



**AUDIT REPORT**  
**ON**  
**THE ACCOUNTS OF**  
**DISTRICT GOVERNMENT**  
**BAHAWALNAGAR**  
**AUDIT YEAR 2016-17**

**AUDITOR GENERAL OF PAKISTAN**

## TABLE OF CONTENTS

<b>ABBREVIATIONS AND ACRONYMS .....</b>	<b>i</b>
<b>Preface .....</b>	<b>iv</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>v</b>
<b>SUMMARY TABLES &amp; CHARTS.....</b>	<b>x</b>
Table 1: Audit Work Statistics .....	x
Table 2: Audit Observations Classified by Category.....	x
Table 3: Outcome Statistics.....	xi
Table 4: Irregularities Pointed Out.....	xii
Table 5: Cost Benefit.....	xii
<b>CHAPTER 1 .....</b>	<b>1</b>
1.1 District Government Bahawalnagar.....	1
1.1.1 Introduction.....	1
1.1.2 Comments on Budget and Accounts.....	2
1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2015-16 .....	5
1.1.4 Brief Comments on the Status of Compliance with PAC Directives .....	5
<b>1.2 AUDIT PARAS .....</b>	<b>6</b>
<b>1.2.1 Non Production of Record .....</b>	<b>6</b>
<b>1.2.2 Irregularities &amp; Non-Compliance .....</b>	<b>8</b>
<b>1.2.3 Internal Control Weaknesses.....</b>	<b>35</b>
<b>ANNEX.....</b>	<b>61</b>

## **ABBREVIATIONS AND ACRONYMS**

AA	Administrative Approval
ADP	Annual Development Programme
ARA	Adhoc Relief Allowance
AT	Arabic Teacher
BOQ	Bill of Quantity
B&R	Building & Road
BHU	Basic Health Unit
CA	Conveyance Allowance
CCB	Citizen Community Board
CD	Community Development
CFT	Cubic Feet
C&W	Communication & Works
EST	Elementary School Teacher
DAC	Departmental Accounts Committee
DAO	District Accounts Office
DCO	District Coordination Officer
DDC	District Development Committee
DDO	Drawing and Disbursing Officer
DEO (EE-M)	District Education Officer (Elementary Education-Male)
DEO (EE-W)	District Education Officer (Elementary Education-Women)
DGA	Directorate General Audit
DHQ	District Headquarters
DMO	District Monitoring Officer
DO	District Officer
DST	Dual Surface Treatment
DTL	Drug Testing Laboratory
EDO	Executive District Officer
F&P	Finance & Planning
FD	Finance Department
GST	General Sales Tax
HRA	House Rent Allowance

HSRP	Health Sector Reforms Programme
HSRA	Health Sector Reforms Allowance
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
IRMNCH	Integrated Reproductive Maternal Newborn Child Health
LCS	Local Council Service
LG&CD	Local Government & Community Development
LP	Local Purchase
MB	Measurement Book
MEPCO	Multan Electric Power Company
MFDAC	Memorandum for Departmental Accounts Committee
MLC	Medico Legal Cases
MRS	Market Rate Schedule
MS	Medical Superintendent
MSD	Medical Store Depot
NOC	No Objection Certificate
NPA	Non-Practicing Allowance
OFWM	On Farm Water Management
OGRA	Oil and Gas Regularity Authority
OT	Oriental Teacher
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
P&D	Planning & Development
PCA	Practice Compensatory Allowance
PDG	Punjab District Government
PESRP	Punjab Education Sector Reforms Programme
PEEDA	Punjab Employees Efficiency & Disciplinary Act
PFC	Punjab Finance Commission
PFR	Punjab Financial Rules
PHED	Public Health Engineering Department
PIPIP	Punjab Irrigated Agriculture Productivity Improvement Project
PLGO	Punjab Local Government Ordinance
PPRA	Punjab Procurement Regulatory Authority
PTC	Professional Teaching Course

PWD	Public Works Department
RHC	Rural Health Centre
R&M	Repair & Maintenance
SE	Superintending Engineer
S&GAD	Services & General Administration Department
SMC	School Management Council
SMO	Senior Medical Officer
SNE	Schedule of New Establishment
THQ	Tehsil Head Quarter
TS	Technical Sanction
TST	Triple Surface Treatment
VRI	Veterinary Research Institute
W&S	Works & Services
WUA	Water Users Association

## **Preface**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 and Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to conduct audit of Receipts and Expenditure of the Local Fund and Public Account of District Governments.

The report is based on audit of the accounts of various offices of the District Government, Bahawalnagar for the financial year 2015-16. The Directorate General of Audit District Governments, Punjab (South), Multan, conducted audit during 2016-17 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 the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this report have been finalized in the light of written responses of the management concerned and DAC directives.

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

Islamabad  
Dated:

**(Rana Assad Amin)**  
**Auditor General of Pakistan**

## **EXECUTIVE SUMMARY**

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of the City District Governments and District Governments in Punjab (South). The Regional Directorate of Audit (RDA), 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 27 officers and staff, constituting 4,830 mandays and the budget amounting to Rs 19.050 million was allocated in audit year 2016-17. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly RDA Bahawalpur carried out audit of the accounts of various formations of District Government, Bahawalnagar for the financial year 2015-16 and the findings included in the Audit Report.

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

District Bahawalnagar is administratively divided into five Tehsils namely Bahawalnagar, Chishtian, Haroon Abad, Fort Abbas and Minchin Abad.

## **Audit Objectives**

Audit was conducted with the objective to ensure that:

1. Money shown as expenditure in the accounts was authorized for the purpose for which it was spent.
2. Expenditure was incurred in conformity with the laws, rules and regulations framed to regulate the procedure for expending of public money.
3. Every item of expenditure was incurred with the approval of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment, collection and accountal of revenue was made in accordance with prescribed laws, rules and regulations and accounted for in the books of accounts of the District Government.

### **a) Scope of Audit**

Out of total expenditure of the District Government Bahawalnagar for the financial year 2015-16, auditable expenditure under the jurisdiction of Regional Director Audit, District Governments, Bahawalpur, was Rs 10,481.255 million covering one PAO and 304 formations. Out of this, RDA Bahawalpur audited an expenditure of Rs 6,942.070 million which, in terms of percentage, is 66 per cent of total auditable expenditure and irregularities amounting to Rs 1,426.126 million were pointed out. Regional Director Audit planned and executed audit of 30 formations, i.e. 100 per cent achievement against the planned audit activities.

Total receipts of the District Government Bahawalnagar for the financial year 2015-16, were Rs 7.594 million. RDA Bahawalpur audited receipts of Rs 5.620 million which, in terms of percentage, is 74 per cent of total receipts and irregularities amounting to Rs 7.031 million were pointed out.



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

Recoveries of Rs 173.802 million were pointed out by Audit which was not in the notice of the management before audit. An amount of Rs 7.595 million was recovered and verified during year 2016-17, till the time of compilation of this Report.

However, against the total recovery amount of Rs 120.267 million pertaining to Paras (over one million) drafted in this Report, no amount has been recovered by the management till the time of compilation of this Report.

**c) Audit Methodology**

Audit was carried out against the standards of financial governance provided under various provisions of the Punjab Local Government Ordinance, 2001 (as amended), Punjab Financial Rules (PFR) Vol-I, II, Delegation of Financial Powers and other relevant laws, which govern the propriety of utilization of the financial resources of the District Government in accordance with the regularity framework provided by the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws / rules and according to INTOSAI auditing standards.

The selection of the audit formations was made keeping in view the significance and risk assessment, samples were selected after prioritizing risk areas by determining significance and risk associated with identified key controls.

**d) Audit Impact**

A number of improvements in record maintenance and procedures have been initiated by the departments concerned, however audit impact in shape of change in rules could not be materialized as the Provincial Accounts

Committee has not discussed audit reports pertaining to District Governments for the year 2016-17.

**e) Comments on Internal Control and Internal Audit Department**

Internal control mechanism of District Government, Bahawalnagar was not found satisfactory during audit. Many instances of irregularities and weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like withdrawal of inadmissible pay & allowances, non-realizing and misuse of Government receipts and authorized withdrawal of funds. Negligence on the part of District Government authorities may be captioned as one of important reasons for weak Internal Controls.

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

**f) The Key Audit Findings of the Report**

- i. Non production of record of Rs 154.206 million was noted in one case<sup>1</sup>
- ii. Irregularities and Non-compliance amounting to Rs 514.349 million including one case of violation of Punjab Procurement Rules amounting to Rs 53.659 million were noted in 21 cases<sup>2</sup>
- iii. Weak internal controls were noted in 21 cases involving an amount of Rs 129.882 million<sup>3</sup>

---

<sup>1</sup> Para 1.2.1.1

<sup>2</sup> Para 1.2.2.1 to 1.2.2.21

<sup>3</sup> Para 1.2.3.1 to 1.2.3.21

Audit Paras involving procedural violations including internal controls weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum for Departmental Accounts Committee (MFDAC). Annex – A.

**g) Recommendations:**

PAO / District Government is required to:

- i. Ensure fixing of responsibility in cases of fraud and misappropriation.
- ii. Effect recoveries pointed out, during audit, regarding pay & allowances.
- iii. Take appropriate actions against the concerned for non production of auditable record for audit verification
- iv. Ensure compliance of DAC directives and decisions in letter and spirit
- v. Comply with the Public Procurement Rules for economical and rational purchases of goods and services.
- vi. Strengthen the existing internal controls to avoid recurrence of similar nature irregularities time and again.
- vii. Ensure proper maintenance of accounts and record
- viii. Make efforts for expediting the realization of various Government receipts.
- ix. Ensure deposit of District receipts into proper head of accounts.
- x. Rationalize its budget with respect to utilization.

## SUMMARY TABLES & CHARTS

**Table 1: Audit Work Statistics**

(Rupees in million)

Sr. No.	Description	No.	Expenditure	Receipts	Total
1	Total Entities (PAOs) in Audit Jurisdiction	1	10,481.255	7.594	10,488.849
2	Total formations in Audit Jurisdiction	304	10,481.255	7.594	10,488.849
3	Total entities (PAOs) Audited	1	6,942.070	5.620	6,947.690
4	Total formations Audited	30	6,942.070	5.620	6,947.690
5	Audit & Inspection Reports	30	6,942.070	5.620	6,947.690
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports (relating to District Government)	-	-	-	-

**Table 2: Audit Observations Classified by Category**

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Asset management	-
2	Financial management	443.823
3	Internal controls	129.882
4	Others	224.732
<b>Total</b>		<b>798.437</b>

**Table 3: Outcome Statistics****(Rupees in million)**

Sr. No.	Description	Expenditure On Acquiring Physical Assets (Procurement)	Salary	Non-Salary	Civil Works	Receipts	Total Current Year	Total Last Year
1	Total Financial Outlay	20	8,017.152	887.352	1,556.751	7.594	10,488.849	9,024.389
2	Outlays Audited	5.809	4,713.833	1,159.564	1,062.864	5.620	6,947.690*	5,789.450
3	Amount Placed under Audit Observations /Irregularities Pointed Out	-	243.651	95.588	458.142	1.056	798.437	299.366
4	Recoveries Pointed Out at the instance of Audit	-	55.716	20.721	42.774	1.056	120.267	95.856
5	Recoveries Accepted /Established at the instance of Audit	-	51.887	9.573	10.029	1.056	72.545	95.856
6	Recoveries Realized at the instance of Audit	-	2.453	1.602	0.050	3.490	7.595	6.272

\* The amount mentioned against Sr. No 2 in column of “Total current year” is the sum of Expenditures and Receipt whereas the total expenditure was Rs 6,942.070 million.

**Table 4: Irregularities Pointed Out**

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Amount placed under Audit observation</b>
1	Violation of rules and regulations and violation of principles of propriety and probity in public operations.	400.280
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS <sup>4</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinion on the financial statements.	-
4	Quantification of weaknesses of internal control systems	129.882
5	Recoveries and overpayments, representing cases of established overpayments or misappropriations of public monies.	114.069
6	Non-production of record.	154.206
7	Others, including cases of accidents, negligence etc.	-
<b>Total</b>		<b>798.437</b>

**Table 5: Cost Benefit**

<b>(Rupees in million)</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audit (Items 2 of Table 3)	6,947.690
2	Expenditure on Audit	0.743
3	Recoveries realized at the instance of Audit	7.595
4	Cost-Benefit Ratio	10:1

---

<sup>4</sup> The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

## **CHAPTER 1**

### **1.1 District Government Bahawalnagar**

#### **1.1.1 Introduction**

As per the Punjab Local Government Ordinance 2001, 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 devolved departments which are decentralized or set up under the Ordinance. The District Government exercises such authority within the District in accordance with general policy of the Government. The District Government is responsible to the people and is mandated for improvement of governance and delivery of services within the ambit of authority decentralized under this Ordinance.

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 to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of District Administration.

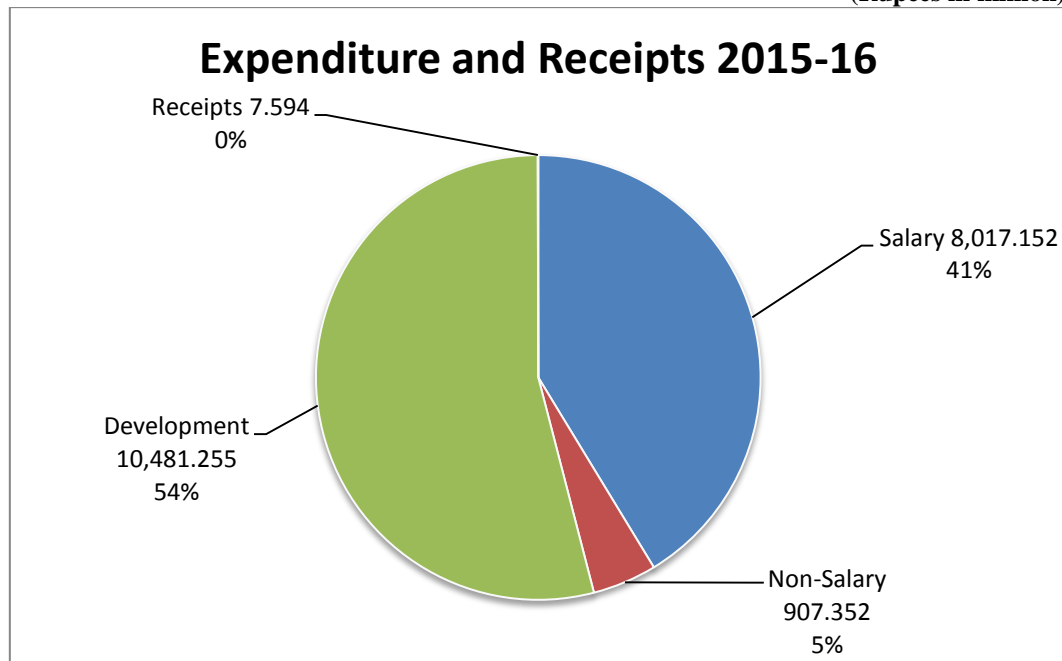
### 1.1.2 Comments on Budget and Accounts

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

(Rupees in million)

2015-16	Budget	Actual	Excess (+) / Lapse (-)	% (Lapse)
Salary	8,310.216	8,017.152	(-)293.064	3.53%
Non-Salary	923.357	907.352	(-)16.005	1.73%
Development	2,658.876	1,556.751	(-)1,102.125	41.45%
<b>Total</b>	<b>11,892.449</b>	<b>10,481.255</b>	<b>(-)1,411.194</b>	<b>11.87%</b>
Receipts	60	7.594	(-)52.406	87.34%

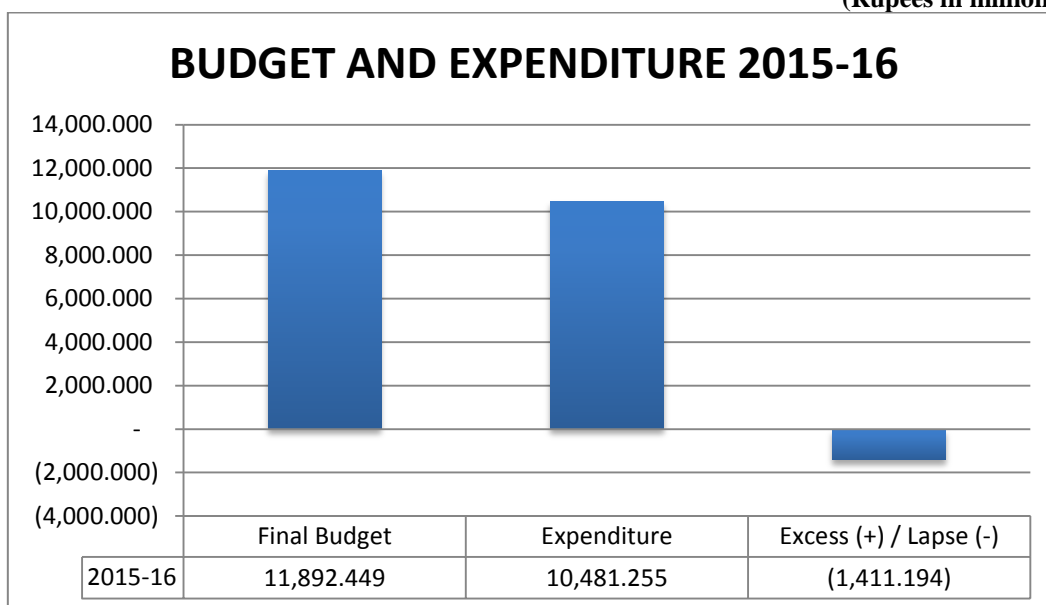
(Rupees in million)





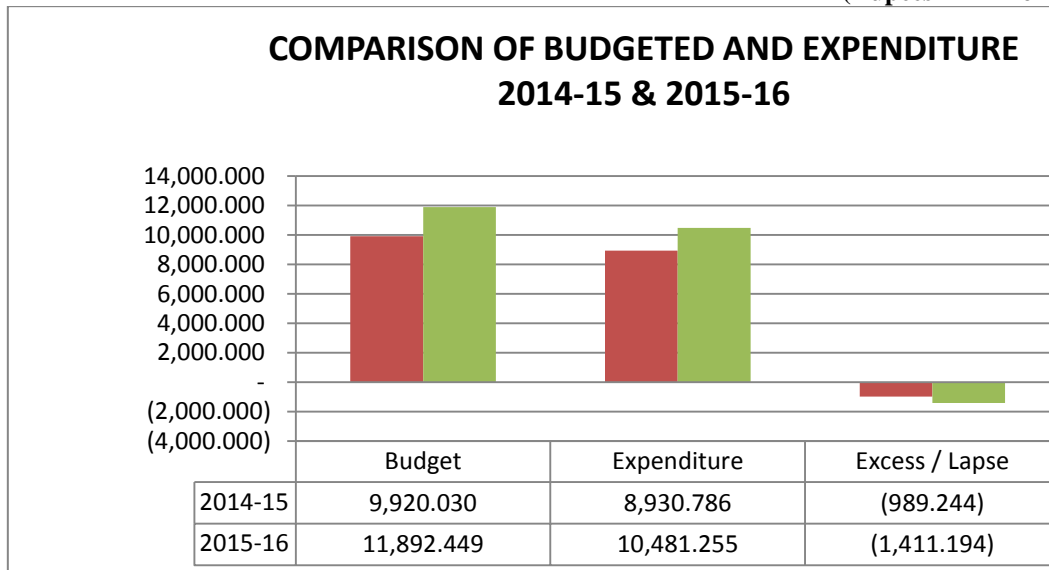
As per the Appropriation Accounts 2015-16 of the District Government, Bahawalnagar, total original budget (Development & Non-Development) was Rs 10,759.611 million, Supplementary Grant of Rs 1,132.837 million was provided and the final budget was Rs 11,892.449 million. Against the final budget, total expenditure of Rs 10,481.255 million was incurred by the District Government during 2015-16. A lapse of Rs 1,411.194 million came to the notice of Audit due to inefficient financial management in release of budget by EDO (F&P). No plausible explanation was provided by PAO and management of the District Government (Annex – B).

(Rupees in million)



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

(Rupees in million)



There was 20 per cent and 17 per cent increase in Budget Allocation and Expenditure incurred respectively while there were overall lapses of Rs 1,411.194 million during 2015–16.

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

Audit Paras reported in MFDAC of last year Audit Report, which have not been attended in accordance with the directives of DAC, have now been reported in Part - II of Annex – A.

### **1.1.4 Brief Comments on the Status of Compliance with PAC Directives**

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

#### **Status of Previous Audit Reports**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2002-03	19	PAC not constituted
2	2003-04	18	PAC not constituted
3	2004-05	15	PAC not constituted
4	*July, 2005 to March, 2008 Special Audit Report	160	PAC not constituted
5	2009-10	23	PAC not constituted
6	2010-11	66	PAC not constituted
7	2011-12	19	PAC not constituted
8	2012-13	21	PAC not constituted
9	2013-14	28	PAC not constituted
10	2014-15	54	PAC not constituted
11	2015-16	24	PAC not constituted

\*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 production of record – Rs 154.206 million**

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. Further, 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.

Various offices under the control of DCO and other DDOs did not produce record of expenditure of Rs 154.206 million incurred under different objects / codes of classification, in violation of the above rules. (**Annex – C**)

Audit is of the view that due to evasion on the part of management, record was not produced to Audit for verification as a result legitimacy of expenditure amounting to Rs 154.206 million could not be ensured.

Matter was reported to DCO and DDOs concerned in September and October, 2016. Deputy DEO (EE-W) Chistian replied that letters were issued to relevant staff for recovery. Reply of DDO was irrelevant and he was required to keep copies of bills as the bills were passed with the sanction of DDO. Deputy DEO (EE-W) Bahawalnagar replied that AEOs were directed to maintain relevant record that would be shown in next audit. MS DHQ Hospital replied that relevant officers were self DDOs and District Accounts Officer was responsible to

maintain record of gazetted officers. Reply of DDO was not tenable as budget of the concerned formation was utilized and it was responsibility of DDO to keep a copy of bills of arrears / adjustments. Remaining DDOs replied that all record was available but no record was produced to Audit for verification.

DAC in its meeting held in December, 2016 directed all DDOs to produce the record in next audit. No progress was intimated till finalization of this Report.

Audit recommends that desired record be produced for verification at the earliest and necessary action be initiated against the persons at fault who evaded provision of record, under intimation to Audit.

[PDP No. 14, 5, 9, 12, 15, 5, 23 & 30]

## 1.2.2 Irregularities & Non-Compliance

### 1.2.2.1 Unauthorized opening of tenders by incomplete Tender Board – Rs 143.239 million

According to the Government of Punjab LG & CD Department's letter No. S.O.D.G (Dev) (LG) 9-7/2009 dated 23.12.2010, District Tender Board, was constituted in all the Districts of the Punjab for issuing, receiving and opening of tenders, comprising of following members:

- |  |           |
|--|-----------|
| a. Executive District Officer of concerned department  | Convener  |
| b. Representative of Divisional Commissioner   | Member    |
| c. Representative of DCO   | -do-      |
| d. Executive District Officer (F&P) or his Representative not below the rank of District Officer | -do-      |
| e. Executive District Officer (W&S)  | -do-      |
| f. District Officer of the executing agency  | Secretary |

District Officer (Roads) issued, received and opened tenders for forty three (43) development schemes valuing Rs 143.239 million during 2015-16. Tendering process and allotment of works was held irregular as quorum of the Tender Board was not complete. Even, in some cases, representatives of Divisional Commissioner, DCO and EDO (F&P), under whose supervision the development schemes were to be implemented, did not participate in the tendering process. (**Annex – D**)

Audit is of the view that due to violation of Government instructions, tenders were opened and processed without complete Tender Board which created doubts on transparency of tendering process of schemes valuing Rs 143.239 million.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Roads) replied that all members were intimated through letters and they attended the meetings of the Board. Reply of DDO was not tenable as their signatures were not available on attendance sheets and tender registers. Even signatures of those persons were not obtained and shown to Audit at the time of DAC meeting.

DAC in its meeting held in December, 2016 directed to get the matter regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons at fault, under intimation to Audit.

[PDP No. 14]

#### **1.2.2.2 Loss due to non payment of General Sales Tax – Rs 110.535 million**

According to the Chief Commissioner Inland Revenue, Regional Tax Office Lahore's letter No. 826 dated 06.08.2013 circulated by the Government of Punjab Finance Department vide letter No. SO(Tax)1-2/97 (Pt-VIII) (P-II) dated 04.09.2013, in case of Public Works, it may be ensured that the contractors engaged made purchases only from sales tax registered persons, since contractors carrying out Government works against public tender are required to have a BOQ ( Bill of Quantity), the contracting department / organization, must require such contractors to present sales tax invoices of all the material mentioned in BOQ as evidence of its legal purchase before payment is released to them.

Two (02) DDOs working under the administrative control of EDO (W&S) Bahawalnagar incurred expenditure of Rs 735.799 million on 241 development schemes during 2015-16. DDOs cleared bills without ensuring that the contractors purchased materials from GST registered suppliers after making

payment of GST amounting to Rs 110.535 million. Moreover, relevant BOQs / GST invoices were not produced to Audit for verification. Detail is given below:

(Amount in rupees)

Sr. No.	DDOs	No. of Schemes	Total Expenditure	Amount of GST
1	DO (Buildings) Bahawalnagar	231	589,061,661	85,590,156
2	DO (Roads) Bahawalnagar	10	146,737,006	24,945,291
<b>Total</b>		<b>241</b>	<b>735,798,667</b>	<b>110,535,447</b>

Audit is of the view that due to financial indiscipline payments were made without ensuring purchases from registered suppliers which indicated loss of Rs 110.535 million (approximately) to Government.

Matter was reported to DCO and DDOs concerned in September and October, 2016. DO (Buildings) replied that most of the contractors had their own shops and in other cases they purchased materials from registered suppliers. DO (Roads) replied that contractors purchased materials from refinery and quarries after making payment of relevant taxes. Moreover, sales tax was not applicable on labour charges included in composite rates. Furthermore, contractors did not give copies of their record. Replies of DDOs were not tenable as BOQ / GST invoices or other relevant record was not shown to Audit.

DAC in its meeting held in December, 2016 directed to seek clarification from Finance Department within a month. No progress was intimated till finalization of this Report.

Audit recommends getting the irregularity condoned from the competent authority besides fixing of responsibility on the persons who cleared bills without ensuring purchases from registered suppliers, under intimation to Audit.

[PDP No. 16 & 13]



### **1.2.2.3 Irregular late issuance of work orders – Rs 74.853 million**

According to Secretary (C&W) letter No. SOH-I (C&W) 1-40/2000/3752 dated 24.02.2001, work order of accepted tender should be issued by the X-En within 12 days of opening of tenders.

DO (Buildings) Bahawalnagar issued working orders of 30 schemes valuing Rs 74.853 million during 2015-16. Issuance of work orders was delayed from 80-260 days of stipulated period of time, in violation of above rule. **(Annex – E)**

Audit is of the view that due to negligence of the management work orders were not issued within stipulated period which resulted in irregular expenditure of Rs 74.853 million.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Buildings) replied that due to rush of office assignments work orders were issued late. Reply was not tenable as issuance of work orders was also an official assignment and timely issuance was necessary for completion of works.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the Competent Authority within one month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons at fault, under intimation to Audit.

[PDP No.14]

#### **1.2.2.4 Irregular expenditure due to non-compliance of PPRA Rules – Rs 53.659 million**

According to Rules 9 and 12(1) of the Punjab Procurement Rules 2009 and Rule 12 of the Punjab Procurement Rules 2014, 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 Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time. Procurement opportunities over Rs 2,000,000 shall be advertised on the PPRA's website and in at least two national daily newspapers of wide circulation, one in Urdu and one in English.

Seven (07) DDOs working under the control of EDO (Education), EDO (Health), EDO (Agriculture) and EDO (CD) incurred expenditure of Rs 53.659 million during the years 2009-16 on purchase of stationery, medicine, furniture, printing etc. Annual requirement of procurement opportunities was neither determined at the beginning of financial years nor procurement opportunities were advertised on PPRA's website to achieve benefits of competitive bidding. Furthermore, the indents were split up in order to avoid fair tendering process. Moreover, most of the bills / invoices of suppliers were dateless and no record was produced to verify the dates of delivery. (**Annex – F**)

Audit is of the view that Government instructions were violated and fair tendering process was avoided which resulted in irregular expenditure of Rs 53.659 million.

Matter was reported to DCO and DDOs concerned in September and October, 2016. DO (Health) replied that rate contract of stated items was not finalized so the items were purchased through quotations. MS DHQ Hospital,

EDO (Health) and DO (Live Stock) replied that funds were released on quarterly basis and purchases were made on the basis of requirements. Replies of DDO were not tenable as fair tendering process was avoided. Deputy DEO (EE-W) Chistian replied that record was available. Reply of DDO was irrelevant. MS THQ hospital Minchin Abad replied that ACs were purchased through quotation process and admitted irregularity. Headmistress Special Education Centre Haroon Abad replied that all the process was completed according to PPRA Rules by EDO (CD) and record was available. Reply of DDO was not tenable as no record in support of reply was produced.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority within one month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who violated procurement rules, under intimation to Audit.

[PDP No. 09, 12, 2, 3, 8, 1 & 9]

#### **1.2.2.5 Irregular expenditure due to 2<sup>nd</sup> revision of technical estimates without approval of the Finance Department – Rs 46.393 million**

According to the Government of Punjab Finance Department letter No. F(M-1)3-2/87 (D-II) dated 19.12.1994, the department cannot revise the estimate for 2<sup>nd</sup> time without obtaining prior approval from the Finance Department.

District Officer (Roads) revised two development schemes for the 2<sup>nd</sup> time during 2015-16 without obtaining prior approval of the Finance Department in violation of above instructions resulting in irregular expenditure of Rs 46.393 million as detailed below:

(Rupees in million)

Sr. No.	Name of scheme	TS	Revised TS	No/ Date of 1 <sup>st</sup> Revised TS	2 <sup>nd</sup> Revised TS	No / Date of 2 <sup>nd</sup> Revision	Expenditure
1	Rehabilitation/ Repair of Road from Waheed Arshad Chowk to Uncle Chowk VIA Rana Atta House I/C street No. 11 & 12 and other Roads Length 8.78 KM Bahawalnagar	2.889	24.923	1042/ES, dated 05.01.2016	29.952	EDO (W&S) No. 1679/ES dated 01.06.2016	29.174
2	Construction/ widening & improvement of metalled road from Highway Sulemanki BWN outlet RD 40000 to Village Sialan via Grain Market	4.671	17.482	18.11.2015	49.379	11.03.2016	17.219
<b>Total</b>					<b>79.808</b>		<b>46.393</b>

Audit is of the view that due to violation of Government rules TS were revised 2<sup>nd</sup> time without obtaining prior approval of the Finance Department which resulted in irregular expenditure of Rs 46.393 million.

Matter was reported to DCO and DDO concerned in September, 2016. DDO replied that there was no need for approval of finance department for 2<sup>nd</sup> revision in the light of the Government of Punjab, Finance Department letter No. FD (FR)II-5/82(P-III) dated 22.05.09 and the Government of Punjab, Planning & Development, Department letter No. 12 (24) PO (COORD-II) P&D/2016 dated 02.02.2016. Reply of DDO was not tenable as both referred letters were irrelevant and related to Administrative Approval.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who violated Government instructions, under intimation to Audit.

[PDP No. 01]

### **1.2.2.6 Irregular payment of bitumen on account of surface treatment of roads – Rs 20.073 million**

According to Serial No. 8 of Chapter 18 (roads and road structure) of rate analysis issued by the Government of Punjab, Finance Department Lahore, packed bitumen was required to be utilized in surface treatment of roads. Furthermore, according to the Chief Engineer Punjab District Support & Monitoring Department, Lahore letter No. 3357-93/W(I), Dated 26.08.2015 addressed to all the EDOs (W&S) in Punjab, the chief Minister has serious concern regarding use of sub standard and smuggled Tar Coal (bitumen) in construction of road projects which results in decomposition / deterioration of the road surface leading towards decrease of normal life of the road which further leads to loss of public property and human lives besides loss of public exchequer. To curb the intentions of the contractors for use of sub standard bitumen, you are hereby directed to direct all contractors to use bitumen of approved refineries already notified by the Finance Department and payment against the bitumen related items shall not be entertained without invoices and gate passes of the approved / notified Refineries.

District Officer (Roads) allowed payment of Rs 18.303 million to the contractors of six (06) schemes during 2015-16, on account of bitumen used in surface treatment of roads, without obtaining invoices and gate passes to verify that bitumen of standard quality was used on roads. Moreover, bitumen tests were also not carried out. Situation indicated that unpacked bitumen was used but payment of packed bitumen was made and in this way excess payment of Rs 1.770 million was made to the contractors. **(Annex – G)**

Audit is of the view that due to negligence of the department, payment of bitumen was allowed without obtaining invoices and gate passes of approved refinery ensuring the use of bitumen quality which resulted in irregular expenditure of Rs 18.303 million and loss of Rs 1.770 million.

Matter was reported to DCO and DDO concerned in September, 2016. DO (Roads) replied that works executed involved small quantum of bitumen and normally contractors purchased bitumen from local dealers who purchased bitumen from approved refinery. Reply of DDO was not tenable as no satisfactory proof regarding purchase of bitumen by contractors from approved refinery was provided.

DAC in its meeting held in December, 2016 directed DO (Budget) to inquire the matter and submit report within 15 days with complete supporting documents/ evidences. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority and recovery of amount due besides fixing of responsibility on the persons at fault, under intimation to Audit.

[PDP No. 17, 18]

#### **1.2.2.7 Irregular drawl of pay and allowances due to shifting of headquarter – Rs 15.805 million**

According to the Government of Punjab, Finance Department Notification No.FD/SRIV-8-1/76(PROV) dated 16.03.1988, shifting of headquarter of a civil servant can only be allowed for a period not exceeding three months with the prior approval of Finance Department as all posts are created by the Finance Department after full justification given by the Departments. If the incumbent of the post is working other than his place of posting, it means that there is no need of such post. The proper way is that the Finance department may be approached for creation of post at required station by abolishing the corresponding post. Furthermore, according to the Government of Punjab, Health Department letter No.PA/DSA-1/3/94 dated 19.03.1994, letter No. DA/DSC/1294 dated 12.12.1995, letter No.4113-5/E dated 25.03.1998, letter No.18872-76/E dated 05.11.1996 and letter No.3961-4050/C dated 13.02.2004,

all kind of general duties were done away with direction that if any person was found on general duty, his absence should be considered along with disciplinary action.

Thirty five (35) employees working under the control of following seven DDOs were posted temporarily for the period of more than three months in violation of above rules. DDOs neither cancelled their orders of temporary duty nor approval of the Finance Department was obtained in this regard and they were allowed to draw pay without performing duties of the post. Detail is given below:

(Amount in rupees)

Sr. No.	DDOs	No. of Employees	Period	Amount
1	RHC Macleod Gunj	7	2013-16	1,335,000
2	DO (Health) Bahawalnagar	14	2015-16	7,233,302
3	DHQ Hospital Bahawalnagar	6	2015-16	2,334,298
4	RHC Shehr Farid	5	2011-16	2,457,839
5	MS THQ Hospital Minchin Abad	1	2014-15	1,074,320
6	EDO (F&P) Bahawalnagar	1	2011-16	1,002,000
7	Principal Nursing School Bahawalnagar	1	2014-16	367,924
<b>Total</b>		<b>35</b>		<b>15,804,683</b>

Audit is of the view that due to violation of Government rules, general duties were not cancelled by the authorities which resulted in irregular expenditure on pay and allowances of Rs 15.805 million.

Matter was reported to DCO and DDOs concerned in September and October, 2016. DO (Health), MS DHQ Hospital and MS THQ Hospital Minchin Abad replied that officials were temporarily attached with the other institutions due to rush of work and requests were sent to the concerned authorities for cancellation of general duties. SMO RHC Sheher Farid and SMO RHC Macleod Gunj replied that EDO (Health) ordered the general duties and the same was requested for cancellation. EDO (F&P) replied that the temporary duty of the official was cancelled. Principal Nursing School Bahawalnagar replied that said

official was directed to report back. Replies of DDOs were not tenable as period of temporary posting was more than three months and no evidences regarding cancellation of general duties and their attendance at their original place of posting were produced.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority within one month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons at fault, under intimation to Audit.

[PDP No. 4, 5, 12, 2, 21, 2&8]

#### **1.2.2.8 Unauthorized retention and refund of Additional Performance Securities before prescribed period - Rs 10.559 million**

According to Section 107 (3)(b) of Punjab Local Government Ordinance 2001, all refundable deposits received by a Local Government shall be credited to Public Account of the respective Local Government. Further Section 108 of ibid states that money credited to Public Account shall be kept in State Bank, Government Treasury, a Post Office or a bank as specified by the Government from time to time and shall be operated through Accounts Officials. Further, according to the Government of Punjab Notification No. RO (Tech) FD 1-2/2010 dated 04.09.2012, performance security deposit / additional performance security deposit lodged by a contractor (in cash or / other form) shall be refunded to him after expiry of three months after issuance of the certificate of completion of work under Clause 40 hereof by the Engineer-in-charge, or along with the final bill if it is proposed after that period on account of some unavoidable circumstances.



District Officer (Buildings) collected additional performance securities amounting to Rs 10.559 million from the contractors whose bids were below 5 per cent in respect of 21 development schemes but kept the same in hand and did not deposit into treasury during 2015-16. Further, the securities were refunded / released to the contractors before the prescribed period of three months after completion, in violation of above instructions.

Audit is of the view that due to financial indiscipline, performance securities were kept in hand and refunded prior to the prescribed period which resulted in unauthorized release / refund of performance securities amounting to Rs 10.559 million.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Buildings) replied that the additional performance security, collected in shape of CDRs were kept in hand and refunded as additional performance security was renamed as performance guarantee to ensure the quality of work. Reply of DDO was not tenable as securities were not deposited in treasury and were released before prescribed period of time.

DAC in its meeting held in December, 2016 directed to get the irregularity condoned from the competent authority within one month. No progress was intimated till finalization of this Report.

Audit recommends regularization from the competent authority besides fixing of responsibility on the persons who violated Government rules, under intimation to Audit.

[PDP No. 2 & 3]

### **1.2.2.9 Irregular expenditure on pay and allowances due to erratic posting – Rs 7.017 million**

According to the Government of Punjab, Health Department, letter No.SO (NC) 25-36/14 dated 27.08.2014, all transferring authorities will ensure that no erratic posting will be made.

SMO RHC Sheher Farid incurred expenditure of Rs 7.017 million on pay and allowances of four (04) dispensers who were posted erratically against the posts of Rural Health Inspectors in violation of above rules.

Audit is of the view that erratic posting was allowed in violation of Government instructions which resulted in irregular expenditure of Rs 7.017 million.

Matter was reported to DCO and DDO concerned in September, 2016. SMO RHC Sheher Farid replied that EDO (Health) was requested to regularize the expenditure and to post incumbents at their original posts.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority besides posting of incumbents at their original posts within 15 days. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority and posting of incumbents on their original posts besides fixing of responsibility against the persons who violated Government instructions, under intimation to Audit.

[PDP No. 19]

### **1.2.2.10 Doubtful expenditure on account of POL – Rs 4.339 million**

According to Rule 2.10 (b) (3) of the PFR Vol-1, no charges / claims of previous years should be allowed to stand over to be paid from the grant of another year.

MS THQ Hospital Minchin Abad cleared pending liabilities of Rs 4.339 million on account of POL of previous years during 2014-16 without mentioning reasons for delayed clearance. Moreover, log books were not produced to verify entries of POL, in the absence of which chances of misappropriation / double drawl could not be ruled out.

Audit is of the view that due to violation of Government rules, pending liabilities were cleared from current allocation and relevant record was not produced to Audit for verification which created doubts on legitimacy of expenditure amounting to Rs 4.339 million.

Matter was reported to DCO and DDO concerned in October, 2016. MS THQ Hospital Minchin Abad replied that due to shortage of funds in past, liabilities were created which were cleared after fulfilling all codal formalities. Reply of DDO was not tenable as no record was produced to Audit for verification.

DAC in its meeting held in December, 2016 directed DO (Budget) to inquire the matter and report within one month. No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings, under intimation to Audit.

[PDP No. 17]

### 1.2.2.11 Irregular expenditure on Civil Works – Rs 4.250 million

According to Rule 11(a) of District Government Rules of Business 2001, “Works & Services Department was responsible for Planning, designing, construction, equipment, maintenance and repairs of all Government Buildings, residential and non-residential including rest houses”.

EDO (Education) provided funds of Rs 5.034 million to three Government schools on account of construction of boundary walls during 2015-16. Management of those schools incurred expenditure of Rs 4.250 million through SMCs despite the fact that SMCs were not authorized to carry out development activities and DO (Buildings) was responsible to execute development works (Deposit works). Moreover, technical estimates were not prepared and got approved from any authority and fair tendering process was avoided. Furthermore, muster roll and any other appropriate record was not maintained for labor charges / wages paid to masons and workers. Detail is given below:

(Amount in rupees)

Sr. No.	Name of schools	Total Expenditure
1	Govt. Boys High School Jand Wala	700,000
2	Govt. Girls Primary School Chak no. 107/6R Haroon Abad	400,000
3	Govt. boys high schools 132/6R, Haroon Abad	3,150,203
	<b>Total</b>	<b>4,250,203</b>

Audit is of the view that due to negligence, development works were got executed from private persons and violating the Government rules resulted in irregular expenditure amounting to Rs 4.250 million.

Matter was reported to DCO and DDO concerned in October, 2016. EDO (Education) replied that relevant taxes were deposited. Reply of DDO was not tenable as Government rules were violated and works were not carried out as deposit works.

DAC in its meeting held in December, 2016 directed to get the matter regularized from the competent authority within one month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who violated Government rules, under intimation to Audit.

[PDP No. 10 &14]

### **1.2.2.12 Irregular expenditure due to grant of Technical Sanctions by incompetent authority – Rs 3.702 million**

According to Sr. No.1(C) of Special Powers delegated to the officers of Communication & Works Department under the Delegation of Financial Power Rules 2006, powers to sanction estimates for ordinary and special repair of residential buildings is as under:

i)	Administrative Department	Full Powers
ii)	Chief Engineer	Upto Rs. 0.300 million in each case
iii)	Superintending Engineer	Upto Rs 60,000/- in case of each building during a year
iv)	Executive Engineer	Upto Rs 30,000/- in case of each building during a year

District Officer (Buildings) granted Technical Sanctions amounting to Rs 3.740 million on account of repair (Improvement / Renovation) of residential buildings and incurred expenditure of Rs 3.702 million on those schemes during 2015-16. The sanctions were irregular as DDO was not competent enough to accord those sanctions and sanctions from higher authority were avoided in violation of above rule. **(Annex – H)**

Audit is of the view that due to violation of Government rules, technical sanctions were granted by incompetent authority which resulted in irregular expenditure of Rs 3.702 million.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Buildings) replied that estimates were prepared against new schemes but payments were allowed from budget of repair and maintenance of Government buildings. Reply of DDO was not tenable as sanctions were accorded from incompetent authority.

DAC in its meeting held in December, 2016 directed to get expenditure regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who accorded irregular sanctions, under intimation to Audit.

[PDP No. 1]

### **1.2.2.13 Irregular appointment and expenditure on pay and allowances – Rs 2.971 million**

According to terms and conditions of the appointment letter, the appointee was required to join within 7 days of issuance of this letter otherwise this offer will be deemed cancelled.

A PTC teacher working under the administrative control of Deputy DEO (EE-W) Minchin Abad was appointed on 28.09.1993 who joined duty on 01.08.1994 (after lapse of one year). Her service record, reasons of late joining, approval of competent authority for late joining and medical fitness certificate were not on record. Furthermore, she was frequently transferred and adjusted and posted in different schools for five times within one year of joining which created doubts on her appointment. Deputy District Education Officer (EE-W) Minchin Abad incurred expenditure of Rs 2.971 million on pay and allowances of teacher during 1993-2016. (**Annex – I**)

Audit is of the view that due to evasion on the part of management desired record was not produced to Audit which resulted in doubtful appointment and expenditure of Rs 2.971 million.

Matter was reported to DCO and DDO concerned in October, 2016. Deputy DEO (EE-W) Minchin Abad replied that the teacher was asked to explain her position. Reply of DDO was not tenable as DDO was responsible to justify the matter and produce relevant record.

DAC in its meeting held in December, 2016 directed DMO to inquire the matter and submit report within fifteen (15) days with complete supporting evidences / record. No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings, under intimation to Audit.

[PDP No. 11]

#### **1.2.2.14 Unauthorized expenditure due to appointment of PTC teachers below prescribed qualification – Rs 2.747 million**

According to letter No. SOR-III-1-20/95 dated 01.02.1997; issued by S&GAD, the Government of Punjab, prescribed qualification for the post of PTC teacher was enhanced from Matric / PTC to F.A / PTC and advance increments on higher qualification were admissible if the qualification was above the prescribed qualification required for the post.

Two (02) PTC teachers working under the control of Principal Government High School 132/6-R Haroon Abad were appointed on the basis of Matric and PTC (during the year 1997) despite the fact that required qualification for that post was enhanced from Matric and PTC to F.A and PTC. Recruitment of persons who did not meet prescribed qualification and expenditure of Rs 2.747 million on their salary was held unauthorized.

Audit is of the view that due to negligence of the management, persons who did not meet prescribed criteria were recruited and expenditure of Rs 2.747 million was incurred on their pay and allowances.

Matter was reported to DCO and DDO concerned in October, 2016. Principal Government High School 132/6-R replied that the qualification for the post of PTC was enhanced w.e.f. 01.02.1997 but the letter was received late i.e. 18.03.1997. Reply was not tenable as qualification of the post was enhanced by Finance Department w.e.f. 01.02.1997.

DAC in its meeting held in December, 2016 directed to get the matter regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who violated Government rules, under intimation to Audit.

[PDP No. 4]

#### **1.2.2.15 Irregular expenditure due to appointment on leave vacancy – Rs 2.707 million**

According to terms and conditions of the letters of appointments dated 23.08.1989, 02.12.1989 and 21.05.1990, service of the appointee will automatically be terminated on the joining of permanent incumbent in case of leave vacancy arrangement and non continuity of budget in case of SNE post .

A PTC teacher working under the administrative control of Head Master Government High School 132/6-R Haroon Abad was appointed by DEO (EE-M) Haroon Abad on 23.08.1989 against a leave vacancy for the period up to 03.12.1989. One day before termination of period of contract, the same authority adjusted him against another post which became vacant due to leave of relevant employee and relevant person was again adjusted against newly created post of a



project with the condition that appointment will be terminated in case the budget for said post is not continued in future. Later on, said employee was adjusted in the same school against a permanent post, granted advance increments and promotion as well. DDO incurred expenditure of Rs 2.707 million on pay and allowances of said employee during 1989-2016.

Audit is of the view that due to wilful negligence, undue favour was extended and unauthorized appointment / adjustment was made which resulted in irregular expenditure of Rs 2.707 million.

Matter was reported to DCO and DDO concerned in September, 2016. Head Master Government High School 132/6-R replied that the appointment was made on the recommendations of then Minister of Education. Reply of DDO was not tenable as services against leave vacancy and SNE post could not be made permanent.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends obtaining relaxation of rules and regularization of expenditure from the competent authority besides fixing of responsibility on the persons who illegally continued / adjusted the employee, under intimation to Audit.

[PDP No. 5]

#### **1.2.2.16 Unauthorized expenditure due to appointment of teachers below prescribed qualification – Rs 2.482 million**

According to the Government of Punjab, Finance Department Notification No. FD.PC. 2 – 1 / 83 dated 25.08.1983, “prescribed qualification for the posts of EST, PET and D.M was FA/F.Sc with diploma in relevant field”.

A teacher working under the control of Head Master Government Boys High School Chak No.132/6-R, Haroon Abad, was appointed as Elementary School Teacher (EST) appointed in November, 1987 on the basis of Matric despite the fact that prescribed qualification for these posts was FA/F.Sc. with diploma in Technical Education. Recruitment of persons who did not possess the prescribed qualification was unauthorized which resulted in irregular expenditure of Rs 2.482 million on account of pay and allowances. (**Annex – J**)

Audit is of the view that persons who did not meet prescribed qualification were recruited in violation of the Government rules which resulted in unauthorized recruitment and expenditure on pay and allowances amounting to Rs 2.482 million.

Matter was reported to DCO and DDO concerned in October, 2016. DDO replied that EST teachers appointed after 1983 were also eligible for the post of SST Technical (BPS-16) having qualification of Matric with Diploma in Industrial Arts rather than EST. Whereas letter of enhancement of qualification of PTC teachers was received by DDO in March, 1997. Reply of DDO was not tenable as the teacher was appointed as EST and he did not meet prescribed qualification for that post.

DAC in its meeting held in December, 2016 directed to get the matter regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides obtaining relaxation of rules and fixing of responsibility on the persons who violated recruitment rules, under intimation to Audit.

[PDP No. 2]

**1.2.2.17 Doubtful expenditure on account of entertainment charges – Rs 2.293 million**

According to Rule 32 of the PLGO, 2001, read with Rule 2.10(a)(1) of the PFR Vol-1, same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of expenditure of his own money.

DCO Bahawalnagar incurred expenditure of Rs 2.293 million on account of entertainment charges during 2015-16. Expenditure was not justified as detail of meetings and number of participants and their detail was not on record. Furthermore, lump sum bills were prepared instead of rate per person and same items were shown purchased again and again after short intervals of time.

Audit is of the view that due to negligence of the management, expenditure was incurred without maintenance of appropriate record which created doubts on legitimacy of expenditure amounting to Rs 2.293 million.

Matter was reported to DCO in November, 2016. DDO replied that almost all the meetings were called telephonically, refreshment was arranged for the meetings and all the record of attendance was available. Reply of DDO was not tenable as no supporting record was produced.

DAC in its meeting held in December, 2016 directed to get the relevant record verified within one week. No progress was intimated till finalization of this Report.

Audit recommends provision of relevant record or regularization of expenditure from the competent authority within a month, under intimation to Audit.

[PDP No. 11]

### 1.2.2.18 Irregular expenditure on purchase of stationery - Rs 2.003 million

According to Rule 2 (b) (i) (iii) of the Punjab Delegation of Financial Power Rules 2006, officers in category-II were competent to sanction expenditure of Rs 300,000 per annum on account of purchase of “Stationery.”

Two (02) DDOs working under the administrative control of EDO (Health) incurred expenditure of Rs 2.003 million on account of purchase of stationery during 2015-16. Expenditure was held irregular as DDOs were not competent to sanction expenditure of more than Rs 300,000 per annum. Detail is given below:

(Amount in rupees)

Sr. No.	DDOs	Category of Officer	Amount
1	DO (Health) Bahawalnagar	Category-II	1,251,217
2	MS DHQ hospital	Category-II	751,380
<b>Total</b>			<b>2,002,597</b>

Audit is of the view that due to financial indiscipline, expenditure beyond the delegated financial powers was incurred.

Matter was reported to DCO and DDOs concerned in October, 2016. DDOs replied that funds were released in various DDO codes and expenditure was incurred according to the demand and available budget. Replies of DDOs were not tenable as expenditure incurred was in excess of the powers delegated under the delegation of financial power rules.

DAC in its meeting held in December, 2016 directed to get the irregularity condoned from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who violated the Government rules, under intimation to Audit.

[PDP No. 11 & 3]

#### **1.2.2.19 Unjustified retention of unclaimed securities – Rs 1.764 million**

According to Rule 12.7 of the PFR Vol-1, read with Section 399(1) of CPWA, all balances unclaimed for more than three complete account years will, at the close of June in each year, be credited to the Government by means of transfer entries as lapsed deposit.

District Officer (Buildings) did not credit unclaimed security deposits of Rs 1.764 million during 2015-16, pending since last three years, into the Government treasury in violation of above rule.

Audit is of the view that due to negligence of the management and non-compliance of prevailing rules, unclaimed security deposits were not credited into the Government treasury which resulted in loss of Rs 1.764 million.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Buildings) replied that District Government setup was running on cash basis and there was no system defined for adjustment of lapsed securities. Moreover, several contractors were approaching the said office for release of securities lying with the department. Reply of DDO was not tenable as the security deposits were neither refunded to contractors nor credited into Government treasury.

DAC in its meeting held in December, 2016 directed to intimate the relevant contractors to get their securities refunded (if nothing was payable by them) within a month and all unclaimed securities pending since last three years

be credited into Government treasury. No progress was intimated till finalization of this Report.

Audit recommends crediting unclaimed securities into Government treasury, under intimation to Audit.

[PDP No. 04]

### 1.2.2.20 Irregular expenditure due to excess consumption of POL – Rs 1.552 million

According to Letter No. DCO/DNC/2512-13 dated 06.07.11 issued by DCO Bahawalnagar ceiling of POL consumption was fixed for the officers provided with official vehicle is as under:

Officers BPS-18	=	150 Liters
Officers BPS-17	=	100 Liters

Moreover, a letter bearing No. DCO/DNC/1241 dated 02.04.13 was circulated by DCO stating that the instructions conveyed in the above referred letter may be adhered to in letter and spirit.

DO (Agriculture) Bahawalnagar and Deputy DO (Agriculture) Haroon Abad did not observe instructions of DCO circulated vide above referred letters and consumed POL during 2011-16 in excess of the ceiling fixed for the purpose resulting in irregular expenditure of Rs 1.552 million. Detail is given below:

(Amount in rupees)					
Sr. No.	DDOs	POL Used (Liters)	POL to be used (Liters)	Excess (liters)	Amount
1	DO Agriculture (Extension)	17295	6900	10395	1,043,205
2	Dy. DO Agriculture (Extension) Haroon Abad	14662	8700	5962	509,176
<b>Total</b>		<b>31957</b>	<b>15600</b>	<b>16357</b>	<b>1,552,381</b>

Audit is of the view that due to financial indiscipline, POL was consumed in excess of ceiling violating instructions which resulted in irregular expenditure of Rs 1.552 million.

Matter was reported to DCO and DDOs concerned in October, 2016. DO (Agriculture) replied that vehicle was extensively used for routine and special field tasks in the whole district due to which ceiling fixed by DCO could not be followed. Deputy DO (Agriculture) Haroon Abad replied that the ceiling was not applicable as DDO had to execute various development schemes and performed various routine and special tasks throughout the tehsil. Replies were not tenable as officers did not observe ceiling fixed by DCO in any manner.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides taking necessary action against the persons who incurred excessive expenditure, under intimation to Audit.

[PDP No. 1 & 1]

#### **1.2.2.21 Misclassification of expenditure – Rs 1.407 million**

According to Rule 12 (5) of Local Government Accounts Manual “the expenditure shall be classified by major, minor and detailed object. Object element enables the collection and classification of expenditure transactions into account heads relating to nature of item”. Moreover, the classification of accounts shall be used in Local Government accounts as prescribed by the Auditor General of Pakistan under Rule 12 (9) of the above manual.

Executive District Officer (Health) and MS THQ hospital Minchin Abad incurred expenditure of Rs 1.407 million during 2014-16 on various

account heads. Expenditure was misclassified and incurred from irrelevant account heads. (**Annex – K**)

Audit is of the view that due to financial indiscipline, expenditure was incurred from incorrect object head which resulted in irregular expenditure of Rs 1.407 million.

Matter was reported to DCO and DDOs concerned in October, 2016. EDO (Health) replied that due to release of insufficient funds in relevant heads, expenditure was met out from other heads having funds by misclassification. MS THQ Hospital Minchin Abad replied that the purchases were made after fulfilling all codal formalities. Replies of DDOs were not tenable as expenditure was misclassified and incurred from irrelevant heads of accounts.

DAC in its meeting held in December, 2016 directed to get the expenditure regularized from the competent authority within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing of responsibility on the persons who violated Government rules, under intimation to Audit.

[PDP No. 1 & 6]



### **1.2.3 Internal Control Weaknesses**

#### **1.2.3.1 Loss due to incorrect measurements and payment of brick work – Rs 27.325 million**

According to chapter 7 (brick work) of MRS and the Technically Sanctioned Estimates, A-class bricks having size 9” x 4.5” x 2.25” is to be used during execution of brick work. Moreover, according to para 4.8 of PWD Code and Rule 7.17(b) of Departmental Financial Rules, all measurements recorded in the M.B shall be accurate with complete facts, figures, locations and based on actual execution of work. Furthermore, according to addendum and Corrigendum No. 13 dated 1st July, 1980, issued by the Finance Department nominal thickness i.e. 0.364 feet of bricks is to be taken for the purpose of measurements.

District Officer (Buildings) Bahawalnagar incurred expenditure of Rs 27.325 million on account of brick work of 226 development schemes executed during 2015-16. Expenditure was not justified as the lab test reports indicated that size of the bricks used was less than the size specified in the technical estimates. While measuring quantities of brick work executed, instead of taking actual width of walls, it was taken as of bricks of standard size. As a result, 174,598 Cft of brick work was excessively measured and paid.

Audit is of the view that due to financial indiscipline, brick work was excessively measured and paid which resulted in loss of Rs 27.325 million to the Government.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Buildings) replied that payment on account of pacca brick work was made by measuring length, breadth and height of wall rather than number of bricks. Reply of DDO was not tenable as width of walls was less than actual (as width of bricks used was less than standard size).

DAC in its meeting held in December, 2016 directed DO (Planning) to investigate the matter and submit report within fifteen (15) days with complete evidences. No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings besides fixing of responsibility on the persons who excessively measured brick work and made payment, under intimation to Audit.

[PDP No. 18]

### **1.2.3.2 Likely misappropriation of POL of generators – Rs 17.281 million**

According to Rule 2.33 of PFR Vol-1, “every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.”

MS THQ Hospital Minchin Abad incurred expenditure of Rs 17.281 million on account of POL of electric generator during 2014-16. Expenditure was not justified as generator worked for 2,083 hours whereas POL for 8,220 hours was claimed and paid. Furthermore, load shedding of electricity was shown for 10-11 hours daily whereas load shedding schedule of MEPCO indicated short fall of electricity for 6 hours per day during that period.

Audit is of the view that due to malafide intention of the management POL of generator was excessively claimed and paid which resulted into loss of Rs 17.281 million to Government.

Matter was reported to DCO and DDO concerned in October, 2016. MS THQ Hospital Minchin Abad replied that all the allied record was available

relating to POL. Reply of DDO was not tenable as physical inspection of meter indicated that the generator worked for 2,083 hours only and no record was produced for verification.

DAC in its meeting held in December, 2016 directed to produce relevant record within one week or initiate recovery within 15 days. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 17.281 million from the concerned besides fixing of responsibility on the persons at fault, under intimation to Audit.

[PDP No. 12]

### **1.2.3.3 Non Recovery of Pension Contribution - Rs 17.186 million**

According to the Government of Punjab, LG&CD Department's letter No.LCS (Acctt-Misc) 2(6)/80 dated 18.06.2011; the Local Governments shall pay pension contribution @50 per cent of the basic pay of LCS employees.

EDO (F&P) Bahawalnagar did not receive and deposit pension contribution amounting to Rs 17.186 million, in respect of employees of Defunct Zila Council during 2015-16, in violation of above rule.

Audit is of the view that due to negligence of the management, pension contribution of employees of Defunct Zila Council was not recovered / received which resulted in non deposit of Rs 17.186 million.

Matter was reported to DCO and DDO concerned in November, 2016. EDO (F&P) replied that letters were issued to concerned department for deposit of pension contribution.

DAC in its meeting held in December, 2016 directed to recover the amount within 15 days. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 17.186 million from concerned, under intimation to Audit.

[PDP No. 1, 2 & 3]

#### **1.2.3.4 Loss due to unauthorized payment of Conveyance Allowance – Rs 14.362 million**

According to Rule 1.15 of the Punjab Travelling Allowance Rules 1976, Conveyance Allowance is not admissible during any kind of leave except casual leave. Moreover, according to the Government of Punjab, Finance Department letter No. 106 I-SO (SR) IV/7 dated 18.08.1977, Conveyance Allowance is not admissible during vacations. Furthermore, according to clarification issued by the Government of Punjab, Finance Department letter No.FD.SR 1.9.4/66(P) (PR) dated 21.04.2013, Conveyance Allowance is not admissible to any officer who is availing the facility of official vehicle either sanctioned or on pool w.e.f. 01.03.2014.

Ten (10) DDOs working under the control of EDO (Education) and EDO (Health) paid Conveyance Allowance amounting to Rs 14.362 million to 3,357 employees during 2014-16. Expenditure was not admissible during the period of leave and vacations. Furthermore, payment was also made to employees having facility of Government vehicles. (**Annex – L**)

Audit is of the view that due to violation of Government rules, Conveyance Allowance was paid during the period of leave / vacations and to the employees having Government vehicles which resulted in loss of Rs 14.362 million.

Matter was reported to DCO and DDOs concerned in September and October, 2016. DO (Health) replied that motorcycles were being used for official purposes only. Reply was not tenable as the matter had already been clarified by the Finance Department. MS THQ hospital Minchin Abad replied that leaves

were sanctioned by the competent authority. Reply was irrelevant because no payment of allowance was admissible during leave periods. Remaining DDOs replied that efforts were being made to effect recovery.

DAC in its meeting held in December, 2016 directed DDOs to effect recovery and report within 15 days. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 14.362 million from the concerned besides fixing of responsibility on the persons who made inadmissible payments, under intimation to Audit.

[PDP No. 2, 1, 3, 1, 3, 1, 2, 3, 7 & 4]

#### **1.2.3.5 Loss due to use of substandard bricks – Rs 7.185 million**

According to Chapter 7 (brick work) of MRS, the composite rate shall be reduced by 7 per cent and 14 per cent, if 2nd or 3rd class bricks were used and standard size of bricks is 9” x 4.5” x 2.25”.

District Officer (Buildings) Bahawalnagar executed brick work of 1,303,528 CFT in 223 development schemes during 2015-16. Lab test reports of bricks used indicated that almost 50 per cent of the bricks did not have required compressive strength of 2000 PSI (Pounds per Square Inch). Moreover, lab test reports indicated that samples of bricks were provided by the staff of DO (Buildings). As a result, the samples were biased / not random. Furthermore, in some cases, size of bricks used was less than the standard size. The situation indicated 50 per cent bricks used were substandard (as they were not on standard size and pertained to 2<sup>nd</sup> or 3<sup>rd</sup> class category) and the composite rates of brickwork were not reduced by at least 7 per cent resulting in excess payment of Rs 7.185 million in violation of above cited rule.

Audit is of the view that due to negligence of the management, substandard bricks were used but payment of 1<sup>st</sup> class bricks was made which resulted in loss of Rs 7.185 million.

Matter was reported to DCO and DDO concerned in October, 2016. DO (Buildings) replied that the quality of brick work depended upon the absorption and crushing strength not the class of bricks and the quantity was got executed at site by using cement sand mortar in excess which was more costly than that of bricks. Reply of DDO was not tenable as average compressive strength of 1<sup>st</sup> class bricks was 2000 PSI whereas bricks having compressive strength of less than 2000 PSI were used in construction work.

DAC in its meeting held in December, 2016 directed DO (Budget) to investigate the matter and report within a month. No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings and recovery of Rs 7.185 million from the concerned besides taking disciplinary action against the persons who used substandard bricks, under intimation to Audit.

[PDP No. 19]

#### **1.2.3.6 Abnormal delay in completion of projects and non-imposition of penalty – Rs 6.974 million**

According to Clauses 37 and 39 of the contract agreement, the contractor shall apply in writing within 30 days of the date of unavoidable circumstances, the full and detailed particulars of the claim on account of which he desires time extension. He shall pay, as compensation, an amount equal to one per cent of the amount of contract, subject to maximum of 10 per cent of the estimated cost of work that the work remains unfinished if that is not completed within stipulated period of time and delay is due to his fault. Moreover, according

to the Government of Punjab, C&W Department's Letter No. S.O.E (C&W) F-911 dated 28.04.2009, "a copy of the extension order shall be endorsed to Superintending Engineer, Chief Engineer and Special Secretary C&W, for their information and record."

DO (Buildings) allotted 80 development projects valuing Rs 195.350 million to various contractors. The contractors did not work with the desired pace during 2015-16 and abnormally delayed completion of those projects in violation of the terms of agreements. District Officer did not take appropriate action to improve the pace of work. The contractors were also granted undue favour and penalty of 1-10 per cent of contract price amounting to Rs 6.974 million was not imposed on the concerned contractors even though in most of the cases they were neither granted time extension nor their requests for the same were on record and in remaining cases, time extension was granted on grounds which were not justified. Furthermore, copies of time extension granted, were not forwarded to Superintending Engineer, Chief Engineer and Special Secretary C&W for their information and record in violation of C & W Department letter referred above. Detail is given below:

**(Amount in rupees)**

Sr. No.	DDO	No. of Projects	Estimated Costs of the Projects	Amount of Penalty	Remarks
1	DO (Buildings) Bahawalnagar	66	138,033,601	1,242,555	Penalty Imposed less than 1% of agreement amount
		14	57,316,000	5,731,600	Penalty no yet imposed
<b>Total</b>		<b>80</b>	<b>195,349,601</b>	<b>6,974,155</b>	

Audit is of the view that due to negligence of management, completion of development projects was delayed and due amount of penalty was not imposed on the contractors which resulted in loss of Rs 6.974 million.

Matter was reported to DCO and DDO concerned in September, 2016. DO (Buildings) replied that a few schemes were under process and penalty would be imposed (if applicable) on receipt of complete case whereas penalties were

imposed on the contractors of remaining schemes and time extension was granted under rules. Replies of DDO were not tenable as prescribed procedure for time extension was not followed i.e. contractors did not apply for extension well before time i.e. 30 days before due date of completion, applications for time extension were not entered in diary register, copies of time extension were not endorsed to relevant authorities (Chief Engineer, Special Secretary etc.). Moreover, penalty imposed was less than 1 per cent of contract price.

DAC in its meeting held in December, 2016 directed to regularize the expenditure for non adopting proper procedure, recovery of penalty and to seek clarification from the Finance Department for imposition of minimal amount of penalties within a month. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure and recovery of Rs 6.974 million from the concerned besides taking disciplinary action against the persons at fault, under intimation to Audit.

[PDP No. 11 & 21]

#### **1.2.3.7 Encroachment of Government/State land – Rs 6.133 million**

According to Rule 4 (k) of the PLG (Property) Rules, 2003, the manager shall be vigilant and check encroachments or wrongful occupations on property and in case there is any encroachment or wrongful occupation, take necessary steps for the removal thereof.

DCO Bahawalnagar and Deputy DEO (EE-W) Chistian did not take steps for vacation of Government / State land from illegal occupants during 2015-16 despite the fact that land valuing Rs 6.133 million was unlawfully occupied / encroached by illegal occupants. (**Annex – M**)



Audit is of the view that due to negligence of the management, valuable Government/State land was encroached by public.

Matter was reported to DCO and DDOs concerned in September, 2016. DDOs replied that process was initiated for getting the land vacated from illegal occupants.

DAC in its meeting held in December, 2016 directed to expedite the matter and get the state land vacated within one month. No further progress was intimated till finalization of this Report.

Audit recommends vacating the Government / State land from the occupants besides taking appropriate action against illegal occupants, under intimation to Audit.

[PDP No. 4 & 1]

#### **1.2.3.8 Loss due to non deduction of various allowances from residents of the Government residences – Rs 4.884 million**

According to Para 6 of the Government of Punjab Finance Department letter No. FD(M-1)-15/82-P-1 dated 15.01.2000, in case of designated residence, the officer/official for which the residence is meant for cannot draw house rent allowance and will have to pay 5 per cent of house rent even if he does not avail the facility. Further according to the Para No. 4 of the Government of Punjab Finance Department letter No. FD.S.R-I 9-4/86 (P) PR dated 04.12.12, it is clarified that the employees who are residing in the residential colonies situated within work premises are not entitled to the facility of Conveyance Allowance.

Five (05) DDOs of Health Department did not deduct the house rent allowance, repair and maintenance charges and conveyance allowance amounting to Rs 4.884 million during 2014-16 from the allottees of sixty nine (69)

Government residences or from the persons having residences within premises of the office, in violation of above rules. Detail is given below:

**(Amount in rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Residences</b>	<b>Amount</b>
1	DO (Health) Bahawalnagar	17	1,057,425
2	DO (Health) Bahawalnagar	31	1,411,583
3	DHQ Hospital Bahawalnagar	6	768,570
4	RHC Shehr Farid	6	628,394
5	MS THQ Hospital Minchin Abad	9	1,018,522
<b>Total</b>		<b>69</b>	<b>4,884,494</b>

Audit is of the view that due to negligence of the management various allowances were not recovered from the occupants of Government residences which resulted in loss of Rs 4.884 million.

Matter was reported to DCO and DDOs in September and October, 2016. DO (Health) and MS DHQ hospital replied that the DAO Bahawalnagar was requested to recover the amount from the monthly salaries. SMO RHC Sheher Farid replied that the concerned were directed for recovery of objected amount whereas five quarters were not fit for residence. MS THQ hospital Minchin Abad replied that Deputy Medical Superintendent of the hospital was directed to inquire the matter.

DAC in its meeting held in December, 2016 directed to effect recovery from the concerned. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 4.884 million from the concerned besides fixing of responsibility on the persons who did not recover amount due, under intimation to Audit.

[PDP No. 4, 13, 33, 4 & 5]

### 1.2.3.9 Loss due to non recovery of penal rent from unauthorized occupants – Rs 4.551 million

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

Twelve (12) residences of five (05) offices were occupied by persons who were not employees of those departments whereas occupied residences were meant for the staff. Moreover, penal rent amounting to Rs 4.551 million was not recovered from unauthorized occupants, in violation of above rules. Detail is given below:

(Amount in rupees)

Sr. No.	DDOs	No. of Residences	Period	Amount
1	RHC Meclod Gunj	5	2012-16	917,171
2	DHQ Hospital Bahawalnagar	1	2012-16	762,105
3	RHC Shehr Farid	1	2011-16	2,003,436
4	MS THQ Hospital Minchin Abad	1	2014-16	239,394
5	DO (Buildings) Bahawalnagar	4	2015-16	628,740
<b>Total</b>		<b>12</b>		<b>4,550,846</b>

Audit is of the view that due to negligence of the management, residences were occupied by unauthorized persons and penal rent was not recovered from them which resulted in loss of Rs 4.551 million.

Matter was reported to DCO and DDOs concerned in September 2016. DO (Buildings) and MS THQ hospital Minchin Abad hospital replied that efforts were being made to get the residences vacated. Remaining DDOs replied that efforts were being made to recover the amount due.

DAC in its meeting held in December, 2016 directed DDOs to recover penal rent from the concerned besides vacation of residences from unauthorized occupants and allotment of those to relevant employees. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 4.551 million besides vacating the residences from unauthorized occupants and allotment of those to relevant employees besides fixing of responsibility on the persons at fault, under intimation to Audit.

[PDP No. 3, 17, 7, 20 & 28]

### **1.2.3.10 Excess drawl of pay and allowances after regularization - Rs 3.992 million**

According to the Government of Punjab, S&GAD letter No.DS (O&M) (S&GAD) 5-3/2013 dated 01.03.2013, the Chief Minister, Punjab order for regularization of employees recruited on contract basis in BS-1 to 15 working in various Government Departments of the Punjab. Further as per terms and conditions of regularization, the pay of the official was to be re-fixed at the initial of the scale and SSB was not admissible to them.

Eight (08) DDOs working under the administrative control of EDO (Education) and EDO (Health) regularized the services of 108 officials / teachers who were working on contract basis but recovery of Social Security Benefit, Group Insurance, Benevolent Fund and other allowances was not made from them resulting in excess payment of Rs 3.992 million in violation of terms and conditions of regularization. Detail is given below:

**(Amount in rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Employees</b>	<b>Period</b>	<b>Amount</b>	<b>Remarks</b>
1	Head Master GBHS 132/6-R, Haroon Abad	08	2001-16	226,278	SSB and other allowances
2	SMO RHC Melod Gunj	05	2012-16	288,000	SSB after regularization

Sr. No.	DDOs	No. of Employees	Period	Amount	Remarks
3	MS DHQ Hospital Bahawalnagar	04	2015-16	496,443	SSB and other allowances
4	Deputy DEO (EE-M) Bahawalnagar	53	2015-16	,332,000	SSB after regularization
5	Deputy DEO (EE-M) Bahawalnagar	53	2015-16	225,360	W.F, BF
6	SMO RHC Sheher Farid	04	2011-16	414,129	Pay and allowances
7	Deputy DEO (EE-W) Minchin Abad	03	2009-16	1,009,855	Pay and allowances
<b>Total</b>		<b>130</b>		<b>3,992,065</b>	

Audit is of the view that due to financial indiscipline pay of relevant employees was not got re-fixed and recovery of overpayment was not made which resulted in loss of Rs 3.992 million.

Matter was reported to DCO and DDOs concerned in September 2016. All DDOs replied that directions had been issued to the concerned to deposit the amount whereas change forms for recovery had also been sent to DAO Bahawalnagar.

DAC in its meeting held in December, 2016 directed to recover the amount. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.992 million from the concerned besides fixing of responsibility on the persons who did not effect recovery, under intimation to Audit.

[PDP No. 6, 5, 14, 5, 9, 18& 9]

### **1.2.3.11 Unauthorized payment of incentive allowance to the doctors – Rs 3.829 million**

According to the Government of Punjab Health Department letter No.SO (B&A)3-28/2015 dated 29.05.2016, Specialists posted at DHQ Hospital Bahawalnagar have been allowed incentive allowance @ Rs 55,000 per month. Moreover, as per instructions of the Government of Punjab, Health Department Primary and Secondary Health Care Department, 40 per cent of the existing allowance shall be paid subject to the conduct of evening rounds in hospitals. The consultants shall checkout from morning shift through Bio Metric attendance

system after 02:00 pm and shall check in again after 05:00 pm. The consultant shall remain in hospital at least for one hour and shall conclude the round by checking out again. Their attendance and evening round timings shall be strictly monitored through biometric attendance system.

MS DHQ Hospital Bahawalnagar paid an amount of Rs 9.572 million to the consultant doctors as incentive allowance up to June, 2016 whereas scrutiny of their biometric attendance revealed that they never attended hospital after 02:00 pm (Morning shift). Hence, 40 per cent of the allowance amounting to Rs 3.829 million was to be recovered from them but the same was not deducted from the pay and allowances of the consultants. (**Annex – N**)

Audit is of the view that due to violation of Government rules incentive allowance was paid to the doctors who did not attend hospital in evening which resulted in unauthorized expenditure of Rs 3.829 million.

Matter was reported to DCO and DDO concerned in October, 2016. MS DHQ hospital replied that incentive allowance was correctly paid to the specialist as there was no option of second time attendance in the biometric system of the hospital. Reply was not tenable as no record was produced to confirm that the doctors attended hospital in evening.

DAC in its meeting held in December, 2016 directed to get the record verified within one week. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.829 million from the concerned besides fixing of responsibility on the persons who incurred expenditure without maintaining relevant record, under intimation to Audit.

[PDP No. 23]

### **1.2.3.12 Doubtful expenditure on account of repair of furniture and machinery – Rs 2.304 million**

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

MS DHQ Hospital Bahawalnagar incurred expenditure of Rs 2.304 million on repair of furniture and machinery during 2015-16. Expenditure was not justified as the assets were not coded / pre-numbered and it could not be ascertained that which item and how many times it was repaired during 2015-16. Moreover, air conditioners were got repaired numerous times with the gap of one or two days and no efforts were made to adopt fair tendering process. Furthermore, uniform charges for repair of beds and ACs were without taking into account nature of repair.

Audit is of the view that due to negligence of the management appropriate record was not maintained which created doubts on legitimacy of expenditure of Rs 2.304 million.

Matter was reported to DCO and DDO concerned in October, 2016. DDO replied that repair was carried out after fulfilling all codal formalities. Reply of DDO was not tenable as many irregularities were observed in the transactions.

DAC in its meeting held in December, 2016 directed EDO (Health) to investigate the matter and report within 15 days. No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings, under intimation to Audit.

[PDP No. 16]

**1.2.3.13 Loss due to inadmissible payment of Health Sector Reforms Allowance, Mess & Dress Allowance and Conveyance Allowance – Rs 2.145 million**

According to the Government of Punjab, Health Department's letter No. PMU/PHSRP/G.1-06/61 dated 16.03.2007; Punjab Health Sector Reforms Program Allowance (PHSRPA) is not admissible during any kind of leave except casual leave. Moreover, the said allowance is not admissible to the officials on general duty. Furthermore, according to the Government of Punjab, Health Department letter No. PO (P&E-1) 10-113/2004 (v) dated 22.11.2006, HSRA @ 30 per cent of Basic Pay is admissible to nursing, paramedical and allied staff at BHUs and RHCs only. Such allowance is not admissible at THQ and DHQ hospitals.

Seven (07) DDOs working under the administrative control of EDO (Health) paid Health Sector Reforms Allowance, Conveyance Allowance, Mess and Dress Allowance amounting to Rs 2.145 million during 2014-16 to various employees who were not working at BHUs and RHCs. Rather, they were deputed to perform general duty at THQ and DHQ Hospital or availed leaves. Detail is given below:

(Amount in rupees)

Sr. No.	DDOs	No. of Employees	Amount	Remarks
1	SMO RHC Meclod Gunj	7	107,370	HSRA on General duty
2	DO (Health) Bahawalnagar	17	555,645	HSRA on General duty



Sr. No.	DDOs	No. of Employees	Amount	Remarks
3	DO (Health) Bahawalnagar	1	241,582	HSRA other than BHUs
4	DHQ Hospital Bahawalnagar	23	677,546	Diff. allowances during leave
5	DHQ Hospital Bahawalnagar	13	137,189	HSRA on General duty
6	SMO RHC Sheher Farid	6	242,010	Diff. allowances during leave
7	SMO RHC Sheher Farid	6	184,039	HSRA on General duty
<b>Total</b>		<b>73</b>	<b>2,145,381</b>	

Audit is of the view that due to violation of Government rules, allowances were paid during the period of leave and general duty which resulted in loss of Rs 2.145 million.

Matter was reported to DCO and DDOs concerned in September 2016 and October, 2016. SMO RHC Meclod Gunj replied that EDO (Health) was requested for cancellation of general duties and remaining DDOs replied that efforts were being made to effect recovery.

DAC in its meeting held in December, 2016 directed to recover the amount due. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 2.145 million from the concerned besides initiating disciplinary proceedings against the persons who made inadmissible payments, under intimation to Audit.

[PDP No. 6, 2, 14, 5, 10, 1 & 3]

#### **1.2.3.14 Non-deduction of Group Insurance from the salaries of employees of Defunct Zila Council - Rs 2.032 million**

According to the Government of Punjab, Local Government & Rural Development Department letter dated 10<sup>th</sup> October, 2003 regarding enhancement of sum assured in respect of Group Insurance scheme and rates of Deduction. The LG&RD Department has decided to adopt the revised structure of Group Term Insurance w.e.f. 01.07.2002, as mentioned in above quoted letter mutatis mutandis to the employees of erstwhile local councils.

EDO (F&P) did not deduct Group Insurance from 299 employees of Defunct Zila Council during 2015-16 which was required to be deducted from their salaries, resulting in over payment of Rs 2.032 million.

Audit is of the view that violation of Government rules, Group Insurance was not recovered from the salaries of employees of Defunct Zila Council which resulted in loss of Rs 2.032 million.

Matter was reported to DCO and DDO concerned in November, 2016. EDO (F&P) replied that letters were issued to the concerned with the direction to deposit the stated amount.

DAC in its meeting held in December, 2016 directed to recover the amount within one month. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 2.032 million from the concerned, besides taking appropriate action against the persons at fault, under intimation to Audit.

[PDP No. 3]

#### **1.2.3.15 Loss due to non auction of old vehicles - Rs 1.760 million**

According to Rule 13 (2) of Punjab Local Government Property Rules, 2003, any movable property which has been declared as unserviceable shall be disposed off by the concerned local government through open auction in the prescribed manner.

Seventeen (17) old vehicles valuing Rs 1.760 million were lying idle in the premises of DCO office since long and were deteriorating with the passage of time. DCO Bahawalnagar did not take any action to auction those vehicles during 2015-16.

Audit is of the view that due to negligence of the management, condemned vehicles were not auctioned since long which resulted in loss of Rs 1.760 million to Government.

Matter was reported to DCO in September, 2016. DDO replied that matter for auctioning the vehicles was in process and would be finalized.

DAC in its meeting held in December, 2016 directed to expedite the matter and report within one month. No further progress was intimated till finalization of this Report.

Audit recommends finalization of auctioning process at the earliest, under intimation to Audit.

[PDP No. 8]

#### **1.2.3.16 Loss due to unauthorized payment of NPA and PCA – Rs 1.702 million**

According to Para No. 10 and 11 of the Government of Punjab, Finance Department, letter No. FD.PC.2-1/83 dated 25.08.1983 amended from time to time and recommendations of the Wafaqi Mohtasib (Ombudsman) contained in findings dated 08.01.2015, Non Practicing Allowance (NPA) was allowed to a person who was appointed as Medical Officer for which prescribed qualification is MBBS or equivalent and to whom private practice is not allowed in the exigencies of service. Doctors posted in rural areas below Town Committee level, and allowed private practice, shall be allowed Practice Compensatory Allowance @ Rs 2,500 per month.

Four DDOs working under the control of EDO (Health) allowed payment of NPA and PCA to various doctors posted at THQ hospitals, RHC and BHUs amounting to Rs 1.702 million. Expenditure was not justified as PCA was paid to those doctors who were not doing private practice in rural areas and NPA

was paid to those persons who were carrying out private practice. Detail is given below:

(Amount in rupees)

Sr. No.	DDOs	Amount	Remarks
1	DO (Health) Bahawalnagar	477,500	PCA paid to 23 doctors
2	RHC Sheher Farid	293,500	PCA & NPA paid to 8 doctors
3	DO (Health) Bahawalnagar	465,674	NPA paid to 21 doctors
4	DHQ Hospital Bahawalnagar	465,500	NPA & PCA paid to 10 doctors
<b>Total</b>		<b>1,702,174</b>	

Audit is of the view that due to violation of Government rules, unauthorized payment of PCA and NPA was made which resulted in loss of Rs 1.702 million.

Matter was reported to DCO and DDOs concerned in September 2016 and October. DO (Health) replied that doctors were paid PCA as per rules and irregular drawl of NPA was being investigated. SMO RHC Sheher Farid replied that doctors were drawing PCA as per rules. MS DHQ hospital replied that DAO Bahawalnagar was requested to deduct the amount from monthly salaries. Replies of DDOs regarding PCA were not tenable as no evidences were produced to confirm that PCA was duly paid.

DAC in its meeting held in December, 2016 directed DO (Health) to inquire the matter of PCA and directed DO (Health) and other DDOs to recover the amount of PCA and NPA from the concerned. No progress was intimated till finalization of this Report.

Audit recommends expediting the inquiry proceedings and effecting recovery of amount due, under intimation to Audit.

[PDP No. 7, 21, 8 &13]

### 1.2.3.17 Loss due to shortage of stock – Rs 1.680 million

According to Rule 126 of PLGO, 2001 in case of any loss of property of the Local Government, the responsibility for such losses shall be fixed by the concerned Local Government and the amount of the loss shall be recovered from the defaulting person and a report to this effect shall be submitted to the concerned Council in the next meeting.

Stock register of DO (Health) Bahawalnagar indicated stock of 69 motor cycles on 17.10.2016 whereas physical inspection on that day indicated that only 13 motor cycles were available and no record was available for remaining 56 bikes valuing Rs 1.680 million. Detail is given below:

(Amount in rupees)

Sr. No	Name of item	Quantity		Short	Rate in Market (new)	Current rate keeping in view the depreciated value of years	Amount
		As per stock register	As per actual / physical verification				
1	Suzuki Motor Cycle (Sprinter 110 CC)	69	13	56	93,400	30000	1,680,000

Audit is of the view that due to negligence of the management, stock was found short which resulted in loss of Rs 1.680 million.

Matter was reported to DCO and DDO concerned in September, 2016. DO (Health) replied that no motorcycles were misplaced and the same were under use of field staff. Reply was not tenable as during audit, physical verification was carried out and report was signed by the officials including relevant store keeper. Moreover, complete record of total motorcycles received and their subsequent issuance was not produced.

DAC in its meeting held in December, 2016 directed DO (Budget) to inquire the matter and submit report within 15 days. No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings, under intimation to Audit.

[PDP No. 25]

### **1.2.3.18 Over-payment due to non-adjustment of price variation – Rs 1.290 million**

According to Clause 55 of the agreement in case of any variation i.e. increase or decrease, to the extent of 5 per cent or more in price of any item after acceptance of tenders and before completion of contract occurs, the variations should be adjusted accordingly.

District Officer (Roads) did not recover price variation amounting to Rs 1.290 million during 2015-16 on account of bitumen, diesel and labour from the payments made on account of five (05) development projects as the prices of the items were decreased by more than 5 per cent. Detail is given below:

(Amount in rupees)

Sr. No.	DDO	No. of Schemes	Description of Price Variation	Amount
1	DO (Roads) Bahawalnagar	4	Bitumen and Diesel	1,180,313
2		1	Bitumen	109,446
<b>Total</b>				<b>1,289,759</b>

Audit is of the view that due to financial mismanagement, price variation was not recovered from the bills of contractors which resulted in loss of Rs 1.290 million to the Government.

Matter was reported to DCO and DDO concerned in September and October, 2016. DO (Roads) replied that the recovery would be effected from the concerned as schemes were not finalized by that time.

DAC in its meeting held in December, 2016 directed to recover the amount within 15 days. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.290 million from the concerned besides fixing of responsibility on the persons who did not recover amount due, under intimation to Audit.

[PDP No. 15 & 4]

### **1.2.3.19 Unjustified purchase and consumption of insecticides – Rs 1.177 million**

According to Rule 15.5 of the PFR Vol-1, stores only may be issued against indents on form 26 duly signed by authorized person. Further, according to Rule 2.10 (a) (1) of PFR Vol-1 same vigilance should be exercised in respect of expenditure incurred from Government Revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

MS THQ Hospital Minchin Abad incurred expenditure of Rs 1.177 million on account of purchase of insecticide during 2014-16. Expenditure was not justified as requisitions and other appropriate record of consumption / issuance of stores was not maintained. (**Annex – O**)

Audit is of the view that due to negligence of the management insecticides were purchased and consumed without maintaining appropriate record which created doubts on legitimacy of expenditure amounting to Rs 1.177 million.

Matter was reported to DCO and DDO concerned in October, 2016. MS THQ Minchin Abad replied that the purchases were made according to the rules and consumption record was available. Reply was not tenable as no record was got verified.

DAC in its meeting held in December, 2016 directed to get the record verified within a week. No progress was intimated till finalization of this Report.

Audit recommends getting the record verified besides taking appropriate action against the persons who did not maintain / produced relevant record, under intimation to Audit.

[PDP No. 8]

### **1.2.3.20 Non-collection of registration fee from the owners of private unregistered schools - Rs 1.056 million**

According to the Government of Punjab, Education Department letter No. SO (Budget)I-II/98(KW) dated 10.09.1998, registration fee of private middle and primary schools is Rs 5,000 per year. Moreover, according to Rule 76(i) of PDG & TMA Budget Rules 2003, the controlling officer shall ensure that all revenue due is claimed, realized and credited into Government treasury / Local Fund.

EDO (Education) did not recover the registration fee of Rs 1.056 million from the owners of various private schools during 2015-16. The detail is given below:

(Amount in rupees)				
Sr. No.	Type of school	No. of schools	Registration fee	Amount
1	Primary/middle schools	167	6,000	1,002,000
2	High/ higher secondary schools	06	9,000	54,000
<b>Total</b>				<b>1,056,000</b>

Audit is of the view that due to negligence of the management registration resulted in loss of Rs 1.056 million.

Matter was reported to DCO and DDO concerned in October 2016. EDO (Education) replied that registration fee was duly charged from the private schools. Reply of DDO was not tenable as no record in support of reply was produced.

DAC in its meeting held in December, 2016 directed EDO (Education) to produce relevant record within two days and effect recovery from



the concerned within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.056 million from the concerned besides fixing of responsibility on the persons who did not recover Government money, under intimation to Audit.

[PDP No. 13]

#### **1.2.3.21 Unauthorized payment of salaries after termination - Rs 1.033 million**

According to Rule 2.31(a)(1) of PFR Vol-I, “A drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations. He should, therefore make himself thoroughly acquainted with the meaning of the various financial checks which he is expected to exercise so that he can be in a position to detect immediately any attempt at defalcation and should pay special care to those points in financial processes at which leakage is likely to occur”.

Deputy DEO (EE-W) Chistian made payment of pay and allowances to the teachers amounting to Rs 1.033 million during the year 2015-16 who were terminated by the competent authority on different dates but their pay and allowances were not stopped after termination.

Audit is of the view that due to weakness of internal controls, pay and allowances were not stopped after termination of employees which resulted in loss of Rs 1.033 million to the Government.

Matter was reported to DCO and DDO concerned in November, 2016. Deputy DEO (EE-W) Chistian replied that no payment was made to the employees after termination. Reply of DDO was not tenable as HR data indicated payment of salary after termination of those employees.

DAC in its meeting held in December, 2016 directed to produce relevant record within two days otherwise to effect recovery from the concerned within a month. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.033 million from the concerned besides fixing of responsibility on the persons who made unauthorized payment, under intimation to Audit.

[PDP No. 12]

**ANNEX**

**Annex – A  
Part-I**

**Memorandum for Departmental Accounts Committee Paras Pertaining to  
Current Audit Year 2016-17**

**(Rupees in million)**

<b>DDOs</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
District Coordination Officer Bahawalnagar	1	1	Loss due to non-recovery of house rent and penal rent from illegal occupants of the Government residences	5.251
	2	5	Non maintenance of accounting record	3.274
	3	6	Loss to Government due to infructuous expenditure on electricity bills of officers rest house	0.307
	4	9	Excess payment of Social Security Benefit	0.087
	5	10	Irregular expenditure on purchase of different items through misclassification	0.197
	6	14	Undue retention of Government funds in DDO bank account	1.812
	7	15	Non-deposit/verification of General Sales Tax (GST)	1.514
Executive District Officer (F&P) Bahawalnagar	8	6	Unauthorized excess payment against allocation	6.427
	9	7	Expenditure against Nil budget	79.257
	10	8	Loss to Government due to less collection of local receipt of District	0.227
	11	10	Expenditure on improvement/repair of roads and buildings without mentioning detail of previous repairs	55.831
	12	11	Weak management/slow progress of development schemes of District Annual Development Programme	19.503
	13	12	Unauthorized provision of supplementary grants	14.435
	14	13	Non regularization of services of contract officer and unauthorized drawl of adhoc allowances	0.969
District Officer (Live Stock) Bahawalnagar	15	3	Recovery of conveyance allowance during leave period and availing the facility of official vehicles	0.172
	16	4	Unauthorized payment on account of house rent allowance and conveyance allowance to staff availing the facility of house accommodation	0.097

DDOs	Sr. No.	Para No.	Subject	Amount
	17	7	Less deposit of purchee fee	0.482
	18	10	Irregular purchase of fuel without creation of vendor number in the name of owner of fuel station	2.515
	19	12	Non reconciliation of cash book and bank statement and non provision of detail of cash available in bank	0.483
	20	13	Unjustified withdrawal without creation of vendor numbers	3.025
District Officer (OFWM) Bahawalnagar	21	6	Non achieving of target of water courses given by PIPIP	-
	22	7	Ambiguous and irrelevant consumption of POL	0.01
District Officer Agriculture (Extension)	23	2	Loss to Government due to purchase of POL at higher rates than the rates fixed by OGRA	0.023
	24	7	Doubtful expenditure	0.316
Dy. District Officer (OFWM) Minchin Abad	25	8	Non conducting of Internal Audit	-
Executive District Officer (Education)	26	2	Unauthorized withdrawal of extra duty allowance along with inspection allowance	0.31
	27	4	Non recovery of fine imposed from absent teachers reported by monitoring teams	0.04
	28	5	Non-authentication of payment to students on account of stipends	43.253
	29	6	Unjustified payment of award of internal merit scholarship without acknowledgment of actual recipients	0.888
	30	7	Irregular withdrawal of funds and release of SMC grant for the provision of drinking water in selected schools	1.35
	31	8	Non collection of proof of deposit of Sales Tax	0.632
	32	11	Unjustified release of funds for the construction of boundary wall without obtaining NOC from TMA and non utilization of funds	0.508
	33	12	Unjustified expenditure on the purchase of sewing machine/ embroidery machine	0.904
Dy. District Education Officer (EE-	34	1	Excess payment of pay and allowances due to irregular award of inadmissible increment	0.264
	35	6	Non utilization of SMC budget	0.526

DDOs	Sr. No.	Para No.	Subject	Amount
M) Bahawalnagar	36	8	Unjustified payment of inspection allowance to AEO's during summer vocation	0.675
	37	10	Irregular award of advance increments To Elementary School Teachers on account of B.Ed & M.A	0.334
	38	11	Loss To Government due to non-deduction of Sales Tax	0.207
Dy. District Education Officer (EE-W) Bahawalnagar	39	3	Unauthorized withdrawal of integrated allowance	0.074
	40	4	Unauthorized withdrawal of charge allowance	0.139
	41	6	Non recovery of fine imposed from absent teachers reported by monitoring teams	0.096
	42	10	Unauthorized withdrawal of extra duty allowance, during summer vacation	0.075
Dy. District Education Officer (EE-W) Chishtian	43	4	Irregular expenditure on construction works	3.338
	44	5	Non utilization of Non Salary budget and SMC fund	3.474
	45	6	Payment of inadmissible allowances to staff	0.214
	46	7	Non deduction of General Sales Tax	0.336
	47	8	Loss to Government due to non regularization of contract staff through payment of Social Security Benefit	3.097
	48	10	Irregular expenditure under head POL	0.55
	49	11	Excess payment of Social Security Benefit	-
	50	13	Doubtful purchase of store items	0.267
	51	15	Non deduction group insurance from the salaries of employees of defunct Zila Council	-
	52	17	Irregular expenditure without approved notification by the council	19.012
Dy. District Education Officer (EE-W) Minchin Abad	53	3	Doubtful expenditure on repair of vehicles, furniture and machinery	0.113
	54	4	Unjustified payment of charge allowance without charge of the school	0.11
	55	5	Unsound budgeting / non surrender of anticipated savings / excess and difference of expenditure	2.376
	56	6	Unauthorized payment of pay and allowances during absent period	0.029
	57	7	Irregular expenditure on POL	0.392
	58	8	Fictitious drawl of TA / DA and non availability of vouched accounts / concealment of record	0.259

DDOs	Sr. No.	Para No.	Subject	Amount
	59	10	Misappropriation of funds	0.262
	60	13	Non utilization of SMC grant / fund by the schools	1.778
	61	14	Record of unserviceable stock material / trees	-
Government Higher Secondary School Donga Bonga	62	1	Overpayment of conveyance allowance during winter leave	0.383
	63	2	Irregular payment of arrears of pays and allowances without additional budget	0.24
	64	3	Expenditure incurred in excess of budget	0.121
	65	4	Doubtful expenditure on repair of machinery and furniture	0.059
	66	5	Irregular purchase of furniture without observing PPRA rules and non-observing of limits given in booklet of NSB guidelines	0.581
	67	6	Unjustified exemption of tuition fees	0.052
	68	7	Irregular and unjustified expenditure on account of TA / DA bills	0.686
	69	8	Difference between expenditure statement and FI data	2.706
	70	9	Unjustified expenditure on account of miscellaneous items	0.207
Government High School Aziz-E-Millat, Bahawalnagar	71	2	Irregular payment of arrears of pays and allowances without additional budget	0.725
	72	3	Over payment of advance increments	0.116
	73	4	Expenditure incurred in excess of budget	0.691
	74	6	Unjustified expenditure of different items out of NSB find	0.065
	75	7	Non auction of timber wood	0.05
Government High School 165/7-R, Fort Abbas	76	5	Irregular payment of pay and allowances due to change of cadre	3.072
	77	6	Unauthorized drawl of arrears on account of pay and allowances	0.069
	78	7	Unauthorized drawl of integrated allowance	0.029
	79	8	Non utilization of budget	0.144
	80	11	Loss to Government due to unjustified drawl of Social Security Benefit after regularization	0.058
	81	13	Unauthorized maintenance of two cash books	-
Govt. Higher Secondary School 123/6-	82	3	Difference between expenditure statement and expenditure as per FI data	5.291

DDOs	Sr. No.	Para No.	Subject	Amount
R, Haroon Abad				
Government Higher School 132/6-R, Haroon Abad	83	1	Irregular award of advance increments to elementary school teachers on account of B.Ed & M.A	0.212
Government Canal High School, Haroon Abad	84	2	Overpayment of advance increments	0.222
	85	5	Non-accountal in to stock of different items	0.131
	86	6	Irregular payment of arrears of pay and allowances without having additional budget	0.206
	87	9	Doubtful expenditure on repair of machinery and furniture	0.07
	88	10	Non-verification of deposits of tuition fee & other funds	0.66
Executive District Officer (Health) Bahawalnagar	89	6	Excess / overpayment due to non observing the OGRA rates and sale proceed of used mobil oil	0.011
	90	7	Doubtful expenditure on purchase of general store items and others account	1.554
	91	10	Doubtful expenditure on transportation of goods	0.662
	92	11	Doubtful expenditure on repair of vehicle	0.113
	93	12	Irregular purchase at higher rates and non accountal into stock register	0.059
	94	13	Doubtful expenditure due to payment after transfer	0.088
	95	14	Excessive purchase / shortage of stock and irregular consumption of different items	0.595
District Officer (Health) Bahawalnagar	96	16	Overpayment of various allowances during leave	0.192
	97	19	Non regularization of employees working on contract and withdrawal of Social Security Benefits	0.302
	98	20	Loss to Government due to purchase of POL at higher rates than the rates fixed by OGRA	0.032
	99	21	Purchase of sub-standard medicines due to doubtful (or without ) drug testing laboratory reports	0.105
	100	26	Non deduction of Sales Tax	0.214
	101	27	Irregular payments of arrears of pay and allowances without additional budget	4.136
	102	3	Excess expenditure than budget	0.398

DDOs	Sr. No.	Para No.	Subject	Amount
Principal Nursing School Bahawalnagar	103	5	Expenditure without budget	0.186
	104	6	Excess payment of pay and allowances and non-deduction of benevolent fund and welfare fund	0.103
	105	9	Irregular payment of conveyance allowance during leave period	0.029
	106	10	Non utilization of budget	8.479
	107	12	Doubtful expenditure on repair of furniture	0.142
	108	13	Bogus claim of hotel charges and irregular / excess payment of TA / DA	0.03
	109	15	Expenditure without budget	0.474
	110	17	Payment without backup record	0.38
	111	18	Expenditure without approval of the Austerity Committee and by misclassification	0.081
	112	19	Irregular / excess payment of electricity charges	0.062
DHQ Hospital Bahawalnagar	113	4	Excess drawl of Health Sector Reform Allowance	0.091
	114	7	Non / less deposit of MLC fee into Government treasury	0.042
	115	11	Unjustified drawl of pay and allowances by the employees at general duties especially "Health Sector Reform Allowance"	0.155
	116	15	Unjustified consumption of dialyzers and other related items	0.062
	117	18	Irregular expenditure on repair of vehicle and machinery	0.721
	118	19	Doubtful expenditure on repair of vehicle	0.026
	119	22	Loss to Government due to non deduction of Provincial Sales Tax on services	0.48
	120	25	Irregular expenditure on purchase of medicines due to doubtful quality / efficacy	0.171
	121	27	Less / non recovery of liquidated damages charges	0.042
	122	28	Misappropriation of medicine	0.133
THQ Hospital Minchin Abad	123	31	Loss to Government due to purchase of POL at higher rates than the rates fixed by OGRA	0.26
	124	1	Unauthorized drawl of PCA / NPA and Qualification Allowance	0.86
	125	2	Overpayment due to non-observing of company rates	0.225
	126	7	Irregular expenditure on hot and cold items	0.341
	127	9	Doubtful purchase due to non carry forwarding of balances	0.172



DDOs	Sr. No.	Para No.	Subject	Amount
	128	10	Wasteful expenditure due to purchase without requirement	0.999
	129	11	Doubtful expenditure on repair of different items	2.626
	130	13	Unsound budgeting / non surrender of anticipated savings / excess and difference of expenditure	1.011
	131	14	Loss to Government due to purchase at higher rates	0.141
	132	15	Non auction & collection of record of old vehicle, material and trees	-
	133	16	Non deposit of fee into Government treasury	0.128
	134	18	Loss to Government due to purchase and payment of near to expire medicines	-
	135	19	Loss to Government due to less deposit of ambulance fee by claiming excess free movement and expenditure on POL	0.413
	136	22	Expenditure through double billing	0.771
SMO RHC Shehr Farid	137	5	Irregular drawl of adhoc relief allowance (2010) 50% of pay by the doctors	0.103
	138	9	Loss due to non replacement of substandard medicines	0.053
	139	10	Doubtful expenditure on purchase of medicine	0.185
	140	11	Irregular expenditure on purchase of LP medicine	1.747
	141	12	Loss to Government due to non obtaining discount on local purchase of medicine	0.139
	142	13	Likely misappropriation of funds through fictitious billing	0.665
	143	14	Irregular purchase of medicine out of LP budget	0.687
	144	20	Irregular use / theft of electricity	0.716
SMO RHC Meclod Gunj	145	22	Non deduction of water charges from the residents	0.027
	146	8	Overpayment due to drawl of inadmissible allowances during leave period	0.036
	147	11	Unauthorized withdrawal of Conveyance Allowance	0.069
District Officer (Labour) Bahawalnagar	148	12	Loss to Government due to non auction of old ambulance and condemned items	0.202
	149	1	Doubtful payment of TA / DA	0.118
	150	2	Non utilization of non salary budget	0.154
	151	3	Improper maintenance of reconciliation statement	-
	152	4	Loss to Government due to payment of pay and allowances to absent staff	0.026
	153	6	Loss to Government due to non levying / non deposit of	0.8

DDOs	Sr. No.	Para No.	Subject	Amount
			weight measurement fee	
	154	7	Excess utilization of budget	0.868
	155	8	Non conducting of Internal Audit	-
	156	9	Non provision of schedule of payment	-
	157	10	Loss to Government due to non-registration of labour union	-
	158	11	Non accountable of revenue receipt collected from commercial business	0.022
Special Education Center Haroon Abad	159	2	Unauthorized payment of mobility / conveyance allowance during vacation period	0.028
	160	3	Lapse of salary budget	9.448
	161	5	Loss to Government due to payment of pay & allowance to absent staff	0.094
	162	6	Non accountal of consumable store into stock	0.181
	163	9	Loss to Government due to payment of conveyance allowance during leave period	0.015
	164	11	Non production of record	-
	165	13	Doubtful drawl of stipend	1.214
	166	14	Irregular payment of rent of building and non deduction of Income Tax	0.576
	167	16	Doubtful expenditure on plantation	0.065
	168	17	Misappropriation of Government funds	0.737
	169	18	Doubtful expenditure of repair of vehicle	0.239
District Officer (Buildings) Bahawalnagar	170	19	Loss to Government due to misappropriation of used mobil oil	0.036
	171	5	Non deduction of Professional Tax	0.538
	172	6	Irregular payment and loss due to non imposition of penalty	0.093
	173	7	Recovery due to payment of earth from outside source despite availability of surplus earth	0.401
	174	8	Loss to Government due to payment of excess quantities of mild steel fabrication	0.697
	175	9	Loss to Government due to less recovery of renewal fee and non-imposition of penalty on account of late renewal of contracts	0.256
	176	17	Unauthorized executions and payment of items in excess of TS estimate	0.515

<b>DDOs</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
	177	22	Unauthorized payment of ½” and ¾” dia steel bar	0.723
	178	23	Irregular payment on account of substandard work	0.473
	179	26	Non-recovery of water charges	0.3
	180	31	Un-justified payment of consultancy fee despite the availability of Government engineers	2.987
District Officer (Roads)	181	5	Unjustified payment to consultants and non recovery of General Sales Tax from consultants	0.776
	182	10	Non recovery of lease rent for approaches to petrol pumps	0.355
	183	12	Loss to Government due to less receipt of stamp duty	0.027
	184	16	Non imposition of penalty for abnormal delay in completion of projects	0.846

**Part-II**  
**[Para-1.1.3]**

**Memorandum for Departmental Accounts Committee Paras not attended in  
Accordance with the Directives of DAC Pertaining to Audit Year 2015-16**

(Rupees in million)

DDOs	Sr. No	AP No.	Audit Observation	Amount
DCO Bahawalnagar	1	2	Doubtful expenditure on agriculture fair price shops	2.556
	2	3	Irregular drawl for agriculture fair price shops	3.700
	3	8	Unjustified expenditure on account of refreshment	2.932
	4	9	Irregular expenditure on purchase of durable goods	0.601
	5	10	Excess/overpayment due to non observing OGRA rates and non-deposit of sale proceed of used mobil oil	0.093
	6	13	Non accountal of POL into log book and non-provision of log book to verify accountal & consumption of POL	0.150
	7	15	Loss to Government due to non auction of condemn vehicles	-
	8	16	Loss to Government due to illegal encroachment of Government property,	9.600
	9	17	Doubtful expenditure on electricity and telephone bills,	0.503
EDO (F&P) Bahawalnagar	10	5	Loss to Government treasury due to unjustified budget allocation (and subsequent payment) of pay & allowance without having complete record (authentication) of all sanctioned posts by the Finance Department	8137.419
	11	7	Chances of misappropriation due to non-reporting of fixed assets	39.521
	12	8	Loss to Government treasury due to unjustified/baseless budgeting and subsequent expenditure	8.827
	13	10	Loss to Government due to misappropriation of POL	0.036
	14	13	Loss to Government treasury due to less collection of pension contribution funds from different	1.162

DDOs	Sr. No	AP No.	Audit Observation	Amount
			departments of District Government	
	15	14	Irregular provision of budget to EDO (Health) regarding purchase of medicines for hospitals	107.278
	16	15	Loss to Government treasury due to payment of allowances alongwith fixed pay to contract employees	0.160
	17	16	Non production / maintenance of record.	-
DO (OFWM) Bahawalnagar	18	1	Unjustified payment to water user association	16.521
	19	2	Unjustified payment on account of construction of water courses of previous years	134.448
	20	4	Unjustified issuance of 2 <sup>nd</sup> installment	1.225
	21	8	Wastage of Government funds due to non release of 2nd installment	4.674
	22	10	Loss to Government treasury due to excess payment as per volume,	.696
	23	11	Loss to Government due to purchase of fuel on higher rates,	0.038
	24	12	Unjustified expenditure due to splitting	0.243
	25	14	Bogus vouchers of water courses	6.488
	26	15	Loss to Government treasury due to non-deduction/non verification of General Sales Tax	3.665
	27	16	Non-recovery of unspent balance from WUAs	6.795
	28	17	Non observance of technical sanction condition and less execution of water course volume	10.208
	29	18	Loss to Government due to unjustified expenditure on repair of vehicle	0.095
	30	19	Unjustified expenditure on account of POL and TA/DA	0.031
	31	20	Loss to Government due to misuse of POL	0.691
32	21	Over payment of TA / DA	0.037	
DO (Forest) Bahawalnagar	33	4	Drawl of pay and allowances during extra ordinary leave (EOL) period	0.158
	34	5	Irregular payment of pay and allowances of absent period	0.360
	35	6	Non / less deposit of sale proceeds of nursery	6.997
	36	7	Purchase of plants without observing codal formalities	0.245
	37	8	Irregular drawl of time bard claim	0.191

DDOs	Sr. No	AP No.	Audit Observation	Amount
	38	9	Irregular payment of conveyance allowance during leave period	0.051
	39	10	Non verification of deposits	13.702
	40	11	Irregular award of annual increment of extra ordinary leave (EOL) period	0.111
	41	12	Drawl of arrear of pay and allowances without additional budget	0.273
	42	13	Irregular budgeting and lapse thereof	5.731
	43	14	Unjustified expenditure on purchase of tyres	0.073
	44	15	Non accountal into stock	0.434
	45	16	Doubtful payment of encashment	0.576
DO (Fisheries) Bahawalnagar	46	2	Loss to Government due to non-auction of different items	0.075
	47	9	Unjustified/doubtful expenditure	0.054
DO (Live Stock) Bahawalnagar	48	1	Loss to Government due to non-deduction of conveyance allowance	0.378
	49	4	Misappropriation of purchee fee	0.369
	50	5	Misappropriation on account of vaccination charges.	1.676
	51	7	Irregular expenditure on purchase of medicines	2.955
	52	12	Irregular expenditure on purchase of medicines due to doubtful quality / efficacy	9.667
	53	13	Doubtful expenditure due to non-preparation of repair register of furniture & fixture and machinery	0.396
	54	14	Loss to Government due to purchase of medicines at higher rates	0.073
	55	16	Excess / overpayment due to non observing the OGRA rates	0.031
	56	18	Shortage of stock	0.032
	57	19	Mis-appropriation on account of semen's	0.403
58	20	Loss to Government due to illegal encroachment of Government property	10.700	
Dy DO (OFWM) Chishtian	59	1	Recovery of conveyance allowance from person using Government vehicle	0.090
	60	2	Doubtful expenditure on repair of machinery and equipment's	0.166
	61	3	Doubtful expenditure on repair of vehicle	0.336
	62	4	Irregular payment of pending liabilities	0.510

DDOs	Sr. No	AP No.	Audit Observation	Amount
	63	5	Un-authorized/irregular increase in non-salary budget	0.314
	64	6	Non auction / dispose off of old material	0.010
DO (Soil Fertility) Bahawalnagar	65	1	Irregular expenditure due to non-observance of austerity measures	0.141
	66	2	Un-authorized occupancy of Government building & non-recovery of rent of building & electricity bills	3.375
	67	3	Irregular expenditure by non-observing austerity measures	0.138
	68	4	Irregular payment of conveyance allowance during extraordinary leaves	0.023
	69	5	Irregular expenditure of pay & allowances due to irregular extension in adhoc service	-
	70	6	Irregular payment of arrears of pay and allowances without additional budget	0.074
	71	7	Unjustified expenditure of chemical	0.333
	72	8	Unjustified Expenditure due to Fictitious Billing	0.051
	73	9	Non-achieving of target for financial year 2013-14	-
	74	10	Non-deposit of General Sales Tax into Government treasury	0.085
	75	11	Overpayment of due to purchase of items at excess rates	0.043
	76	12	Loss to Government due to non-observing austerity measures on account of electricity.	0.134
Medical Social Welfare Officer Chishtian	77	2	Doubtful expenditure on purchase of stationery and repair of machinery & furniture	0.105
	78	3	Non production of record	0.045
	79	4	Un-authorized/irregular increase in non salary budget	0.091
Special Education Centre Chishtian	80	1	Unauthorized drawl of pay and allowances on regularization	0.178
	81	2	Irregular expenditure due to non-observance of austerity measures	0.278
	82	3	Irregular payment of conveyance allowance during extraordinary leaves/winter leaves	0.147
	83	4	Expenditure incurred in excess of budget	0.042
	84	5	Loss to Government due to purchase of fuel at	0.088

DDOs	Sr. No	AP No.	Audit Observation	Amount
			higher rates,	
	85	6	Unjustified expenditure of repair of transformer	0.065
	86	7	Unjustified consumption of POL	0.790
	87	8	Unjustified expenditure of POL of vehicle No. BNN-7495 due to less average per kilometer	0.863
	88	9	Irregular purchase of teaching material / teaching learning aid beyond competency	0.070
	89	10	Non-deposit of General Sales Tax into Government treasury	0.464
	90	11	Overpayment of due to purchase of items at excess rates	0.176
	91	12	Non deposit of sales proceed of used mobil oil	0.035
	92	13	Non-production of bank reconciliation statement of distribution of stipend to students	0.902
EDO (Education) Bahawalnagar	93	2	Unjustified expenditure due to splitting	0.397
	94	4	Loss to Government due to non-auction of different items	0.175
	95	5	Overpayment of pay and allowances	0.066
	96	6	Irregular expenditure of POL due to travelling without approved tour programmes	0.347
	97	8	Irregular expenditure without observing PPRA rules	0.194
	98	10	Loss to Government due to unjustified payment of different heads	0.088
	99	11	Loss to Government due to non deposit of sale of old/used UPS Batteries and non accountal into stock register	0.079
	100	12	Unjustified expenditure of different heads	0.113
	101	13	Loss to Government due to non-realization of registration fee and inspection fee from private schools	6.204
	102	14	Non recovery of inspection fee from private registered schools	0.349
	103	19	Doubtful purchase of furniture and late delivery	1.341
Dy DEO (EE-M) Fort Abbas	104	4	Irregular expenditure on pay of employee recruited through bogus appointment orders etc.	0.962
	105	5	Unjustified expenditure on charge allowance	0.276
	106	6	Loss due to unauthorized payment of integrated allowance	0.062



DDOs	Sr. No	AP No.	Audit Observation	Amount
	107	7	Loss due to unauthorized payment of conveyance allowance to AEOs	0.400
	108	9	Loss to Government due to unauthorized award of advance increments	0.066
	109	13	Loss due to non-deduction of Income Tax and General Sales Tax	1.376
	110	14	Loss due to unauthorized expenditure on house rent allowance and electricity	0.067
	111	15	Loss due to unauthorized drawl of transfer grant	0.043
Dy DEO (M-EE) Haroon Abad	112	3	Irregular expenditure due to unauthorized appointment by the Minister of Education	2.666
	113	6	Loss to Government due to unauthorized award of advance increments	0.267
	114	7	Unauthorized expenditure on arrears of pay and allowances	2.74
	115	10	Loss due to non-deduction of Income Tax and General Sales Tax	0.444
	116	11	Unauthorized payment of Income Tax from Government treasury / Frogh-e-Taleem fund / SMC grants	0.258
	117	13	Unauthorized expenditure on pay and allowances during Extra Ordinary Leave period	0.012
Dy DEO (EE-M) Chishtian	118	3	Illegal/unjustified drawl of integrated allowance	0.018
	119	4	Unauthorized appointment	2.553
	120	6	Overpayment of conveyance allowance	0.375
	121	7	Doubtful appointment and payment	1.929
	122	9	Negligence of the department due to non deduction advance increment to F.A 3 <sup>rd</sup> division PTC teacher	0.915
	123	10	Payment of mobility allowance during leave period	2.550
	124	11	Irregular appointment below prescribed qualification.	6.782
DO (Secondary) Bahawalnagar	125	1	Irregular and unjustified expenditure on account of T.A./D.A.	0.519
	126	3	Non-deduction of house rent allowance	0.128
	127	4	Non-accountal of POL in to log book & miscellaneous store items in to stock register	0.021
	128	5	Unjustified expenditure on account of stationery & photo state	9.115

DDOs	Sr. No	AP No.	Audit Observation	Amount
	129	6	Loss to Government /misappropriation of POL	0.049
	130	7	Loss to Government due to misuse / excess consumption of POL	0.555
	131	8	Irregular and unjustified expenditure on account of repair of vehicle & drawl of POL	0.130
	132	9	Non deposit of sale proceeds of used mobil oil	0.017
	133	10	Unjustified expenditure on account of purchase of UPS	0.052
	134	11	Unjustified expenditure on account of repair of furniture & repair of typewriter	0.057
	135	12	Unjustified expenditure incurred on account of repair of machinery & equipment	0.026
	136	13	Unjustified expenditure / purchase of store items in excess of demand & excess than market rates	0.021
	137	14	Irregular payment of bill of previous year	0.105
	138	15	Non-production of vouched account	0.246
Dy DEO (EE-W) Haroon Abad	139	2	Irregular drawl of integrated allowance.	0.149
	140	4	Unauthorized payment of pay and allowances during absent period,	0.041
	141	5	Excess drawl of pay and allowances	0.053
	142	7	Irregular grant of advance increments to F.A PTC teacher	0.067
	143	8	Irregular appointment below prescribed qualification.	0.998
	144	9	Appointment of Arabic Teacher without prescribed qualification of the post and award of running scale thereof	0.743
	145	10	Irregular appointment below prescribed Qualification.	0.817
	146	11	Irregular award of running scale to Oriental Teacher and excess payment	0.970
	147	12	Unauthorized payment of pay and allowances during Extra Ordinary Leave	0.091
	148	13	Un-authorized payment of pay and allowances after retirement.	0.090
	149	14	Excess drawl of pay and allowances	0.157
	150	15	Irregular drawl of pay and allowances by the AEOs	3.689
	151	16	Unjustified drawl of Inspection / Extra Duty	0.600

DDOs	Sr. No	AP No.	Audit Observation	Amount
			Allowance	
	152	17	Irregular award of BPS-15 to Arabic Teacher	0.097
	153	18	Irregular adjustment of Senior Vermicular cadre as PTC teachers	1.663
	154	19	Unauthorized drawl of TA/DA	0.254
	155	20	Doubtful payment of on account of electricity charges	0.042
	156	21	Unjustified expenditure on purchase of metal detectors and recovery due to purchase at higher rates.	0.128
	157	22	Unauthorized purchase from unregistered firms and non-deduction of Income Tax and General Sales Tax	9.518
Government High School Jandwala	158	3	Payment of conveyance allowance during summer & winter vacations and leave periods	0.115
	159	4	Excess drawl of pay and allowances	0.066
	160	5	Irregular drawl of Integrated Allowance	0.116
	161	7	Non deposit of sales proceed of trees and taxes into treasury	0.292
	162	8	Non verification of challans from District Accounts Office	0.079
	163	9	Improper maintenance of record of tuition fee	0.078
	164	10	Non recovery of GP Fund advance	0.069
	165	11	Reconciled expenditure statements	-
Government High School Chishtian No. 2	166	1	Loss to Government treasury due to payment of conveyance allowance during winter vacations	0.132
	167	2	Loss to Government treasury due to payment of conveyance / mobility allowance during leave period	0.094
	168	3	Misappropriation of funds through fictitious billing	0.013
	169	5	Loss to Government treasury due to non-production & non-verification of receipt challans	0.105
	170	8	Loss to Government treasury due to doubtful pay & allowances expenditure	1.828
	171	11	Loss to Government due to non-auction of unserviceable stock & dry trees	0.150
Government Girls High School	172	6	Irregular expenditure due to erratic posting	1.256
	173	7	Irregular award of advance increments to	0.284

DDOs	Sr. No	AP No.	Audit Observation	Amount
Haroon Abad			Elementary School Teacher on account of B.Ed & M.A	
	174	11	Un-authorized drawl of pay and Social Security Benefits on regularization	0.103
	175	17	Non-production /maintenance of record	-
Government High School 54/F Chishtian	176	1	Payment of conveyance / mobility allowance during long leaves	0.071
	177	2	Unauthorized drawl of conveyance/mobility allowance during winter and summer vacations	0.138
	178	7	Loss to Government due to non-auction of trees	0.060
	179	9	Schedule of payments	-
	180	10	Non-production / maintenance of record	-
	181	11	Unauthorized drawl of pay and allowance without performing duty	0.087
	182	12	Unjustified expenditure without maintaining history sheet register	0.081
	183	14	Unauthorized payment of pay and allowances	1.398
Government Higher Secondary School Chak No.123/6-R Haroon Abad	184	2	Unauthorized expenditure due to appointment below prescribed qualification	3.512
	185	3	Irregular expenditure due to unauthorized appointment by the Minister of Education	3.513
Government Girls High School Toba Qalandar Shah	186	2	Irregular payment of arrears of pay and allowances without additional budget	0.192
	187	4	Irregular & un-authorized appointment from the post of Physical Education Teacher to Elementary School Teacher Recovery of overpayment	1.221
	188	5	Non-deposit of receipts (Canteen)	0.057
	189	6	Non-accountal in to stock of miscellaneous items	0.058
	190	7	Expenditure incurred without Budget	0.268
EDO (Health) Bahawalnagar	191	3	Misappropriation of funds through fictitious billing	0.054
	192	5	Loss to Government due to non-deduction of liquidity damages from suppliers for late supplies of medicines	0.087
	193	6	Loss to Government treasury due to illogical purchase and issuance / distribution of surgical items etc.	3.082
	194	8	Loss to Government due to unjustified expenditure	0.028

DDOs	Sr. No	AP No.	Audit Observation	Amount
			regarding printer tonners,	
	195	9	Purchase of medical supplies from irrelevant / un-registered firm	10.999
	196	10	Loss to Government treasury due to unjustified payment of conveyance allowance during leave Period	0.022
	197	11	Loss to Government due to misappropriation of medicines	38.269
	198	12	Inefficiency of staff by late sending of medicines to Drug Testing Laboratory	-
	199	13	Loss to Government due to distribution of medicine without any criteria	0.933
	200	14	Loss to Government due to doubtful purchase of medicine expenditure of previous years	57.574
	201	15	Non-production of record	-
DO (Health) Bahawalnagar	202	4	Unauthorized drawl of pay and allowances without sanctioned post	4.581
	203	5	Unauthorized drawl of practice compensatory allowance	0.377
	204	6	Unauthorized drawl of non-practicing allowance	0.112
	205	8	Irregular expenditure on purchase of stationery	0.932
	206	10	Loss to Government due to purchase of medicines at higher rates	0.115
	207	13	Un-justified expenditure on purchase of medicines and misappropriation thereof	0.640
	208	14	Misappropriation of medicines	0.836
	209	15	Irregular issuance of medicines	0.894
	210	16	Improper maintenance of medicines record into stock	21.244
	211	17	Excess / overpayment due to non observing the Oil and Gas Regulatory Authority rates and non-deposit of sale proceed of used mobil oil	0.147
	212	18	Irregular payment of TA / DA	0.259
	213	19	Irregular drawl and payment of POL	4.213
	214	20	Doubtful expenditure due to non-preparation of repair register of furniture & fixture, machinery and vehicles	0.615
	215	24	Doubtful issuance of store items	1.189

DDOs	Sr. No	AP No.	Audit Observation	Amount
	216	26	Misappropriation of medicines	14.163
	217	27	Less accountal of medicine into Stock	.029
	218	28	Un-Justified drawl of health sector reform allowance by the employees at general duties	0.609
	219	29	Unauthorized drawl of allowances during leave	0.381
	220	30	Un-authorized payment of health sector reform allowance to the staff posted other than basic health units.	0.241
	221	31	Irregular payment of health sector reform allowance to the staff during leaves	0.187
MS DHQ Hospital Bahawalnagar	222	1	Unjustified expenditure due to payment to employees of irrelevant allowances	0.085
	223	2	Unjustified drawl of non-practicing allowance	0.250
	224	3	Misappropriation of energy savers costing	0.254
	225	4	Doubtful expenditure due to bogus quotation	0.381
	226	5	Excess consumption of pol	0.180
	227	9	Expenditure beyond competency	0.747
	228	10	Un-authorized shifting of near to expiry medicines	3.088
	229	12	Unauthorized drawl of allowances during leave.	0.506
	230	13	Unjustified issuance of surgical gloves	0.191
	231	14	Loss to Government due to purchase of medicine on higher rates,	0.141
	232	16	Loss to Government due to non-deduction of conveyance allowance	0.354
	233	20	Excess / overpayment due to non-observing the Oil and Gas Regulatory Authority rates & without observing rules	22.363
	234	21	Misappropriations on account of cycle stand fee.	1.139
235	22	Payment of medicine without observing the originate of authorization letter without proper check	2.602	
236	24	Loss to Government due to purchase of medicine on higher rates,	0.240	
237	25	Unjustified payment of medicine	0.429	
MS THQ Hospital Chishtian	238	1	Over payment of conveyance, HSRA, dress & mess allowances during leave.	0.842
	239	3	Unjustified 50% adhoc relief allowance (2010) to doctors	0.712

DDOs	Sr. No	AP No.	Audit Observation	Amount
	240	5	Recovery on account of absenteeism from duties of various staff	1.309
	241	6	Unjustified drawl of non practice allowance	0.248
	242	7	Loss to Government due to unjustified payment on account of HSRA	0.065
	243	8	Unjustified drawl of practice compensatory allowance	0.075
	244	9	Loss to Government due to non-deduction of repair & maintenance charges on accommodation	1.487
	245	10	Loss to Government due to illegal occupation of two residences	0.147
	246	12	Non deduction of water charges from the residents in Hospital Quarters	0.139
	247	17	Loss to Government due to non-auction of different items	0.957
	248	22	Loss to Government due to purchase of fuel on higher rates	0.187
	249	23	Fraudulent / misappropriation in excess charging of purchee fee	1.242
	250	24	Irregular expenditure without observing PPRA rules	2.462
	251	25	Fraudulent / misappropriation in excess charging of laboratory fee	2.675
	252	26	Unjustified expenditure due to splitting	3.617
	253	27	Non deposit of MLC fee	2.103
	254	30	Fraudulent / misappropriation in excess charging of indoor fee	0.052
MS THQ Hospital Haroon Abad	255	2	Irregular drawl of SHSRA by the doctors and other staff	0.042
	256	3	Overpayment / unjustified payment of conveyance allowance & health practicing allowance during leave period	0.289
	257	4	Over payment of conveyance allowance/ dress & mess allowances during leave	0.073
	258	5	Non recovery of penal rent	0.132
	259	7	Purchase of medicine in excess of demand	-
	260	10	Loss to Government due to non-observing austerity measures on account of electricity	0.560
	261	11	Expenditure in excess of prescribed limit on local	2.484

DDOs	Sr. No	AP No.	Audit Observation	Amount
			purchase of medicine at bulk	
	262	14	Misappropriation in POL of generator	0.410
	263	16	Irregular expenditure due to non observance of austerity measures	1.100
	264	17	Irregular purchase of tyres	0.184
	265	18	Loss to Government due to purchase of fuel on higher rates,	0.042
	266	21	Non-accountal of POL in to log book	0.046
	267	23	Non-deposit of X-ray fixer water	0.011
	268	24	Doubtful consumption of medicine	0.269
	269	25	Non-deduction of Income Tax	0.024
	270	26	Irregular supply of medicine from IRMNCH centre Bahawalnagar to THQ Hospital Haroon Abad	0.125
	271	27	Non-deposit of receipts	0.004
	272	28	Irregular shifting of new generator to DCO office Bahawalnagar	1.565
	273	29	Non-verification of deposits (receipts)	1.304
SMO RHC Maroot	274	1	Loss to Government due to non-deduction of conveyance and house rent allowance.	0.569
	275	3	Irregular payment of HSRP / mess / dress allowance during leave period	0.105
	276	4	Unauthorized drawl of pay and allowance of absent period	0.052
	277	5	Unauthorized drawl of adhoc relief allowance (2010) 50% of pay by doctors	0.179
	278	6	Loss to Government due to irregular payment of PHSRP to employee not performing duty at RHC	0.059
	279	9	Irregular drawl of pay & allowances at erratic posting	19.188
	280	12	Irregular purchase of medicine	0.288
	281	14	Loss to Government treasury due to non deposit of ambulance receipt, non auction of tress and other misc. store	0.008
	282	15	Non production /non maintenance of record	-
DO (Buildings) Bahawalnagar	283	2	Loss to Government due to showing higher rates of store items	0.023
	284	3	Irregular late issuance of work order	43.712
	285	5	Loss to Government treasury due to non-recovery of	0.315



DDOs	Sr. No	AP No.	Audit Observation	Amount
			Professional Tax,	
	286	6	Loss to Government due to non-forfeiting earnest money	0.829
	287	7	Loss to Government due to payment of excess quantities & excess items to contractor against the provision of technical sanction estimate	0.613
	288	8	Loss to Government due to non-reduction of composite rates of concrete	0.077
	289	12	Loss to Government due to unjustified payment of "water charges" for residents of "officers colony"	0.300
	290	15	Loss to Government due to abnormal delay in completion of projects	128.625
	291	16	Loss to Government treasury due to un-justified payment of conveyance allowance	0.156
	292	17	Loss to Government due to vacant residences and un-justified drawl of house rent allowance by the employees	0.422
	293	18	Loss to Government due to purchase of fuel on higher rates	0.013
	294	19	Loss to Government due to non-deduction of Income Tax from POL bills	0.030
	295	20	Loss to Government due to irregular payment on works and loss of GST	171.488
	296	24	Non-production of record	-
DO (Roads) Bahawalnagar	297	4	Wasteful expenditure due to abnormal delay and non completion of work	9.125
	298	5	Irregular execution of works due to non obtaining of additional performance security	31.862
	299	7	Loss to Government due to irregular payment on works and loss	12.764
	300	8	Loss to Government due to non forfeiture of earnest money	.097
	301	12	Non recovery of Professional Tax	0.094
	302	13	Non recovery of lease rent for approaches to petrol pumps	0.355
	303	14	Loss to Government due to non-deduction of HRA and R&M charges	0.036

## Annex – B

**Summary of appropriation accounts by grants for the financial year  
2015-16**

(Amount in rupees)

No. & Name of the Grant / Appropriation	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation
					(+) Excess
					(-) Lapses
<b>Non-Development</b>					
Provincial Excise.	9,156,050	0	9,156,050	8,830,479	-325,571
Forests.	11,931,685	0	11,931,685	10,383,447	-1,548,238
Charges on A/c of M. Veh. Act.	2,720,249	0	2,720,249	1,847,292	-872,957
Other Taxes & Duties.	7,905,701	0	7,905,701	6,824,080	-1,081,621
General Administration.	180,605,483	0	180,605,483	129,453,921	-51,151,562
Education.	6,674,648,699	27,788,845	6,702,437,544	6,702,249,118	-188,426
Health Services.	1,481,359,986	24,889,701	1,506,249,687	1,504,349,999	-1,899,688
Public Health.	3,416,323	0	3,416,323	2,861,373	-554,950
Agriculture.	166,030,057	0	166,030,057	149,250,164	-16,779,893
Fisheries.	3,438,695	0	3,438,695	2,957,106	-481,589
Veterinary.	184,443,907	0	184,443,907	177,694,289	-6,749,618
Co-operation.	39,540,168	0	39,540,168	36,025,880	-3,514,288
Industries.	2,166,775	0	2,166,775	1,338,507	-828,268
Miscellaneous Departments.	3,591,624	671,710	4,263,334	4,263,334	0
Civil Works.	50,290,003	0	50,290,003	46,175,894	-4,114,109
Communications.	103,544,677	0	103,544,677	95,652,067	-7,892,610
Miscellaneous.	47,885,759	0	47,885,759	36,800,267	-11,085,492
Civil Defence.	7,546,834	0	7,546,834	7,546,645	-189
Block Allocation (Non-Dev.).	200,000,000	0	200,000,000	0	-200,000,000
<b>Total Non-Development</b>	<b>9,180,222,675</b>	<b>53,350,256</b>	<b>9,233,572,931</b>	<b>8,924,503,862</b>	<b>-309,069,069</b>
<b>Development.</b>					
Development.	813,121,130	743,629,563	1,556,750,693	1,556,750,693	0
Highways, Roads & Bridges.	0	0	0	0	0
Government Buildings.	0	0	0	0	0
Block Allocation (Dev.).	766,267,628	335,857,288	1,102,124,916	0	-1,102,124,916
<b>Total Development</b>	<b>1,579,388,758</b>	<b>1,079,486,851</b>	<b>2,658,875,609</b>	<b>1,556,750,693</b>	<b>-1,102,124,916</b>
<b>Grand Total</b>	<b>10,759,611,433</b>	<b>1,132,837,107</b>	<b>11,892,448,540</b>	<b>10,481,254,555</b>	<b>-1,411,193,985</b>

**Annex – C**  
**[Para 1.2.1.1]**

**Non production of record**

(Amount in Rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period of Audit</b>	<b>Description</b>	<b>Amount</b>	<b>PDP No.</b>
1	Deputy DEO (EE-W) Chistian	2014-2016	Adjustment bills of Conveyance allowance	1,459,623	14
2	Head Master GBHS Aziz-e- Millat Bahawalnagar	1993-2016	B&E, Tuition Fee, R&M of Building, Literacy Program (NFBE)	200,498	5
3	Deputy DEO (EE-W) Bahawalnagar	2014-2016	Personal Files, Recruitment record of educators, SMC Record of schools, Inspection reports of AEOs and DDO, Monthly Monitoring reports and fine imposed.	0	9
4	Deputy DEO (EE-W) Minchin Abad	2014-2016	Leave Encashment Record	3,150,380	12
			SMC record of schools, manual bills drawn through adjustment, record of dismantled buildings, sales proceed of trees, old material, leave record, Service books, history sheets etc.	1,222,789	15
5	EDO (Health) Bahawalnagar	2015-16	Vouchers of different heads, TA/DA bills, tour programs, office orders, etc, rate contract of medicines, repair register, photocopy register, stock registers etc.	641,488	15
6	EDO (F&P) Bahawalnagar	2015-16	Vouched accounts by MEPCO and TMA Haroon Abad.	139,757,727	5
7	MS THQ hospital Minchin Abad	2014-16	Advance payment and other allied records etc	500,000	23
8	MS DHQ hospital Bahawalnagar	2015-16	Manual bills drawn through adjustment / change forms.	7,273,959	30
<b>Total</b>				<b>154,206,464</b>	

**Annex – D**  
**[Para 1.2.2.1]**

**Unauthorized opening of tenders by incomplete tender board**

(Amount in Rupees)

<b>Sr. No.</b>	<b>Date of Opening Tender</b>	<b>No. of Schemes</b>	<b>Estimated Cost of the Schemes</b>	<b>Detail of members who did not participate the meeting of the Tender Board</b>
1	25.07.2015	04	12,500,000	Representatives of Commissioner, DCO & EDO(F&P)
2	24.08.2015	19	55,481,000	Representatives of Commissioner, DCO & EDO(F&P)
3	24.11.2015	14	41,644,000	Representatives of Commissioner, DCO & EDO(F&P)
4	07.04.2016	06	33,614,000	Representatives of Commissioner, DCO & EDO(F&P)
<b>Total</b>		<b>43</b>	<b>143,239,000</b>	

**Annex – E**  
**[Para 1.2.2.3]**

**Irregular late issuance of work orders**

(Amount in Rupees)

Sr. No.	Name of Scheme	Name of Contractor	Date of Tender	Work Order No. & Date	No. of Days after opening tenders	Issuing Authority	Agreement Amount
1	Re-Construction of Building At Govt Boys High School Mohar Wali Bahawalnagar	Rashid Mehmood & Co	7.09.15	625 Dated 23.09.2015	17	DO (Buildings)	13,198,800
2	Re-Construction of Building At Govt Girls Primary School Chak No. 284/HR Fortabbas	Muhammad Sajid Builders	7.09.15	629 dated 23.09.2015	17	DO (Buildings)	1,642,396
3	Re-Construction of Building At Govt Girls High School Canal Colony Bahawalnagar	Mehmood Brothers	7.09.15	633 dated 23.09.2015	17	DO (Buildings)	8,092,630
4	Re-Construction of Building At Govt Boys Primary School Jamal Din Bhok Bahawalnagar	Abdul Ghaffar	7.09.15	637 dated 23.09.2015	17	DO (Buildings)	846,794
5	Re-Construction of Building At Govt Boys Primary School Chak No. 122/M Chishtian	Uzair Construction company	7.09.15	641 dated 23.09.2015	17	DO (Buildings)	1,640,752
6	Re-Construction of Building At Govt Boys Primary School Kapoora Bahawalnagar	Musa Engineers & Contractors	7.09.15	645 dated 23.09.2015	17	DO (Buildings)	845,938
7	Re-Construction of Building At Govt Girls Primary School 179/7R Fortabbas	Nadeem Akhtar	7.09.15	649 dated 23.09.2015	17	DO (Buildings)	1,642,127
8	Provisioning of missing facilities in school one at Govt. Girls Primary School Boolay Shah Bahawalnagar	Maqbool Ahmad Rateka	7.09.15	653 dated 29.09.2015	23	DO (Buildings)	775,613
9	Re-Construction of Building At Govt Girls Primary School 333/HR Fortabbas	Shahar Yar Builders	7.09.15	597 dated 29.09.2015	23	EDO (W&S)	1,642,235
10	Re-Construction of	Azeem	7.09.15	657 dated	53	DO	802,792

Sr. No.	Name of Scheme	Name of Contractor	Date of Tender	Work Order No. & Date	No. of Days after opening tenders	Issuing Authority	Agreement Amount
	Building At Govt Girls Primary School City Fortabbas	Brothers		29.10.2015		(Buildings)	
11	Re-Construction of Dangerous Building At Govt Girls Primary School Chak No. 47/3R Haroonabad	Nadeem Akhtar	7.09.15	661 dated 29.10.2015	53	DO (Buildings)	1,556,816
12	Re-Construction of Dangerous Building At Govt Boys High School khetranwala Bahawalnagar	Mummunka Construction Co.	7.09.15	665 dated 29.10.2015	53	DO (Buildings)	1,964,035
13	Re-Construction of Dangerous Building At Govt Boys Primary School 310/HR Fortabbas	Mummunka Construction Co.	7.09.15	669 dated 29.10.2015	53	DO (Buildings)	1,556,986
14	Re-Construction of Dangerous Building At Govt Girls Primary School 310/HR Fortabbas	Mummunka Construction Co.	7.09.15	673 dated 29.10.2015	53	DO (Buildings)	1,556,834
15	Re-Construction of Dangerous Building At Govt Boys Model Primary School Chak No. 56/4R Haroonabad	Ghulam Farid Maken	7.09.15	620 dated 23.09.2015	53	DO (Buildings)	846,793
16	Provision of missing facilities in Govt. Girls High School Gulab Ali Bahawalnagar	Zulifqar Ali & Co.	7.09.15	681 dated 01.12.2015	85	DO (Buildings)	958,107
17	Provision of missing facilities Construction of 2 No. Addition Class Rooms in Govt. Boys Primary School Qalandar Pur Bodla Minchinabad	ishaq Bhatti & sons	07.09.2015	101 dated 21.01.2016	21	DO (Buildings)	3,028,403
18	Repair of B/Wall Haider Stadium Bahawalnagar	Allah Rakha	26.03.2016	138 dated 20.04.2016	25	DO (Buildings)	326,902
19	Special Repair of Civil Defence Control End Report Center Bahawalnagar	Shafique Builders	26.03.2016	142 dated 20.04.2016	25	DO (Buildings)	495,000
20	Improvement/Renovation of Mosque in Officer Colony Bahawalnagar	Tahir Joya	26.03.2016	146 dated 21.04.2016	26	DO (Buildings)	396,000

Sr. No.	Name of Scheme	Name of Contractor	Date of Tender	Work Order No. & Date	No. of Days after opening tenders	Issuing Authority	Agreement Amount
21	Improvement/Renovation of Residence No. 19/A in Officer Colony Bahawalnagar	Muhammad Ahsan Maken	26.03.2016	150 dated 21.04.2016	26	DO (Buildings)	198,000
22	Improvement/Renovation of Residence No. 5/A in Medical Colony Bahawalnagar	Islam Builders	26.03.2016	154 dated 21.04.2016	26	DO (Buildings)	495,000
23	Improvement/Renovation of Residence No. 8/A in Medical Colony Bahawalnagar	Khokhar Builders	26.03.2016	158 dated 21.04.2016	26	DO (Buildings)	426,000
24	Improvement/Renovation of Residence No. 1/D in Medical Colony Bahawalnagar	Waqar Mehmood	26.03.2016	162 dated 21.04.2016	26	DO (Buildings)	396,000
25	Improvement/Renovation of Residence No. 6/C in Medical Colony Bahawalnagar	Atta Muhammad	26.03.2016	166 dated 21.04.2016	26	DO (Buildings)	99,980
26	Construction of New Building of DPS Minchinabad	Yousaf Joya	07.09.2015	186 dated 24.05.2016	260	DO (Buildings)	28,430,858
27	Improvement/Renovation of Residence No. 9/B in Officer Colony Bahawalnagar	Zahid Mehmood	26.03.2016	170 dated 21.04.2016	26	DO (Buildings)	99,950
28	Improvement/Renovation of Residence No. 6 in Officer Colony Bahawalnagar	Muhammad Aslam Sherazi	26.03.2016	178 dated 21.04.2016	26	DO (Buildings)	247,500
29	Re-Construction of Roof Quarter No. 2/B Zila council Bahawalnagar	Rashid Mehmood & Co	26.03.2016	182 dated 21.04.2016	26	DO (Buildings)	346,431
30	Improvement/Renovation of AMO Banglow No. 2 Medical Colony Bahawalnagar	Bashir Ahmad	26.03.2016	174 dated 21.04.2016	26	DO (Buildings)	296,881
<b>Total</b>							<b>74,852,553</b>

**Annex – F**  
**[Para 1.2.2.4]**

**Irregular expenditure due to non-compliance of PPRA rules –  
Rs 53.659 million**

**(Amount in Rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period</b>	<b>Description</b>	<b>Amount</b>
1	Deputy DEO (EE-W) Chistian	2015-16	Purchase of Furniture 15 Schools	3,220,000
2	DO (Health) Bahawalnagar	2015-16	Purchase of Stationery, printing and medicines	13,307,949
3	DHQ Hospital Bahawalnagar	2015-16	Purchase of Stationery, printing, medicines & Machinery	26,334,310
4	MS THQ hospital Minchin Abad	2014-16	Purchase of furniture and Plant & machinery	2,208,630
5	EDO (Health) Bahawalnagar	2015-16	Purchase of Stationery, printing etc	474,691
6	Special Education Centre Haroon Abad	2009-16	Purchase of uniform etc	4,676,886
7	DO (Livestock) Bahawalnagar	2015-16	Purchase of stationery etc	3,437,084
<b>Total</b>				<b>53,659,550</b>



**Annex – G**  
**[Para 1.2.2.6]**

**Irregular payment of bitumen on account of surface treatment of roads – Rs 20.073 million**

(Amount in Rupees)

Sr. No.	Description	Total Expenditure on Bitumen	Qty of Bitumen 67lbs/100sft	Total KG	Rate of Bulk Bitumen	Rate of Packed Bitumen	Difference	Excess
1	Construction/ Widening & Improvement of metalled road Chak Sarwar Din road from Telephone exchange Mecload Gunj to Karampur road via woman collage Mecload Gunj and Abadi Muhammad Yar Joyia and Abadi Batheka length 5.44 KM Tehsil Minchin Abad	5,288,784	75.17	75172.47	73.875	66.73	7.145	537,107
2	Rehabilitation of metalled road from Khichiyan wali pulli to 254/HL, Tehsil Fort Abbas, length 4.00 km	2,720,077	36.82	36820	73.875	66.73	7.145	263,079
3	Rehabilitation of metalled road from 286/HR to 293/HR Bridge, Tehsil Fort Abbas, length: 7.50 km	1,504,095	20.36	20360	73.875	66.73	7.145	145,472
4	Rehabilitation of metalled road from Pholra to 253/HL via 252/HL, Tehsil Fort Abbas, length 6.25 km	2,860,440	38.72	38720	73.875	66.73	7.145	276,654
5	Rehabilitation of road from Chak No. 337/HR to Chak No. 335/HR, Tehsil Fort Abbas, length: 6.00 km	5,473,398	74.09	74090	73.875	66.73	7.145	529,373
6	Rehabilitation /Repair of road from Waheed Arshad Chowk to Uncle Chowk via Rana Atta House i/c street No.11 & 12 and other roads length 8.78 km Bahawalnagar.	191,336	2.59	2590	73.875	66.73	7.145	18,506
	<b>Total</b>	<b>18,038,130</b>						<b>1,770,191</b>

**Annex – H**  
**[Para 1.2.2.12]**

**Irregular expenditure due to grant of Technical Sanctions by  
incompetent authority – Rs 3.702 million**

**(Rupees in million)**

<b>Sr. No.</b>	<b>Name of Work</b>	<b>T.S Amount</b>	<b>Expenditure</b>
1	Improvement / Renovation of Residence No.15 Arifwala Road Bahawalnagar.	1.000	0.990
2	Improvement / Renovation of Residence in THQ Hospital Chistian (Occupied by Dr. Qurat-ul-Ain)	0.855	0.846
3	Improvement / Renovation of Residence No.2/A Officer Colony Bahawalnagar.	0.475	0.470
4	Improvement / Renovation of Residence No.2/A in Medical Colony in DHQ Hospital Bahawalnagar.	0.350	0.347
5	Improvement / Renovation of Residence No.2/A in Zila Council Colony Bahawalnagar.	0.550	0.544
6	Improvement / Renovation of Quarter No.2-D in Zila Council Colony Bahawalnagar.	0.430	0.426
7	Improvement / Renovation of Quarter No.3 in Zila Council Colony Bahawalnagar.	0.080	0.079
	<b>Total</b>	<b>3.74</b>	<b>3.702</b>

**Annex – I**  
**[Para 1.2.2.13]**

**Doubtful drawl of pay and allowances – Rs 2.970 million**

(Amount in rupees)

<b>Period</b>	<b>Months</b>	<b>Pay</b>	<b>Amount</b>
8/94 to 11/94	4	1480	5,920
12/94 to 11/95	12	1480	17,760
12/95 to 11/96	12	1561	18,732
12/96 to 11/97	12	1642	19,704
12/97 to 11/98	12	1723	20,676
12/98 to 11/99	12	1804	21,648
12/99 to 11/2000	12	1885	22,620
12/2000 to 11/2001	12	1966	23,592
12/2001 to 11/2002	12	3060	36,720
12/2002 to 11/2003	12	3180	38,160
12/2003 to 11/2004	12	3300	39,600
12/2004 to 6/2005	7	3420	23,940
7/2005 to 11/2005	5	3955	19,775
12/2005 to 11/2006	12	4095	49,140
12/2006 to 6/2007	7	4235	29,645
7/2007 to 11/2007	5	4860	24,300
12/2007 to 6/2008	7	5180	36,260
7/2008 to 11/2008	5	6190	30,950
12/2008 to 6/2009	7	6380	44,660
7/2009 to 11/2009	5	6580	32,900
12/2009 to 11/2010	12	6810	81,720
12/2010 to 6/2011	7	7040	49,280
7/2011 to 11/2011	5	11520	57,600
12/2011 to 11/2012	12	11900	142,800
12/2012 to 11/2013	12	12280	147,360
12/2013 to 11/2014	12	12660	151,920
12/2014 to 6/2015	7	13040	91,280
7/2015 to 11/2015	5	16925	84,625
12/15 to 6/16	7	17420	121,940
<b>Total Pay as per Service Book</b>			<b>1,485,227</b>
<b>Almost equal amount of Allowances</b>			<b>1,485,227</b>
<b>G.Total</b>			<b>2,970,454</b>

**Annex – J**  
**[Para 1.2.2.16]**

**Unauthorized expenditure due to appointment of teachers below prescribed qualification – Rs 2.482 million**

(Amount in rupees)

Period		Pay Drawn	No. of Months	Amount
From	To			
11/87	11/87	830	1	830
12/87	11/88	830	12	9,960
12/88	11/89	868	12	10,416
12/89	11/90	906	12	10,872
12/90	05/91	944	6	5,664
06/91	11/91	1545	6	9,270
12/91	11/92	1617	12	19,404
12/92	11/93	1689	12	20,268
12/93	05/94	1761	6	10,566
06/94	11/94	2381	6	14,286
12/94	11/95	2478	12	29,736
12/95	11/96	2575	12	30,900
12/96	11/97	2672	12	32,064
12/97	11/98	2769	12	33,228
12/98	11/99	2866	12	34,392
12/99	11/00	2963	12	35,556
12/00	11/01	3060	12	36,720
12/01	11/02	4875	12	58,500
12/02	11/03	5020	12	60,240
12/03	11/04	5165	12	61,980
12/04	06/05	5310	7	37,170
07/05	11/05	6070	5	30,350
12/05	11/06	6235	12	74,820
12/06	06/07	6400	7	44,800
07/07	08/07	7365	2	14,730
09/07	11/07	7530	3	22,590
12/07	06/08	8050	7	56,350
07/08	11/08	9625	5	48,125
12/08	06/09	9935	7	69,545
07/09	11/09	10240	5	51,200
12/09	11/10	10620	12	127,440
12/10	06/11	11000	7	77,000
07/11	11/11	18300	5	91,500

<b>Period</b>		<b>Pay Drawn</b>	<b>No. of Months</b>	<b>Amount</b>
<b>From</b>	<b>To</b>			
12/11	11/12	19000	12	228,000
12/12	11/13	19700	12	236,400
12/13	11/14	20400	12	244,800
12/14	03/15	21100	4	84,400
04/15	06/15	21200	3	63,600
07/15	11/15	27400	5	137,000
12/15	06/16	28435	7	199,045
07/16	09/16	35080	3	105,240
<b>Total</b>				<b>2,482,273</b>

**Annex – K**  
**[Para 1.2.2.21]**

**Misclassification of expenditure – Rs 1.407 million**

**Table 1 EDO (Health)**

**(Amount in rupees)**

Sr. No.	A/C Head Used	A/C Head to be Used	Bill No.	Date	Supplier	Amount	Item
1	A03942	A013102	4461	20.05.16	Hassan Traders	3,900	Repair of Water Dispenser
2	A03942	A09601	1570	16.05.16	Haseeb & Company	98,163	A.C Split Haier 1.5 Ton HSU 18 HNH DCW
3	A03942	A03970	4468	24.05.16	Hassan Traders	159,120	Floor Wash 4 liters
4	A03942	A09701	3871	28.10.15	Hassan Traders	20,475	Office Almerah
5	A03942	A09701	3871	28.10.15	Hassan Traders	20,475	Office Almerah
6	A03970	A09601	1605	16.04.16	Haseeb & Company	24,909	Room Air Cooler
7	A03970	A09601	1602	18.05.16	Haseeb & Company	24,909	Room Air Cooler
8	A03970	A09601	1609	22.05.16	Haseeb & Company	24,909	Room Air Cooler
9	A03970	A09601	4512	01.06.16	Hassan Traders	87,048	Orient A.C Dc Invertor (1.5) Ultran Series Hot & Cold
<b>Total</b>						<b>463,908</b>	

**Table 2 MS THQ Minchin Abad**

**(Amount in rupees)**

Sr. No.	A/C Head Used	A/C Head to be Used	Bill No.	Date	Supplier	Amount	Items
1	A03942	A09701	2506	18.02.16	M.M.M Baig Enterprises	99,000	3 -Seated Waiting Chairs
2	A03942	A09701	2501	13.02.16	M.M.M Baig Enterprises	99,000	3 -Seated Waiting Chairs
3	A03942	A09701	2496	08.02.16	M.M.M Baig Enterprises	99,000	3 -Seated Waiting Chairs
4	A03942	A09701	2507	20.02.16	M.M.M Baig Enterprises	33,000	3 -Seated Waiting Chairs
5	A03970	A09701	786	15.3.14	Sial Traders	49,725	bench chips marble
6	A09601	A09404	442	23.5.16	Saglik Pharma	89,500	ECG Machine

Sr. No.	A/C Head Used	A/C Head to be Used	Bill No.	Date	Supplier	Amount	Items
7	A09601	A09404	451	30.5.16	Saglik Pharma	89,500	ECG Machine
8	A03970	A09401	428	04.05.16	Saglik Pharma	99,126	Statures
9	A03942	A09401	429	9.5.16	Saglik Pharma	88,842	Wheel Chair etc
10	A13101	A03942	455	17.5.16	Saglik Pharma	38,500	UPS
11	A03970	A09404	770	9.7.15	Abubakar Trading Company	12,000	B.P Cuf etc
12	A03927	A094010		1.11.15	Abubakar Trading Company	49,000	Oxygen Cylinder
13	A03927	A094010		1.8.15	Abubakar Trading Company	48,300	Oxygen Cylinder
14	A03927	A094010		15.7.15	Abubakar Trading Company	49,000	Oxygen Cylinder
<b>Total</b>						<b>943,493</b>	
<b>Grand Total</b>						<b>1,407,401</b>	

**Annex – L**  
**[Para 1.2.3.4]**

**Loss due to unauthorized payment of conveyance allowance –  
Rs 14.362 million**

(Amount in rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of employees</b>	<b>Amount</b>	<b>Remarks</b>	<b>PDP No.</b>
1	Deputy DEO (EE-W) Chistian	1150	4,086,498	Winter Vacations of Dec.14& Dec.15	2
2	EDO (Education) Bahawalnagar	35	1,830,000	AEOs having Motorcycles	1
3	EDO (Education) Bahawalnagar	10	220,000	official vehicles	3
4	GBHS Aziz-E-Millat Bahawalnagar	35	206,692	Winter Vacations	1
5	GBHS 132/6-R Haroon Abad	38	245,254	Winter vacation	3
6	Deputy DEO (EE-W) Minchin Abad	510	991,259	Winter Vacations of Dec.14& Dec.15	1
7	Deputy DEO (EE-W) Minchin Abad	30	125,689	Leave Periods	2
8	DO (Health) Bahawalnagar	138	4,045,260	Sanctioned Bike	3
9	Deputy DEO (EE-M) Bahawalnagar	1397	2,441,877	Winter Vacations	7
10	MS THQ Hospital Minchin Abad	14	169,202	Leave Periods	4
<b>Total</b>		<b>3357</b>	<b>14,361,731</b>		



**Annex – M**  
**[Para 1.2.3.7]**

**Encroachment of Government / state land**

**1. DCO Bahawalnagar**

(Amount in rupees)

Sr. No.	Place	Area of Land		Rate Per Kanal	Amount
		Kanal	Marla		
1	Government boys Elementry School chak No. 7/FW, Tehsil Chistian.	2	-	140910	281,820

**2. Dy. DEO (EE-W) Chishtian**

(Amount in rupees)

Sr. No.	Place	Area of Land		Rate Per Marla	Amount
		Kanal	Marla		
1	Government Model Primary School 110/FB	8	0	140910	1,127,280
2	Government Model Primary School 22/G	0	12	14170	170,052
3	Government Girls Elementary School 121/M	12	0	354312	4,251,744
4	Government Model Primary School 44/F	2	8	120788	301,970
<b>Total</b>		<b>22</b>	<b>20</b>		<b>5,851,046</b>
<b>Grant Total</b>		<b>22</b>	<b>20</b>		<b>6,132,866</b>

**Annex – N**  
**[Para 1.2.3.11]**

**Irregular payment of incentive allowance to the doctors – Rs 3.829 million**

(Amount in rupees)

<b>Pers. No.</b>	<b>BPS</b>	<b>Designation</b>	<b>Wage Type Description</b>	<b>Total</b>
30641278	Grade 18	MEDICAL OFFICER	Adj Incentive pay	55,000
30641278	Grade 18	MEDICAL OFFICER	Incentive Allowance	110,000
30643133	Grade 18	SURGEON	Adj Incentive Allowance	220,000
30643133	Grade 18	SURGEON	Adj Incentive Allowance	55,000
30643133	Grade 18	SURGEON	Incentive Allowance	440,000
30919760	Grade 18	CONSULTANT RADIOLOGIST	Adj Incentive Allowance	280,322
30919760	Grade 18	CONSULTANT RADIOLOGIST	Incentive Allowance	440,000
30921576	Grade 19	CHEST SPECIALIST	Adj Incentive Allowance	280,322
30921576	Grade 19	CHEST SPECIALIST	Incentive Allowance	440,000
30922731	Grade 18	GYNECOLOGIST	Adj Incentive Allowance	280,322
30922731	Grade 18	GYNECOLOGIST	Incentive Allowance	440,000
30981469	Grade 18	CARDIOLOGIST	Adj Incentive Allowance	280,322
30981469	Grade 18	CARDIOLOGIST	Incentive Allowance	440,000
31048782	Grade 18	PHYSICIAN	Adj Incentive Allowance	280,322
31048782	Grade 18	PHYSICIAN	Incentive Allowance	440,000
31448981	Grade 18	CONSULTANT	Adj Incentive Allowance	280,322
31448981	Grade 18	CONSULTANT	Incentive Allowance	440,000
31489628	Grade 18	CONSULTANT SURGEON	Incentive Allowance	495,000
31530038	Grade 18	GYNECOLOGIST	Adj Incentive Allowance	220,000
31530039	Grade 18	SURGEON	Adj Incentive Allowance	220,000
31530039	Grade 18	SURGEON	Incentive Allowance	495,000
31549460	Grade 18	MEDICAL OFFICER	Incentive Allowance	385,000
31570966	Grade 18	SURGEON	Adj Incentive Allowance	280,322
31570966	Grade 18	SURGEON	Incentive Allowance	440,000
31633356	Grade 18	CONSULTANT	Adj Incentive Allowance	225,322
31633356	Grade 18	CONSULTANT	Incentive Allowance	495,000
31696232	Grade 18	ANESTHETIST	Adj Incentive Allowance	87,500
31696232	Grade 18	ANESTHETIST	Incentive Allowance	130,000
31749893	Grade 18	GYNECOLOGIST	Incentive Allowance	385,000
31770703	Grade 18	CARDIOLOGIST	Adj Incentive Allowance	236,516

<b>Pers. No.</b>	<b>BPS</b>	<b>Designation</b>	<b>Wage Type Description</b>	<b>Total</b>
31770703	Grade 18	CARDIOLOGIST	Incentive Allowance	110,000
31782547	Grade 18	CONSULTANT SURGEON-ENT	Adj Incentive Allowance	55,000
31782547	Grade 18	CONSULTANT SURGEON-ENT	Incentive Allowance	110,000
<b>Total</b>				<b>9,571,592</b>
<b>40%</b>				<b>3,828,637</b>

**Annex – O**  
**[Para 1.2.3.19]**

**Unjustified purchase and consumption of insecticides – Rs 1.177 million**

(Amount in rupees)

Bill No.	Date	Firm' name	Amount	Item
-	03.11.14	SH-Mohammad Amin & Company	49,725	Floor Wash 4 Ltr Pack
-	15.08.14	M Hasib & Company	41,250	Spray Oil 400ml
309	25.01.14	Sial Traders	94,027	Spray Oil 800ml
701/ST	25.01.14	Sial Traders	99,450	Spray Oil 80ml
651	28.02.14	Abubakar Trading Company	48,756	Floor Wash 4 Ltr Pack etc
-	01.08.14	Abubakar Trading Company	48,000	Spray oil
-	01.07.14	Abubakar Trading Company	42,000	Pyenyl 3 Ltr
726	13.03.15	Abubakar Trading Company	49,956	Pyenyle etc.
727	14.03.15	Abubakar Trading Company	48,750	Floor Wash etc.
-	15.08.14	M Hasib & Company	41,250	Spray Oil
10163	30.04.16	Saglik Pharma	85,000	Sapry oli
10162	05.03.16	Saglik Pharma	95,200	Floor wash
10181	02.03.16	Saglik Pharma	23,095	Tiolet Cleaner
20	02.04.16	Saglik Pharma	41,680	Toilet Cleaner etc.
23	05.04.16	Saglik Pharma	31,863	Phynel Liquid
777	14.07.15	Abubakar Trading Company	48,600	Phynel Liquid etc.
10164	10.05.16	Saglik Pharma	49,600	Toilet Cleaner etc.
10180	02.03.16	Saglik Pharma	48,960	Floor wash
651	28.02.14	Abu Bakar Trading Co.	48,756	Wash and Insecticide items
716	22.02.15	Abu Bakar Trading Co.	43,500	Wash and Insecticide items
679	08.06.14	Abu Bakar Trading Co.	49,616	Wash and Insecticide items
Nil	01.08.14	Abu Bakar Trading Co.	48,000	Spray oil mortin
<b>Total</b>			<b>1,177,034</b>	