held on 23-24.01.2013 directed to obtain clarification from Government.

Audit recommends fixing of responsibility along with recovering amount from the concerned after calculating entire amount of loss at

departmental level because same lead has been applied in all schemes under intimation to audit.

[AIR Para: 1]

1.2.3.10 Loss due to Non Recovery of Penal Rent– Rs 1.475 million

According to letter No. FD (M.1)1-15/82-P-1 dated 15.01.2000 issued by the Finance Department, Government of the Punjab and House Allotment Policy at District level, penal rent @ 60% of basic pay shall be charged from unauthorized and illegal occupants of government residences.

Ten (10) residences of Dy.DO (Agriculture) Khan Pur, RHC Khan Bela, THQ Hospital Khanpur and Government Eye Hospital Khan Pur were occupied by unauthorized persons. Concerned DDOs did not take action to get the residences vacated and making allotment to the staff for which they were meant. Moreover, penal rent amounting to Rs 1.475 million was not recovered from illegal occupants, in violation of above rules. The detail is given below:

(Amount in Rupees)

Sr. No.	Name of Formation	No. of persons	Period	Amount
1	Government Eye Hospital Khan Pur	01	2011-12	237,400
2	THQ Hospital Khanpur	01	2011-12	252,480
3	RHC Khan Bella	01	2008-12	302,400
4	Dy.DO (Agri) Khan Pur	07	2010-12	682,560
	Total	10		1,474,840

The loss occurred due to ineffective financial and managerial controls.

Allotment of residences to unauthorized persons and non recovery of penal rent and M&R charges resulted into loss of Rs 1.475 million

The matter was reported to concerned DDOs, EDO (Health), EDO (Agriculture) and DCO during October and November 2012. The Dy DO (Agriculture) Khanpur replied that all posts pointed out by audit are lying vacant and the residences were occupied by the Rangers. MS Eye Hospital replied that no residence facility been availed by any official therefore no irregularity has occurred. SMO RHC Khanbella and MS THQ Khanpur replied that no recovery has been involved as no employee are availing such residential facility. Replies of DDOs were not tenable as the residences were occupied by unauthorized persons. The DAC, in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of

account. In case of Dy DO (Agriculture) Khanpur the committee directed to take the matter with DG Rangers for unauthorized occupation of government residence.

No progress was intimated till finalization of this Report.

Audit recommends that recovery of Rs 1.475 million be started within a month and amount be recovered in easy instalments; equal to 1/3rd of pay besides getting the residences vacated from unauthorized occupants and initiating disciplinary action against the person(s) at fault and getting the residences vacated from unauthorized persons, under intimation to Audit.

[AIR Paras: 5,3,5 & 2]

1.2.3.11 Loss due to Unjustified Grant of Time Extension and Payment of Price Variation – Rs 1.259 million

According to Clause 55 (8) of the Contract Agreement, no escalation shall be allowed to the contractor in respect of the period extended for the completion of work due to his own fault. As per letter dated 28-04-2009, issued by the C&W department, Government of the Punjab, Lahore, “the order of time extension shall contain the justifications/reasons for time extension being granted based on documentary evidences. A copy of time extension shall be endorsed to the Superintending Engineer, Chief Engineer and the Special Secretary (C&W) for their information and record.

The DO (Buildings) allotted 05 development projects to contractors for Rs 1.259 million. The contractors did not work with the desired pace and abnormally delayed completion of the projects. The District Officers did not take action to improve pace of work, instead the officers made payment of Rs 1.259 million on account of price variation during 2011-12. The expenditure was unjustified because the contractors did not complete the works within stipulated period of time and the department gave them undue favour and granted time extensions without due justification. Moreover, in some cases the time extension was granted after expiry of the time limit. In addition, a copy of time extension was not endorsed / sent to the Superintending Engineer, Chief Engineer and the Special Secretary (C&W) for their information and record in violation of above instructions.

(Amount in Rupees)

Sr. No.	Name of Scheme	Delay in completion	Present Status	Amount of P.V
1	Up-Gradation of Govt. B/M School Higher Level Jinnah Park RYK * record of price variation was not available	16 Months	Completed on 15.04.11	33,739
2	Up-Gradation of GGMS to High Level at Rahim Abad SDK	2 Months	W.I.P	76,612
3	Up-Gradation of GGMS to High Level Chak No. 160/ Abad SDK	8 Moths	W.I.P	346,260
4	Up-Gradation of Govt. G/M School to Higher Level Muhammad Pur SDK	24 Moths	W.I.P	367,816
5	Up-Gradation of GGPS to Middle Level at Dera Fareedi LQP * record of price variation was not available	10 Months	Completed on 20.05.12	434,971
Total				1,259,398

The loss occurred due to ineffective financial and managerial controls.

The DDOs granted undue favor to the contractors who abnormally delayed completion of development schemes and shifted the loss due to price escalation, on public resources.

The matter was reported to the DO (Buildings), EDO (W&S) and DCO during December 2012. The DO (Buildings) replied that time extension to contractors was granted on genuine basis. Reply of the DDO was not tenable as no substantiating evidence was produced in support of the reply. The DAC, in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till finalization of this Report.

Audit recommends that amount of Rs 1.259 million be recovered and deposited into relevant head of account besides initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 7]

1.2.3.12 Unjustified Expenditure through Fictitious Billing – Rs 1.214 million

According to rule 2.33 of the Punjab Financial Rules 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.

The DCO Rahim Yar Khan incurred expenditure of Rs 1.214 million on account of contingent expenditure during 2011-12. The expenditure was not justified as serial number of invoices contradict with dates of bills i.e. bills No.27 and 46 were issued by the supplier on 10.08.2011 and 13.08.2011 respectively, therefore bill No.32 could not be issued on 04.08.2011 and indicated that either bills No. 27 and 46 or the bill having No. 32 was incorrect /fake. Similar situation in other bills indicated misappropriation of public money of Rs 1.214 million through sixty one (61) unjustified bills as detailed at Annexure-I.

The loss occurred due to ineffective financial controls and malafide intention of the management, which resulted in misappropriation of financial resources of Rs 1.214 million.

The matter was reported to the DCO during December 2012. The DCO replied that each bill book of supplier contain 100 bills having serial No. 1-100. When a book was fully consumed by the supplier another book was immediately started as a result a bill with junior serial number was issued by the supplier on successive dates. Reply of the DCO was not tenable as 61 bills with different serial numbers were objectionable. The DAC in its meeting held on 23-24.01.2013 requested the DCO to inquire into the matter within 15 days regarding drawl of bills through fake invoices.

No progress was intimated till finalization of this Report.

Audit recommends that amount of 1.214 million be recovered within a month and deposited into treasury besides initiating disciplinary action against the person(s) at fault, under intimation to Audit

[AIR Para:- 14]

1.2.3.13 Loss due to Unauthorized Expenditure on Advance Increments of B. Ed. and M.A / M.Sc - Rs 1.077 million

According to judgment of the Supreme Court of Pakistan CPLA No.3329-3235-L/2002 announced on 11.4.2003 and clarification issued by Government of the Punjab, Finance Department Vide letter No. FD-PR/21-3/2004 dated 05.11.04, elementary school teachers drawing pay in BS-14 are not entitled to advance increments of B.Ed. and M.A. Overpayment prior to 08.05.1998 was waived off being cut off date for those middle school teachers, but over paid amount w.e.f. 08.05.1998 was to be recovered in easy installments besides refixing their pay.

Following four Dy.DEOs under the control of EDO (Education) Bahawalpur allowed thirteen (13) Elementary School Teachers (EST) and Senior Vernecular (SV) teachers to draw advance increments on acquiring qualifications of B.Ed and M.A / M.Sc. The advance increments were not admissible to these employees as they had already availed benefit of higher grade (BPS-14) on acquiring degrees of B.A/B.Sc. and increments of other qualifications ie B.Ed, M.A/M.Sc was not allowed w.e.f 08.05.1998. Moreover, the Dy.DEOs did not recover inadmissible payment of advance increments amounting to Rs 1.077 million w.e.f.08.05.1998 to 30.06.2012, in violation of the judgment of the Honroable Supreme Court of Pakistan dated 11.4.2003. The detail is given below:

(Amount in Rupees)

Sr. No.	Name of Formation	No. of Teachers	Amount
1	Dy. DEO(EE-M) Rahim Yar Khan	04	251,585
2	Dy. DEO(EE-W) Rahim Yar Khan	01	100,797
3	Dy. DEO(EE-M) Khan Pur	03	266,009
4	Dy. DEO(EE-M) Sadiq Abad	05	459061
	Total	13	1,078,452

Ineffective financial controls and negligence of the management resulted into unauthorized grant of advance increments and loss of Rs 1.078 million to the government.

The matter was reported to the Dy. DEOs, EDO (Education) and DCO during November and December 2012. Dy. DEO (EE-M) Sadiqabad, Dy DEO (EE-W) Rahim Yar Khan and Dy. DEO (EE-M) Khanpur replied that amount will be recovered from the pay of concerned teachers and progress will be shown to audit soon, whereas the Dy DEO (EE-M) Rahim Yar Khan replied that increments to concerned teachers have been awarded as per orders of the

Supreme Court. Reply of Dy DEO (EE-M) Rahim Yar Khan was not tenable as orders of honourable Supreme Court were not produced to audit. The DAC, in its meeting held on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till the finalization of this Report.

Audit recommends that recovery of Rs 1.077 million be started within a month and amount be recovered in easy instalments; equal to 1/3rd of pay; besides initiating disciplinary proceedings against the person(s) held responsible for granting double benefit of the same qualification and making unauthorized payments, under intimation to Audit.

[AIR Paras: 1,21,2 & 2]

1.2.3.14 Loss due to Inadmissible Payment of SHSR Allowance – Rs 1.340 million

According to Government of the Punjab, Health Department, notification No.PO (P&E-I)-19-113/2004(v) dated 13.04.2007, Special Health Sector Reforms Allowance is not admissible to SMOs and APMOs.

The Medical Superintendents of THQ Hospitals at Sadiq Abad, Liaquat Pur and Eye Hospital Khan Pur incurred expenditure of Rs 1.340 million during 2005-12 on account of Special Health Sector Reforms Allowance (SHSRA). The payment was made to seven (07) doctors who were not entitled to receive the allowance.

(Amount in Rupees)

Sr. No.	Name of Formation	No. of Employees	Period	Amount
1	THQ Hospital Sadiq Abad	03	2007-12	427,769
2	THQ Hospital Liaquat Pur	02	2007-12	451,000
3	Government Eye Hospital Khan Pur	02	2005-12	462,000
	Total	07		1,340,769

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

Payment of SHSRA to unauthorized persons resulted into loss of Rs 1.340 million.

The matter was reported to concerned Medical Superintendents, EDO (Health) and DCO during November and December 2012. The DDOs replied that efforts are being made to recover due amount. The DAC in its meeting held

on 23-24.01.2013 directed to recover the amount from the concerned and deposit into relevant head of account.

No progress was intimated till the finalization of this Report.

Audit recommends that recovery of Rs 1.340 million be started within a month and amount be recovered in easy instalments; equal to 1/3rd of pay; besides initiating disciplinary proceedings against the person(s) at fault, under intimation to Audit.

[AIR Paras: 4,9& 2]

ANNEXURE

Annexure – I

(Amount in Rupees)

Sr. No.	Para No.	Subject	Amount	Nature
DCO Rahim Yar Khan				
1	17	Loss to Govt. due to Missing Assets & Personnel	3,500,000	Shortage of Stock
EDO (F&P) Rahim Yar Khan				
2	2	Misappropriation of Funds through Fictitious Billing	150,417	Violation of Rule
EDO (HEALTH) Rahim Yar Khan				
3	1	Loss to Govt. due to Un-Authorized Expenditures	621,000	Violation of Rule
4	2	Loss to Govt. due to Irregular drawl of Allowances and Non- Deduction of Water Charges	129,028	Violation of Rule
5	6	Misappropriation of Funds through Fictitious Billing	111,518	Misappropriation
DHO Rahim Yar Khan				
6	2	Miss appropriation of generator	250,000	Misappropriation
8	7	Non deposit of purchee fee	259,612	Violation of Rule
9	19	Un-authorized sanction of leave for 1792 days and payment of time barred claim	324,870	Violation of Rule
10	25	non penal rent & conveyance allowance	252,480	Violation of Rule
THQ Sadiq Abad				
11	2	Irregular drawl of SHSRA by the Doctors and recovery thereof	10,229,800	Overpayment
13	7	Irregular drawl of pay and allowances of 712,773 and HSRA	121,677	Overpayment
14	16	Non/Less Deposit of Receipt into Govt. Treasury	64,569	Violation of Rule
THQ Liaqet Pur				
15	5	Unauthorized drawl pay and allowances after transfer and recovery thereof	461,162	Violation of Rule
18	12	Recovery on account of absenteeism of staff.	134,612	Overpayment
19	19	Non deduction of GST 32,661	198,003	Violation of Rule
20	21	Misappropriation of and recovery thereof	162,051	Misappropriation
THQ Khanpur				
21	04	Loss to Government due to non deduction of repair & maintenance charges	190,044	Violation of Rule
RHC Mianwali Qurehsian				

22	5	Unjustified drawl of "Health Sector Reform Allowance	649,380	Violation of Rule
RHC Khan Bela				
23	2	Irregular drawl of Adhoc Relief Allowance (2010) 50% of pay by the Doctors and recovery thereof.	127,080	Violation of Rule
25	7	Irregular drawl of pay without performing duties of the post	266,785	Violation of Rule
26	8	Loss to Govt. due to theft of Hospital Electricity in Residences Quarters. Recovery thereof.	436,400	Violation of Rule
27	9	Non/Less Deposit of Receipt into Govt. Treasury	149,966	Violation of Rule
28	14	Excess Expenditure without budget allocation	272,779	Overpayment
29	15	Purchase without observing PPRA Rules 2009	163,900	Violation of Rule
EDO (EDUCATION) Rahim Yar Khan				
30	8	Unjustified expenditure on Photostat	117,821	Violation of Rule
DY DEO (EE-M) Sadiq Abad				
31	3	Irregular Grant of Advance Increment to F.A 3 rd Division PTC Teacher	422,072	Violation of Rule
32	4	Irregular Appointment below Prescribed Qualification and grant of annual Increments. Loss to Government	2,351,970	Violation of Rule
33	5	Irregular Award of BPS-15 to OT.	164,542	Violation of Rule
34	6	Loss to Govt. due to irregular appointment, change of cadre and award of Running scale	862,668	Violation of Rule
35	7	Irregular Appointment below Prescribed Qualification. Irregular expenditure	570,884	Violation of Rule
36	12	Unauthorized drawl of pay and allowances during EOL and Half Pay.	802,252	Violation of Rule
Dy. DEO (EE-W) Rahim Yar Khan				
37	17	Ambiguous drawl of bills	171,187	
DY. DEO (EE-M) Khan Pur				
38	3	Irregular Grant of Advance Increment to F.A 3 rd Division PTC Teacher	106,819	Violation of Rule
39	4	Irregular Appointment of PTC teachers below Prescribed Qualification on running scale	1,990	Violation of Rule
40	6	Irregular Appointment of PTC teachers below Prescribed Qualification.	372,070	Violation of Rule
41	7	Irregular Appointment of Middle School Teachers below Prescribed Qualification. Irregular expenditure	160,293	Violation of Rule
42	11	Irregular drawl of Integrated Allowance	393,300	Violation of Rule

	DO (Live Stock) Rahim Yar Khan			
43	09	Non receipt of medicines	733,665	Violation of Rule
	DO (OFWM) Rahim Yar Khan			
44	4	Loss to Govt. due to Showing Fictitious Drawls	101,500	Violation of Rule
45	12	Loss to Govt. due to Non- Motorcycle Advance	741,315	Violation of Rule
	DY. DO (AGRI) Khan Pur			
46	6	Unjustified expenditure of different heads	462,007	Violation of Rule
	DY.DEO (EE-M) Rahim Yar Khan			
47	11	Unauthorized Drawl of Pay	692,378	Violation of Rule
48	13	Unauthorized Drawl of Pay	505,020	Violation of Rule
	DO (Building) Rahim Yar Khan			
	05	Unjustified payment of price variation due to irregular and un-justified grant of time extension –	606,303	Violation of Rule
	12	Over payment due to non-reduction of composite rates of concrete	711,965	Violation of Rule
	DO (ROADS) Rahim Yar Khan			
	6	Loss to Govt. by Awarding Price Variation In spite of Delay on the behalf of the Contractor	444,399.	Violation of Rule
	7	Loss to Govt. by Awarding undue Price Variation	752,933	Violation of Rule

List of MFDAC Paras

(Amount in Rupees)

Sr. No.	Para No.	Subject	Amount
DCO Rahim Yar Khan			
1	1	Loss to government due to unjustified / over payment of Adhoc Relief Allowance 2010 and project allowance	196,877
2	2	Loss to Govt. due to Purchase of Fuel on Higher Rates and Unauthorized use of Vehicles	63,431
3	4	Loss to government due to extra ordinary difference of electricity consumption between main office and camp office	1,163,740
4	5	Loss due to non observing austerity measures on account of electricity	210,000
5	15	Loss to Govt. due to Personal use of Gas at Camp Office	400,000
EDO (F&P) Rahim Yar Khan			
6	4	Doubtful expenditure on repair of vehicle	128,212
7	7	Non Utilization of funds	414,116
8	9	Non accountal of Assets and Liabilities valuing	
9	10	Non allocation of desired funds for sports activities	155.6 million
10	12	Un-authorized excessive budget allocation for POL	4,022,000
11	15	Irregular excess expenditure due to re-appropriation	91,005,298
12	16	100% saving due improper financial management	801,838,226
13	17	Ambiguous maintenance of record	11.398 million
DO (ACCOUNTS) Rahim Yar Khan			
15	5	Overpayment to Pensioners	32,805
16	7	Un-sound budgeting / non surrender of savings	50.106 million
DO (Cooperatives) Rahim Yar Khan			
17	1	Loss to Govt. due to over drawl of annual increment	22,770
18	2	Loss to Govt. due to irregular promotion	54,840
19	3	Loss to Govt. due to wrong fixation of pay	57,375
20	4	Loss due to wrong fixation of pay	74,842
21	7	Payment of conveyance allowance during leave	10,392

22	10	Unauthorized expenditure of purchase of A/C	36,610
EDO (HEALTH) Rahim Yar Khan			
23	3	Loss to Govt. due to Mis-Appropriation of Store Items,	89,902
24	5	Loss to Govt. due to Un-Justified Appointments	1,440,000
DO (Health) Rahim Yar Khan			
25	06	Irregular drawl of adhoc relief allowance (2010) 50% of pay	1524960
26	08	Loss to government due to non auction of old / used oil/ m. oil -	150,400
27	09	interest due to late deposit of purchee fee	
28	12	Non submission / rendering of accounts by PRSP	58529240
29	13	Irregular shifting of head quarter irregular expenditure - HSRA 6015	133,170
30	14	Un-authorized payment of TA/DA recovery	169,150
31	15	Non accountal in to stock recovery	180,057
32	16	Bogs repair of refrigerator	77,700
33	20	Ambiguous purchase of x-ray 99296	
34	21	Ambiguous expenditure on repair	212,361
35	22	Irregular payment of pending liabilities	464,704
36	24	Un- justified purchase of tibbi medicines	99,865
37	26	Mis-appropriation of POL	43,365
38	27	Payment of pay and allowance without additional budget	1469215
Zila Health Officer Rahim Yar Khan			
39	03	Irregular drawl of adhoc relief allowance	
40	04	Appointment during ban expenditure of Rs	1,018,959
41	06	Irregular shifting of Head Quarter	2,397,360
42	07	Irregular change of cadre, irregular payment of pay and allowances	565,415
43	09	Expenditure in excess of budget	4003798
44	11	Less deduction of LD charges	22,432
45	13	Non / Less accountal of Medicines and other store items	43,563
THQ Hospital Sadiq Abad			
46	1	Irregular drawl of Adhoc Relief Allowance (2010) 50% of pay by the Doctors and recovery thereof.	1,309,365
47	5	Unauthorized drawl pay and allowances after transfer and recovery thereof	2,086,014
49	8	Non Deduction of water charges from the residents	66,000

		of Quarters	
50	9	Irregular drawl of Integrated Allowance	17,400
51	12	Loss to Govt. due to non recovery Ambulance Charges and allowing free than entitlement.	64,739
52	13	Unauthorized drawl of HSRA and Practice Compensatory Allowance.	
53	15	Unauthorized drawl of allowances during Leave	79,516
54	18	Irregular Purchase of Medicine out of LP	49,800
55	19	Loss o Govt. due to purchase in excess of requirement	149,520
56	20	Irregular Purchase of Medicines on Rate Contracts –	4,367
57	21	Loss to Govt. due to non GPF Advance.	44,950
THQ Hospital Liaqat Pur			
58	01	Irregular drawl of Adhoc Relief Allowance (2010) 50% of pay by the Doctors And Nurses	965,520
59	03	Irregular drawl of SHSRA by the Doctors	
60	04	Un-authorized drawl of allowances during leave	196,311
61	07	Irregular drawl of allowances by the staff	89,700
62	08	Non Deduction of water charges from the residents of Quarters of THQ Liaqatpur	37,800
63	13	Recovery on account of Day off.	61,250
64	16	Non/Less Deposit of Receipt into Govt. Treasury	39,642
65	17	Unauthorized collection of fee from the patients and recovery thereof	72,215
66	18	Irregular expenditure on Payment of Medicine	1,003,810
67	20	Loss to Govt. due to purchase on higher rates. 61,500	
THQ Hospital Khan Pur			
68	02	Irregular drawl of ARA 50%	
69	05	Non recovery of water charges and loss due to non auction of mobile oil	102,600
70	08	Payment of pay & allowances without performing duties of the post	483,184
71	09	Payment of pay & allowances without finalization of leave /absent period	234,148
72	11	Excess/ irregular payment of TA/DA	21,520
73	12	Irregular payment of dress allowances	122,576
74	14	Non accountal into stock	
Government Eye Hospital Khan Pur			
75	01	Loss due to irregular payment of conveyance	134,700

		allowance	
77	06	Unauthorized Payment of pay and allowances on Regularization.	217,835
78	08	Un-justified payment of irrelevant allowances during leave	22,250
79	10	Unjustified expenditure on Medicines	187,090
80	11	Irregular Purchase of Medicine	414,872
81	12	Irregular expenditure on purchase of Phenyl and oil spray	51,048
82	13	Irregular expenditure on purchase of Medicines.	67,850
83	14	Irregular expenditure of Rs 51,736,245 and illogical budget of Rs 57,871,886	
RHC Mian Wali Qureshian			
84	02	Irregular drawl of adhoc relieve allowance	444,780
85	04	Non deduction of water charges from residents	57,600
86	06	Over Payment on account of PHRSP allowance	72,752
87	08	Recovery on account of absentism of various staff	178,781
88	10	Irregular purchase of Medicines (L.P)	98,198
RHC Taranda Muhammad Pannah			
89	02	Irregular payment of adhock relieve allowance	590,460
90	04	Non deduction of water charges	24,000
91	08	Over Payment on account of PHSRP	135,212
92	9	Irregular purchase of Medicines (L.P)	
93	12	Misappropriation in POL	24,100
94	15	Un-justified payment to employees without performing duties	800,205
95	16	Un-justified payment of HSRA	10,452
RHC Khan Bela			
96	03	Non Deduction of water charges from the residents of Quarters	51,000
97	12	Non Confirmation/Deposit of General Sales Tax	156,864
98	16	Unjustified Expenditure on Coal	28,823
99	17	Unjustified expenditure of different heads	66,390
100	18	Recovery of HSRP and Conveyance Allowance during leave	37,104
EDO (Education) Rahim Yar Khan			
101	5	Unauthorized retention of unspent Balance of Stipend amounting to	56,051,060
102	10	Loss to Govt. due to excess Payment of Pay of Mr. Asghar Ali (Senior Clerk)	38,080

103	11	Unjustified expenditure of Repair of Vehicle	44,309
Dy. DEO (EE-M) Rahim Yar Khan			
104	03	Doubtful Expenditure on Hot & Cold	157,040
105	04	Doubtful expenditure on purchase of stationery	567,003
106	05	Over Payment of Pay and Allowances after regularization	137,448
107	07	Doubtful expenditure on repair of machinery	120,780
108	08	Irregular Expenditure on POL	140,293
109	09	Non deduction of GST and Income Tax	1,354,490
110	10	Un-authorized award of increments	55,805
113	14	Doubtful payment of arrears of pay and allowances (Approx)	
114	15	Record of unserviceable stock material / trees. (App)	1,000,000
Dy. DEO (EE-M) Khan Pur			
115	5	Irregular appointment without prescribed qualification, change of cadre and award of running scale. Recovery thereof	3,483,980 .
116	8	Irregular appointment, change of cadre and award of selection grade while service as untrained.	2,853,540
117	9	Irregular Payment of pay and allowances before submission of medical Fitness certificate and Recovery thereof	92,838
118	10	Loss to Govt. Treasury due to Payment of Charge Allowance during Leave Periods,	1,553,548
119	12	Unauthorized Purchase from unregistered firms and Non Deduction of Income tax and GST	355,391
120	13	Non Deposit of sales proceed of trees and other mat into treasury	21,840
121	15	Doubtful expenditure of	834,967
Dy. DEO (EE-M) Sadiq Abad			
122	8	Irregular Payment of pay and allowances before submission of medical Fitness Certificate	98,074
123	16	Doubtful expenditure on Repair of Furniture and Repair of Machinery	129,345
Dy. DEO (EE-W) Rahim Yar Khan			
124	02	Non payment of sales tax and non deduction of income tax at source	
125	03	Non payment of pension contribution	774,665
126	04	Irregular drawl of pay and allowances and non disbursement of Rs	6,076,492
127	05	Non accountal into stock	487,978

128	06	Discrepancies in balance of cash book and bank account	8,351,596
129	08	Appointment below qualification recovery of Rs	243,364
130	12	Irregular drawl of pay and allowances on erratic posts	2,517,770
131	14	Irregular payment of integrated allowance	183,600
132	15	Nonpayment of pension contribution	1704263
133	18	Non refund of unclaimed/undisbursed amount	36,990
134	19	Non deposit of sales proceeds into treasury	116,000
135	20	Loss to Government due to theft of store items	60,330
136	21	Irregular award of advance increments to elementary school teachers on B.Ed and MA	100,797
137	22	Excess expenditure than sanctioned budget	13077804
138	23	Ambiguous expenditure on repair of vehicle	52,007
139	24	Excess drawl of encashment	23,838
140	25	Un authorized expenditure out of SMC fund	26,855
DO (Live Stock) Rahim Yar Khan			
141	03	Un-authorized payment of HRA / CA recovery	40,904
142	04	Ambiguous expenditure on repair of vehicle	108,300
143	08	Non deduction / recovery of professional tax	40,000
144	10	Excess expenditure than sanction	923,684
145	12	Loss due to non auction of use mobile	42,000
146	14	Loss to Government due to non samples sent for DTL	58,409
147	16	Unsound Budgeting	4799410
DO (OFWM) Rahim Yar Khan			
148	07	Loss to Govt. due to performing Wasteful Development inside the River Area	1,193,960
149	08	Loss due to non deduction of taxes	
150	10	Loss to Govt. Treasury due to Non-Completion of Water Courses	3,726,587
Dy. DO (Agriculture) Sadiq Abad			
151	05	Bogus drawl of TA	58,000
152	09	Irregular expenditure on exhibition	359,057
153	10	Over Payment to field assistant on account of TA / DA	360,350
154	11	Un-justified drawl of fix TA	259,200
155	12	Loss to Government due to unjustified expenditure on repair of vehicle	92,670
156	13	Un authorized of pay & allowances	28,128

157	14	Loss to Government due to unjustified expenditure of seed grader	69,452
158	16	Loss due to non / less realization of renewal fee from cotton factories	
Dy. DO (Agriculture) Khan Pur			
159	05	Unjustified expenditure of Repair of Vehicle	66,101
160	08	Loss due to less collection of Guava Orchard and Mango Garden	1.061 million
161	09	Unjustified expenditure of Seeds and Fertilization	88,944
DO (Building) Rahim Yar Khan			
162	01	Non stoppage of use of luxury stones	3.765 million
163	04	Loss to government due to over estimation of costs and execution of works at higher rate	1,313,883
164	06	Loss due to un-authorized revision of admn. Approval	9.610 million
165	08	Loss to government due to over estimation of costs and purchase of machinery & equipment after allowing contractor's profit	70,471
166	09	Undue favour to the contractors and non forfeiture of unrest money	862,300
167	13	Non- recovery of water charges -	1,092,960
168	15	Loss to government due to unjustified expenditure on work charge establishment –	4.148 (M)
169	17	Unjustified expenditure on buildings / offices of Provincial Government	1,964,118
170	18	Non deduction of General Sales Tax	191,797
171	19	Irregular Expenditure on repair of Vehicles	240,292
DO (ROADS) Rahim Yar Khan			
172	02	Loss due to awarding the contractor extra time extension and price variation	85,849
173	05	Loss to Govt. due to Un-Justified Payment of Earth Work, ...	110,005
174	08	Loss to Govt. due to Non-Forfeiting Earnest Money	432,088
175	11	Loss due to non recovery of professional tax	24,000
176	12	Loss due to less collection of penalties for late renewal	422,250
177	13	Loss due to misappropriation of lease rent for approaches to Petrol Pumps	1.125 million

[Annexure – B]

**Summary of Appropriation Accounts by grants for the Financial
Year 2011-12**

Grant No.	Name of the Grant	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation (+) Excess (-) Saving
NON-DEVELOPMENT						
3	Provincial Excise.	5,721,916	2,156,983	7,878,899	6,488,446	-1,390,453
5	Forests.	4,979,130	1,228,789	6,207,919	5,259,233	-948,686
7	Charges on A/c of Motor Vehicles Act.	2,577,139	966,425	3,543,564	2,670,381	-873,183
8	Other Taxes & Duties.	14,242,794	4,714,628	18,957,422	14,811,995	-4,145,427
10	General Administration.	201,652,074	27,216,844	228,868,918	76,555,325	-152,313,593
15	Education.	4,606,729,793	1,833,045,962	6,439,775,755	4,903,999,559	-1,535,776,196
16	Health Services.	641,988,556	284,169,435	926,157,991	742,790,389	-183,367,602
17	Public Health.	1,472,184	588,677	2,060,861	1,744,268	-316,593
18	Agriculture.	140,729,049	52,796,812	193,525,861	161,130,174	-32,395,687
19	Fisheries.	1,848,980	306,588	2,155,568	1,120,512	-1,035,056
20	Veterinary.	81,896,594	38,051,271	119,947,865	96,532,542	-23,415,323
21	Co-operative.	23,286,404	7,290,672	30,577,076	26,324,026	-4,253,050
22	Industries.	1,933,600	863,000	2,796,600	1,885,825	-910,775
23	Miscellaneous Departments.	3,943,746	914,701	4,858,447	3,702,432	-1,156,015
24	Civil Works.	71,507,890	8,944,385	80,452,275	66,801,564	-13,650,711
25	Communications.	160,840,067	38,760,553	199,600,620	168,028,791	-31,571,829
31	Miscellaneous.	22,625,089	6,180,371	28,805,460	19,929,122	-8,876,338
32	Civil Defence.	4,398,090	1,013,110	5,411,200	4,638,895	-772,305
Total Non-Development :		5,992,373,095	2,309,209,206	8,301,582,301	6,304,413,479	-1,997,168,822
DEVELOPMENT						
36	Development.	1,430,332,000	97,706,040	1,528,038,040	373,082,154	-1,154,955,886
Total Development :		1,430,332,000	97,706,040	1,528,038,040	373,082,154	-1,154,955,886
Grand Total :		7,422,705,095	2,406,915,246	9,829,620,341	6,677,495,633	-3,152,124,708
Net Result of Surrender / Withdrawals :		0	-1,813,124,075	-1,813,124,075	0	+1,813,124,075
Net Total:		7,422,705,095	593,791,171	8,016,496,266	6,677,495,633	-1,339,000,633

Annexure – C

**Summary of Budget and Expenditure of the Financial
Year 2011-12**

Name of Office	Budget			Expenditure			Excess(+)/ Saving(-)	%
	Salary	Non-Salary	Total	Salary	Non-Salary	Total		
Zila Nazim	3,283,003	2,153,612	5,436,615	3,275,854	449,762	3,725,616	-1,710,999	-31.47%
Zila Naib Nazim	4,488,686	746,689	5,235,375	7,851,781	-2,912,533	4,939,248	-296,127	-5.66%
DCO	137,733,406	16,541,923	154,275,329	15,613,682	33,462,736	49,076,418	105,198,911	-68.19%
EDO (F&P)	11,070,612	86,787,807	97,858,419	9,491,386	38,394,048	47,885,434	-49,972,985	-51.07%
EDO (W&S)	111,160,592	170,953,164	282,113,756	107,708,980	128,865,643	236,574,623	-45,539,133	-16.14%
EDO(Education)	5,969,382,853	480,222,425	6,449,605,278	4,727,934,064	178,259,135	4,906,193,199	1,543,412,079	-23.93%
EDO (Health)	597,279,144	328,878,847	926,157,991	590,228,435	152,561,954	742,790,389	183,367,602	-19.80%
EDO (CD)	44,620,320	14,442,005	59,062,325	43,647,151	5,538,940	49,186,091	-9,876,234	-16.72%
EDO(Agriculture)	208,703,938	113,133,275	321,837,213	201,747,513	62,294,948	264,042,461	-57,794,752	-17.96%
Total Current Expenditure			8,301,582,301			6,304,413,479	-1,997,168,822	-24.06%
Development Expenditure			1,528,038,040			373,082,154	-1,154,955,886	-75.58%
Grant Total of Expenditure			9,829,620,341			6,677,495,633	-3,152,124,708	-32.07%
Surrender / Withdrawal			1,813,124,075			0	-1,813,124,075	-100.00%
Grant Total of Expenditure			8,016,496,266			6,677,495,633	-1,339,000,633	-16.70%

Annexure – D
[Para 1.2.1.1]

Non Provision of Record

Sr. No.	Name of DDO	Period of Audit	Particulars	Amount	Para No.
1	Dy.DEO (EE-W) Rahim Yar Khan	2011-12	Pay & allowance (EOL)	1,430,419	09
		2011-12	SMC /pay bills	6,223,105	10
		2011-12	Electricity bills	165,450	13
		2011-12	POL (back up record)	145,728	16
2	DO (Coop) Rahim Yar Khan	2002-12	Vouched accounts, service books etc	516,166	08
3	DHO Rahim Yar Khan	2011-12	Original deposit challan	3,085,132	10
		2011-12	POL for motercycle and generator	846,003	17
4	THQ Hospital Liaquat Pur	2010-12	Pay & allowances	91,992	07
5	Dy.DEO (EE-M) Khan Pur	2010-12	POL Exp, Tour programme, attenance certificats, Log books etc.	274,141	14
		2010-12	SMC, contingences and TA bills.	9,961,859	16
6	Dy.DEO (EE-M) Sadiq Abad	2010-12	SMC, contingences and TA bills.	16,394,273	11
		2010-12	Electricity bills and relevant record.	476,719	14
		2010-12	POL Exp, Tour programme, attenance certificats, Log books etc.	379,138	15
7	DCO Rahim Yar Khan	2011-12	Schedule of payment, History Sheet Registers of Vehicles and Generators (to justify the repair expenditure), Dead Stock Register. Record of Enquiries, cases or thefts etc., Tour Programs / Revised Tour Programs of Officers, Meeting Call Letters / Court Orders for out of Distt. Tours of the DCO. Previous / Latest Audit and Inspection Report. Receipt Record of all Revenue heads.Record of PLA, SDA & Assignment. Permanent (inconsumable) Stock Register. Record of personnel & assets of Zilla Council (distributed by the DCO). Diary & Dispatch registers of DCO office and especially of DOC office. Asset Register.		18

19	EDO(F&P)	2011-12	Budget Statement, Appropriation Account, PLA Accounts, SDA Accounts, Unserviceable Stock Register, etc	-	18
20	DO(OFWM)	2011-12	Service record for verification of Service	-	14
14	DO(Roads)	2011-12	Dead Stock Register, Record of TA/DA, History Sheet Register, Schedule of rates	-	14
15	EDO(Health)	2011-12	Assets Register, Record of Enquiries, Service books of Staff, Dead stock Register, Telephone register, photocopy register, Detail of Residence allotments	-	8
16	EDO(Education)	2011-12	Service books, Registration fees, Inspection fees	-	15
17	RHC KhanBella	2011-12	MLC record, Unserviceable record, trees register	-	13
18	DO(Buildings)	2011-12	Construction record of construction of Special education center at Rahim Yar Khan, Upgradation of Schools at Liaqatpur	-	24
19	DO(Health)	2011-12	Log books of Vehicles	-	17
Total				39,990,125	

Annexure – E
[Para 1.2.3.2]

**Loss due to Abnormal Delays in Completion of Projects and Non-
Imposing of Penalty**

(Amount in Rupees)

Sr.No.	Name of Scheme	Agreement Value	Time allowed	Delay in completion	Present Status	Amount of Penalty
1	Up-Gradation of GBPS to Middle Level at Basti Pursan Rahim Yar Khan	3,046,000	6 months upto 11.07.11	15 Months	W.I.P	304,600
2	Establishment of New Grain Market	37,272,000	12 Months upto 16.06.12	W.I.P	W.I.P	3,727,200
3	Up-Gradation of Govt. B/ Secondary School Taj Garh to Higher Secondary Level RYK	9,127,901	6 Months upto 15.07.11	W.I.P	W.I.P	912,790
4	Up-Gradation of Govt. B/M School Higher Level Jinnah Park RYK	4,273,214	6 Months upto 01.09.09	16 Months	Completed on 15.04.11	427,321
5	Construction of Examination Hall, Science Lab,& Class Room with Toilet Block in GBHS Amin Garh RYK	7,341,780	8 Month	W.I.P	W.I.P	734,178
6	Construction of B/Wall GBMS No. 106/P RYK	1,043,500	2 Months upto 20.09.11	W.I.P	W.I.P	104,350
7	Up-Gradation of Govt. G/M School to Higher Level Muhammad Pur SDK	5,164,739	5 Months upto 14.07.10	W.I.P	W.I.P	516,474
8	Up-Gradation of GGMS to High Level at Rahim Abad SDK	4,316,500	8 Months upto 27.10.11	W.I.P	W.I.P	431,650
9	Construction of New Building Masjid Maktab School Bachal Shah SDK	3,087,885	4 Months upto 30.09.12	W.I.P	W.I.P	308,789
10	Construction of 2 Nos. Additioonal Class Rooms in GPS Sweterki SDK	1,450,465	2 Months upto 17.01.12	W.I.P	W.I.P	145,047
11	Construction of Examination Hall Science Lab And Class room With	7,344,935	8 Months upto	W.I.P	W.I.P	734,494

	Toilet Block in GB High School Ajmal Bagh SDK.		11.09.12			
12	Re-Construction of Building in GGMS at Jamal Abad KPR	2,535,878	3 Months upto 02.07.12	W.I.P	W.I.P	253,588
13	Up-Gradation of GBMS to High Level at Fareed Nagar Mouza Laloo Wala KPR	4,327,395	8 Months upto 01.10.11	4.5 Months	16.02.12 completed	432,740
14	Construction of 4-Additional Class Rooms GGHS at Feroza LQP	3,252,364	4 Months upto 30.09.11	13 Days	13.10.11	325,236
15	Const: of additional class room, & toilet block in GGHS Railway Colony KPR	4,672,640	6 Months upto 24.12.11	5 Months	15.06.12	467,264
16	Construction of Additional Class Rooms & Toilet Block in GBHS Allah abad LQP	2,401,200	4 Months upto 23.10.11	W.I.P	W.I.P	240,120
17	Up-Gradation of GGMS to High Level at Chak No. 14-A LQP	4,476,380	8 Months upto 02.09.11	W.I.P	W.I.P	447,638
18	Const. of 4- Additional Class Room GGMHS LQP	3,227,530	4 Months upto 30.09.11	2 Months	28.11.11 Completed	322,753
19	Construction of New Building, Toilet Block B/Wall at GGPS Jam Manzoor Lar LQP	1,790,728	4 Months upto 15.10.09	W.I.P	W.I.P	179,073
20	Up-Gradation of GGPS to Middle Level at Dera Fareedi LQP	3,370,922	6 Months upto 31.07.11		Completed on 20.05.12	337,092
21	Up-Gradation of GBPS to Middle Level at Chak No. 25-A LQP	3,473,388	3 Months upto 08.12.11	W.I.P	W.I.P	347,339
	Total	116,997,344				11,699,734

Annexure – F
[Para 1.2.3.3]

Loss due to Unauthorized Payment of Conveyance / Mobility Allowance
Rs 7.784 million

Conveyance Allowance paid when Government residence was available within premises of the hospital

Sr. No.	Name of Formation	Period of Audit	persons	Amount	Para No.
1	DO (Health) Rahim Yar Khan	2011-12	15	477,408	01
2	Eye Hospital Khanpur	2011-12	07	134,700	01
3	THQ Hospital Sadiq Abad	2010-12	33	348,510	03
4	THQ Liaqat Pur	2010-12	29	440,110	02
5	RHC Khan Bella	2008-12	17	165,580	06
6	Dy.DO (Agriculture) Sadiq Abad	2011-12	13	345,120	02
7	Dy.DO (Agriculture) Khan Pur	2010-12	06	16,644	03
	Total		120	1,928,072	

Conveyance /Mobility Allowance paid during Leave / Vacations

Sr. No.	Name of Formation	Period of Audit	persons	Amount	Para No.
1	Eye Hospital Khanpur	2010-12	01	68,596	07
2	THQ Khanpur	2011-12	11	47,720	06
3	EDO (Education) Rahim Yar Khan	2011-12	13	356,039	01
4	Dy.DEO (M) Rahim Yar Khan	2011-12	2,092	1,229,855	02
5	Dy.DEO(EE-W) Rahim Yar Khan	2011-12	42	362,356	01
			1,418	619,671	07
			4	44,084	11
6	Dy.DEO(EE-M) Khan Pur	2010-12	1,095	1,509,561	01
7	Dy.DEO(EE-M) Sadiq Abad	2010-12	1,146	1,548,128	01
		2010-12	01	69,927	13
	Total		5,823	5,855,937	

Annexure – G
[Para 1.2.3.4]

Loss due to Non Recovery of Electricity Charges - Rs 5.220 million

(Amount in Rupees)

Sr. No.	Name of employee	Designation	Type of residence	Monthly bill (approx)	Recovery since 2007
01.	Dr. Yahya Athar Rehmani	SMO	AI	12,000	720,000
02.	Dr. M.Azam	MO	A2	12,000	720,000
03.	Dr. Ansa Nisar	WMO	A3	12,000	720,000
04.	Dr. Jafir Hussain	MO	A4	12,000	720,000
05.	M.Zahid	MT	BI	5,000	300,000
06.	Shahista Imtiaz	FMT	B2	5,000	300,000
07.	Sohaila Rabnawaz	LHV	B3	5,000	300,000
08.	Rao Zulfiqar	Homeo Disp	CI	3,000	180,000
09.	M.Asif Shah	Dispenser	C2	3,000	180,000
10.	Imtiaz Mehmood Bhutta	Dispenser	C3	3,000	180,000
11.	Mumtaz Basheer	Dispenser	C4	3,000	180,000
12.	M.Rafique	Driver	C5	3,000	180,000
13.	Mohsina Faiz	Mid wife	D1	1,500	90,000
14.	M. Nawaz	NQ	D2	1,500	90,000
15.	M.Akram	Dawakob	D3	1,500	90,000
16.	Zahid Ahmad	Chowkidar	D4	1,500	90,000
17.	Abdul Hameed	S.Worker	D5	1,500	90,000
18.	Abdul Jabbar	S.Worker	D6	1,500	90,000
Recovery					5,220,000

Annexure – H
[Para 1.2.3.9]

**Loss to Govt. due to Allowing Purchase of T.S.T Material Far Quarry,
amounting to Rs. 1.996 million**

(Amount in Rupees)

Sr. No.	Name of Scheme	Name of Contractor	Average Per KM Carriage Rate of Per CFT from Quarry to Site of work (Rs.)	Quantity of Bajri (CFTs)	Fare of Total Lead (Rs.)	Total Lead Applied (KMs)	Extra KMs	Fare of Extra 207.69 KMs (Rs.)
01	Construction of Metalled Road from Head Kurman Singh to Model Village Chak No. 48/N.P.	M/S Rana Munawar Hussain	41.129	7466	307,069	537	207.69	118,762
02	Rehabilitation of road from chak 4 phatak to moni thall chowk	M/S Al-Makka Construction co.	40.252	4785	192,606	484	207.69	82,649
03	Construction of Road from Adda Janpur to Basti Malik M.Iqbal Arien.	M/S Z.F.N Co.	32.90	2004	65924	445	207.69	30,768
04	Rehabilitation of Road from Kotla Pathan Sheikh Abdul Sattar Junction	M/S T.M Builders	33.81	4258	275822	498	207.69	115,031
				3672				
				228				
05	Construction of M/R from Khanpur-Bagho Bahar Road to Chak No. 07/P.	M/S Al-Makka Construction Co.	33.756	4882	164801	495	207.69	69,147
06	Improvement of Approach Road from KLP Road to RYK Sugar Mills.	M/S Adnan Construction Co,	48.54	19421	942711	448	213	448,208
07	Construction of Road from DAEWOO adda to Model Town Chowk, SDK	M/S United Eng.	41.41	46953	1944336	551	252	889,243
08	Construction of road from Dera Haji Ahmad Sattar Lar to Basti Ahmad Bux Lar, Mouza Ghullam Nabbi Lar.	M/S Arslan Bros.	40.67	152	6182	505	210	2,571
09	Repair of Road from Basti Ghulam Qadir Shah to Dera Musheer	M/S T.M Builders	41.51	10963	455091	547	214	178,043
10	Construction of Road from chak no. 24/p dera Buchian da to mari Allah Bachaya Road	M/S Irfan Builders	49.66	2984	148198	504	209	61,455
Total								1,995,877

Annexure – I
[1.2.3.12]

Unjustified Expenditure through Fictitious Billing

Sr. No.	Sr. No. of objected items	Head	Supplier	Bill No.	Date	Amount	Detail of Expenditure
1	-	Stationery	RG&Co, RYK	21	8/4/2011	3,364	Stationery items
2	-	Others	RG&Co, RYK	26	8/6/2011	788	Flags etc
3	-	Stationery	RG&Co, RYK	27	8/10/2011	3,156	Stationery items
4	1	Repair of M&E	RG&Co, RYK	32	8/4/2011	4,210	Spare parts
5	2	Others	RG&Co, RYK	33	8/4/2011	1,067	Energy savors
6	3	Others	RG&Co, RYK	36	8/9/2011	5,928	Electric items
7	-	POL	RG&Co, RYK	46	8/13/2011	3,706	Mobil Oil
8	-	POL	RG&Co, RYK	89	8/15/2011	2,850	Mobil Oil, brake oil etc
9	-	Stationery	RG&Co, RYK	111	8/27/2011	13,653	Stationery items
10	-	POL	RG&Co, RYK	112	8/29/2011	4,272	Mobil Oil
11	-	Repair of Transport	RG&Co, RYK	115	8/29/2011	2,566	Oil Filter
12	-	Repair of M&E	RG&Co, RYK	116	10/10/2011	2,566	OIL/Diesel Filter etc
13	4	Stationery	RG&Co, RYK	166	8/24/2011	3,364	Stationery items
14	5	Others	RG&Co, RYK	168	9/6/2011	5,560	Misc. Items
15	6	POL	RG&Co, RYK	169	9/6/2011	2,136	Mobil Oil
16	7	Repair of Transport	RG&Co, RYK	171	9/6/2011	6,783	Oil Filter
17	8	POL	RG&Co, RYK	173	9/19/2011	2,332	Mobil Oil, brake oil etc
18	9	Repair of Transport	RG&Co, RYK	175	9/19/2011	1,593	Oil Filter
19	10	Repair of M&E	RG&Co, RYK	176	10/5/2011	2,782	RAM
20	11	Stationery	RG&Co, RYK	178	9/22/2011	4,048	Stationery items
21	12	Repair of Transport	RG&Co, RYK	202	9/28/2011	8,607	Spare parts
22	13	POL	RG&Co, RYK	249	10/7/2011	2,027	Mobil Oil
23	14	Repair of Transport	RG&Co, RYK	251	10/7/2011	2,572	Oil Filter
24	15	POL	RG&Co, RYK	253	10/7/2011	4,524	Mobil Oil, brake oil etc
25	16	Repair of Transport	RG&Co, RYK	254	10/7/2011	2,957	Mobil oil, filter etc
26	17	Entertainment Charges	RG&Co, RYK	261	10/8/2011	5,742	Tea and biscuits
27	18	Entertainment Charges	RG&Co, RYK	264	10/9/2011	6,786	Tea and biscuits
28	19	Entertainment Charges	RG&Co, RYK	265	10/9/2011	7,447	Tea and biscuits
29	-	Stationery	RG&Co, RYK	267	10/10/2011	6,032	Toner
30	-	Stationery	RG&Co, RYK	269	10/10/2011	11,600	Toners
31	-	Stationery	RG&Co, RYK	274	10/13/2011	1,293	Stationery items
32	-	Stationery	RG&Co, RYK	299	10/22/2011	7,864	Stationery items
33	20	Entertainment Charges	RG&Co, RYK	314	10/20/2011	7,482	Tea and biscuits
34	21	Entertainment Charges	RG&Co, RYK	315	10/20/2011	6,960	Tea and biscuits

35	-	Stationery	RG&Co, RYK	317	10/25/2011	2,296	Stationery items
36	-	Stationery	RG&Co, RYK	364	10/31/2011	3,341	Stationery items
37	-	Stationery	RG&Co, RYK	365	11/1/2011	5,486	Stationery items
38	22	POL	RG&Co, RYK	367	10/29/2011	1,500	Gear oil
39	23	Repair of Transport	RG&Co, RYK	368	10/29/2011	10,981	Spare parts
40	-	POL	RG&Co, RYK	369	11/2/2011	2,346	Mobil /Brake oil
41	-	Repair of Transport	RG&Co, RYK	370	11/2/2011	963	Oil Filter
42	-	Others	RG&Co, RYK	382	11/15/2011	507	Phenyl etc.
43	-	Stationery	RG&Co, RYK	397	11/19/2011	6,728	Tonner
44	-	Repair of Transport	RG&Co, RYK	398	11/24/2011	2,204	Number plates
45	-	Repair of Transport	RG&Co, RYK	399	11/24/11	5,678	Battery
46	24	Stationery	RG&Co, RYK	400	11/19/2011	10,162	Stationery items
47	-	POL	RG&Co, RYK	438	11/24/2011	2,158	Mobil Oil
48	-	Repair of Transport	RG&Co, RYK	439	12/2/2011	2,874	Oil Filter
49	25	Others	RG&Co, RYK	440	11/25/2011	2,030	tissue papers etc.
50	-	Repair of M&E	RG&Co, RYK	441	12/2/2011	2,405	Spare parts etc for computer
51	-	Entertainment Charges	RG&Co, RYK	442	12/2/2011	7,586	Tea and biscuits
52	-	Entertainment Charges	RG&Co, RYK	481	12/7/2011	7,656	Tea and biscuits
53	26	POL	RG&Co, RYK	482	12/5/2011	2,136	Mobil Oil
54	-	Repair of Transport	RG&Co, RYK	483	12/7/2011	1,960	Oil Filter
55	-	Others	RG&Co, RYK	667	1/21/2012	3,550	Crockery
56	-	Repair of Transport	RG&Co, RYK	708	1/25/2012	3,550	Revolving Light
57	-	Others	RG&Co, RYK	711	3/17/2012	1,786	Repair etc
58	27	Others	RG&Co, RYK	715	1/28/2012	3,155	flags 04
59	28	Repair of Transport	RG&Co, RYK	758	2/3/2012	20,041	Repair AC
60	29	Repair of Transport	RG&Co, RYK	760	2/3/2012	4,239	Repair of Motor Cycle
61	30	POL	RG&Co, RYK	761	2/3/2012	2,158	Mobil Oil
62	31	Repair of Transport	RG&Co, RYK	762	2/3/2012	2,383	Oil Filters
63	32	VVIP Visits	RG&Co, RYK	768	12/20/2011	440,000	Catering arrangements for 2,200 persons
64	33	VVIP Visits	RG&Co, RYK	769	12/20/2011	76,560	Refreshment 2,200 persons
65	34	VVIP Visits	RG&Co, RYK	771	12/20/2011	56,000	Rent of 07 Vehicles for 02 days
66	35	Others	RG&Co, RYK	824	1/21/2012	3,051	Electric cattle
67	36	POL	RG&Co, RYK	827	3/2/2012	2,158	Mobil Oil
68	37	POL	RG&Co, RYK	827	3/2/2012	2158	Mobil Oil
69	38	Repair of Transport	RG&Co, RYK	828	3/2/2012	1,775	Oil Filters
70	39	Repair of Transport	RG&Co, RYK	828	3/2/2012	1,775	Oil Filter
71	40	POL	RG&Co, RYK	926	3/12/2012	4,316	Mobil Oil
72	41	POL	RG&Co, RYK	927	3/12/2012	2,158	Mobil Oil
73	42	POL	RG&Co, RYK	927	3/12/2012	2,158	Mobil Oil

74	43	Repair of Transport	RG&Co, RYK	928	3/12/2012	1,980	Oil Filters
75	44	Repair of Transport	RG&Co, RYK	928	3/12/2012	1,980	Oil Filter
76	45	POL	RG&Co, RYK	929	3/12/2012	4,316	Mobil Oil
77	46	Repair of M&E	RG&Co, RYK	930	3/13/2012	1,811	Oil Filters
78	47	POL	RG&Co, RYK	931	3/12/2012	4,692	Oil Filters
79	48	POL	RG&Co, RYK	931	3/12/2012	4,692	Mobil / brake oil
80	49	ROT	RG&Co, RYK	932	3/12/2012	1,931	Oil Filters
81	50	ROT	RG&Co, RYK	932	3/12/2012	1,931	Oil Filter
82	51	Repair of M&E	RG&Co, RYK	938	3/13/2012	1,811	Oil Filter etc
83	52	POL	RG&Co, RYK	954	3/12/2012	2,158	Mobil Oil
84	53	POL	RG&Co, RYK	954	3/12/2012	2,158	Mobil Oil
85	54	Repair of Transport	RG&Co, RYK	955	3/12/2012	1,549	Oil Filters
86	55	Repair of Transport	RG&Co, RYK	955	3/12/2012	1,549	Oil Filter
87	56	POL	RG&Co, RYK	959	3/20/2012	2,158	Mobil Oil
88	-	Others	RG&Co, RYK	1690	6/21/2012	6,351	Misc. Items
89	-	POL	RG&Co, RYK	1691	6/21/2012	6,474	Mobil Oil
90	-	POL	RG&Co, RYK	1693	6/21/2012	4,316	Mobil Oil
91	57	Repair of Transport	RG&Co, RYK	1170&1171	4/14/2012	146,438	Over hauling
92	58	Stationery	RG&Co, RYK	1376,77,78	5/16/2012	202,965	Stationery items
93	59	COS	RG&Co, RYK	1660&39	6/19/2012	8,524	Compressor
94	60	Repair of Transport	RG&Co, RYK	1077	4/5/2012	2,523	Spare parts
95	61	Repair of Transport	RG&Co, RYK	48&49	8/6/2011	71,596	Spare parts
96	-	Stationery	RG&Co, RYK		11/15/2011	3,988	Stationery items
Total (of Fictitious Bills only)						1,214,393	

Note: items with “**Bold Font**” have been treated as fictitious.