



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

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AASHTO	American Association of State Highway and Transportation Officials
AEO	Assistant Education Officer
BF	Benevolent Fund
BHU	Basic Health Unit
B&R	Buildings & Roads
Cft	Cubic Feet
CNIC	Computerized National Identity Card
C&W	Communication & Works
DAC	Departmental Accounts Committee
DCO	District Coordination Officer
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
DO	District Officer
DTL	Drug Testing Laboratory
EDO	Executive District Officer
FD	Finance Department
FESCO	Faisalabad Electricity Supply Company
FTF	Farogh-e-Taleem Fund
F&P	Finance & Planning
GI	Group Insurance
GPF	General Provident Fund
HPA	Health Professional Allowance
HSRA	Health Sector Reforms Allowance
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
LD	Liquidated Damages
LED	Light Emitting Diode
MB	Measurement Book
MGDAC	Memorandum for Departmental Accounts Committee

MRS	Market Rate System
M&R	Maintenance & Repair
NESPAK	National Engineering Services Pakistan
NSB	Non Salary Budget
NSL	Natural Surface Level
NPA	Non Practicing Allowance
OFWM	On Farm Water Management
PAC	Public Accounts Committee
PARCO	Pak Arab Refinery Company
PCA	Practice Compensatory Allowance
P&D	Planning & Development
PDG	Punjab District Government
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
POL	Petroleum, Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PSI	Pound per Square Inch
RDA	Regional Directorate of Audit
Rft	Running Feet
RHC	Rural Health Center
RR&MTI	Road Research & Material Testing Institute
SAP	Systems, Applications and Products
S&GAD	Services and General Administration Department
SMC	School Management Council
SMO	Senior Medical Officer
TA	Travelling Allowance
THQ	Tehsil Headquarters
TMA	Town / Tehsil Municipal Administration
TSE	Technically Sanctioned Estimate
UPS	Uninterruptible Power Supply
VIP	Very Important Person
W&S	Works & Services
WMO	Women Medical Officer
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, Jhang 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.

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

Islamabad
Dated: 07.03.2017

-Sd-
(Rana Assad Amin)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate 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, Faisalabad, a Field Audit Office of the DGA, District Governments, Punjab (South), Multan carries out audit of District Governments Faisalabad, Jhang, Toba Tek Singh and Chiniot.

The Regional Directorate has a human resource of 16 officers and staff, constituting 4,529 man-days and the budget amounting to Rs 19.960 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 Faisalabad carried out audit of the accounts of various formations of District Government, Jhang for the financial year 2015-16 and the findings are included in the Audit Report.

The District Government, Jhang conducts its operations under Punjab Local Government Ordinance, 2001. The District Coordination Officer (DCO) is the Principal Accounting Officer (PAO) 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. Due to delay of electoral process, Zila Nazim / Zila Council was not elected; therefore, the Annual Budget Statement was authorized by the DCO who has been notified as Administrator by Government of the Punjab in February, 2010.

District Jhang is administratively divided into three tehsils namely Jhang, Shorkot and Ahmed Pur Sial.

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 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 account of revenue was made in accordance with prescribed laws, rules and regulations and recorded in the books of accounts of the District Government.

a) Scope of Audit

Out of total expenditure of the District Government, Jhang for the financial year 2015-16, auditable expenditure under the jurisdiction of Regional Director Audit, District Governments, Faisalabad, was Rs 8,779.539 million covering one PAO and 254 formations. Out of this, RDA Faisalabad audited an expenditure of Rs 5,297.444 million which, in terms of percentage, was 60% of total auditable expenditure and irregularities amounting to Rs 1,096.903 million were pointed out. Regional Director Audit planned and executed audit of 30 formations, i.e. 100% achievement against planned audit activities.

Total receipts of the District Government, Jhang for the financial year 2015-16 were Rs 58.508 million. RDA, Faisalabad audited receipts of Rs 28.669 million which, in terms of percentage, were 49% of total receipts and irregularities amounting to Rs 8.313 million were pointed out.

b) Recoveries at the Instance of Audit

Recoveries of Rs 270.449 million were pointed out by Audit which were not in the notice of the management before audit. An amount of Rs 0.162 million was recovered and verified during year 2016-17, till the time of compilation of this Report.

However, recovery of Rs 64.608 million pertaining to Paras (over one million) has been included in this Report. No further recovery has been made 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), Volume-I & II, Delegation of Financial Powers Rules 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 under the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws/rules and 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 the District Government, Jhang 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-realization of Government receipts, overpayment to contractors and suppliers, violation of procurement rules and non-utilization 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 Administration shall appoint an Internal Auditor but the same was not appointed in District Government, Jhang.

f) The Key Audit Findings of the Report

- i. Fraud/mis-appropriation of Rs 1.078 million was noted in one case.¹
- ii. Irregularities and non-compliance of Rs 574.791 million were noted in 47 cases including 11 cases of violation of the Punjab Procurement Rules amounting to Rs 99.009 million.²
- iii. Performance issues involving an amount of Rs 54.737 million were noted in seven cases.³

¹Para: 1.2.1.1

²Para: 1.2.2.1 to 1.2.2.47

³Para: 1.2.3.1 to 1.2.3.7

- iv. Internal Control weaknesses involving an amount of Rs 78.707 million were noted in six cases.⁴

Audit Paras involving procedural violations including Internal Control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee were included in Memorandum for Departmental Accounts Committee Annex-A.

g) Recommendations

PAO/District Government is required to:

- i. Fix responsibility in cases of fraud/ mis-appropriations and losses.
- ii. Effect recoveries pointed out during audit regarding pay & allowances.
- iii. Comply with the Punjab Procurement Rules for economical and rational purchases of goods and services.
- iv. Strengthen the existing internal controls to avoid recurrence of similar nature irregularities time and again.
- v. Implement Internal as well as Financial Controls in letter and spirit to avoid unauthorized withdrawal/utilization of funds.
- vi. Make efforts for expediting the realization of various Government receipts.
- vii. Ensure deposit of district receipts into proper head of account.
- viii. Rationalize its budget with respect to utilization.

⁴Para: 1.2.4.1 to 1.2.4.6

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	8,779.539	58.508	8,838.047
2	Total Formations in Audit Jurisdiction	254	8,779.539	58.508	8,838.047
3	Total Entities (PAOs) Audited	1	5,297.444	28.669	5,326.113
4	Total Formations Audited	30	5,297.444	28.669	5,326.113
5	Audit & Inspection Reports	30	5,297.444	28.669	5,326.113
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	630.606
3	Internal Controls	78.707
4	Others	-
Total		709.313

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	94.044	6,318.241	960.134	1,407.120	58.508	8,838.047	7,281.059
2	Outlays Audited	51.050	3,332.877	506.397	1,407.120	28.669	5,326.113*	4,210.692
3	Amount Placed under Audit Observations/ Irregularities Pointed Out	10.127	44.704	186.259	466.717	1.506	709.313	149.708
4	Recoveries Pointed Out at the instance of Audit	-	44.704	9.089	9.309	1.506	64.608	29.693
5	Recoveries Accepted / Established at the instance of Audit	-	42.858	2.300	-	1.506	46.664	14.067
6	Recoveries Realized at the instance of Audit	-	0.148	0.014	-	-	0.162	0.714

*The amount mentioned against Sr. No.2 in column of "Total" is the sum of Expenditure and Receipts whereas the total expenditure was Rs 5,297.444 million.

Table 4: Irregularities Pointed Out

(Rupees in Million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of rules and regulations and violation of principles of propriety and probity in public operations.	582.864
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	1.078
3	Accounting errors (accounting policy departure from IPSAS ⁵ , 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	78.707
5	Recoveries and overpayments, representing cases of established overpayments or misappropriations of public monies.	46.664
6	Non production of record.	-
7	Others, including cases of accidents, negligence etc.	-
	Total	709.313

Table 5: Cost Benefit

(Rupees in Million)

Sr. No.	Description	Amount
1	Outlays Audited (Items 2 of Table 3)	5,326.113
2	Expenditure on Audit	0.576
3	Recoveries realized at the instance of Audit	0.162
	Cost-Benefit Ratio	0.3:1

⁵The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

CHAPTER 1

1.1 District Government, Jhang

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 carry out the functions devolved by the Provincial Government to the District Government level.

The District Government consists of Zila Nazim/Administrator and District Administration. The District Government shall be competent to acquire, hold or transfer any property, movable and immovable, to enter into contract and to sue or be sued in its name through the District Coordination Officer. The authority of 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.

The DCO is 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 Government 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 the District Administration.

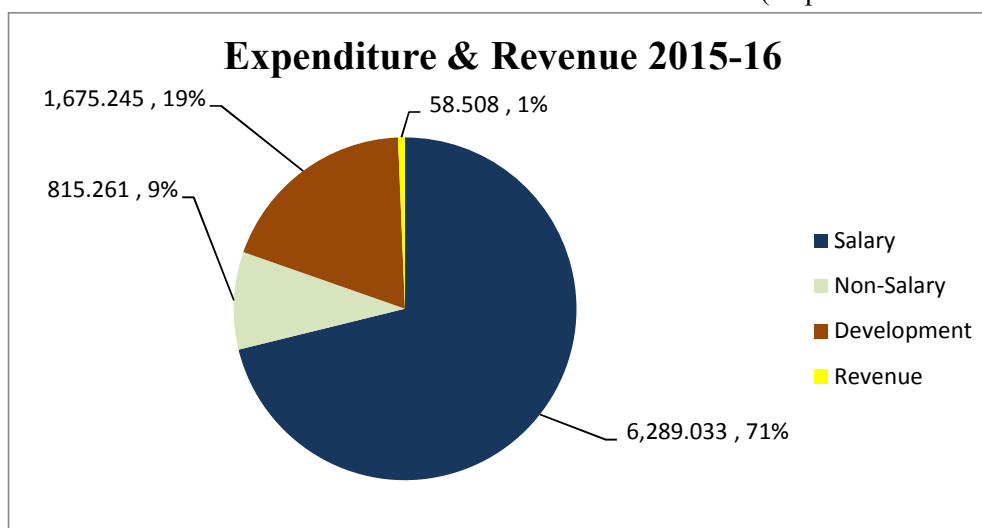
1.1.2 Comments on Budget and Accounts

The detail of budget & expenditure is given below in tabulated form.

(Rupees in Million)

2015-16	Budget	Actual	Excess (+)/ Lapse (-)	% Excess / Lapse
Salary	6,966.138	6,289.033	(-) 677.105	9.72%
Non-Salary	1,108.303	815.261	(-) 293.042	26.44%
Development	1,833.722	1,675.245	(-) 158.477	8.64%
Total	9,908.163	8,779.539	(-) 1,128.624	11.39%
Receipts	55.300	58.508	(+) 3.208	5.80%

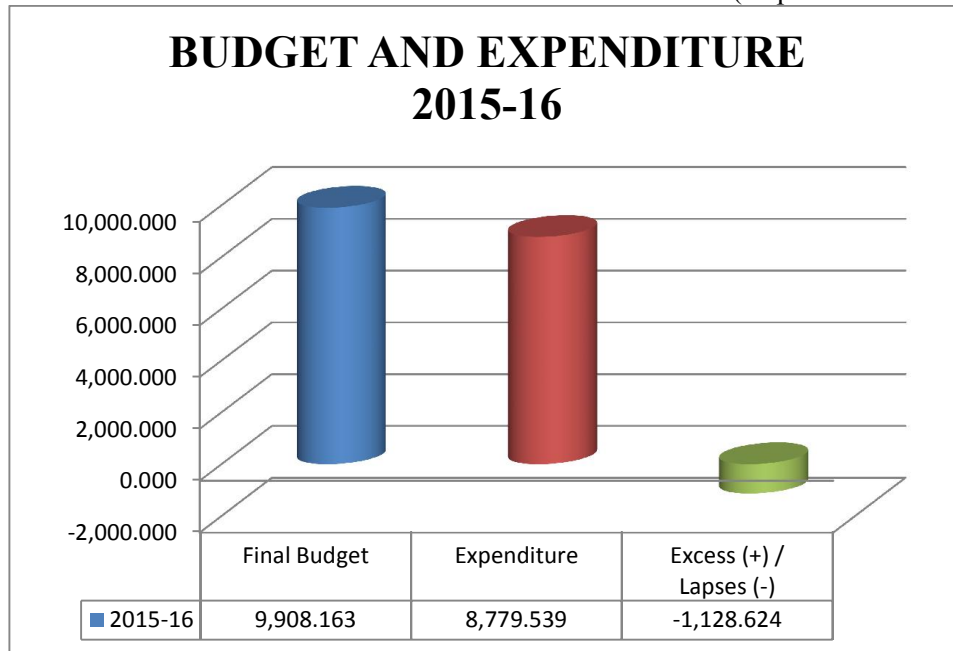
(Rupees in Million)



As per Appropriation Accounts 2015-16 of the District Government, Jhang, total original budget (Development & Non-Development) was Rs 9,439.594 million, Supplementary Grant of Rs 468.569 million was provided and the final budget was Rs 9,908.163 million. Against the final budget, total expenditure of Rs 8,779.539 million was incurred by the District Government during 2015-16. A lapse of Rs 1,128.624 million came to the notice of Audit due

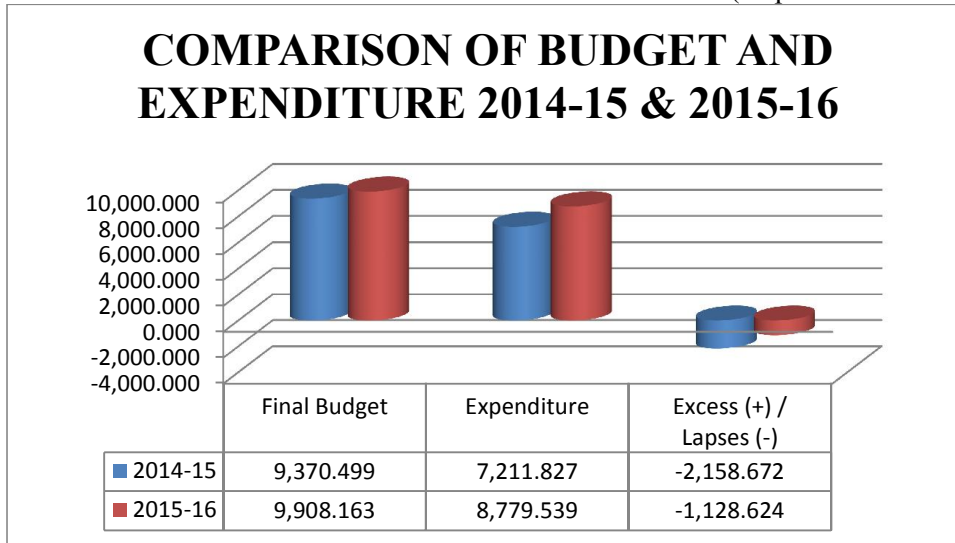
to inefficient financial management in release of budget by EDO (Finance & Planning). No plausible explanation was provided by the PAO and management of District Government (Annex-B). The comparison of budget and expenditure for FY 2015-16 showing huge lapse is as under:

(Rupees in Million)



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

(Rupees in Million)



There was 6% and 22% increase in Budget Allocation and Expenditure incurred respectively, while there were overall lapses of 11.39% 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

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2002-03	26	PAC not constituted
2	2003-04	24	PAC not constituted
3	2004-05	24	PAC not constituted
4	*July, 2005 to March, 2008 Special Audit Report	192	PAC not constituted
5	2009-10	46	PAC not constituted
6	2010-11	50	PAC not constituted
7	2011-12	43	PAC not constituted
8	2012-13	15	PAC not constituted
9	2013-14	15	PAC not constituted
10	2014-15	17	PAC not constituted
11	2015-16	22	PAC not constituted

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

1.2 AUDIT PARAS

1.2.1 Fraud/Misappropriations

1.2.1.1 Likely misappropriation of project funds – Rs 1.078 million

According to Rule 4(3)(v) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, the head of office is responsible for ensuring that the funds allotted are spent on the activities for which money was provided. Further, according to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part 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.

District Officer (On Farm Water Management), Jhang executed Pilot Project “Promotion of Cotton Cultivation in the Region with Drip Irrigation” from January, 2010 to December, 2011. Closing balance of project cash book on 30.01.2012 depicted that an amount of Rs 1.078 million was available in the Bank Account of the Drawing and Disbursing Officer (DDO). However, the said amount was retained by the DDO in bank account till June, 2016. Contrary to the above, the DDO retained and used project funds unauthorizedly due to the following reasons:

1. There were many instances that closing balance of the DDO Bank Account remained below Rs 1.078 million and even decreased to Rs 265,667 on 18.03.2016, which reflected that unauthorized withdrawal of fund was made; and
2. An amount of Rs 600,000 was withdrawn on 15.01.2015 and thereafter deposited in bank account on 15.02.2016 but the transactions were not reflected in the cash book which revealed that funds were temporarily misappropriated.

Audit is of the view that due to weak management and utter disregard of financial propriety, project funds were retained in the DDO Bank Account and utilized without authority. Unauthorized retention and utilization of project funds amounting to Rs 1.078 million resulted in likely misappropriation of the Government money.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that there was no unauthorized withdrawal of funds as decrease in balance to the extent of Rs 265,667 was due to clearance of cheques issued to Water User Associations. Audit did not agree because project funds were retained and utilized without authority, as balance of Rs 1.078 million was required to be maintained in the DDO Bank Account in any case. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned and refund of money into the Government Treasury, under intimation to Audit.

[PDP No. 43]

1.2.2 Irregularities and Non-Compliance

1.2.2.1 Irregular execution of civil works by splitting – Rs 259.750 million

According to Rule 1(A)(ii) and (iii) of 2nd Schedule Part-II of the Punjab Delegation of Financial Powers Rules, 2006 (Special Powers to Communication and Works (C&W) Department), following Powers to grant technical sanction of estimate have been delegated:

(i)	Chief Engineers.	Full powers
(ii)	Superintending Engineers	Upto Rs 30 million both for Highways and Buildings

Further, according to Government of the Punjab, Planning & Development (P&D) Department letter No.1(45)RO(ADP)P&D/2003 dated 07.05.2004, instances have come to the notice of P&D Department that development schemes costing beyond the approving powers of the forums, are split up to avoid higher approving forum.

District Officer (Roads), Jhang executed 16 civil works for rehabilitation/repair of roads costing Rs 259.750 million during 2014-16. The schemes were duly approved by the District Development Committee. Contrary to the above, technical sanctions of estimates for the schemes were accorded by EDO (W&S), Jhang by splitting the cost of schemes and keeping the cost of each scheme below the financial limit of Rs 30 million to avoid technical sanction from the Competent Authority i.e. Chief Engineer Punjab. **(Annex-C)**

Audit is of the view that due to weak internal controls and dereliction of duty, estimates were got technically sanctioned from EDO (W&S) by splitting the cost of schemes which resulted in irregular utilization of development funds amounting to Rs 259.750 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC

meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP Nos. 256, 257]

1.2.2.2 Irregular expenditure without quotations/tenders – Rs 42.032 million

According to Rule 9 of the Punjab Procurement Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 59(b) of *ibid*, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees. Furthermore, according to Rule 12 of *ibid*, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

Nine Drawing & Disbursing Officers (DDOs) of Health Department, Jhang incurred expenditure of Rs 42.032 million for purchase of stationery, furniture, machinery, medicine, x-ray films/material, different store items and printing from local market during 2013-16. Contrary to the above, purchases were made by splitting the cost of procurements and keeping it below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations. The detail is given in following table:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	District Officer (Health), Jhang	6.056
2	Senior Medical Officer, Rural Health Center, Rodu Sultan	5.160
3	Senior Medical Officer, Rural Health Center, Waryam Wala	2.596
4	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	4.854
5	Senior Medical Officer, Rural Health Center, Garh Maharaja	3.090
6	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	7.047
7	Senior Medical Officer, Rural Health Center, Mukhiana	4.319
8	Senior Medical Officer, Rural Health Center, Bagh	6.302
9	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	2.608
Total		42.032

Audit is of the view that due to non-compliance of procurement rules, procurements were made without open competition which resulted in mis-procurement and irregular expenditure of Rs 42.032 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that speedy process of procurement was adopted for smooth running of hospitals. Audit did not agree because expenditure was incurred in violation of procurement rules. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP Nos. 209, 49, 86, 29, 136, 139, 1, 120, 194, 231]

1.2.2.3 Irregular payment of bituminous items – Rs 24.923 million

According to Government of the Punjab, Communication & Works (C&W) Department letter No.PA/SECY(C&W)26.05/2009 dated 25.05.2009, the bitumen to be used should be tested from the Road Research & Material Testing Institute (RR&MTI) to ensure that it meets the American Association of State Highway and Transportation Officials (AASHTO) Standards. Further, according to Government of the Punjab, C&W Department Notification No.SOH-

I(C&W)1-49/2012(G) dated 13.06.2014, approval was accorded for use of “Parco Biturox” produced by Pak Arab Refinery Limited (PARCO), Mehmood Kot District Muzaffargarh, in projects to be executed by C&W Department having grade 60/70 & grade 80/100 in addition to bitumen of National Refinery Karachi.

District Officer (Roads) and District Officer (Buildings), Jhang made payment of Rs 24.923 million to different contractors for execution of bituminous items in twelve works for construction, repair and improvement of roads during 2015-16. Contrary to the above, works were executed and payments were made without getting the quality of bitumen tested from the RR&MTI. Documentary evidence for procurement and consumption of bitumen from approved refinery was also not forthcoming from the record (**Annex-D**). The detail is as under:

(Rupees in Million)

Sr. No.	DDOs	No. of Schemes	Amount
1	District Officer (Roads), Jhang	11	24.697
2	District Officer (Buildings), Jhang	01	0.226
Total		12	24.923

Audit is of the view that due to weak monitoring mechanism, quality of bituminous items was not got tested from RR&MTI and utilization of approved quality bitumen was also not ensured which resulted in irregular expenditure amounting to Rs 24.923 million.

The matter was reported to the DCO and DDOs concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned, under intimation to Audit.

[PDP Nos. 258, 252]

1.2.2.4 Irregular release of funds for provincial roads and buildings – Rs 21.599 million

According to Section 109(3) of the PLGO, 2001, no Local Government shall transfer monies to a higher level of Government except by way of repayment of debts contracted before the coming into force of the ordinance or for carrying out deposit works.

Executive District Officer (F&P), Jhang released funds amounting to Rs 21.599 million against three schemes during 2015-16. Contrary to the above, funds were released for incurrence of expenditure on repair/improvement and rehabilitation of provincial buildings and roads from Account-IV of District Government Jhang, as detailed below:

(Rupees in Million)

Sr. No.	Name of Schemes	Approved Cost	Funds Released
1	Repair/rehabilitation of road on main Head Trimmu Barrage	14.011	14.011
2	Conversion of old Government Girls Elementary School Wasu to Government Girls Vocational Institute, 18-Hazari	2.500	2.500
3	Improvement/renovation of District Government office building under occupation of Assistant Commissioner 18-Hazari	7.000	5.088
Total		23.511	21.599

Audit is of the view that due to weak internal controls, funds were released for incurrence of expenditure on provincial buildings and road from District Government funds which resulted in unauthorized utilization of funds amounting to Rs 21.599 million.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that District Government got these works executed by provincial departments as deposit work and expenditure was incurred in the best public interest. Audit did not agree because expenditure was incurred on provincial schemes from Account-IV of District Government. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure from the Competent Authority, under intimation to Audit.

[PDP No. 175]

1.2.2.5 Utilization of bricks without ensuring standard specifications and testing – Rs 18.878 million

According to the Composite Schedule Rates (CSR)-1964, standard specification for 1st class bricks is 2,000 pound per square inch (minimum). Further, according to Superintending Engineer Provincial Buildings Circle, Faisalabad letter No.44-M/109-G/1021-25/G-II dated 13.03.2001, due to non-availability of 2,000 PSI bricks, the utilization of bricks having crushing strength 1,700 PSI was allowed with recovery @ Rs 0.30 per brick from all running/final bills of the contractors.

District Officer (Buildings), Jhang executed 18 civil works for construction/improvement of buildings during 2015-16 and 2.704 million bricks costing Rs 18.878 million were utilized. Contrary to the above, the bricks were used without ensuring standards specifications and measuring crushing strength because no test reports were available in the record. In the absence of test reports, authenticity of utilization of standard bricks could not be verified. (**Annex-E**)

Audit is of the view that due to weak monitoring mechanism, works were executed without observing specifications, standards and testing of bricks costing Rs 18.878 million which resulted in execution/acceptance of substandard works.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned, under intimation to Audit.

[PDP No. 240]

1.2.2.6 Excess drawl of pay and allowances – Rs 14.153 million

According to Government of the Punjab, Services & General Administration Department letter No.(O&M)S&GAD)5-3/2013 dated 01.03.2013 read with letter of even No. dated 19.08.2013, the contract employees will not be entitled for Social Security Benefit (SSB) after regularization and their pay shall be fixed at the initial of the respective pay scales and the increment(s) already earned shall be converted into Personal Allowance. Further, according to Government of the Punjab, Finance Department Notification No.FD(SRI)-I-39/70 (Vol. III) dated 02.06.1972 and No.FD-PR-2-2/72 dated 17.12.1973, annual increments shall fall due on the first day of December, following the completion of at least six months service at a stage in relevant basic pay scale. Furthermore, according to Government of the Punjab, S&GAD Policy dated 19.12.2004, Benevolent Fund and Group Insurance were required to be deducted / recovered from civil servant when appointed on contract basis. Moreover, General Provident Fund was required to be deducted.

Services of 389 employees working on contract basis under the administrative control of 11 DDOs of Education Department, Jhang were regularized w.e.f. 07.08.2015. Contrary to the above, the employees drew inadmissible Social Security Benefit and annual increment of December, 2015. Further, Benevolent Fund (BF), Group Insurance (GI) and General Provident Fund (GPF) were also not deducted from their pay after regularization. Whereas some employees drew Personal Allowance and Adhoc Allowance - 2010 at excessive rates after regularization of their services w.e.f. 19.10.2009 and 10.09.2011. Resultantly, an amount of Rs 14.153 million was overpaid to these employees from 2009-10 to 2015-16. **(Annex-F)**

Audit is of the view that due to lack of due vigilance, payment of inadmissible pay and allowances was made to the employees without deduction of BF, GI and GPF which resulted in overpayment amounting to Rs 14.153 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be made from concerned. Audit stressed upon early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery amounting to Rs 14.153 million from the concerned, under intimation to Audit.

[PDP Nos. 112, 113, 109, 172, 168, 164, 171, 18, 19, 157, 85, 84, 83, 82, 191, 189, 187, 114, 116, 119, 152, 146, 150, 77, 76, 74, 48, 46, 163]

1.2.2.7 Unauthorized expenditure on buildings not owned/managed by District Government – Rs 14.051 million

According to Section 109(2) read with Sub-section (3) of the Punjab Local Government Ordinance, 2001, a Local Government may transfer approved budgeted amounts to any Local Government, Village Council or Neighborhood Council or Citizen Community Board, within its local area, for expenditure for the purpose of carrying out a project service or activity transferred to, or managed by, the recipient Local Government, Village Council, Neighborhood Council or Citizen Community Board.

District Officer (Buildings), Jhang executed five schemes for construction, repair/improvement and rehabilitation of buildings including provision of furniture, fixtures etc. during 2015-16 and incurred expenditure of Rs 14.051 million. Contrary to the above, expenditure was incurred from Account-IV of District Government, Jhang on the buildings which were either property of Provincial Government or managed by the Board of Management of Officers Club. The detail is given in following table:

(Rupees in Million)

Sr. No.	Name of Scheme	Expenditure	Remarks
1	Construction of Tehsil Complex at 18-Hazari	9.928	Provincial buildings
2	Reconstruction of boundary wall at new civil courts	1.171	
3	Improvement/renovation of Artificial Insemination Center, Toba Road, Jhang	0.955	
4	Renovation/improvement of Ladies Club, Jhang	1.000	Clubs managed by Board of Management
5	Renovation/improvement of Officers Club, Jhang	0.997	
Total		14.051	

Audit is of the view that due to weak internal controls, the expenditure was incurred on provincial buildings or buildings not under administrative control of District Government. Expenditure from Account-IV on provincial buildings etc. resulted in unauthorized utilization of funds amounting to Rs 14.051 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization, under intimation to Audit.

[PDP Nos. 245, 248, 251]

1.2.2.8 Purchase of medicines beyond prescribed limit – Rs 13.514 million

According to Para E of Government of the Punjab, Health Department letter No.SO(P-I 5/3-64/2008 dated 19.08.2008, 85 percent of the budget is to be consumed for bulk purchase and 15 percent to be consumed for local purchase of (day to day) medicines.

DDOs of six health facilities of District Jhang incurred expenditure of Rs 26.355 million on procurement of medicines from local market on account of

local purchase of (day to day) medicine during 2015-16. Contrary to the above, excess expenditure of Rs 13.514 million beyond the prescribed limit of 15 percent was incurred on local purchase of (day to day) medicine, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Total Budget	Expenditure to be Incurred (15%)	Expenditure Incurred	Excess Expenditure Than the Limit of 15%	Excess Expenditure (%age)
1	Senior Medical Officer, Rural Health Centre, Rodu Sultan	12.500	1.875	4.093	2.218	118%
2	Senior Medical Officer, Rural Health Centre, Haveli Bahadar Shah	16.700	2.505	5.729	3.223	119%
3	Senior Medical Officer, Rural Health Centre, Mukhiana	16.500	2.475	4.623	2.148	113%
4	Senior Medical Officer, Rural Health Centre, Waryam Wala	6.000	0.900	2.596	1.696	128%
5	Senior Medical Officer, Rural Health Centre, Bagh	7.500	1.875	2.813	0.938	113%
6	Senior Medical Officer, Rural Health Centre, Garh Maharaja	21.400	3.210	6.501	3.291	103%
	Total	80.600	12.840	26.355	13.514	

Audit is of the view that due to weak internal controls and non-compliance of the Government instructions, excess expenditure amounting to Rs 13.514 million beyond prescribed limit on Local Purchase of (day to day) Medicine resulted in violation of the Government instructions.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that expenditure was incurred after fulfilling codal formalities for smooth running of health facilities. The reply was not tenable as the expenditure was incurred in violation of above referred instructions of the Government. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP Nos. 51, 2, 121, 87, 203, 136]

1.2.2.9 Irregular expenditure on repair/maintenance of Government buildings – Rs 12.652 million

According to Paras 2.50 & 2.51 of the West Pakistan Buildings and Roads Department (B&R) Code, a Standard Measurement Book should be kept in the office of each Divisional Officer, showing the detailed measurements of each kind of work which is usually subject to renewal. Annual and periodical repairs of buildings should be provided for as a percentage on the capital cost of the building on which the standard rent is based, which will be held to include provision for all ordinary repairs likely to be needed every year. Special repairs should be provided for by special estimates prepared when necessary. Further, according to Para 2.41 of the B&R Code, repairs are ordinarily of following three kinds:

- i. Those which as a matter of routine are carried out every year and which are usually of the same quantity from time to time;
- ii. Those which are not done every year but are due after four years; and
- iii. Such occasional special repairs as become necessary from time to time, and which may have to be carried out between times of periodical repairs like renewal of roof, renewal of door, etc.

District Officer (Buildings), Jhang incurred expenditure of Rs 12.652 million on improvement, ordinary and special repair of the Government buildings during 2015-16. Contrary to the above, the works were executed without observing following:

1. Maintenance of Standard Measurement Books, describing plinth area and capital cost of each building alongwith inventory register to show key installed items etc. in each building;
2. History of previous repairs, whether ordinary or special of each building; and
3. Preparation of utilization plan, based on prescribed yardstick, for maintenance and repair (M&R) budget.

In the absence of relevant record, it was not possible to ascertain the authenticity of expenditure, planned life of the civil works and actual requirement of repair work with reference to previous expenditure incurred on M&R of the buildings.

Audit is of the view that due to weak internal controls and monitoring mechanism, expenditure was incurred without maintaining proper record which resulted in unnecessary and irregular expenditure amounting to Rs 12.652 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of the expenditure, under intimation to Audit.

[PDP Nos. 247, 253]

1.2.2.10 Irregular expenditure on works against defective agreements – Rs 10.740 million

According to Rule 63(b) of the Punjab Procurement Rules, 2014, a procurement contract shall come into force from the date on which the signatures of both the procuring agency and the successful bidder are affixed to the written contract and such affixing of signatures shall take place within a reasonable time. Further, according to Clause 6 of the Contract Agreement, the contractor shall enter into and execute a Contract Agreement on a Form as per specimen provided in the contract form for execution of work.

District Officer (Buildings), Jhang executed four civil works during 2012-16 and made payments amounting to Rs 10.740 million to contractors.

Contrary to the above, defective agreements were executed with the contractors due to following reasons:

1. Stamp papers, for execution of agreements, were purchased / issued even after the stipulated date of completion of the works;
2. Agreements were executed without mentioning the date of agreement on the face of stamp papers; and
3. Contract Agreements were signed by the District Officer (Buildings) who was posted after the award of work.

(Rupees in Million)

Sr. No.	Name of Work	Acceptance No. & Date	Stipulated Completion Date	Stamp Papers Issuance Date	Cost of Work	Remarks
1	Provision of missing facilities at Government Elementary School, Chak No.11 Colony No. 1	3539 dated 10.10.2014	09.01.2015	13.05.2016	1.519	Agreements were signed by the District Officer to whom charge was assigned on 16.02.2016
2	Re-construction of dangerous building of Government Girls Higher Secondary School, Kaki Nau	6005 dated 21.10.2015	20.04.2016	13.05.2016	6.685	
3	Re-construction of dangerous building of Government Girls Primary School, Shahal Din	3576 dated 10.10.2014	09.01.2015	16.04.2016	1.609	
4	Provision of missing facilities at Government Girls Primary School, Basti Qureshian	4266 dated 29.10.2013	28.01.2014	16.02.2016	0.927	
Total Amount					10.740	

Audit is of the view that due to weak internal controls and inefficient management, defective agreements were executed which resulted in irregular payment of Rs 10.740 million to the contractors.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for incurrence of irregular expenditure besides regularization, under intimation to Audit.

[PDP No. 239]

1.2.2.11 Irregular purchase of equipment – Rs 10.127 million

According to Rules 4 and 57(1) of the Punjab Procurement Rules, 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. Save as otherwise provided in these rules, a procuring agency shall not negotiate with any of the bidders.

Executive District Officer (Education), Jhang incurred expenditure of Rs 10.127 million during 2015-16 for purchase of Information Technology (IT) equipment for the replacement of existing computer laboratories in 12 high and higher secondary schools of District Jhang. However, the said expenditure was held irregular due to following reasons;

- i. Funds for the purpose were released in June, 2015, whereas tenders were called and opened on 05.05.2015, before release of funds;
- ii. Eight firms/bidders participated in tendering process, whereas negotiations for rates were made with two bidders i.e. M/s Chiniot Enterprises and M/s Computer Communication Technologies in violation of rules;
- iii. Comparative statement was prepared during 2014-15, whereas negotiation was made on 15.01.2016 after preparation of comparative statement;
- iv. Comparative statement was prepared without mentioning recommendations / remarks of purchase committee;
- v. Delivery challans of equipment supplied by supplier to schools were also not forthcoming from the record; and

- vi. Inspection report of IT equipment purchased was submitted by the technical committee without detail of schools visited and date of inspection.

Audit is of the view that due to weak internal controls and sheer negligence, procurement was made without observing codal formalities. Purchase of IT equipment without observing codal formalities resulted in irregular expenditure of Rs 10.127 million.

The matter was reported to the DCO and DDO in September, 2016 to which no reply was furnished. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends regularization of the matter from the Competent Authority at the earliest, under intimation to Audit.

[PDP No. 66]

1.2.2.12 Execution of additional work without retendering – Rs 9.978 million

According to Rule 59(c)(iv) of the Punjab Procurement Rules, 2014, a procuring agency may utilize the alternative method of “Direct Contracting” for procurement of goods, services and works, through “Repeat Orders” not exceeding 15 per cent of the original procurement. Further, according to decision of Inter Departmental Committee of the Public Accounts Committee dated 17.11.2001, the management is not empowered to award a new work as an additional work to an existing contractor without open tendering.

District Officer (Buildings) and District Officer (Roads), Jhang awarded ten works for construction, repair/improvement of roads and buildings to different contactors at an original agreement cost of Rs 10.850 million during 2014-16. However, later on the schemes were revised and scope of works was enhanced to the extent of Rs 20.828 million during 2015-16. Contrary to the

above, additional works costing Rs 9.978 million were awarded to the same contractors without inviting fresh tenders. It was pertinent to mention that in all the cases, enhancement in cost of the schemes was made even after stipulated dates of completion. **(Annex-G)**

(Rupees in Million)

Sr. No.	DDOs	No. of Schemes	Original Cost of Schemes	Enhanced Cost of Schemes	Cost of Additional Work	Range of %age above Original Cost
1	District Officer (Buildings), Jhang	09	8.925	16.496	7.571	41% to 258%
2	District Officer (Roads), Jhang	01	1.925	4.332	2.407	125%
Total		10	10.85	20.828	9.978	

Audit is of the view that due to non-compliance of PPRA Rules and lack of due diligence, additional works were awarded without open competition. Award of additional works without retendering resulted in mis-procurement amounting to Rs 9.978 million besides depriving the Government from the lowest possible rates.

The matter was reported to the DCO and DDOs concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of matter from the Competent Authority, under intimation to Audit.

[PDP Nos. 242, 260]

1.2.2.13 Irregular expenditure on non-schedule items – Rs 9.905 million

According to Government of the Punjab, Finance Department instructions vide letter No.RO(Tech)FD-18-23/2004 dated 21.09.2004, rate analysis for the non-standardized items shall be prepared by the Executive Engineer, clearly giving the specifications of the material used and approved by the Competent Authority not below the rank of Superintending Engineer on the basis of input rates of relevant quarter placed at website of Finance Department and rates shall not be more than the market rates. The Chief Engineers on the basis of these inputs rates shall fix the rate of each item of the work for rough cost estimate for administrative approval and detailed estimate for technical sanction in accordance with notification number No.RO(TECH)FD 2-3/2004 dated 02.08.2004. However, the finished rate of an item of work shall not exceed the market rate of that item in the area/district.

District Officer (Buildings), Jhang executed five civil works for provision of missing infrastructure in hospitals, repair/renovation of buildings during 2015-16. Execution of works included non-schedule items such as filtration plants, air conditioners, turbine, table, wall lights etc. costing Rs 9.905 million. Contrary to the above, these non-schedule items were executed and paid either without preparation and approval of analysis of rates from the Competent Authority or the approved rates were not based on competitive market prices. The detail is given below:

(Rupees in Million)		
Sr. No.	Name of Work	Cost of Non-schedule Items
1	Provision of missing facilities infrastructure in District Headquarters Hospital, Jhang	4.367
2	Provision of missing facilities infrastructure in Tehsil Headquarters Hospital, Shorkot	4.226
3	Provision of missing facilities infrastructure in Tehsil Headquarters Hospital, Ahmed Pur Sial	0.857

Sr. No.	Name of Work	Cost of Non-schedule Items
4	Renovation/improvement of Ladies Club, Jhang	0.303
5	Maintenance and repair of DCO Office, Jhang	0.152
Total		9.905

Audit is of the view that due to violation of Finance Department's instructions and misuse of authority, non-schedule items were paid without approval of the Competent Authority and on non-competitive rates. Irregular provision and payment of non-schedule items resulted in unauthorized expenditure amounting to Rs 9.905 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP Nos. 244, 249]

1.2.2.14 Irregular purchases without competition – Rs 8.931 million

According to Rule 09 of the Punjab Procurement Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 12 of ibid, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. Furthermore, according to Rule 59(b) of ibid, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees

but less than one hundred thousand rupees and such procurement shall be exempted from the requirements of bidding procedures; the procuring agency shall, however, ensure that such procurement is in conformity with the principles of procurement.

Ten DDOs of Education Department, Jhang incurred expenditure of Rs 8.931 million for purchase of furniture, uniforms, white boards, whitewash material etc. from local market during 2015-16. Contrary to the above, procurements were made by splitting the cost of procurements and keeping it below the financial limit of Rs 50,000 to avoid quotations and Rs 100,000 to avoid tendering, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Amount
1	Deputy District Education Officer (EE-W), Ahmed Pur Sial	03	0.419
		07	0.507
3	Deputy District Education Officer (EE-M), Ahmed Pur Sial	08	0.689
		01	0.478
4	Deputy District Education Officer (EE-M), Jhang	11	1.034
5	Headmaster, Government High School, Jhang City	01	0.803
6	Deputy District Education Officer (EE-M), Shorkot	08	1.305
7	Headmaster, Government Islamia High School, Jhang	01	1.092
		01	0.212
8	Headmistress, Government Girls High School, Wasu Astana	01	0.198
		01	0.316
9	Deputy District Education Officer (EE-W), Jhang	10	0.820
10	Deputy District Education Officer (EE-W), 18-Hazari	08	1.058
Total		61	8.931

Audit is of the view that due to non-compliance of PPRA Rules, expenditure was incurred without open competition which resulted in mis-procurement amounting to Rs 8.931 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that head teachers of schools concerned would be directed to make purchases after fulfilling codal formalities.

The reply was not tenable because procurement was made in violation of rules. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP Nos. 110, 111, 170, 169, 17, 186, 149, 160, 159, 47, 45, 117,
156]

1.2.2.15 Overpayment of Conveyance Allowance – Rs 8.697 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will be admissible only for the period during which the civil servant held the post to which the conveyance is attached and will not be admissible during leave or joining time. Further, according to Para 2 of Government of the Punjab, Finance Department letter No.FD.SR.I.9-4/86(P0(PR) dated 21.04.2014, the officers availing Government vehicles including bikes (sanctioned/pool) are not entitled to the facility of Conveyance Allowance w.e.f. 01.03.2014.

Contrary to the above, 11 DDOs of Education Department, Jhang made payment of inadmissible Conveyance Allowance amounting to Rs 8.697 million to 4,846 employees during summer/winter vacation, leave period and to the employees availing the facility of official vehicle during 2015-16. (**Annex-H**)

Audit is of the view that due to weak internal controls, inadmissible Conveyance Allowance was paid to the employees. Payment of inadmissible allowance resulted in overpayment of Rs 8.697 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be made from the employees concerned. Audit stressed upon early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of overpaid amount of Conveyance Allowance amounting to Rs 8.697 million from the concerned, under intimation to Audit.

[PDP Nos. 108, 166, 21, 20, 81, 78, 192, 188, 151, 148, 73, 158, 44, 115, 154]

1.2.2.16 Irregular payment of pending liabilities – Rs 8.521 million

According to Rule 2.10(b)(3) of the Punjab Financial Rules, Volume-I, all charges incurred are drawn and paid at once and are not held up for want of funds and allowed to stand over to be paid from the grant of another year; that money indisputably payable is not left unpaid; and that all inevitable payments are ascertained and liquidated at the earliest possible date.

Contrary to the above, Medical Superintendent, District Headquarters Hospital, Jhang made payment to various firms amounting to Rs 8.521 million regarding pending liabilities during financial year 2015-16 on account of medicine supplied during 2014-15.

Audit is of the view that due to weak internal controls and financial management, liabilities of previous financial year were paid out of current year's budget which resulted in irregular payment to the extent of Rs 8.521 million.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that the medicines were purchased to ensure supply of medicines to the patients as per directions of the Chief Minister Punjab. Audit stressed upon regularization of expenditure from the Competent Authority. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends that irregularity be condoned form Competent Authority, under intimation to Audit.

[PDP No. 98]

1.2.2.17 Irregular procurement due to defective tendering process – Rs 8.512 million

According to Rule 4 of the Punjab Procurement Rules, 2014, a procuring agency shall ensure that the procurement is made in a fair and transparent manner; the object of procurement brings value for money to the procuring agency. Further, according to Rule 38(2)(a) of *ibid*, the procuring agency shall evaluate the technical proposal in the manner prescribed in advance. After the evaluation and approval of the technical proposals, the procuring agency shall open the financial proposals of the technically accepted bids, publically at a time, date and venue announced and communicated to the bidders in advance, within the bid validity period. The financial bids found technically nonresponsive shall be returned un-opened to the respective bidders. Furthermore, according to Condition 7 of Supply Orders, it was the responsibility of the firm to supply the literacy kits at different Literacy Centers of District Jhang.

Executive District Officer (Education), Jhang incurred expenditure of Rs 8.512 million during 2014-15 and 2015-16 for purchase of literacy kits for Non Formal Basic Education Schools and Adult Literacy Centers established in District Jhang. However, following discrepancies were noticed in the procurement process:

- i. Financial bids were opened on 18.03.2016 before evaluation of technical bids on 06.04.2016 and procurement valuing Rs 2.084 million was made from the second lowest bidder by rejecting the financial bids of the lowest bidders on technical grounds;
- ii. Time and date for opening of technical and financial bids was not mentioned in Notice Inviting Tender or in the bidding documents;
- iii. Firms made delivery of whole material in store located in the premises of EDO office instead of delivering the same at Literacy Centers; and

- iv. Sanctions for the expenditure were accorded without mentioning specific provisions of the Punjab Delegation of Financial Powers, Rules 2006.

Audit is of the view that due to weak internal controls and in derogation of procurement rules, procurement was made by adopting defective procurement procedure in violation of financial propriety. Purchase of material by adopting defective procedure resulted in mis-procurement amounting to Rs 8.512 million.

The matter was reported to the DCO and DDO in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure from the Competent Authority, under intimation to Audit.

[PDP Nos. 64, 65, 68]

1.2.2.18 Irregular expenditure on local purchase of medicine – Rs 6.898 million

According to Para 16 of the Policy and Operational Guidelines issued by Government of the Punjab, Health Department vide letter No.SO(P-I)H/3-64/2008 dated 12.09.2013, local purchase of only those drugs should be made which are included in formularies and minimum level of doctor recommending the local purchase should be Senior Registrar, Assistant Professor, Consultant and Senior Medical Officer/ Senior Woman Medical Officer. Further, according to Para 2 of *ibid*, local purchase costs the Government higher price in comparison to bulk purchase. The non-availability of prescribed medicines or its alternates within the hospital generates justification of local purchase; therefore, the policy requires hospitals to establish non-availability of prescribed medicine through an authorized pharmacist in the hospital on case to case basis to avoid duplication of resources.

DDOs of three health facilities of District Government, Jhang incurred expenditure amounting to Rs 6.898 million on purchase of medicines (included in bulk purchase list through framework contract) from local market out of 15 percent local purchase of (day to day) medicine budget. Contrary to the above, neither any prescription / recommendation for individual patients was made by the authorized medical practitioners nor any indent for each patient was created / raised for procurement of medicines. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	3.460
2	Senior Medical Officer, Rural Health Center, Bagh	1.780
3	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	1.658
Total		6.898

Audit is of the view that due to violation of Local Purchase Policy, medicine out of 15 percent local purchase of (day to day) medicine budget was procured which resulted in irregular expenditure amounting to Rs 6.898 million.

The matter was reported to the DCO and DDOs concerned in October, 2016. It was replied that although framework contract was finalized in October, 2015 but supply of the medicine was received in June, 2016. Therefore, to meet the needs of hospital, medicine was purchased from local market. The reply was not tenable because local purchase of medicine budget was required to be used for medicines not included in framework contract and to be procured on the basis of patient wise indent. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned, besides regularization of expenditure from the Competent Authority, under intimation to Audit.

[PDP Nos. 30, 204, 230]

1.2.2.19 Non-imposition of penalty for delay in completion of works – Rs 6.638 million

According to Clause 39 of the Contract Agreement, the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The work shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the approved programme of work and the contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to a maximum of 10 percent or such smaller amount as the Engineer-in-Charge (whose decision in writing shall be final) may decide on the amount of the work remains un-commenced or unfinished after the proper date.

District Officers (Roads) and (Buildings), Jhang awarded 19 civil works for construction and rehabilitation/improvement of roads and buildings during 2013-14, 2014-15 and 2015-16 costing Rs 66.380 million. The works were required to be completed at different stipulated dates from April, 2014 to June, 2016. However, contractors failed to complete works within stipulated period provided in agreements. Contrary to the above, District Officers did not impose penalty amounting to Rs 6.638 million for delay in completion of schemes (**Annex-I**). The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schemes	Cost of Schemes	Amount of Penalty @10%
1	District Officer (Roads), Jhang	02	9.059	0.906
2	District Officer (Buildings), Jhang	17	57.322	5.732
Total		19	66.381	6.638

Audit is of the view that due to weak internal controls and non-adherence to contractual provisions, works remained incomplete or completed after expiry of stipulated date of completion and penalty was also not imposed. Non-imposition of penalty resulted in loss to the Government exchequer amounting to Rs 6.638 million and violation of contractual provision.

The matter was reported to the DCO and DDOs concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for non-completion of schemes within stipulated time besides recovery of Rs 6.638 million, under intimation to Audit.

[PDP Nos. 259, 236]

1.2.2.20 Irregular vendor payments through DDO Bank Account – Rs 5.617 million

According to Rule 2.10(b)(5) of the Punjab Financial Rules, Volume-I, authorities incurring expenditure should see that no money is withdrawn from the treasury unless it is required for immediate disbursement or has already been paid out of the permanent advance. Further, according to Rule 4.49(a) of the Subsidiary Treasury Rules, payments of Rs 100,000 and above, to contractors and suppliers, shall not be made in cash by the Drawing and Disbursing Officers (DDOs). At places where pre-audit cheques are issued, the sanctioning authority shall accord sanction to incur expenditure, under his own signature, in favor of contractor / supplier by incorporating CNIC number of the contractor / supplier. The DDO, while submitting the bill, shall record an endorsement on the bill requiring separate cross cheque to be issued in favor of contractor / supplier.

Senior Medical Officer (SMO) Rural Health Center, Bagh drew funds amounting to Rs 2.113 million from the Treasury on 30.06.2016 and deposited in

DDO Bank Account No.4035389710 maintained at National Bank of Pakistan Main Branch, Jhang. Contrary to the above, amount was drawn through cheques in the name of DDO instead of direct payment in favour of vendors. DDO neither incorporated CNICs of the contractors / suppliers for issuance of crossed cheques in the name of vendors nor the DAO issued crossed cheques directly in the favor of actual payees / vendors. Further, Medical Superintendent Tehsil Headquarters Hospital, Shorkot drew funds amounting to Rs 3.504 million from the Treasury during January, May and June, 2016. Cheques were issued in names of vendors by the DAO, Jhang but the Medical Superintendent managed to credit the cheques in DDO Bank Account No.4035387794 in connivance with authorities of National Bank of Pakistan, Main Branch, Jhang. Subsequently, DDO issued cheques from DDO Bank Account on 30.06.2016. Moreover, bank statements of the DDO Bank Accounts of both the DDOs showed closing balance of Rs 5.535 million as on 30.06.2016 which indicated unnecessary drawl of funds from the Government Treasury, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Senior Medical Officer, Rural Health Center, Bagh	2.113
2	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	3.504
Total		5.617

Audit is of the view that due to weak internal controls and financial indiscipline, cheques were drawn in the name of DDO instead of vendor payments. Drawl of funds amounting to Rs 5.617 million and payment thereof through DDO bank accounts instead of vendor payments resulted in violation of rules.

The matter was reported to the DCO and DDOs concerned in October, 2016. It was replied that payments through DDO bank accounts were made to avoid lapse of funds due to shortage of time. Audit did not agree because amount

was drawn and paid in violation of rules. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure from the Competent Authority, under intimation to Audit.

[PDP Nos. 206, 232]

1.2.2.21 Irregular expenditure on POL – Rs 5.471 million

According to Government of the Punjab, Services & General Administration Department (Transport Pool) letter No.MTO(S&GAD)AT-II/2-9/2006 dated 26.12.2008, speedometers / milometers of all the Government vehicles were required to be sealed to minimize the chances of pilferage / misappropriation of fuel. Further, according to Government of the Punjab, Health Department letter No. SO(B&A)28-2/2006 (P-1)Meeting dated 2305.2011, following measures were to be taken to minimize the POL pilferage in the operation of generators:

1. An officer was to be deputed to authenticate the entries made in the log book with physical verification of meter reading;
2. A register to record the timing of load-shedding was to be maintained by a separate authorized person;
3. M.S. of the institution was required to compare both registers/ record to ensure proper consumption of POL;
4. The register having load-shedding record was to be got countersigned/ verified from concerned WAPDA Division;

Three DDOs of Health Department, Jhang incurred expenditure amounting to Rs 5.471 million against fuel of vehicle/generators. However, following discrepancies were noticed in consumption of POL:

- i. Speedometer / milometer of the vehicle was not got sealed;

- ii. Off-and-on timing registers for generators were not maintained to record actual load-shedding and countersignature from the WAPDA Division concerned; and
- iii. Due to non-maintenance of off-and-on timing register of generators, comparison of the same with separate register maintained by another authorized person was not carried out by heads of institutions.

(Rupees in Million)

Sr. No.	DDOs	Amount	Remarks
1	Senior Medical Officer, Rural Health Center, Garh Maharaja	1.398	POL for ambulance
		1.134	POL for generator
2	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	2.373	POL for generator
3	District Officer (Health), Jhang	0.566	POL for generator
Total		5.471	

Audit is of the view that due to weak monitoring and negligence, expenditure on POL was incurred without observing the prescribed procedure which resulted in irregular expenditure amounting to Rs 5.471 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that compliance would be made. Audit did not agree because expenditure was incurred in violation of the Government instructions. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides sealing of speedometers and regularization of the expenditure, under intimation to Audit.

[PDP Nos. 143, 144, 234, 218]

1.2.2.22 Execution of civil works without preparation of detailed design and estimates – Rs 4.994 million

According to Section 4.4.7 of the School Council's Policy, 2007 read with Para 3.4.7 of Guidelines for Utilization of Non-Salary Budget (NSB) in Primary and Elementary Schools, development works shall be got executed according to the Government approved design and specifications.

School Councils of 25 primary / elementary / high schools under the administrative control of different DDOs of Education Department, Jhang incurred expenditure of Rs 4.994 million during 2014-15 and 2015-16 for construction / repair of toilet blocks, boundary walls, class rooms, soling etc. The expenditure was incurred from Non Salary Budget (NSB) without preparation of rough cost estimates and approval of design. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Amount
1	Deputy District Education Officer (EE-M), Ahmed Pur Sial	3	1.195
2	Deputy District Education Officer (EE-M), Jhang	4	1.358
3	Deputy District Education Officer (EE-M), 18-Hazari	12	1.195
4	Deputy District Education Officer (EE-W), Jhang	5	0.443
5	Headmaster, Government High School, Jhang City	1	0.803
Total		25	4.994

Audit is of the view that due to weak internal controls and non-compliance of the Government instructions, expenditure was incurred on civil works without preparation of rough cost estimates and approval of design. Expenditure on civil works without observing guidelines for utilization of funds under NSB resulted in irregular expenditure amounting to Rs 4.994 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that the schools concerned would be directed to observe all codal formalities before incurrence of expenditure. Audit stressed to get the expenditure regularized from the Competent Authority. No

DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP Nos. 167, 16, 79, 118, 190]

1.2.2.23 Unauthorized drawl of Conveyance Allowance – Rs 3.964 million

According to Government of the Punjab, Finance Department letter No.FD.SR.I.9-4/86(P0(PR) dated 21.04.2014, the officers availing Government vehicles including bikes (sanctioned/pool) are not entitled to the facility of Conveyance Allowance, w.e.f. 01.03.2014.

One hundred and seventy one employees working under the administrative control of District Officer (Health), Jhang drew Conveyance Allowance amounting to Rs 3.964 million in spite of the fact that the employees were allotted official bikes with POL.

Audit is of the view that due to weak internal controls, inadmissible Conveyance Allowance was allowed which resulted in excess payment of Rs 3.964 million to the employees.

The matter was reported to the DCO and DDO in September, 2016. It was replied that matter would be referred to Health and Finance Departments for clarification. Audit did not agree because clarification had already been given by Finance Department and stressed for early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of Conveyance Allowance amounting to Rs 3.964 million from the concerned, under intimation to Audit.

[PDP No. 207]

1.2.2.24 Excess withdrawal of Health Sector Reforms Allowance – Rs 3.218 million

According to Government of the Punjab, Health Department Notification No.PO(P&E-I)19-113/2004(v) dated 13.04.2007, Health Sector Reforms Allowance (HSRA) at DHQ/THQ hospitals was admissible only to the Medical Officers (MOs), Women Medical Officers (WMOs), Dental Surgeons, Medical Superintendents, Anesthetists, Radiologists and other specialists. Further, according to Para 2 of Government of the Punjab, Finance Department letter No.FD(SR-II)/9-36/06(P) dated 03.04.2013, 30 percent Health Sector Reforms Allowance (HSRA) is also frozen at the level of its admissibility as on 30.06.2011.

Contrary to the above, employees working under the administrative control of different DDOs of Health Department, Jhang drew Health Sector Reforms Allowance (HSRA) amounting to Rs 1.817 million at excessive rates during 2013-16. Further, some employees drew HSRA amounting to Rs 1.401 million without admissibility. Resultantly, excess payment on account of HSRA amounting to Rs 3.218 million was made to the employees. **(Annex-J)**

Audit is of the view that due to weak internal controls, Health Sector Reforms Allowance was paid at excessive rates / without admissibility which resulted in excess payment of Rs 3.218 million to the employees concerned.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that amount would be recovered from the concerned and deposited in the Government Treasury. Audit stressed upon early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 3.218 million from the concerned, under intimation to Audit.

[PDP Nos. 103, 213, 211, 60, 50, 91, 34, 8, 9, 10, 132, 124, 223]

1.2.2.25 Irregular execution of works without sanction of estimates – Rs 2.988 million

According to Para 2.82 of the West Pakistan Buildings and Roads Department Code, it is fundamental rule that no work shall be commenced unless Administrative Approval by the Competent Authority is given and properly detailed design and estimate have been sanctioned, allotment of funds made and orders of its commencement issued by the Competent Authority.

District Officer (Buildings), Jhang executed 50 civil works for maintenance and repair of Government offices and residential buildings and incurred expenditure of Rs 2.988 million during 2015-16. However, works were executed without preparation and sanction of estimates. **(Annex-K)**

Audit is of the view that due to weak internal controls and dereliction of duty, works were executed without preparation and technical sanction of estimates from the Competent Authority which resulted in irregular expenditure of Rs 2.988 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP No. 241]

1.2.2.26 Irregular expenditure without advertisement – Rs 2.450 million

According to Rule 12(1) of the Punjab Procurement Rules, 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of 2 million rupees on the website of the authority in

the manner and format specified by regulation but if deemed in public interest, the procurement in at least one national daily newspaper.

District Officer (Civil Defense), Jhang working under the administrative control of District Coordination Officer, Jhang incurred expenditure amounting to Rs 2.450 million on procurement of fork lifter truck during 2015-16. Contrary to the above, procurement was made without advertisement and uploading tender on PPRA's website.

Audit is of the view that due to non-compliance of PPRA Rules, procurement was made without advertisement and uploading tenders on PPRA's website. Procurements of Rs 2.450 million without advertisement resulted in irregular / uneconomical expenditure.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that lifter was purchased from sole proprietor after approval of the DCO. Audit did not agree and stressed for regularization of expenditure. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility besides regularization of expenditure from the Competent Authority, under intimation to Audit.

[PDP No. 184]

1.2.2.27 Overpayment of salary after regularization – Rs 2.406 million

According to Government of the Punjab, Services & General Administration Department letter No.(O&M)S&GAD)5-3/2013 dated 01.03.2013 read with letter of even No. dated 19.08.2013, the employees will not be entitled to the payment of 30 percent Social Security Benefit after regularization in lieu of pension. However, pay of contract employees being appointed in the basic pay scales shall be fixed at the initial of the respective pay scales and the increment(s) already earned during the contract appointment period shall be converted into Personal Allowance. Further, according to Policy of S&GAD Department dated

19.12.2004, Benevolent Fund (BF) and Group Insurance (GI) were required to be deducted/recovered from civil servant when appointed on contract basis.

Services of 97 employees, working on contract basis under the administrative control of various DDOs of Health Department, Jhang, were regularized on different dates. Contrary to the above, the employees drew inadmissible Social Security Benefit after regularization. Further, Benevolent Fund and Group Insurance were also not deducted from their pay after regularization of services. Furthermore, some employees drew Personal Allowance and Adhoc Allowances at excessive rates. Resultantly, an amount of Rs 2.406 million was overpaid to these employees during the period from October, 2009 to August, 2016. (**Annex-L**)

Audit is of the view that due to violation of the Government instructions and lack of due diligence, payment of inadmissible pay and allowances was made to the employees without deduction of BF and GI which resulted in overpayment of Rs 2.406 million to the employees.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be made from the concerned. Audit stressed upon early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 2.406 million from the employees concerned, under intimation to Audit.

[PDP Nos. 33, 37, 7, 12, 126, 22, 28, 59, 56, 214, 41, 195, 219]

1.2.2.28 Non-recovery of penalty for late supply – Rs 2.300 million

According to Clause 10(V) of the Standard Bidding Documents for the procurement of drugs / medicines, surgical & disposable items notified by Government of the Punjab, Health Department vide letter No.SO(P-I)H/8-1/2011-12 dated 29.10.2015, in case of late delivery of goods beyond the period

specified, a penalty @ 0.067 percent per day of the cost of late delivered supply shall be imposed upon the supplier.

Nine DDOs of Health Department, Jhang issued supply orders costing Rs 57.441 million to various firms / suppliers for supply of medicines during 2015-16. However, firms / suppliers failed to supply the medicines within stipulated time period. Contrary to the above, DDOs did not impose and recover penalty amounting to Rs 2.300 million for delay in supply of medicines, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount of Supply Orders	Amount of Penalty
1	Medical Superintendent, District Headquarters Hospital, Jhang	36.843	1.654
2	Senior Medical Officer, Rural Health Center, Rodu Sultan	1.567	0.027
3	Senior Medical Officer, Rural Health Center, Waryam Wala	0.458	0.016
4	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	2.631	0.077
5	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	1.231	0.023
6	Senior Medical Officer, Rural Health Center, Garh Maharaja	2.206	0.069
7	Senior Medical Officer, Rural Health Center, Mukhiana	0.968	0.027
8	Senior Medical Officer, Rural Health Center, Bagh	1.654	0.041
9	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	9.883	0.366
Total		57.441	2.300

Audit is of the view that due to violation of contractual provisions and lack of vigilance, penalty for late supply of medicines was not recovered which resulted in loss of Rs 2.300 million to the Government exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be made from the suppliers concerned. Audit stressed upon early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of penalty amounting to Rs 2.300 million from the concerned, under intimation to Audit.

[PDP Nos. 96, 61, 94, 40, 14, 145, 129, 202, 228]

1.2.2.29 Expenditure without advertisement and non-reimbursement from the Provincial Government – Rs 2.156 million

According to Rule 12(1) of the Punjab Procurement Rules, 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of 2 million rupees on the website of the authority in the manner and format specified by regulation but if deemed in public interest, the procurement in at least one national daily newspaper. Further, according to Government of the Punjab, Home Department letter No.SO(IS-III)6-3/2015 (Funds) dated 07.04.2016, security duty claims of Army / Rangers troops during Moharram Duty be sent to this department alongwith vouched accounts for initiating a summary to the Chief Minister for sanction / release of requisite funds.

Secretary, District Road Transport Authority, Jhang working under the administrative control of District Coordination Officer, Jhang incurred expenditure of Rs 2.156 million during 2015-16 on hiring of vehicles and telephone bills for internal security arrangements in Jhang during Moharram-ul-Haram, 2015. The expenditure was incurred on behalf of the Provincial Government. Contrary to the above, following discrepancies were noticed:

1. Expenditure of Rs 2.093 million on hiring of vehicles was incurred without advertisement; and
2. Expenditure of Rs 2.156 million, incurred on behalf of the Provincial Government, was not got reimbursed.

(Rupees in Million)

Sr. No.	Description of Items	Amount
1	Hiring of vehicles for internal security arrangements during Moharram-ul-Haram, 2015	2.093
2	Bills of telephone connections installed for the purpose	0.063
Total		2.156

Audit is the view that due to non-compliance of PPRA Rules and financial indiscipline, expenditure was incurred without advertising / floating of tenders on PPRA's website besides non-imburement from the Government

concerned. Procurement without advertisement and non-reimbursement of the funds resulted in irregular/uneconomical expenditure of Rs 2.156 million.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that amount would be got reimbursed. Audit stressed for reimbursement without further delay besides regularization of expenditure. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends reimbursement of expenditure besides regularization of the matter from the Competent Authority, under intimation to Audit.

[PDP Nos. 180, 181]

1.2.2.30 Unauthorized payment of Health Risk Allowance – Rs 2.143 million

According to Government of the Punjab, Health Department letter No.SO(ND)2-26/2004(Vol-II) dated 20.02.2015, Governor of the Punjab is pleased to accord the sanction to extend the facility of Health Risk Allowance to the employees of Health Department in (BS-01 to BS-04) with immediate effect.

DDOs of four health facilities of District Government, Jhang allowed payment of inadmissible Health Risk Allowance amounting to Rs 2.143 million to seventy nine employees working under their administrative control during the period from July, 2013 to February, 2015 before issuance of above notification. The detail is as under:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Amount
1	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	22	0.649
2	Senior Medical Officer, Rural Health Center, Garh Maharaja	22	0.749

Sr. No.	DDOs	No. of Employees	Amount
3	Senior Medical Officer, Rural Health Center, Mukhiana	19	0.561
4	Senior Medical Officer, Rural Health Center, Rodu Sultan	16	0.184
Total		79	2.143

Audit is of the view that due to weak internal controls, payment of inadmissible Health Risk Allowance amounting to Rs 2.143 million was made to the employees which resulted in extra burden on public exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that amount would be recovered from concerned. Audit stressed upon recovery at the earliest. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of Health Risk Allowance amounting to Rs 2.143 million from the concerned, under intimation to Audit.

[PDP Nos. 3, 130, 123, 52]

1.2.2.31 Irregular refund of lapsed security deposits – Rs 2.142 million

According to Rule 12.7 of the Punjab Financial Rules, Volume-I read with Article 127 of Account Code Volume-II, all balances, unclaimed for more than three complete accounting years, will at the close of June in each year, be credited to the Government by means of transfer entries in the Accountant General's office. Further, according to Rule 12.10 of ibid read with Article 63 of Account Code, Volume-II, deposits credited to the Government under Rule 12.7 cannot be repaid without sanction of the Accountant General. The amount of a lapsed deposit refunded will, however, be charged in the cash book as a refund and not debited to deposits.

District Officer (Buildings), Jhang refunded security deposits of different contractors amounting to Rs 2.142 million during 2015-16. However,

these security deposits were more than three years old. These deposits were required to be treated as lapsed security deposits and to be refunded after due verification to avoid wrong payments. Contrary to the above, these security deposits were neither treated as lapsed nor prescribed procedure was adopted before refund. In the absence of proper scrutiny of claims, authenticity of refund to the person who had right over it could not be ascertained. **(Annex-M)**

Audit is of the view that due to weak internal controls and in derogation of prescribed procedure, security deposits were not treated as lapsed security deposits and refunded without adopting prescribed procedure. Refund of security deposits amounting to Rs 2.142 million without adopting prescribed procedure resulted in irregular refund.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for irregular refund of security deposits besides regularization, under intimation to Audit.

[PDP No. 246]

1.2.2.32 Non-recovery of pay and allowances – Rs 2.134 million

According to guidelines for fixing terms and conditions of contract appointment provided in Contract Appointment Policy, 2004 issued by Government of the Punjab, Services and General Administration Department vide letter No.DS(O&M)5-3/2004/Contract(MF) dated 29.12.2004, in all contracts, it shall be clearly provided that the services of the contract employee are liable to be terminated on one month's notice or one month's pay, in lieu thereof. Further, according to Rule 2.31(a) of the Punjab Financial Rules,

Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Seventeen employees working under the administrative control of various DDOs of Health Department, Jhang drew inadmissible pay and allowances amounting to Rs 1.367 million. Further, an amount of Rs 0.767 million on account of one month's pay in lieu of one month prior notice for resignation was also not recovered. Resultantly, an amount of Rs 2.134 million was not recovered from the employees concerned, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Amount	Remarks
1	District Officer (Health), Jhang	12	0.767	One month's pay in lieu of one month notice for resignation was not recovered
2	Senior Medical Officer, Rural Health Center, Waryam Wala	01	0.150	Drew basic pay at excessive rate
3	Executive District Officer (Health), Jhang	01	0.073	Drew pay and allowances after resignation
4	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	01	0.308	Drew pay and allowances during absence period
5	Senior Medical Officer, Rural Health Center, Bagh	01	0.059	Drew pay and allowances twice.
6	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	01	0.777	Drew pay and allowances during absence period
Total		17	2.134	

Audit is of the view that due to weak internal controls, payment of unauthorized / inadmissible pay and allowances amounting to Rs 2.134 million was made to the employees which resulted in extra burden on public exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be effected from the concerned. Audit stressed upon early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of overpaid pay and allowances amounting to Rs 2.134 million from the concerned, under intimation to Audit.

[PDP Nos. 89, 25, 5, 216, 196, 221]

1.2.2.33 Irregular expenditure without open competition – Rs 2.045 million

According to Rule 9 of the Punjab Procurement Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. Further, according to Rule 59(b) of *ibid*, a procuring agency may provide for petty purchases through at least three quotations where the cost of the procurement is more than fifty thousand rupees but less than one hundred thousand rupees. Furthermore, according to Rule 14 of *ibid*, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

District Coordination Officer, Jhang incurred expenditure of Rs 2.045 million on procurements under the heads of accounts, VIP entertainment and Others, during 2015-16. Contrary to the above, procurement was made by splitting the cost of procurements and keeping it below the financial limit of Rs 100,000 to avoid tendering and Rs 50,000 to avoid quotations.

Audit is of the view that due to weak internal controls and financial indiscipline, expenditure was incurred without competition which resulted in mis-procurement and irregular expenditure of Rs 2.045 million.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that purchases were made on need basis. Audit

did not agree and stressed for regularization of expenditure. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure, under intimation to Audit.

[PDP No. 182]

1.2.2.34 Payment of Inadmissible House Rent Allowance and Conveyance Allowance – Rs 2.010 million

According to Government of the Punjab, Finance Department, letter No.FD.S.R.1.9-4/86 (PR)(P) dated 15.10.2011, employees residing in the residential colonies situated within work premises are not entitled for Conveyance Allowance. Further, according to Government of the Punjab, Finance Department letter No.FD(M-1)1-15/82-P-I dated 15.01.2000, House Rent Allowance is not permissible when facility of official accommodation is availed by Government servant and deduction on account of House Rent @ 5 percent of pay is required to be made from the allottees of the Government accommodations.

Seventy five employees of health facilities of District Government, Jhang were found residing in the colonies situated in the same work premises during 2013-16 and drew Conveyance Allowance and House Rent Allowance amounting to Rs 1.455 million and House Rent charges @ 5 percent amounting to Rs 0.555 million were also not deducted from their salaries. The DDOs did not take action for recovery of excess paid amount of Rs 2.010 million. **(Annex-N)**

Audit is of the view that due to weak financial controls, employees drew inadmissible allowances which resulted in excess payment amounting to Rs 2.010 million to the employees.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be made from

the concerned. Audit stressed upon recovery of the amount from the concerned at the earliest. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of inadmissible allowances amounting to Rs 2.010 million from the employees concerned, under intimation to Audit.

[PDP Nos. 102, 101, 88, 32, 134, 11, 125, 24, 27, 197, 220]

1.2.2.35 Unauthorized drawl of allowances without admissibility – Rs 1.937 million

According to Rule 1.15(2) of the Punjab Travelling Allowance Rules, Conveyance Allowance will not be admissible during leave. Further, according to Government of the Punjab, Health Department letter No.SO(A-3-MCW)9-17/84-IV dated 12.02.1987, Mess and Uniform / Dress Allowance will not be admissible during leave. Furthermore, according to Government of the Punjab, Finance Department and Health Department clarifications issued vide letter No.FD-SR-I-9-3/86 dated 07.06.1987, No.SO(A-III-MCW)9-17/84-iv dated 12.02.1987 and No.SO X-H-I/6-91/2004-1 dated 14.07.2008, Conveyance Allowance and HSRA will not be admissible to the officers / officials during leave period.

Seventy three employees working under the administrative control of various DDOs of Health Department, Jhang availed leaves during 2013-16. However, they drew Conveyance Allowance, Health Sector Reforms Allowance, Dress Allowance and Mess Allowance amounting to Rs 1.937 million during leave period. Contrary to the above, DDOs allowed to draw inadmissible allowances during leave and did not take action for recovery from the officer/officials concerned. The detail is given in following table:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Total
1	Medical Superintendent, District Headquarters Hospital, Jhang	51	1.243
2	Senior Medical Officer, Rural Health Center, Rodu Sultan	05	0.067
3	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	02	0.097
4	Senior Medical Officer, Rural Health Center, Garh Maharaja	03	0.169
5	Senior Medical Officer, Rural Health Center, Mukhiana	02	0.078
6	Executive District Officer (Health), Jhang	07	0.133
7	Senior Medical Officer, Rural Health Center, Bagh	02	0.102
8	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	01	0.048
Total		73	1.937

Audit is of the view that due to weak internal controls, inadmissible allowances were drawn by the employees during leave period which resulted in overpayment amounting to Rs 1.937 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that recovery would be made from concerned. Audit stressed upon recovery at the earliest. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery amounting to Rs 1.937 million from the concerned, under intimation to Audit.

[PDP Nos. 95, 57, 39, 133, 127, 23, 198, 226]

1.2.2.36 Non-recovery of penal rent from illegal occupants of the Government residences – Rs 1.846 million

According to Government of the Punjab, Finance Department letter No.SO(PW-11-I&L(24)76 dated 27.09.1980, penal rent @ 60 percent of the pay of the unauthorized occupant is recoverable.

Eight residences of different health facilities of District Government, Jhang were illegally occupied by Chenab College and employees of Punjab Police / Health Department during 2015-16. DDOs concerned did not take action to get vacated the said residences and recovery of penal rent amounting to Rs 1.846 million from the concerned, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Residences	Amount of Penal Rent	Remarks
1	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	4	1.298	Occupied by Chenab College and employees of Punjab Police
2	Senior Medical Officer, Rural Health Center, Waryam Wala	1	0.124	Occupied by employee of Punjab Police
3	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	3	0.424	Occupied by employees of Health Department
Total		8	1.846	

Audit is of the view that due to weak internal controls, residences were neither got vacated nor the penal rent was recovered which resulted in undue favour to the concerned and loss of Rs 1.846 million to the Government exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that matter would be taken up with higher authorities. Audit stressed upon early vacation of residences besides recovery of penal rent. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends action against the concerned for illegal occupation of the Government residences besides recovery of penal rent amounting to Rs 1.846 million, under intimation to Audit.

[PDP Nos. 31, 93, 224]

1.2.2.37 Local purchase of medicine on higher rates – Rs 1.661 million

According to Clause 20 of the Rate Contract for Local Purchase of (day to day) Medicine, in case of over pricing, detected at any stage, the supplier will be bound to deposit the overcharged money in the Government Treasury. Further, according to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part 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.

Three DDOs of Health Department, Jhang purchased medicine from local market at excessive rates in comparison to rates finalized in the rate contracts for procurement of medicine out of local purchase of (day to day) medicine budget during 2015-16. Resultantly, excess payment of Rs 1.661 million was made to the suppliers. The DDOs did not make efforts to recover the overpaid amount, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	District Officer (Health), Jhang	1.476
2	Senior Medical Officer, Rural Health Center, Garh Maharaja	0.011
3	Medical Superintendent, Tehsil Headquarters, Hospital, Shorkot	0.174
Total		1.661

Audit is of the view that due to violation of the Government instructions and lack of vigilance, purchases were made at excessive rates which resulted in excess payment of Rs 1.661 million to the suppliers concerned.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that action would be taken after scrutiny of record. Audit stressed upon recovery of overpaid amount besides fixing of responsibility against the concerned. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 1.661 million from the concerned besides fixing of responsibility, under intimation to Audit.

[PDP Nos. 210, 140, 222]

1.2.2.38 Execution of unnecessary non-schedule items – Rs 1.656 million

According to Government of the Punjab, Communication and Works Department letter No.P.A/SECY(C&W)/2008 dated 17.11.2008, it is imperative that the tendency of use of non-schedule items is curbed and only such items are included without which an important component of building is likely to adversely suffer. Any unnecessary use/inclusion of these items will be viewed adversely in future. Further, according to Government of the Punjab, Planning & Development Department, Memo No. 443-40/DSC dated 29.10.1997, approved specifications for all types of the Government residences include mosaic flooring, kitchen/bath flooring of mosaic, wardrobes, paints of all colors architectural design, electric installation, sanitary installation, gas fittings and ventilation arrangements.

District Officer (Buildings), Jhang executed twenty five civil works for renovation, maintenance and repair of residential and office buildings during 2015-16. Contrary to the above, expenditure of Rs 1.656 million was incurred on unnecessary non-schedule items i.e. granite tiles, Uninterruptible Power Supply (UPS) units, console mirror, bed room chairs etc. It is pertinent to mention that water dispenser, UPS, looking glass / mirror, revolving chairs, geysers etc. were provided in the Government residential buildings from M&R budget.

Audit is of the view that due to weak monitoring mechanism and willful violation of rules, un-necessary non-schedule items were provided/ executed which resulted in unauthorized expenditure amounting to Rs 1.656 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of the matter, under intimation to Audit.

[PDP No. 250]

1.2.2.39 Loss due to irregular payment of Sales Tax on electricity bills – Rs 1.628 million

According to Serial No. 52A of Sixth Schedule of Sales Tax Act, 1990, hospitals having more than 50 beds are exempted from the payment of Sales Tax. Further, according to decision of Federal Tax Ombudsman regarding Complaint No.282/LHR/ST(35)572/2011 dated 04.06.2011, exemption of sales tax on electricity was allowed. Furthermore, according to Government of Pakistan, Ministry of Law and Justice letter No.128/2011-Law (FTO) dated 16.07.2012, President of the Pakistan dismissed the representation of the Federal Board of Revenue.

Contrary to the above, Medical Superintendents of two hospitals, having more than 50 beds, made payment of Rs 1.628 million to FESCO on account of General Sales Tax included in electricity bills during 2015-16. Efforts were not made to claim Sales Tax exemption on the basis of above decisions. The detail of overpayment is given in following table:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Medical Superintendent, District Headquarters Hospital, Jhang	1.455
2	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	0.173
Total		1.628

Audit is of the view that due to weak internal controls, payment of General Sales Tax was made on exempted supply of electricity which resulted in extra burden of Rs 1.6028 million on the Government exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that the matter would be taken up with FESCO authorities for adjustment of Sales Tax in the next electricity bills. Audit stressed for adjustment of overpayment. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends early recovery/adjustment of Sales Tax amounting to Rs 1.628 million, under intimation to Audit.

[PDP Nos. 99, 229]

1.2.2.40 Non-recovery of price variation from the contractors – Rs 1.627 million

According to Government of the Punjab, Finance Department letter No.RO(Tech)F.1-2/83-VI(P) dated 11.01.2007, where any variation (increase or decrease), to the extent of 5 percent or more, in the price of bitumen and diesel (among other items) takes place after the acceptance of tender and before the completion of contract, the amount payable under the contract shall be adjustable to the extent of actual variation in the cost of the item concerned.

District Officer (Roads), Jhang awarded 12 works for construction, repair/improvement and rehabilitation of roads from October, 2014 to September, 2015. The contractors executed the works from December, 2014 to June, 2016.

However, during execution of works, there was more than 5 percent decrease in prices of bitumen and diesel as per monthly price variation notifications issued by Government of the Punjab, Finance Department. Contrary to the above, District Officer (Roads) did not recover price variation amounting to Rs 1.627 million from the payments made to the contractors. **(Annex-O)**

Audit is of the view that due to weak internal controls and non-compliance of the Government instruction, recovery/adjustment of price variation was not made in the bills of contractors which resulted in excess payment of Rs 1.627 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 1.627 million from the concerned besides recovery from other similar works, under intimation to Audit.

[PDP Nos. 254, 255]

1.2.2.41 Non-recovery of License/Permit Fee – Rs 1.506 million

According to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

Revenue collecting authorities of District Government, Jhang and staff of Defunct Zila Council, Jhang failed to collect Permit/License Fee amounting to Rs 1.506 million from different trade owners during 2015-16. The detail is given in following table:

(Amount in Rupees)

Sr. No.	Tehsil	Nature of Business Entities	No. of Business Entities	Amount
1	Jhang	Sugar mills, cotton factories brick kilns, petrol pumps, textile mills, rice mills, woollen factories iron stores, diesel agencies etc.	72	733,500
2	Shorkot		110	346,000
3	Ahmed Pur Sial		36	241,000
4	18-Hazari		94	185,500
Total			312	1,506,000

Audit is of the view that due to weak internal controls and monitoring mechanism, License/Permit Fee was not recovered from different business holders which resulted in loss of Rs 1.506 million to the Government.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that amount would be recovered. Audit stressed for recovery without further delay. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of Rs 1.506 million from the concerned at the earliest, under intimation to Audit.

[PDP No. 183]

1.2.2.42 Non-credit of unclaimed security deposits to Government revenue – Rs 1.162 million

According to Rule 12.7 of the Punjab Financial Rules, Volume-I read with Article 127 of Account Code Volume-II, all balances, unclaimed for more than three complete accounting years will, at the close of June in each year, be credited to the Government by means of transfer entries in the Accountant General's office. Further, according to Para 455 of Audit Manual, to see that all revenues or other debts due to the Government are correctly and promptly assessed, realized and credited to the public account, is primarily the responsibility of the Divisional Officer.

District Officer (Roads), Jhang did not credit more than three year old unclaimed security deposits amounting to Rs 1.162 million to the Government revenue during 2015-16.

Audit is of the view that due to weak internal controls, unclaimed security deposits were not credited into the Government revenue which resulted in non-realization of revenue amounting to Rs 1.162 million to the Government.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides credit of the unclaimed security deposits to the Government treasury, under intimation to Audit.

[PDP No. 261]

1.2.2.43 Drawl of inadmissible Adhoc Relief Allowance-2010 – Rs 1.070 million

According to Government of the Punjab, Finance Department letter No.FD.PC.40-04/12 dated 17.04.2012, doctors drawing an allowance equal to at least initial of the pay scale 2008 are not entitled to further continuation of Adhoc Allowance-2010 @ 50 percent. Further, according to Government of the Punjab Finance Department letter No.FD.PC.2-2/2010 dated 16.12.2014, no doubt the rate of each allowance (i.e. HSRA, HPA, PCA / NPA) is less than initial of relevant pay scales. But the total of these allowances is more than the initial of relevant pay scales. Hence, Assistant Professors (BS-18) and Associate Professor (BS-19) are not entitled to Adhoc Allowance @ 50 percent.

Contrary to the above, 14 doctors of Health Department, Jhang including Senior/Medical Officers, Women Medical Officers etc. working in

various health facilities drew an amount of Rs 1.070 million on account of Adhoc Relief Allowance-2010 besides drawing Health Sector Reforms Allowance (HSRA), Health Professional Allowance (HPA) and Practice Compensatory Allowance (PCA); total of which was more than one month's initial of their relevant pay scale. Resultantly, inadmissible Adhoc Allowance-2010 was drawn. The DDOs concerned did not take action for recovery of inadmissible allowance, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Number of Doctors	Amount
1	Senior Medical Officer Rural Health Center, Haveli Bahadar Shah	01	0.224
2	Senior Medical Officer Rural Health Center, Garh Maharaja	05	0.456
3	Senior Medical Officer Rural Health Center, Mukhiana	01	0.057
4	Executive District Officer (Health), Jhang	01	0.069
5	Senior Medical Officer Rural Health Center, Bagh	03	0.048
6	Medical Superintendent Tehsil Headquarters Hospital, Shorkot	03	0.216
Total		14	1.070

Audit is of the view that due to weak internal controls, inadmissible allowance was drawn by the employees which resulted in overpayment amounting to Rs 1.070 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that the employees concerned would be directed to deposit the amount in the Government Treasury. Audit stressed upon early progress. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of Adhoc Allowance-2010 amounting to Rs 1.070 million from the concerned, under intimation to Audit.

[PDP Nos. 6, 131, 128, 26, 200, 225]

1.2.2.44 Purchase of x-ray films at excessive rate – Rs 1.065 million

According to Rule 4 of the Punjab Procurement Rules, 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. Further, according to Rule 2.33 of the Punjab Financial Rules, Volume-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part 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.

Drawing and Disbursing Officers of five health facilities of Health Department, Jhang purchased x-ray films from different suppliers during 2013-16. However, the procurements were made at excessive rates in comparison to rates paid by District Headquarters Hospital, Toba Tek Singh. Resultantly, excess payment of Rs 1.065 million was made to the suppliers. The detail is given as under:

(Rupees in Million)

Sr. No.	DDOs	Overpaid Amount
1	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	0.519
2	Senior Medical Officer, Rural Health Center, Garh Maharaja	0.031
3	Medical Superintendent, District Headquarters Hospital, Jhang	0.114
4	Senior Medical Officer, Rural Health Center, Rodu Sultan	0.270
5	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	0.131
Total		1.065

Audit is of the view that due to weak internal controls and lack of financial prudence, purchase of x-ray films was made at excessive rates which resulted in excess payment of Rs 1.065 million to the suppliers concerned and extra burden on the Government exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that x-ray films were purchased from local market after fulfilling all codal formalities. Comparison with the rates of District Headquarters, Hospital, Toba Tek Singh was not justified. The reply was not tenable because purchases were made at excessive rates as compared to rates paid by District Headquarters Hospital, Toba Tek Singh for same items. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery amounting to Rs 1.065 million from the concerned, under intimation to Audit.

[PDP Nos. 4, 138, 105, 53, 38]

1.2.2.45 Excess payment of contractor's profit and overhead charges – Rs 1.044 million

According to Government of the Punjab, Finance Department letter No.RO(Tech) FD-18-29/2004 dated 03.03.2005, 20 percent contractor's profit and overhead charges on electric motors, turbines, audio video systems, street lights furnishing items & machinery items are not allowed and required to be purchased as per procedure laid down in Purchase Manual.

District Officer (Buildings), Jhang executed seven works of provision of missing facilities, repair and renovation of the Government buildings during 2015-16. Execution of works included store items such as LED lights, air coolers, air conditioners, Uninterruptible Power Supply (UPS) units, pedestal fans, energy savers, tables, chairs etc. Contrary to the above, District Officer (Buildings) allowed payment of contractor's profit and overhead charges to contractors against these items amounting to Rs 1.044 million. **(Annex-P)**

Audit is of the view that due to violation of Finance Department's instructions and negligence, undue provision and payment on account of

contractor's profit and overhead charges was made which resulted in excess payment of Rs 1.044 million to the contractors.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility besides recovery of overpaid amount of Rs 1.044 million from the concerned, under intimation to Audit.

[PDP No. 237]

1.2.2.46 Execution of works without tendering – Rs 1.036 million

According to Rule 9 and 12 of the Punjab Procurement Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations. Further, according to Rule 3 (1)(12) of Second Schedule Part II-Special Powers to Communication & Works Department of the Delegation of Financial Powers Rules, 2006, the financial power of Executive Engineer to issue work orders regarding works & repairs is Rs 50,000 in each case.

District Officer (Buildings), Jhang got executed works costing Rs 1.036 million during 2015-16 through quotations by splitting and keeping the cost of each work upto the financial limit of Rs 50,000 to avoid open tendering and approval of work orders from higher authority. The detail is given in following table:

(Rupees in Million)

Sr. No.	Nature of Work	No. of Work Orders	Amount
1	Improvement/renovation of residence No.1 DHQ Hospital Jhang	04	0.206
2	Special repair to residence D-3, Toba Tek Singh Road, Jhang	02	0.101
3	Deputy DO (Buildings) office, Shorkot	03	0.138
4	Special repair of the Government Rest House, Ghar Maharaja	02	0.101
5	Renovation/repair of DCO Complex, Jhang	10	0.490
Total		21	1.036

Audit is of the view that due to violation of the Government rules and weak financial management, cost of works was split to avoid open tendering and approval of the Competent Authority. Execution of works without tendering/ approval resulted in mis-procurement amounting to Rs 1.036 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of the expenditure from the Competent Authority, under intimation to Audit.

[PDP No. 243]

1.2.2.47 Non-forfeiture of Performance Security due to non-supply of medicine – Rs 1.016 million

According to Clause 24.1 of the Standard Bidding Document for procurement of medicine, in case of failure to comply with obligations under the contract, contractor shall be liable to forfeiture of Performance Guarantee/bid security. Further, according to Para 2 of Government of the Punjab, Health Department Notification No.SO(P-I)1-1/2015-16 dated 16.10.2015, procuring

agencies shall issue notifications of award/advance acceptance of tender and issue purchase orders against the rate finalized by the Health Department after receipt of Performance Security equivalent to 5 percent of the total contract amount.

DDOs of ten health facilities of Health Department, Jhang issued supply orders costing Rs 20.326 million to various firms for supply of medicine during 2014-16. However, suppliers / firms failed to supply medicine. Contrary to the above, DDOs did not take action for forfeiture of Performance Security amounting to Rs 1.016 million besides action for blacklisting of the suppliers / firms due to non-supply of medicines, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Financial Year	Amount of Supply Orders	Amount of Performance Security
1	Senior Medical Officer, Rural Health Center, Mukhiana	2014-16	0.986	0.049
2	Senior Medical Officer, Rural Health Center, Bagh	2015-16	2.075	0.104
3	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	2015-16	2.723	0.136
4	Senior Medical Officer, Rural Health Center, Garh Maharaja	2015-16	0.959	0.048
5	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	2015-16	0.759	0.038
6	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	2015-16	3.144	0.157
7	Senior Medical Officer, Rural Health Center, Waryam Wala	2015-16	0.727	0.036
8	Senior Medical Officer, Rural Health Center, Rodu Sultan	2015-16	0.539	0.027
9	District Officer (Health), Jhang	2015-16	2.522	0.126
10	District Headquarters Hospital, Jhang	2015-16	5.892	0.295
Total			20.326	1.016

Audit is of the view that due to weak internal controls and non-adherence to prescribed instructions, Performance Security was not forfeited and firms were not got blacklisted. Non-forfeiture of Performance Security amounting to Rs 1.016 million resulted in loss to public exchequer besides non-blacklisting of firms.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that matter would be referred to EDO (Health) for necessary action. Audit stressed upon early action regarding forfeiture of Performance Security and blacklisting of firms. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends forfeiture of Performance Security amounting to Rs 1.016 million besides blacklisting of defaulters, under intimation to Audit.

[PDP Nos. 122, 201, 227, 142, 13, 36, 92, 58, 212, 100]

1.2.3 Performance

1.2.3.1 Execution of substandard civil works – Rs 24.442 million

According to Clauses 11 and 14 of Contract Agreement for works, the contractor shall execute the whole and every part of work according to the specifications. In addition, if it appears that work has been executed with unsound, imperfect, or with materials of any inferior description, the contractor shall remove the materials or articles so specified.

Five civil works for re-construction of dangerous school buildings were executed by District Officer (Buildings), Jhang through different contractors with approved cost of Rs 24.442 million during 2015-16. Progress report for the month of May, 2016 submitted by the consultants / resident supervisors depicted, that the contractors did not execute the works according to the specifications. Executive District Officer (Education) and District Officer (Buildings), Jhang did not take action against the contractors at fault. The detail is as under:

(Rupees in Million)

Sr. No.	Name of School	Approved Cost	Remarks of Consultant
1	Government Girls High School, Satellite Town	4.619	False mortar ratio
2	Government Girls High School, Mohallah Sultan Wala	10.178	Low quality bricks
3	Government Girls High School, Pir Kot Sadhana	6.923	Bricks and mortar ratio not satisfactory
4	Government Model Primary School, Chak No. 406 JB	0.923	Low quality bricks
5	Government Model Primary School, Chak No. 499 JB	1.799	Low quality bricks
Total		24.442	

Audit is of the view that due to violation of contractual provisions and weak monitoring, substandard works were executed by the contractors which resulted in loss of Rs 24.442 million to public exchequer.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides rectification of defects, under intimation to Audit.

[PDP No. 69]

1.2.3.2 Wasteful expenditure due to non-completion of schemes – Rs 13.696 million

According to Clause 39(a) of Contract Agreement, the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The work shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the programme of work and the contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to maximum of 10 percent or such smaller amount as the Engineer in-Charge may decide, on the amount of the estimated cost of work remains un-commenced or unfinished after the proper date.

Executive District Officer (F&P) and Executive District Officer (Education), Jhang got executed 10 schemes at a cost of Rs 32.299 million for preparation of master plan of sewerage system of Tehsil Municipal Administration, Jhang and provision of additional class rooms, missing facilities, re-construction of dangerous buildings, rehabilitation / repair of schools etc. The master plan / schemes were not got completed from the consultant / contractors within stipulated time period after incurring expenditure of Rs 13.696 million, as detailed in the following table:

(Rupees in Million)

Sr. No.	Name of Work/Project	Estimated Cost	Stipulated Date of Completion	Expenditure Incurred Upto 30.06.2016	Financial Progress %	Remarks
1	Preparation of master plan of sewerage system of Tehsil Municipal Administration, Jhang	17.500	31.03.2016	6.408	37%	Work abandoned
2	Provision of additional class rooms at GES Chak No.11/1, Thall	2.348	26.01.2016	1.304	56%	Work in Progress
3	Provision of additional class rooms at GES Basti, Sialkot	2.348	30.01.2016	1.486	63%	
4	Reconstruction of dangerous building at GPS, Barkat-ul-Islam	3.382	18.04.2015	1.381	41%	
5	Reconstruction of dangerous building at GMPS, Sher Garh	0.930	20.01.2016	0.196	21%	
6	Reconstruction of dangerous building at GPS, Kotli Jhandeera	0.924	20.01.2016	0.694	75%	
7	Provision of missing facilities at GMPS, Hussain Abad	1.690	27.02.2016	0.796	47%	
8	Rehabilitation / repair in GPS, Dhiduana, Pir Kot Sadhana	0.425	06.07.2015	0.083	20%	
9	Rehabilitation / repair in GPS, Machiana, Kot Shakir	0.996	19.07.2015	0.523	53%	
10	Rehabilitation / repair in GGHS, Garh Maharaja	1.756	30.05.2015	0.825	47%	
Total		32.299		13.696		

Audit is of the view that due to violation of contractual provisions and mis-management, the schemes were not got completed from the contractors within stipulated time. Incurrence of expenditure amounting to Rs 13.696 million and non-completion of schemes resulted in wasteful expenditure.

The matter was reported to the DCO and DDOs concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends appropriate action against the concerned besides recovery of penalty for delay in completion of schemes, under intimation to Audit.

[PDP Nos. 67, 178]

1.2.3.3 Expenditure through irregular School Councils – Rs 10.238 million

According to Section 3.3.2 of the School Council's Policy, 2007, tenure of School Council will be two years from the date of School Council notification, issued by Assistant Education Officer (AEO).

School Councils of 42 schools under the administrative control of various Deputy District Education Officers and Headmaster remained working even after the expiry of tenure of two years and incurred expenditure of Rs 10.238 million out of NSB / SMC and Farogh-e-Taleem Funds during 2015-16. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Amount		
			NSB	FTF / SMC	Total
1	Deputy District Education Officer (EE-W), Ahmed Pur Sial	9	1.515	0.501	2.016
2	Deputy District Education Officer (EE-M), Ahmed Pur Sial	7	0.940	0.171	1.111
3	Deputy District Education Officer (EE-M), Jhang	12	1.808	-	1.808
4	Deputy District Education Officer (EE-W), 18-Hazari	13	3.220	-	3.220
5	Headmaster, Government Islamia High School, Jhang	1	0.783	1.300	2.083
Total		42	8.266	1.972	10.238

Audit is of the view that due to violation of School Council's Policy, school councils remained working even after expiry of tenure and utilized budget which resulted in irregular expenditure amounting to Rs 10.238 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that the above mentioned schools would be directed to reconstitute School Councils by calling urgent meetings. Audit stressed to get the expenditure regularized from the Competent Authority. No

DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of expenditure from the Competent Authority, under intimation to Audit.

[PDP Nos. 107, 165, 15, 155, 162]

1.2.3.4 Non-obtaining of Performance Security and Stamp Duty – Rs 2.917 million

According to Para 2 of Government of the Punjab, Health Department Notification No.SO(P-I)1-1/2015-16 dated 16.10.2015, procuring agencies (i.e. District Health Departments DHQ, THQ Hospitals, RHCs, BHUs in Punjab etc.) during the financial year 2015-16, shall issue notifications of award/advance acceptance of tender and issue purchase orders against the rate finalized by the Health Department after receipt of Performance Security in the form of an irrevocable bank guarantee equivalent to 5 percent of the total contract amount and Stamp Duty @ 25 paisa per every 100 rupees of the total value of the contract.

DDOs of six health facilities of District Government, Jhang issued supply orders amounting to Rs 82.963 million to different suppliers/firms during 2015-16 without obtaining Performance Security amounting to Rs 2.721 million and Stamp Duty amounting to Rs 0.196 million, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount of supply orders	Amount of Performance Security	Amount of Stamp Duty	Total
1	Senior Medical Officer, Rural Health Center, Garh Maharaja	5.491	0.115	0.012	0.127
2	District Officer (Health), Jhang	49.892	1.227	0	1.227
3	District Officer (Health), Jhang		0	0.124	0.124

Sr. No.	DDOs	Amount of supply orders	Amount of Performance Security	Amount of Stamp Duty	Total
4	Senior Medical Officer, Rural Health Center, Bagh	5.523	0.276	0.014	0.290
5	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	18.508	0.926	0.046	0.972
6	Senior Medical Officer, Rural Health Center, Waryam Wala	3.549	0.177	0	0.177
Total		82.963	2.721	0.196	2.917

Audit is of the view that due to violation of the Government instructions and dereliction of duty, Performance Security and Stamp Duty amounting to Rs 2.917 million were not obtained.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that Performance Security was not obtained due to verbal directions of DCO/EDO. Audit stressed upon justification and appropriate action against the concerned for non-obtaining of Performance Security and Stamp Duty. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends regularization of matter from the Competent Authority and fixing responsibility against the concerned besides recovery of Stamp Duty amounting to Rs 0.196 million, under intimation to Audit.

[PDP Nos. 141, 215, 217, 205, 233, 90]

1.2.3.5 Loss due to procurement of medicine at excessive rates – Rs 1.223 million

According to Rule 2.10(a)(1) of the Punjab Financial Rules, Volume-I, same vigilance should be exercised in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money. Further, according to Point (2) of Local Purchase Policy, issued vide Government of the Punjab, Health Department letter

No. SO(P-I 5/3-64/2008 dated 19.08.2008, local purchase costs Government higher price in comparison to bulk purchase. Therefore, the aim is to reduce the incidences of local purchase by identifying commonly purchased items and including them into the list of bulk purchase mandate.

DDOs of five health facilities of District Government, Jhang made local purchase of medicine at excessive rates as compared to rates finalized for bulk purchase by District Government, Jhang and Government of the Punjab, Health Department. Purchases at excessive rates were made from 2013-14 to 2015-16 after finalization of bulk purchase contracts which resulted in loss of Rs 1.223 million to the Government. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Senior Medical Officer, Rural Health Center, Garh Maharaja	0.534
2	Medical Superintendent, District Headquarters Hospital, Jhang	0.169
3	Senior Medical Officer, Rural Health Center, Rodu Sultan	0.206
4	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	0.168
5	Senior Medical Officer, Rural Health Center, Bagh	0.146
Total		1.223

Audit is of the view that due to violation of the Government instructions, local purchase of medicines was made at excessive rates which resulted in loss of Rs 1.223 million to public exchequer.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that medicines were purchased from local market on quotation basis due to late supply of medicines by the firms of framework contract. The reply was not tenable because framework contract was finalized by the Punjab Government in October, 2016 but supply orders for medicines were delayed by the DDOs. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends investigation of the matter besides fixing of responsibility and recovery amounting to Rs 1.223 million, under intimation to Audit.

[PDP Nos. 137, 104, 55, 35, 199]

1.2.3.6 Irregular payment of salary after transfer – Rs 1.126 million

According to Rule 2.31 (a) of the Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any over charges, frauds and misappropriations.

Medical Officer working under the administrative control of District Officer (Health), Jhang was transferred from Basic Health Unit, Chak No.170/JB w.e.f. 18.02.2015. However, he continued to draw salary during the period from February, 2015 to July, 2016 due to which unauthorized payment of Rs 1.126 million was made but the DDO did not take action to recover the amount.

Audit is of the view that due to weak internal controls, pay and allowances were drawn after transfer which resulted in loss of Rs 1.126 million to the Government exchequer.

The matter was reported to the DCO and DDO in September and September, 2016. It was replied that recovery would be made. Audit stressed for early recovery. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends recovery of Rs 1.126 million from the concerned, under intimation to Audit.

[PDP No. 208]

1.2.3.7 Non-obtaining of Performance Securities – Rs 1.095 million

According to Condition 8 of the Supply Orders for purchase of literacy kit items, the firms will deposit ten percent Performance Security of the

total amount of supply order within a week. Further, according to Condition 3 of Supply Orders for purchase of information technology labs equipment for High / Higher Secondary Schools, District Jhang the bidder(s) shall furnish five percent Performance Security in favor of Executive District Officer (Education), Jhang for the total amount of the contract which shall be retained by the procuring agency till the period of warranty / guarantee.

Executive District Officer (Education), Jhang issued supply orders of Rs 13.383 million for purchase of literacy kits items and IT Equipment for High/Higher Secondary Schools, during 2015-16. Contrary to the above, Performance Security @ of five to ten percent amounting to Rs 1.095 million was not obtained from the suppliers.

Audit is of the view that due to violation of contractual provisions and dereliction of duty, Performance Security amounting to Rs 1.095 million was not obtained from the suppliers.

The matter was reported to the DCO and DDO concerned in September and October, 2016 to which no reply was furnished. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the person(s) at fault for non-obtaining of Performance Securities, under intimation to Audit.

[PDP No. 70]

1.2.4 Internal Control Weaknesses

1.2.4.1 Unauthorized provision of supplementary grants – Rs 30.169 million

According to Para 2(iii) of the Austerity Measures 2015-16, departments shall take all possible measures to remain within the budgetary allocations to minimize the incidence of supplementary grants. The requests for supplementary grants, if unavoidable and exceeding Rs 3 million shall require approval of the Chief Minister through submission of a summary to the Chief Minister containing all necessary details.

Executive District Officer (F&P), Jhang released funds amounting to Rs 30.169 million to different DDOs of District Government, Jhang as supplementary grants during 2015-16. Contrary to the above, the supplementary grants above Rs 3 million were released without approval of the Competent Authority.

Audit is of the view that due to weak financial management, supplementary grants were released in violation of the Government instructions which resulted in unauthorized utilization of funds amounting to Rs 30.169 million.

The matter was reported to the DCO and DDO concerned in September, 2016. It was replied that supplementary grants were granted in exceptional cases in anticipation of revised budget 2015-16. Audit did not agree because approval of the Chief Minister was required for provision of supplementary grants exceeding Rs 3 million. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of the matter from the Competent Authority, under intimation to Audit.

[PDP No. 173]

1.2.4.2 Repair/rehabilitation of roads and buildings without details of previous repairs – Rs 20.068 million

According to Paras 2.6 and 2.36 of the West Pakistan Buildings and Roads Department Code, projects for roads when submitted for sanction should be accompanied by report detailing history, design, etc. An application for administrative approval should be submitted to the authority competent to accord it, accompanied by a preliminary report, a rough cost estimate, preliminary plans, information as to the site and other details as may be necessary, fully to elucidate the proposals and the reasons thereof. Further, according to Paras 2.50 & 2.51 of *ibid*, to facilitate the preparation of estimates for annual and Quadrennial repairs a standard Measurement Book should be kept in the office of each Divisional Officer, showing the detailed measurements of each kind of work which is usually subject to renewal in each work under his charge.

District Officer (Roads) and District Officer (Buildings), Jhang incurred expenditure of Rs 20.068 million on 13 civil works for rehabilitation/improvement of roads and maintenance/repair of buildings during 2015-16. However, the works were executed without maintaining road register, building register and history of previous repairs of roads/buildings. In the absence of relevant record, it was difficult to ascertain the planned life of the roads/buildings, ownership and previous expenditure incurred on repair/maintenance of these civil works. **(Annex-Q)**

Audit is of the view that due to weak internal controls and monitoring mechanism, road register, building register and history sheet of the civil works

were not maintained. Approval of schemes without maintenance of requisite record led to unnecessary and irregular expenditure of Rs 20.068 million.

The matter was reported to the DCO and DDOs concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility for non-maintenance of road/buildings register and their previous history, under intimation to Audit.

[PDP Nos. 177, 262]

1.2.4.3 Non-disbursement of stipend to students – Rs 16.585 million

According to Rule 2.10(b)(5) of the Punjab Financial Rules, Volume-I, no money is withdrawn from the treasury unless it is required for immediate disbursement or has already, been paid out of the permanent advance and that it is not permissible to draw advances from the treasury for the execution of works, the completion of which is likely to take a considerable time.

Executive District Officer (Education), Jhang withdrew an amount of Rs 35.724 million from public exchequer in June, 2016 for disbursement of stipend to students in District Jhang pertaining to 4th quarter of 2015 and 1st quarter of 2016. However, the EDO disbursed Rs 19.139 million pertaining to 4th quarter by retaining the balance amount of Rs 16.585 million pertaining to 1st quarter despite withdrawal from the Government Treasury.

Audit is of the view that due to weak financial controls and negligence, stipend was not disbursed to students well in time. Undue retention of public money amounting to Rs 16.585 million resulted in depriving the students of envisaged benefits.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides payment of stipend to the students at the earliest, under intimation to Audit.

[PDP No. 71]

1.2.4.4 Non-utilization of funds of Non-Salary Budget – Rs 8.597 million

According to Para 2.1 of the Guidelines for Utilization of Non-Salary Budget in Primary and Elementary Schools, allocation of proper funds is necessary to enable the schools for better education planning, management and delivery. Further, according to Para 2.4 of *ibid*, schools will be bound to prepare School Based Action Plan with consideration of allocated budget. Furthermore, according to Para 2.6 of *ibid*, the schools will keenly observe their necessities for preparation of detailed budget and rationally divide budget against relevant heads.

School Councils of 47 elementary and primary schools under the administrative control of three Deputy District Education Officers, District Jhang could not utilize funds released under Non-Salary Budget (NSB) during 2015-16. The funds amounting to Rs 8.597 million, which in terms of percentage were 50 percent, remained unutilized till June, 2016. The detail is as under:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Allocation for the Year	Expenditure During the Year	Funds Remained Unutilized	% age of Unutilized Funds
1	Deputy District Education Officer (EE-W), Shorkot	13	3.329	1.628	1.701	51%
2	Deputy District Education Officer (EE-M), Shorkot	13	5.806	2.852	2.954	51%

Sr. No.	DDOs	No. of Schools	Allocation for the Year	Expenditure During the Year	Funds Remained Unutilized	% age of Unutilized Funds
3	Deputy District Education Officer (EE-M), 18-Hazari	21	7.997	4.055	3.942	49%
Total		47	17.132	8.535	8.597	50%

Audit is of the view that due to violation of School Council's Policy and weak monitoring mechanism, funds could not be utilized which resulted in blockage of resources amounting to Rs 8.597 million and depriving the students of envisaged benefits.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that due to various reasons heads of schools could not utilize Non-Salary Budget. School wise justification would be submitted at the time of DAC meeting. Audit stressed to justify the matter. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for non-utilization of funds, under intimation to Audit.

[PDP Nos. 75, 147, 80]

1.2.4.5 Non-forfeiture of earnest money – Rs 1.670 million

According to Provision 26 of the Guidance for the Bidders provided in the Contract Agreement, the lowest bidder will have to deposit additional performance security, within 15 days of receipt of notice, to tender approving authority in cash, bank draft, cashiers cheque, payment order or bank guarantee from any scheduled bank of Pakistan. Should the lowest evaluated bidder refuse or fail for any reason to furnish the additional performance security within the specified time, it should constitute a just cause for rejection of his tender and in

the event of such rejection the entire earnest money shall be forfeited to Government as compensation for such default.

District Officer (Buildings), Jhang issued notices in June, 2015 to lowest evaluated bidders of six civil works for deposit of additional performance security within fifteen days of issuance of the notices with the condition to forfeit earnest money in case of failure. However, the bidders failed to deposit additional performance security amounting to Rs 7.265 million. Contrary to the above, District Officer (Buildings) did not take action for forfeiture of earnest money amounting to Rs 1.670 million, as detailed in following table:

(Rupees in Million)

Sr. No.	Name of Work	Date of Tender	Estimated Cost of Work	Earnest Money
1	Missing infrastructure/ provision of missing facilities at THQ Hospital Shorkot	28.05.2015	30.000	0.600
2	Improvement/renovation of BHU Jabboana	28.05.2015	3.939	0.079
3	Improvement/renovation of BHU Sultan Pur	28.05.2015	8.600	0.172
4	Improvement/renovation of RHC, Haveli Bahadur Shah	28.05.2015	15.117	0.302
5	Up-gradation of Government Boys Primary School, Chak No.497/JB	09.06.2015	7.683	0.154
6	Establishment of Emergency Services Rescue 1122 at 18-Hazari	09.06.2015	18.161	0.363
Total Amount			83.500	1.670

Audit is of the view that due to weak financial controls and dereliction of duty, earnest money of the defaulting bidders was not forfeited which resulted in loss of Rs 1.670 million to the Government exchequer.

The matter was reported to the DCO and DDO concerned in September, 2016 to which no reply was furnished by the department. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the incumbents at fault besides recovery of Rs 1.670 million from the concerned, under intimation to Audit.

[PDP No. 235]

1.2.4.6 Suspicious utilization of medicine – Rs 1.618 million

According to Para 29 of the Policy and Operational Guidelines for local purchase of medicines (day to day) issued vide No. SO(P-I)H/3-64/2008 dated 12-09-2013, treatment register should be maintained encompassing name, registration number, address, diagnosis and description of medicines etc. The bidders shall also submit, separately the technical bid and financial bid in sealed envelopes. Further, according to Rule 2.32(a) of the Punjab Financial Rules, Volume-I, it is not sufficient that a Government servants accounts should be correct to his own satisfaction.

Staff of indoor wards of two health facilities of Health Department, Jhang received medicine costing Rs 1.618 million from main medicine stores during 2014-15 and 2015-16 for onward consumption in different wards. However, the medicines were utilized in wards by mentioning words “used in ward” without maintenance of patient wise record of consumption. The detail is as under:

(Rupees in Million)		
Sr. No.	DDOs	Amount
1	Medical Superintendent, District Headquarters Hospital, Jhang	0.605
2	Senior Medical Officer, Rural Health Center, Rodu Sultan	1.013
Total		1.618

Audit is of the view that due to weak internal controls and derogation of prescribed procedure, patient wise record for consumption of medicines was not maintained which resulted in suspicious utilization of medicines costing Rs 1.618 million.

The matter was reported to the DCO and DDOs concerned in September and October, 2016. It was replied that matter would be investigated and the staff concerned would be directed to prepare proper record of consumption. Audit stressed to initiate requisite action at the earliest. No DAC meeting was convened despite efforts made by Audit till the finalization of this Report.

Audit recommends investigation and fixing of responsibility against the incumbents at fault, under intimation to Audit.

[PDP Nos. 106, 54]

ANNEX

Annex-A

Part-I

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

(Rupees in Million)

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
RHC, Haveli Bahadar Shah	1	5	Unauthorized payment of General Sales Tax	0.294
	2	14	Non-verification of General Sales Tax	0.249
	3	15	Non-auction of trees	-
Deputy DEO (MEE), Jhang	4	4	Non-deduction of Income Tax and Sales Tax	0.053
	5	7	Overpayment due to drawl of pay in higher scale	0.045
	6	9	Overpayment due to drawl of inadmissible Special Allowance	0.168
	7	10	Unauthorized drawl of Charge Allowance	0.154
	8	13	Irregular hiring of temporary teacher	0.513
EDO (Health), Jhang	9	4	Non-recovery of penalty imposed	0.096
	10	9	Unauthorized drawl of Personal Allowance	0.018
THQ, Ahmed Pur Sial	11	4	Unknown whereabouts of funds drawn from Government Treasury	0.379
	12	13	Less deduction of Income Tax	0.084
	13	16	Excess payment of Travelling Allowance	0.011
District Officer (OFWM), Jhang	14	1	Expenditure on bricks without certification of crushing strength of bricks	-
	15	2	Irregular execution of works without administrative approval by the authority	-
	16	3	Excess use of bricks in construction of water courses	0.135
	17	5	Non-utilization of funds	0.356
	18	6	Unauthorized drawl of pay after transfer	0.172
	19	7	Unauthorized drawl of Conveyance Allowance	0.009
Government Girls High School Wasu Astana, Jhang	20	8	Non-Recovery of unspent balance	0.007
	21	5	Non deposit of profit in Government treasury	0.046
	22	7	Overpayment of General Sales Tax	0.011
	23	8	Non auction of trees	-
	24	9	Non preparation / reconciliation of expenditure statements	-
RHC Rodu Sultan	25	4	Unauthorized drawl of Practice Compensatory Allowances	0.103
	26	6	Unauthorized payment of General Sales Tax	0.144
	27	11	Less deduction of Income Tax	0.060
EDO Education,	28	1	Unauthorized transfer of funds to School Councils	-

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
Jhang	29	8	Non-credit of profit earned in Account-IV	0.578
	30	11	Irregular expenditure without tenders	0.234
	31	12	Overpayment due to purchase of Literacy Kit items at excessive rates	0.172
	32	13	Overpayment due to purchase of Literacy Kit items at excessive rates	0.219
	33	14	Non-recovery of inspection fee from the registered private schools	0.445
	34	16	Irregular expenditure on transportation of goods	0.090
	35	17	Non deduction of Sales Tax and Income Tax on services	0.083
	36	18	Non-recovery/deposit of amount under observation	0.093
Deputy DEO (WEE), Shorkot	37	19	Non-preparation/reconciliation of expenditure statements	-
	38	1	Appointment of teacher on fake documents	3.256
	39	5	Unauthorized purchase from unregistered firms / persons	0.590
	40	6	Non / less deposit of General Sales Tax	0.358
	41	9	Non-auction of Government vehicle	0.300
	42	10	Non-deposit of fines and non-implementation of decision / penalties of competent authority	0.080
	43	11	Non-deduction of Income Tax at source	0.056
	44	12	Suspicious expenditure on the purchase of uniforms, school bags	0.077
Deputy DEO (MEE), 18-Hazari	45	1	Recovery of non-deduction of Benevolent Fund and Group Insurance	0.034
	46	3	Unauthorized drawl of Charge Allowance	0.031
	47	6	Irregular expenditure against POL of vehicle	0.274
	48	7	Non-deduction of Income Tax	0.035
	49	10	Unjustified drawl of funds from Government Treasury	0.397
RHC Waryam Wala, Jhang	50	11	Overpayment of General Sales Tax	0.079
DHQ Hospital, Jhang	51	6	Non-verification of General Sales Tax	0.164
	52	7	Non-deposit of hospital receipts into Government Treasury	0.787
	53	8	Loss to Government due to liberal time extensions to the contractor of car/motor cycle and cycle stand	0.630
	54	9	Irregular sanction of expenditure on residential buildings beyond powers	0.680
	55	13	Unauthorized appointment of security guards	0.729
	56	14	Loss to Government due to non-maintenance of residential record	0.422
Deputy DEO (WEE), Ahmed Pur Sial	57	18	Unauthentic maintenance of generator POL record	0.729
	58	6	Non-deduction of Income Tax and Sales Tax	0.060
	59	9	Non-verification of General Sales Tax	0.213
	60	10	Non-deposit of auction money	0.096

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
Deputy DEO (WEE), Jhang	61	6	Irregular procurement from unregistered firms	0.353
	62	8	Non-recovery of penalty imposed	0.050
RHC Mukhiana, Jhang	63	5	Unauthorized payment of General Sales Tax	0.105
	64	6	Non-verification of General Sales Tax	0.200
RHC Garh Maharaja, Jhang	65	2	Drawl of inadmissible allowances	0.085
	66	7	Procurement from inactive / unregistered Sales Tax supplier	1.612
	67	15	Non-deduction of Income Tax	0.054
Deputy DEO (MEE), Shorkot	68	8	Non/less deposit of General Sales Tax	0.358
	69	9	Non-auction of trees	0.338
	70	10	Suspicious expenditure on the purchase of uniforms, school bags	0.328
	71	11	Loss to Government due to non-accountal of material items	0.319
	72	12	Non-deduction of Income Tax at source	0.042
	73	13	Unauthorized expenditure out of school fund / grant	0.037
	74	14	Suspicious procurement by schools	0.231
	75	15	Non-deposit of fine	0.007
District Officer (Accounts), Jhang	76	1	Outstanding share of Pension Contribution remittance	-
	77	2	Overpayment on account of inadmissible Conveyance Allowance	0.120
	78	3	Unauthorized splitting of expenditure	0.299
	79	4	Unauthorized deduction of withholding tax	0.079
	80	5	Non-preparation/reconciliation of expenditure statements	-
	81	6	Non-recovery of Penal Rent	0.212
	82	7	Excess drawl of pay	0.050
Deputy DEO (WEE), 18-Hazari, Jhang	83	2	Irregular expenditures under head of POL	0.125
	84	4	Irregular operation of FTF bank account by single signatory	0.734
	85	5	Unknown whereabouts of Farogh-e-Taleem Funds	0.168
District Officer (Social Welfare), Jhang	86	1	Irregular expenditures under head of POL	0.941
	87	2	Excess drawl of pay due to irregular appointment	0.012
	88	3	Unauthorized drawl of Conveyance Allowance	0.019
	89	4	Non-deduction of Sales Tax on services	0.020
	90	5	Less deduction of Income Tax	0.010
Government Islamia School, Jhang	91	6	Unauthorized change of site of work	0.837
	92	7	Undue retention of Government funds in DDO bank account	0.068
	93	8	Non-deduction of Income Tax and General Sales Tax	0.080
Deputy DEO (MEE), Ahmed Pur Sial	94	9	Non-deduction of Income Tax	0.024
	95	11	Non-verification of General Sales Tax	0.157
EDO (F&P), Jhang	96	2	Unauthorized block allocation of funds	-
	97	4	Loss due to less collection of local receipt of District Government	4.717
	98	7	Irregular expenditure due to non-approval of authorized	-

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
			expenditure during the year 2015-16	
	99	8	Less deduction of Income Tax	0.003
	100	9	Non-completion of development scheme involving expenditure	1.246
DCO, Jhang	101	6	Less deduction of Income Tax	0.820
	102	7	Non-deduction of Punjab Sales Tax on Services	0.010
	103	8	Unknown whereabouts of funds drawn	0.795
	104	9	Unjustified withdrawal of Conveyance Allowance	0.045
	105	10	Non recovery of pay and allowances	0.079
	106	11	Non deduction of House Rent Charges	0.038
	107	12	Unauthentic expenditure on POL of generator	0.866
	108	13	Irregular expenditure on repair of transport	0.149
Government High School, Jhang City	109	1	Proposed procurement for financial year not announced	1.953
	110	6	Non-deposit of General Sales Tax	0.213
	111	7	Unauthorized drawl of Science Teaching Allowance during vacation	0.166
	112	11	Unauthorized advance payment to FESCO	0.120
	113	12	Irregular / suspicious expenditure on the repair of furniture and fixture	0.200
	114	13	Irregular procurement of photocopier, printer, scanner and generator without specification	0.075
	115	14	Irregular / suspicious expenditure on the repair of machinery and equipment	0.150
	116	15	Loss to Government due to non-accountal of material items	3.432
RHC Bagh, Jhang	117	9	Less deduction of Income Tax and General Sales Tax	0.304
	118	12	Unjustified expense of injectable at Out Patient Department	0.763
	119	16	Irregular payment without inspection of medicine by the inspection committee	-
District Officer (Health), Jhang	120	1	Unauthorized payment of Health Sector Reform Allowance	0.103
	121	11	Less deduction of Income Tax	0.039
	122	12	Non-deduction of Sales Tax on Services	0.148
	123	15	Irregular expenditure on the repair of transport	0.341
	124	17	Less-deduction of House Rent Charges	0.009
	125	18	Irregular recruitment of paramedical staff	-
THQ Hospital (Shorkot)	126	7	Less deduction of Income Tax	0.185
	127	8	Irregular drawl of Health Sector Reforms Allowance	0.450
	128	10	Doubtful drawl of funds without actual incurrence of expenditure	0.062
	129	15	Non-deduction of Sales Tax on services	0.023
	130	16	Un-necessary expenditure against advertisement charges	0.023
	131	22	Irregular carry forward of current year liabilities	0.632
	132	23	Irregular drawl of salary by Hospital Pharmacist without	0.512

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
			performing duty at health facility	
	133	24	Irregular payment without inspection of medicine by the inspection committee	-
District Officer (Buildings), Jhang	134	4	Non-imposition of penalty for delay in commencement of works	1.524
	135	5	Excess payment to contractor due to charging of excess rates	0.481
	136	15	Non-recovery of compensation from the contractors	0.650
	137	16	Excess payment of House Rent Allowance and Conveyance Allowance	0.090
	138	17	Payment of inadmissible Adhoc Relief Allowance 2011	0.014
	139	19	Non-recovery of Penalty on delay in renewal of enlistment	0.257
	140	18	Excess payment due to non-reduction in rate of local sand	0.035
	141	20	Unknown whereabouts of old building material	-
	142	25	Unjustified retention of performance security	0.220
District Officer (Roads), Jhang	143	9	Expenditure excess than agreement	0.600
	144	10	Execution of work without provision of detailed calculation in estimate	0.842
	145	11	Advance payment to contractor without work done at site	0.98
	146	12	Earthwork without recording NSL before execution of work	0.714
	147	13	Earthwork without recording NSL before execution of work	0.647
	148	14	Earthwork without recording NSL before execution of work	0.405
	149	16	Irregular expenditure out of M&R Budget	0.878
	150	17	Recovery of Conveyance Allowance from Officers provided with Government Vehicle	0.08
	151	18	Non-Recovery of Rental Charges from the Owners of Petrol Pumps	0.185
Medical Superintendent, District Headquarter Hospital, Jhang	152	3	Irregular purchase of medicines from bulk purchase of medicine budget from local market	5.199
Deputy District Education Officer (EE-M), Jhang	153	12	Irregular expenditure excess than authorized limit by School Council	0.592
Deputy District Education Officer (EE-M), 18-Hazari	154	4	Irregular expenditure excess than authorized limit by School Council	0.259
Headmaster, Government Islamia High School, Jhang	155	4	Irregular expenditure excess than authorized limit by School Council	1.683
EDO (Education)	156	2	Sanction of expenditure beyond competency	-

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)

Name of Formation	Sr. No.	Para No.	Subject	Amount
EDO (Education) Jhang	1	1	Expenditure through School Councils without observing formalities	-
	2	2	Non-reimbursement of unspent balance of girls stipend from Account-IV	1.322
	3	3	Non-credit of profit earned in Account-IV	0.889
	4	4	Non-recovery of inspection fee from the registered private schools	0.448
	5	5	Expenditure through School Councils instead of District Government	24.200
	6	6	Retention of Government funds in the Post Office Account	10.116
	7	8	Change of site of civil work	0.837
	8	9	Overpayment after retirement and leave without pay	0.224
	9	11	Unauthorized charge of commission by Post Office on money orders of stipend	5.506
	10	12	Irregular expenditure for purchase of vehicles	6.355
	11	13	Unauthorized sanction of administrative approval without availability of funds	10.483
	12	14	Non-receipt of security deposit from the owners of Registered Private Schools Rs14.400 million	-
	13	15	Non-recovery/deposit of amount under observation	0.075
	14	16	Unauthorized utilization of funds out of stipend	0.172
	15	17	Loss due to non-auction of canteen and parking stand	0.500
	16	18	Non-deduction of Income Tax	0.286
	17	19	Irregular expenditure for purchase of stationery	0.099
	18	20	Non-preparation/reconciliation of expenditure statements	13.604
DO (Sports) Jhang	19	2	Non-credit of profit earned to Account-IV	0.299
	20	3	Non-recovery of rent	0.220
	21	4	Unauthorized drawal of allowance	0.190
	22	6	Non-formulation of SOP for conduct of sports events expenditure involved	1.960

Name of Formation	Sr. No.	Para No.	Subject	Amount
	23	7	Doubtful expenditure on tournaments	0.935
	24	8	Uneconomical procurement in violation of PPRA Rules	0.319
	25	9	Non-deduction of Income Tax	0.043
	26	10	Irregular expenditure on purchase of generator and cameras	0.137
	27	11	Irregular transfer of funds without administrative approval and non-provision of vouched account	1.000
Government Special Education Center (Blind & Physically Retorted)	28	1	Non-payment of stipend to students	0.024
	29	2	Overpayment due to drawal of excess pay and allowances	0.010
	30	3	Irregular payment of stipend to students	0.034
	31	4	Unauthorized drawal of allowance	0.014
	32	5	Excess payment of personal allowance after promotion	0.005
Dy. DEO (EE-W), Jhang	33	6	Non-deduction of 5 percent House Rent Charges	0.098
	34	2	Expenditure Through Irregular School Council	2.054
	35	3	Irregular Expenditures on Development / Civil Work	1.110
	36	4	Unknown whereabouts	2.039
	37	5	Irregular Withdrawal of Inspection Allowance	1.034
	38	6	Unauthorized Withdrawal of Pay and Allowance as AEO	0.474
	39	7	Non-maintenance of Record of Adjustments of Pay and Allowance	5.628
	40	8	Inadmissible withdrawal of Social Security Benefits	0.813
	41	9	Unauthorized Payment of Inadmissible Allowance	0.099
	42	10	Withdrawal of Inadmissible Allowance	0.049
	43	11	Irregular / Doubtful Expenditure Under Head of POL	0.245
	44	12	Doubtful Expenditure Under Head of TA/DA	0.087
THQ Hospital Shorkot	45	13	Irregular Withdrawn of Pay and Allowance due to Non-transfer After Completion of Tenure at One Station	0.241
	46	2	Recovery of Overpayment of Health Risk Allowance	0.930
	47	3	Non-Supply of Medicines and Non-Forfeiture of Security of Defaulting Supplier	0.129
	48	4	Irregular Drawal of Pay and Allowances by the Pharmacist after change of Headquarter	1.067
	49	5	Un-authorized drawal of Health Sector Reform Allowance by Specialists	0.360
	50	7	Loss to Government due to non-auction of trees	0.360
	51	8	Purchase of medicines without immediate requirement	0.282
	52	12	Loss to Government due to non-allotment of residence	0.049
	53	13	Recovery of undue payment of transportation charges due to non-supply of medicines at health facility	0.045

Name of Formation	Sr. No.	Para No.	Subject	Amount	
Dy. DEO (MEE) Jhang	54	2	Recovery of overpayment of allowances	0.240	
	55	3	Recovery of overpayment of salary after termination of teacher	0.244	
	56	5	Un-authorized deposit of Government revenues into Student Fund instead of Treasury	0.306	
	57	6	Non-Deduction of Sales Tax	0.224	
	58	8	Expenditure incurred through irregular school council	1.260	
	59	9	Un-authorized withdrawal of pay and allowances	1.766	
	60	10	Non-auction of trees	0.394	
	61	11	Non-deduction of Income Tax	0.064	
	62	12	Un-justified Payment of allowance	0.714	
	63	13	Un-authorized expenditure on weather shield paints	0.299	
	64	14	Irregular withdrawal of inspection allowance	1.081	
	65	15	Expenditure excess than authorized limit	0.857	
	66	16	Theft of material	0.029	
	67	17	Non-recovery of fine imposed upon absent teachers	0.026	
	68	18	Un-authorized deposit of Income Tax out of F.T.F instead of suppliers	0.054	
	69	19	Depriving of public from benefits due to non-demolishing of dangerous school buildings.	-	
	70	20	Un-economical procurement	0.121	
	District Officer (CO)	71	1	Excess Payment due to drawal of salaries during absence from Duty	0.126
		72	2	Unrealistic Budgeting and Non-Utilization of Funds	2.744
		73	3	Extra payment of allowances due to delay in regularization of contract	0.098
74		4	Un-authorized drawal of allowance	0.003	
75		5	Irregular expenditure on POL of vehicle	0.285	
76		6	Excess drawal of Daily Allowance	0.002	
77		7	Unauthorized excess expenditure over and above allocated budget	1.671	
78		8	Non-verification of Educational Certificates of Union Secretaries	-	
79		9	Irregular payment without keeping record of supporting vouchers	0.270	
80		10	Irregular and non-transparent recruitments in Government service	-	
81		11	Misclassification of expenditure	0.008	
82		12	Unknown whereabouts of financial transactions	-	
RHC Mochiwala	83	1	Unauthorized consumption of medicine in indoor ward	1.318	

Name of Formation	Sr. No.	Para No.	Subject	Amount
	84	3	Unauthorized payment of salary after termination of services	0.157
	85	4	Excess drawal of allowances	1.035
	86	7	Excess payment of Social Security Benefits after regularization of services	0.127
	87	8	Excess Payment of Health Risk Allowance	0.583
	88	9	Unauthorized Payment of Health Risk Allowance without entitlement	0.083
	89	10	Excess Payment of Personal Allowance	0.050
	90	11	Unauthorized Payment of HSRA without entitlement	0.047
	91	12	Excess drawal of Health Sector Reform Allowance by the employees appointed after 01.07.2011	0.181
	92	13	Excess drawal of Health Sector Reform Allowance	0.079
	93	14	Less payment of Income Tax on salaries	0.064
	94	15-A&B	Non-blacklisting of Firms due to Non-supply of Medicine Non-forfeiture of Performance Security of Defaulter Suppliers	0.039
	95	16	Unauthorized payment of salary after transfer	0.571
	96	17	Irregular expenditures under head of POL for generator	0.716
	97	18	M&R of building without rendering of vouched account	1.000
	98	19	Purchase of medicines beyond prescribed limit	1.094
	99	20	Non-deposit of Government receipt	0.005
100	21	Unauthorized drawal of inadmissible allowances	0.015	
Government Girls High School Chak Shumali	101	2	Excess payment of Personal Allowance	0.134
	102	3	Irregular expenditure on the salaries of official performing duty in other school	0.306
	103	4	Unjustified drawal of allowance during LPR	0.020
	104	5	Irregular expenditure on the salaries of official performing duty in other school	0.249
	105	6	Unjustified drawal of Allowance	0.023
	106	7	Non-preparation/reconciliation of expenditure statements	27.950
	107	8	Irregular payment of allowance	0.006
	108	9	Unjustified drawal of Fixed TA DA	0.001
	109	10	Non-Deduction of GST and Income Tax	0.045
DO (OFWM) Jhang	110	1	Less deduction of Sales Tax	0.173
	111	2	Non-recovery of embezzled amount	0.204
	112	3	Irregular expenditure under the head of POL	0.297
	113	4	Doubtful drawal of POL due to non-provision of inspection notes	0.132
	114	5	Non-auction of unserviceable vehicles	0.324
	115	6	Unauthentic / Irregular withdrawn of TADA Bill	0.701

Name of Formation	Sr. No.	Para No.	Subject	Amount
	116	7	Doubtful expenditure under the head of repair of transport	0.030
	117	8	Excess drawal of HRA	0.005
	118	1	Irregular expenditure on development schemes of improvement of watercourses without approval	34.175
	119	2	Irregular release and incurrence of expenditure on development schemes of improvement of watercourses without admin approval	67.198
	120	3	Irregular execution of works from PIPIP	21.352
	121	4	Non-achievement of target due to weak management	-
	122	5	Non-execution of watercourse schemes through well established and time tested farmers' institution of water users association	34.175
	123	6	Unauthorized withdrawal of allowance	0.370
	124	7	Excess use of bricks in construction of water courses	0.977
	125	8	Unauthorized deposit of PIPIP funds into District Government	0.296
	126	9	Unauthorized payment of pay and allowances without verification of educational certificate	5.474
RHC Haveli Sheikh Raju	127	1	Recovery of overpayment of health risk allowance	0.697
	128	3	un-authorized drawal of health sector reforms allowance due to change of headquarter	0.271
	129	4	Non-recovery of liquidated damages due to late supply of medicines	0.102
	130	7	Non-deposit of receipts into Government treasury	0.041
	131	8	Un-authorized payment of allowances after regularization	0.038
	132	9	Unauthorized drawal of salaries for the absence period	0.036
	133	10	Irregular expenditure out of head POL for ambulance	0.350
	134	11	Procurement of medicine without immediate requirement	0.105
	135	12	Irregular drawal of salaries due to shifting of headquarter	0.860
136	13	Depriving of public exchequer from income due to non-auction of trees	0.030	
GGHS Kot Sai Singh	137	1	Unauthorized drawal of Personal Allowance	0.051
	138	3	Unauthorized payment of salary after retirement	0.067
	139	4	Unauthorized expenditure through School Councils	0.922
	140	5	Expenditure excess than authorized limit	0.888
	141	6	Unknown whereabouts of funds drawn from SMC Account	0.862
	142	7	Non-Deduction of General Sales Tax and Income Tax	0.426
	143	8	Non-Deposit of Government Receipt in Treasury	0.042

Name of Formation	Sr. No.	Para No.	Subject	Amount
	144	9	Overpayment due to Excess Drawal of Pay & Allowances and Non-Deduction of BF & GI	0.509
	145	10	Unknown whereabouts of auction money	0.360
	146	11	Improper maintenance of cash book and allied record of payments out of SMC Grants	-
	147	12	Non-Implementation of fine for delay	0.069
	148	14	Non-reconciliation of expenditure statements / preparation of expenditure on improper format	-
Dy. DO (Agri. Extension) Jhang	149	1	Unauthorized drawal of allowance	0.355
	150	2	Payment of Social Security Benefits and Non-Deduction of BF & GI after Regularization of Services	0.090
	151	3	Irregular payment of allowance	0.075
	152	4	Unauthorized drawal of Personal Allowance	0.144
	153	5	Short realization of income from District Agriculture Farm	0.616
	154	6	Non-credit of Income to Account-IV of District Government	9.587
	155	7	Non-Finalization of Pesticides & Fertilizers Adulteration cases	1.321
	156	8	Procurements without competition	0.196
	157	9	Advance Income Tax not recovered	0.330
	158	10	Non-deduction of GST on services	0.042
Government Girls HSS Bagh	159	1	Unauthorized drawal of Social Security Benefit by the employees after regularization of services	0.225
	160	4	Defective maintenance of record and non-utilization of library books	0.702
	161	6	Depriving of student from facilities due to blockade of student funds	0.305
	162	7	Expenditure met from wrong code classification	0.033
	163	8	Non-deposit of GST	0.033
	164	9	Excess expenditure over and above the budget allocation	4.122
	165	10	Loss due to non-disposal of timber / fire wood	0.022
	166	11	Unauthorized amalgamation of magazine and Burqa Fund	0.078
DO (Forest) Jhang	167	12	Non-deduction of Income Tax at source	0.004
	168	1	Theft of trees	0.715
	169	2	Non-collection of NOC fee	0.080
	170	3	Non-recovery of auctioned (lots of trees) money	2.701
	171	4	Non-auction of dead / dried and wind fallen trees	0.818
	172	5	Non-recovery of overpayment of allowance	0.021
	173	6	Encroachment of Government land	-

Name of Formation	Sr. No.	Para No.	Subject	Amount
	174	7	Irregular expenditures on forestry without formulating / approval of working plan	3.388
	175	8	Non-auction/removal of unserviceable/condemned material	-
	176	9	Non-Transfer of Group Insurance Premium from the employees of Defunct Zila Council	0.204
	177	10	Issuance of Cheques without crossing	3.758
	178	11	Unauthorized operation of bank account	7.561
	179	12	Non-reconciliation of different forest receipts	0.383
	180	13	Unauthorized/specious execution of replenishment work	0.877
	181	14	Trifling returns/benefit against huge expenditure on nursery	0.669
	182	15	Loss due to non-recovery of receipt upon sale of nursery plantation	0.070
	183	16	Deposit of receipts amount against wrong head of account	5.039
	184	17	Non-recovery of loss to Government due to irregularities/omissions /commission	1.519
	185	18	Non-maintenance of timber account by district officer forest	-
	DO (Fisheries) Jhang	186	1	Non-deduction of Income Tax on rent of building
187		2	Non-verification of tax paid on auction of lease agreement	0.093
188		3	Deposit of receipts amount against wrong head of account	0.652
189		4	Irregular expenditure on POL	0.068
190		5	Unauthorized expenditure without sanction	0.396
191		6	Improper budgeting, savings	2.257
DO (Health-II) Jhang	192	1	Non-forfeiture of performance security	0.061
	193	2	Unauthorized withdrawal of health risk allowances	0.495
	194	5	Savings not surrendered	10.422
	195	6	Overpayment of Local Purchase of Medicines on Higher Rates	0.070
	196	7	Overpayment due to Purchase of MSD Medicine in L.P	0.021
	197	9	Unauthorized Occupation and non-functional of State Dispensary	1.500
	198	10	Non-verification of challans deposited into Government treasury by DAO	0.269
Government High School Sultan Bahoo	199	1	Lapse / surrender of un-utilized funds	3.337
	200	3	Unauthorized drawal of various allowances without entitlement	0.074

Name of Formation	Sr. No.	Para No.	Subject	Amount
	201	4	Excess expenditure over and above the budget allocation	1.378
	202	5	Defective maintenance of record of library books	0.271
	203	7	Unauthorized drawal of social security benefit by the employees after regularization of services	0.005
	204	9	Doubtful expenditure on the repair of furniture and fixture	0.008
DCO Jhang	205	1	Irregular expenditure for deployment of Army during Muharram	2.580
	206	2	Infructuous expenditure on entertainment and gifts	1.022
	207	3	Undue favor to the contractor due to non-deduction of Sales Tax and Income Tax	0.671
	208	4	Doubtful expenditure on Repair of Machinery and Equipment	0.629
	209	5	Un justified expenditure on purchase of POL for Generator	1.403
	210	6	Illegal occupation of Government residences	2.887
	211	7	Procurement without competition	1.196
	212	8	Non-recovery of HR Allowance Above than entitled residence	0.124
	213	9	Weak financial control due to excess expenditure	0.938
	214	10	Difference between Expenditure Statement and SAP/ FI Data	2.841
	215	11	Un-justified Drawal of Fund for Repair of Generators	0.234
	216	12	Doubtful Expenditure on Repair of Photo Copier Machine	0.119
	217	13	Un-known whereabouts of receipt of circuit house despite incurring expenditure	-
	218	14	Non-Production of Auditable Record	-
	219	15	Non-conducting of physically verification of stores and stock	-
DO (Livestock) Jhang	220	1	Irregular Procurement without proper planning	4.713
	221	2	Undue favour to the supplier due to entry of medicine into Stock register before supply of medicine	0.433
	222	3	Weak financial control due to excess expenditure	4.674
	223	4	Non-regularization of services of contract employees	4.213
	224	5	Non-deductions of Group Insurance Premium from the pay of employees of Defunct Zila Council	0.009
	225	6	Non-Recovery on Account of General Provident Fund, Benevolent Fund	0.321
	226	7	Non-reconciliation of bank statements	7.115

Name of Formation	Sr. No.	Para No.	Subject	Amount
	227	8	Unauthorized drawal of allowance	0.250
	228	9	Loss to Government due to non-auction of condemned vehicles	0.400
	229	10	Drawal and disbursement of cash instead of paying through crossed cheques	4.713
	230	11	Doubtful consumption of POL	0.996
	231	12	Irregular/unjustified expenditure on fair and exhibition	0.274
	232	13	Un-justified expenditure on repair of vehicle	0.566
	233	14	Expenditure incurred through misclassification	0.063
Government City Hospital Jhang	234	1	Procurement without devising mechanism for planning in detail	1.775
	235	2	Recovery of overpayment of Health Risk Allowance	0.698
	236	4	Recovery of rent on account of occupation of above entitlement residences	0.137
	237	6	Non-supply of medicine and non-forfeiture of security	0.016
	238	7	Unauthorized expenditure on purchase of furniture amounting to without vetting from austerity committee.	0.099
	239	8	Unauthorized payment of Social Security Benefit after regularization	0.052
	240	9	Recovery of overpayment of pay and allowances	0.023
	241	10	Non-recovery of liquidated damages due to late supply of medicines	0.030
	242	11	Non-provision of vouched account for deposit works	1.050
	243	12	Misuse of medicines in the health centre	0.048
	THQ Ahmed Pur Sial	244	1	Irregular / unjustified expenditure on local purchase
245		2	Illegal occupation of Government residences	4.988
246		3	Overpayment of different inadmissible allowances	0.053
247		5- A,B,C	Non-supply of medicines by the firms	1.028
248		6	Local purchase of medicines on higher rates	0.319
249		7	Unauthentic expenditure against fuel consumption in generator	0.415
250		8	Unknown whereabouts of store items	0.184
251		9	Purchase of stationary and cost of other store items at higher rate	0.121
252		10	Overpayment of SSB due to delay in regularization of contract employees	0.265
253		11	Irregular/unjustified payment of previous years liabilities from current year budget on purchase of medicine	2.048
254		12	Weak management due to excess expenditure	0.119
255		13	Misclassification of expenditure	0.259

Name of Formation	Sr. No.	Para No.	Subject	Amount
	256	14	Non-production of vouched accounts	0.300
	257	15	Difference between SAP FI Data and reconciled expenditure statement	4.000
	258	1	Doubtful drawal of allowances	0.103
	259	2	Payment of SSB due to non-Regularization of Employees	0.338
	260	3	Unauthorized drawal of allowances	0.792
	261	4	Repair of machinery and equipment without detail of repair	9.121
	262	5	Excess payment to the contractor for repair of machinery	0.735
	263	6	Misclassification of expenditure	1.257
	264	7	Irregular procurement of medicines	12.475
	265	8	Irregular procurement of medicines on out of 15 percent and 10 per cent local purchase medicine budget	0.613
DHQ Hospital Jhang	266	9	Irregular procurement of medicines on higher rates out of 15 percent local purchase of medicine budget 10 percent emergency bulk purchase	9.451
	267	10	Irregular procurement of LP medicines out of 15 percent local purchase of medicine budget 10 percent emergency bulk purchase	0.361
	268	11	Doubtful consumption of surgical items	0.674
	269	12	Doubtful expenditure on POL of generator	4.941
	270	13	Non-deposit of purchase fee into Government treasury	0.402
	271	17	Drawal of POL without record entry in the log book	0.089
	272	18	Non-Recovery of amount from canteen contractor	0.159
	273	19	Non-deposit of ambulance charges into Government treasury	0.169
	274	20	Non-supply of medicines Rs2.541 million and non-forfeiture of security of defaulting suppliers	0.127
	275	1	Excess drawal of salary due to two personal numbers by single employee	0.949
	276	2	Non-recovery of SSB paid even after confirmation	0.730
	277	3	Excess drawn of pay during LHP	0.432
	278	4	Unauthorized drawal of Health Risk Allowance	1.832
	279	6	Excess payment due to non-fixation of pay after regularization	0.189
	280	7	Overdrawn of pay and allowances due to overstay/ service after superannuation	0.534
	281	8	Non-recovery on account of GP Fund, BF and GI	0.250
DO (Health) Jhang	282	9-A,B,C	Purchase on higher rates despite of availability of same medicine in district rate contract	0.308

Name of Formation	Sr. No.	Para No.	Subject	Amount
			Purchase of medicine on higher rates Excess payment to contractor	
	283	10	Non-utilization / issuance of medical equipment lying in store since 2009	0.943
	284	11	Non-production of vouched accounts for M&R Grant	7.500
	285	12	Unauthorized payment of previous year liabilities	1.699
	286	14	Overdrawn of POL in the log books	0.036
	287	15	Procurement of medicine under the head A03927 without tenders	0.883
	288	16	Non-supply of medicines by the suppliers non-forfeiture of security	0.258
EDO (F&P) Jhang	289	1	Unauthorized release of funds directly to School Councils	41.300
	290	2	Excess drawn of POL by showing less consumption per hour/consumption without average certificate	0.199
	291	3	Non-observance of 15 percent budget cut under the head operating expenditure	10.910
	292	4	Unauthorized provision of budget through Supplementary Grant Rs1,854.032 million	-
	293	5-A	Non-recovery of rent of food goodown	0.519
	294	5-B	Non-recovery of rent of Jhang Club	0.282
	295	6	Non-deduction of Income Tax on bonus/ honoraria	0.047
	296	7	Expenditure excess than budget allocation	199.801
	297	8	Difference in figures of revised current budget as per appropriation account and budget book	259.482
	298	9	Irregular expenditure after re-appropriation	0.104
	299	10	Non-utilization of funds for schemes "Public Infrastructure damaged during flood 2014"	298.030
	300	11	Unrealistic preparation of District Government Budget resulted in Saving of Rs2,158.672 million	-
	301	12	Non-utilization of Citizen Community Board funds	30.000
	302	13	Loss to Government due to non-achievement of receipt targets	8.021
303	14	Unjustified payment of allowance	0.180	
RHC Kot Shakir	304	1	Unauthorized withdrawal of HSRA	0.093
	305	2	Non-recovery of SSB,BF and GI after regularization	0.068
	306	4	Excess drawal of Personal allowance	0.037
	307	5	Unauthorized withdrawal of Health Risk Allowances	0.480
	308	6	Overpayment due to unauthorized drawal of health sector reform allowance	0.032
	309	8	Non-supply of medicines and non-forfeiture of security	0.037

Name of Formation	Sr. No.	Para No.	Subject	Amount
	310	9	Irregular drawal of pay and allowances without performing duty at RHC	0.104
	311	10	Irregular expenditure under the head of POL	0.453
	312	12	Doubtful consumption of medicines	1.122
DO (Roads) Jhang	313	5	Unauthorized expenditure on TMA road	3.170
	314	6	Non-recovery of rental charges from the owners of petrol pumps	0.840
	315	7	Irregular invitation of tenders in the absence of technically sanctioned estimates	-
	316	10	Unjustified payment for earth work involving extra lead	2.748
	317	11	Non-credit of long outstanding unclaimed balance to Government revenue	0.351
	318	12	Excess payment due to drawal of allowance without entitlement	0.110
	319	13	Improper maintenance and deterioration of machinery equipment	-
EDO (Health) Jhang	320	1	Non-provision of warranty of equipment supplied	3.605
	321	2	Non-forfeiture of security	0.247
	322	4	Non-imposition/recovery of fine due to shelf life below prescribed ratio	0.084
	323	5	Non-initiating action against firm for supply of sub-standard medicine/DTL failed	0.191
	324	6	Non-Recovery from employees on account of fine imposed by authority	0.420
	325	8	Non-production of vouched accounts for M&R Grant	6.370
	326	9	Non-recovery of registration fee from health care establishment and private schools/ clinics	2.620
	327	10	Non-auction of old vehicle	0.600
DO (Agriculture Extension) Jhang	328	1	Unauthorized drawal of allowance	0.919
	329	2	Excess drawal of funds by showing more than actual fuel consumption	0.102
	330	3	Drawal of funds without incurring expenditure	
	331	4	Unrealistic budgeting and non-utilization of funds	1.302
	332	5	Non-obtaining vouched account for civil works	0.900
	333	6	Irregular expenditure due to non-observing of 15 per cen economic cut	1.128
	334	7	Procurements without competition	0.448
	335	8	Abnormal flow of expenditure during the month of June	1.957
	336	9	Non-deduction of Sales Tax on services	0.003
	337	10	Poor functioning of biological control laboratory	-
	338	11	Excess drawal of funds for purchase of POL	0.076

Name of Formation	Sr. No.	Para No.	Subject	Amount
DO (Buildings) Jhang	339	2	Excess payment to contractor due to payment of contractor profit overhead charges	0.560
	340	3	Overpayment on account of non-deduction of rate due to usage of Chenab/local sand	0.483
	341	4	Excess payment due to recording of excess thickness for brick	0.418
	342	5	Excess payment due to recording of excess thickness for brick	0.088
	343	8	Infructuous expenditure on maintenance & repair of residence	1.495
	344	10	Overpayment to contractor P/F of fiber shed	1.868
	345	11	Excess payment due to provision un-necessary item	0.586
	346	13	Payment of NSI without approval of authority	1.123
	347	14	Payment of NSI without approval of authority	0.643
MNCH Jhang	348	1	Unauthorized withdrawal of allowances	0.080
	349	2	Unauthorized withdrawal of allowance	0.049
	350	3	Non-recovery of stipend from left out CMW	0.062
	351	4	Unauthorized utilization of program vehicle activities other than program objectives	-
	352	5	Non-Utilization of funds	5.023
Deputy DEO (EE-M), Jhang	353	4	Non-regularization of contract employees resulting in financial burden	5.397
DO (Buildings), Jhang	354	8	Infructuous expenditure on maintenance & repair of residence	1.495
DO (Sports), Jhang	355	5	Irregular expenditure on the salaries of contingent paid staff	2.702

Annex-B

Summary of Appropriation Accounts by Grants for the Financial Year 2015-16

(Amount in Rupees)

Grant No.	Name of Grant	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	(+) Excess (-) Saving
2	Land Revenue	-	-	-	589,342	(+)
3	Provincial Excise.	11,254,000	-	11,254,000	8,827,834	(-)
5	Forests.	46,514,000	2,876,480	49,390,480	35,381,690	(-)
7	Charges on A/c of M. V. Act.	5,477,000	4,930,416	10,407,416	8,870,682	(-)
8	Other Taxes & Duties.	5,652,000	535,696	6,187,696	4,725,206	(-)
10	General Administration.	219,576,000	8,959,596	228,535,596	73,684,137	(-)
15	Education.	5,141,659,000	342,225,312	5,483,884,312	5,033,852,413	(-)
16	Health Services.	1,515,582,000	84,736,304	1,600,318,304	1,377,515,401	(-)
17	Public Health.	5,053,000	-	5,053,000	4,647,782	(-)
18	Agriculture.	143,665,000	2,534,518	146,199,518	127,727,299	(-)
19	Fisheries.	3,533,000	152,570	3,685,570	2,679,598	(-)
20	Veterinary.	190,228,000	4,648,632	194,876,632	178,070,914	(-)
21	Co-operative.	27,784,000	1,245,446	29,029,446	26,149,275	(-)
22	Industries.	2,421,000	-	2,421,000	2,336,896	(-)
23	Miscellaneous Departments.	6,221,000	640,020	6,861,020	4,179,357	(-)
24	Civil Works.	74,088,000	3,681,883	77,769,883	46,697,697	(-)
25	Communications.	170,312,000	5,030,722	175,342,722	135,314,137	(-)
26	Community Organization	3,336,000	1,087,820	4,423,820	2,750,787	(-)
31	Miscellaneous.	32,252,000	1,729,028	33,981,028	26,326,177	(-)
32	Civil Defense.	3,820,000	1,000,000	4,820,000	3,967,402	(-)
Total Non-Development :		7,608,427,000	466,014,443	8,074,441,443	7,104,294,026	(-)
36	Development.	839,995,886	-	839,995,886	706,546,448	(+)
41	Highways, Roads & Bridges.	355,608,000	-	355,608,000	343,121,628	(-)
42	Government Buildings.	635,563,000	2,555,000	638,118,000	625,577,007	(-)
Total Development :		1,831,166,886	2,555,000	1,833,721,886	1,675,245,083	(-)
Grand Total :		9,439,593,886	468,569,443	9,908,163,329	8,779,539,109	(-)

Annex-C**[Para: 1.2.2.1]****Irregular execution of civil work by splitting**

(Rupees in Million)

Sr. No.	Name of the Scheme	Work Order No./Date	Estimated Cost	Agreement Cost
1	Rehabilitation/repair of road from Chund Massan via Jharki (Phase-I)	1-C/2583 dated 10-06-2015	21.614	19.033
2	Rehabilitation/repair of road from Chund Massan via Jharki (Phase-II)	1-C/2584 dated 10-06-2015	26.532	23.346
3	Rehabilitation/repair of road from Pabbarwala to Khan da Kot Kilcha (Phase-I)	1-C/2586 dated 10-06-2015	12.239	10.758
4	Rehabilitation/repair of road from Pabbarwala to Khan da Kot Kilcha (Phase-II)	1-C/2793 dated 20-06-2015	18.207	15.363
5	Rehabilitation/repair of road from Chund Massan Pir Kot Sadhana Road (Phase-I)	1-C/2336 dated 26-05-2015	19.715	15.722
6	Rehabilitation/repair of road from Chund Massan Pir Kot Sadhana Road (Phase-II)	1-C/2422 dated 29-05-2015	19.527	16.652
7	Rehabilitation/repair of road from garage to Lotay Wali Pull Bhamb More (Phase-I)	1-C/2301 dated 23-05-2015	23.719	19.862
8	Rehabilitation/repair of road from garage to lotay wali pull bhamb more (Phase-II)	1-C/1929 dated 08-05-2015	6.784	6.781
9	Rehabilitation/repair of road from Jheta more to Basti Qadirpur	1-C/1730 dated 04-05-2015	3.301	3.143
10	Rehabilitation/repair of road from Jheta more to Bulla Patuana	1-C/3473 dated 03-08-2015	19.040	15.900
11	Rehabilitation/repair of road from Jheta more to Jug Roshan	1-C/3575 dated 08-08-2015	13.830	11.833
12	Rehabilitation/repair of road from garage to Jhok Daya to Sargana	1-C/2772 dated 18-06-2015	11.951	10.863
13	Rehabilitation/repair of road from Adda Kot Umar Daraz to Mehram Sial via Kot Umar Daraz Bela Phulai, Bela Sargana (Phase-I)	1-C/3837 dated 26-08-2015	26.592	22.306
14	Rehabilitation/repair of road from Adda Kot Umar Daraz to Mehram Sial via Kot Umar Daraz Bela Phulai, Bela Sargana (Phase-II)	1-C/2772 dated 18-06-2015	4.260	4.260

Sr. No.	Name of the Scheme	Work Order No./Date	Estimated Cost	Agreement Cost
15	Rehabilitation/repair of Old Khushab Road from Muhammad Wala to Alyana	1-C/2585 dated 10-06-2015	24.866	21.885
16	Rehabilitation/repair of Old Khushab Road from Muhammad Wala to Alyana	1-C/1735 dated 04-05-2015	7.573	6.434
Total			259.750	224.141

Annex-D**[Para: 1.2.2.3]****Irregular payment of bituminous items**

(Rupees in Million)

Sr. No	Vr. No.	Date	Name of Work	Name of Contractor	Bitumen Item Executed	Quantity of TST/DST/SST	Amount
1	36	01.06.15	Construction of road from Mehmood Kot to Chah Subhay Wala	Zeeshan Nawaz Construction Company	T.S.T	35,440	1.384
2	10	01.06.15	Rehab/repair of road from Rustam Sargana to Peerwala	Malik M. Shahbaz	T.S.T	12,595	0.504
3		01.06.15	Rehab./repair of road from Jaboana to Binda Rasheed Pur	Aftab Ahmad Sh.	T.S.T	92,333	3.770
4	14	01.06.15	Construction of road form Rustam Eid Gah to Darraywala	Mehr Khalid Nadeem	TST	29,520	1.180
5	15	01.06.15	Construction of Ramps Sargodha Bhakar road Ali Abad Bye Pass	M. Yawar Abbas	TST	18,423	0.782
6	20	01.06.15	Construction of road from Budhi Thatti balance portion	Rana Muzaffar Abbas	TST	24,600	0.932
7	22	01.06.15	Construction of road from Sufi More Arrianwali Pull to New Bye Pass via Abadi Tehrianwali Chak No. 270/JB	Muhammad Riaz & Company	TST	54917	1.441
8	31	01.06.15	Rehabilitation/repair of road from Abadi Ghulam Akbar Mohallah to Dera Mian Zafar Iqbal Mohallah Halki Phant	Mehr Shameer Khan	TST	59,860	2.298
9	41	01.06.15	Rehabilitation/repair of road from Zafar Chowk to Wassawa	Azhar Feroz Chadhar	TST	66,866	2.541
10	42	01.06.15	Rehabilitation/repair of road from Ahmad Pur Katcha road	Amir Shafqat & Company	TST	26,240	7.137

Sr. No	Vr. No.	Date	Name of Work	Name of Contractor	Bitumen Item Executed	Quantity of TST/DST/SST	Amount
11	78	01.06.15	Widening/improvement of road from 18-Hazari Nawan Kot road Abadi Ali Chowk to Jamali Khurd	Hakim Ali Umrana	TST	62,000	2.728
12	718	29.06.16	Provision of missing infrastructure in THQ Hospital, Shorkot	Chandia Builders	TST	4,723	0.226
Total							24.923

Annex-E**[Para: 1.2.2.5]****Irregular utilization of bricks without ensuring standard specifications
and testing**

(Amount in Rupees)

Sr. No.	Vr. No.	Vr. Date	Name of Civil Work	Item Executed	UOM	Quantity	No. of Bricks	Amount
1	722	6/29/2016	Reconstruction of Dangerous School Building of Govt. Comprehensive Model High School Jhang	Pacca Brick Work	100 Cft	7449	100,562	703,934
2	718	6/29/2016	provision of missing facilities infrastructure in THQ Hospital, Shorkot	Pacca Brick Work	100 Cft	15798	213,273	1,492,911
3	718	6/29/2016	provision of missing facilities infrastructure in THQ Hospital, Shorkot	Road Edging	Rft	290	773	5,411
4	715	6/29/2016	Reconstruction of Dangerous School Building of Govt. Girls High School Mohallah Sultan Wala, Jhang	Pacca Brick Work	100 Cft	10512	141,912	993,384
5	713	6/29/2016	Reconstruction of Dangerous School Building of Govt. High School Chak No.175/JB	Pacca Brick Work	100 Cft	9211	124,349	870,443
6	691	6/29/2016	Establishment of Dastkari School at Rasheed Pur	Pacca Brick Work	100 Cft	8360	112,860	790,020
7	688	6/29/2016	Reconstruction of Dangerous School Building of Govt. Elementary School Khora Baqir	Pacca Brick Work	100 Cft	10879	146,867	1,028,069
8	662	6/27/2016	Reconstruction of Dangerous School Building of Govt. Girls Higher Secondary School Satellite Town, Jhang	Pacca Brick Work	100 Cft	4569	61,682	431,774

Sr. No.	Vr. No.	Vr. Date	Name of Civil Work	Item Executed	UOM	Quantity	No. of Bricks	Amount
9	656	6/27/2016	Improvement/Renovation of residence No. 2 Officer Colony Satellite Town, Jhang	Pacca Brick Work	100 Cft	1103	14,891	104,237
10	653	6/27/2016	Provision of additional class rooms at Govt. Girls High School Qaim Bharwana	Pacca Brick Work	100 Cft	5183	69,971	489,797
11	645	6/27/2016	Reconstruction of Dangerous Building of Government High School Chak No. 159/JB, Tehsil Jhang.	Pacca Brick Work	100 Cft	6907	93,245	652,715
12	527	6/25/2016	Reconstruction of Dangerous School Building of Govt. Higher Secondary School G.M Raja	Pacca Brick Work	100 Cft	12516	168,966	1,132,072
13	526	6/25/2016	Reconstruction of Dangerous Building of Govt. Girls High School Shorkot City	Pacca Brick Work	100 Cft	16551	223,439	1,564,073
14	516	6/25/2016	Provision of additional class rooms at Govt. Elementary School Qbasti Sialkot	Pacca Brick Work	100 Cft	2199	29,687	207,809
15	450	6/24/2016	Construction of Tehsil Complex 18-Hazari	Pacca Brick Work	100 Cft	36656	494,856	3,463,992
16	491	6/24/2016	Upgradation of Govt. Elementary School for Boys at Chak Janoobi	Pacca Brick Work	100 Cft	45422	613,197	4,292,379
18	53	6/25/2016	Re-construction of boundary wall at new Civil Courts (Old Flat Residence) Jhang	Pacca Brick Work	100 Cft	6932	93,582	655,074
Total							2,704,112	18,878,094

Annex-F**[Para: 1.2.2.6]****Excess drawl of pay and allowances after regularization of services of contract employees**

(Rupees in Million)

Sr. No.	Name of DDO	No. of Employees	Amount	Remarks
1	Deputy District Education Officer (EE-W), Ahmed Pur Sial	09	0.182	Overpayment of SSB
			0.121	Overpayment of Basic Pay
		08	0.446	Overpayment of SSB
2	Deputy District Education Officer (EE-M), Ahmed Pur Sial	03	0.098	Overpayment of SSB
		04	0.228	Overpayment of SSB
		52	1.175	Overpayment of SSB
			0.266	Overpayment of Basic Pay
3	Deputy District Education Officer (EE-M), Jhang	05	0.126	Overpayment of SSB
			0.110	Overpayment of Basic Pay
4	Deputy District Education Officer (EE-W), 18-Hazari	05	0.175	Overpayment of pay & allowances and non-deduction of GPF, BF and GI
5	Deputy District Education Officer (EE-M), 18-Hazari	04	0.415	Overpayment of pay & allowances and non-deduction of BF and GI
		40	1.929	Overpayment of pay & allowances
		07	0.420	Overpayment of Adhoc Allowance-2010

Sr. No.	Name of DDO	No. of Employees	Amount	Remarks
		12	0.380	Overpayment of Personal Allowance
6	Headmaster, Government High School, Jhang City	15	0.085	Non-deduction of BF & GI
			0.380	Overpayment of SSB
		05	0.630	Overpayment of pay & allowances
7	Deputy District Education Officer (EE-W), Jhang	35	2.117	Overpayment of SSB
		08	0.269	Overpayment of Personal Allowance
		60	0.080	Non-deduction of BF
8	Deputy District Education Officer (EE-M), Shorkot	78	0.247	Non-deduction of BF and GI
			1.948	Overpayment of SSB
			0.416	Overpayment of Basic Pay
9	Deputy District Education Officer (EE-W), Shorkot	36	0.155	Overpayment of Basic Pay
			0.218	Non-deduction of BF and GI
			1.361	Overpayment of SSB
10	Headmaster, Government Girls High School, Wasu Astana	01	0.005	Overpayment of Personal Allowance
		01	0.075	Overpayment of SSB and non-deduction of BG
11	Headmaster, Government Islamia High School, Jhang	01	0.096	Overpayment of Personal Allowance
Total		389	14.153	

Annex-G

[Para: 1.2.2.12]

Execution of additional work without retendering

(Rupees in Million)

Sr. No	Name of Work	Name of Contractor	Work Order No./ Date	Order No.	Date	Agreement Amount	Enhanced Amount	Excess Amount	% age
1	Provision of Fountain @ Jamil Shaheed Park Jhang	Ghulam Rasool	5129/ 31.08.15	3168	12.21.2015	0.926	2.174	1.248	135%
2	Improvement/Renovation of District Courts Library Jhang	Muhammad Maqsood Akram	3801/ 10.06.15	3227	01.08.2016	0.605	2.164	1.559	258%
3	Special Repair/renovation to DCO Complex Jhang	Muhammad Babar	550/ 21.02.15	2770	27.10.2015	1.845	2.604	0.759	41%
4	Uplifting of DCO Camp Office Jhang	Ghulam Rasool	3467/ 30.05.15	2771	27.10.2015	0.800	1.499	0.699	87%
5	Reconstruction of Dangerous Building @ GPS Dally Wala	Ch. Irshad Hussain	380/ 14.01.15	2849	14.11.2015	1.626	2.833	1.207	74%
6	Improvement/Renovation of District Govt. Residence under occupation of AC 18-Hazari	Aqib Hanif	6151/ 27.10.15	819	12.04.2016	0.498	0.996	0.499	100%
7	Improvement/Renovation of Residence No. 18 near Veterinary Dispensary, Tehsil Road Jhang	Inayat Ullah	101/ 11.01.16	820	12.04.2016	0.300	0.600	0.300	100%
8	Improvement/Renovation of Residence at DHQ Hospital occupied by Cardiac Specialist	Muhammad Babar	1606/ 04.04.16	1451	14.06.2016	0.200	0.400	0.200	100%
9	Establishment of Dastkari School at Rasheed Pur	Haji Mazhar Abbas	4459/ 05.12.15	1555	20.06.2016	2.125	3.225	1.100	52%
10	Construction of road from Rustam Eid Gah to Darywala Shorkot	Mehr Khalid Naeem	1-c/1086/ 26.03.15	-	15.10.15	1.925	4.332	2.407	125%
Total						10.850	20.827	9.978	85%

Annex-H**[Para: 1.2.2.15]****Unauthorized withdrawal of Conveyance Allowance**

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Amount	Remarks
1	Deputy District Education Officer (EE-W), Ahmed Pur Sial	468	0.811	Summer / Winter vacation
2	Deputy District Education Officer (EE-M), Ahmed Pur Sial	376	0.659	Summer / Winter vacation
3	Deputy District Education Officer (EE-M), Jhang	01	0.060	Official Vehicle
		16	0.717	Summer / Winter vacation
4	Deputy District Education Officer (EE-M), 18-Hazari	345	0.646	Summer / Winter vacation
		01	0.063	Official Vehicle
5	Headmaster, Government High School, Jhang City	34	0.053	Earned leave
		56	0.577	Summer / Winter vacation
6	Deputy District Education Officer (EE-M), Shorkot	01	0.095	Official Vehicle
		603	1.620	Summer / Winter vacation
7	Deputy District Education Officer (EE-W), Shorkot	636	1.728	Summer / Winter vacation
8	Headmaster, Government Islamia High School, Jhang	41	0.124	Winter vacation
9	Headmistress, Government Girls Higher Secondary School, Wasu Astana	30	0.181	Winter vacation
10	Deputy District Education Officer (EE-W), Jhang	1,932	1.160	Winter vacation
11	Deputy District Education Officer (EE-W), 18-Hazari	306	0.203	Summer / Winter vacation
Total		4,846	8.697	

Annex-I**[Para: 1.2.2.19]****Non-imposition of penalty for delay in completion of works**

(Rupees in Million)

OA Sr. No.	SL. No. PR	Name of Scheme	Work Order No./Date	Stipulated Date of Completion	Completion Period (Months)	Agreement Amount
1	91	Reconstruction of Dangerous Building of Government Primary School Dittay Wala, Tehsil Shorkot	6030/ 21.10.2015	20.02.2016	4	1.791
2	38	Reconstruction of Dangerous Building of Government High School Chak No. 175/JB, Tehsil Jhang	5944/ 21.10.15	20.03.2016	5	4.237
3	5	Reconstruction of Dangerous Building of Government Model Primary School Sher Garh, Tehsil Jhang.	6070/ 21.10.15	20.01.2016	3	0.916
4	7	Provision of Additional Class Rooms at Government Girls High School Qaim Bharwana, Tehsil Shorkot	6097/ 27.10.2015	26.02.2016	4	3.316
5	31	Reconstruction of Dangerous Building of Government Girls High School Pir Abdul Rehman, Tehsil Ahmed Pur Sial	6081/ 27.10.2015	26.06.2016	8	10.129
6	25	Reconstruction of Dangerous Building of Government Primary School Kotli Jhandeera, Tehsil Shorkot	6064/ 21.10.15	20.01.2016	3	0.913
7	44	Reconstruction of Dangerous Building of Government Girls High School Mohallah Sultan Wala, Tehsil Jhang.	6080/ 27.10.15	26.02.2016	4 months in notice No. 1913 dated 19.04.16 time limit mentioned as 8 months	9.735

OA Sr. No.	SL. No. PR	Name of Scheme	Work Order No./Date	Stipulated Date of Completion	Completion Period (Months)	Agreement Amount
8	51	Upgradation of Government Girls Community Model School Kalyar Wala, Tehsil 18-Hazari to Elementary level.	6549/ 28.11.15	27.04.2016	5	5.745
9	34	Reconstruction of Dangerous Building of Government Girls Primary School Udhoana, Tehsil Jhang	3774/ 25.10.2014	24.01.2015	3	1.561
10	57	Reconstruction of Dangerous Buildings of Government Primary School Barkat-ul-Islam, Tehsil Jhang	493/ 19.01.15	18.04.2015	3	3.069
11	60	Reconstruction of Dangerous Building of Government Primary School Bela Chontra, Tehsil 18-Hazari	6999/ 31.12.15	30.03.2016	3	0.920
12	17	Provision of Additional Class Rooms at Government Elementary School Basti Sialkot, Tehsil Ahmed Pur Sial	6156/ 31.10.15	30.01.2016	3	2.245
13	19	Rehabilitation of Government Model Primary School Railway Station, Rustam Sargana, Tehsil Shorkot	4205/ 22.11.14	21.02.2015	3	1.614
14	2	Upgradation of Government Girls Elementary School Lashari to High level, Tehsil 18-Hazari	3770/ 25.10.14	24.04.2015	6	6.588
15	40	Reconstruction of Dangerous Building of Government High School Chatta, Tehsil Jhang	5946/ 21.10.15	20.02.2016	4	3.347
16	13	Provision of Missing Facilities at Government Primary School Dabkran, Tehsil Jhang	6515/ 28.11.15	27.01.2016	2	0.420
17	25	Construction of Turbine Room i/c Changing Room & Bath at West Side Swimming Pool, Jhang	6989/ 31.12.15	28.02.2016	2	0.776
Total						57.322

[Para: 1.2.2.19]

Non-imposition of penalty for delay in completion of works

(Rupees in Million)

Sr. No.	Name of Scheme	Work Order No. / Date	Completion Period / Date	Estimated Cost	Upto Date Expenditure	Work Remained Incomplete	Penalty @ 10%	Agreement Amount
1	Rehabilitation of road from Layyah Garh More Road Pull Kapoori to Kundal Khokhran	1-C/8974 / 03.12.2014	05 months / 15-04-2014	6.254	3.915	0.229	0.414	4.144
2	Rehabilitation of road from Dyana More to Mouza Gudara	1-C/1801 / 08.05.2015	03 months / 08-08-2015	4.952	1.292	3.623	0.492	4.915
Total				11.206	5.207	3.852	0.906	9.059

Annex-J**[Para: 1.2.2.24]****Excess withdrawal of Health Sector Reform Allowance**

(Rupees in Million)

Sr. No.	DDOs	Period	Amount	Remarks
1	Medical Superintendent, District Headquarters Hospital, Jhang	2015-16	0.054	Drew inadmissible HSRA
2	District Officer (Health), Jhang	2015-16	1.012	Drew inadmissible HSRA during posting at general duty
		2015-16	0.116	Drew HSRA at excessive rates
3	Senior Medical Officer, Rural Health Center, Rodu Sultan	2013-15	0.036	Drew inadmissible HSRA
		2009-16	0.502	Drew HSRA at excessive rates
4	Senior Medical Officer, Rural Health Center, Waryam Wala	2015-16	0.013	Drew inadmissible HSRA during posting at general duty
5	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	2012-16	0.174	Drew inadmissible HSRA
6	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	2012-16	0.361	Drew HSRA at excessive rates
		2012-16	0.267	Drew HSRA at excessive rates
		2011-16	0.166	Drew HSRA at excessive rates
7	Senior Medical Officer, Rural Health Center, Garh Maharaja	2012-16	0.277	Drew HSRA at excessive rates
8	Senior Medical Officer, Rural Health Center, Mukhiana	2011-16	0.128	Drew HSRA at excessive rates
9	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	2015-16	0.112	Drew inadmissible HSRA
Total			3.218	

Annex-K**[Para: 1.2.2.25]****Irregular execution of works without sanction of estimates**

(Amount in Rupees)

Sr. No.	Vr. No.	Vr. Date	W.O. No.	W.O. Date	Name of Work	Amount
1	341	25/05/2016	20	24/03/2016	M&R to C-Type residence No. C-2 T.T. Singh Road Jhang	50,000
2	342	25/05/2016	21	24/03/2016	M&R to P.T.R.A (5-10) No.8 Satellite Town Jhang	45,000
3	360	26/05/2016	85	10/05/2016	S/R to Naib Qasid Quarter No.5 F&P Office	50,000
4	403	28/05/2016	5	31/03/2016	M&R to Quarter No. 1 Building Staff Colony Jail Road Jhang	45,000
5	404	28/05/2016	61	25/04/2016	M&R to Quarter No. 8 near Veterinary Dispensary Tehsil Road	50,000
6	412	28/05/2016	35	31/03/2016	M&R to C-Type residence No. C-8 T.T. Singh Road Jhang	50,000
7	413	28/05/2016	80	28/04/2016	M&R to E-Type residence No. E-16 T.T. Singh Road Jhang	40,000
8	414	28/05/2016	82	28/04/2016	M&R to E-Type residence No. E-15 T.T. Singh Road Jhang	40,000
9	415	28/05/2016	39	31/03/2016	M&R to Quarter No. 4 Building Staff Colony Jail Road Jhang	45,000
10	416	28/05/2016	68	25/04/2016	M&R to E-type residence E-8 T.T. Singh Road Jhang	40,000
11	417	28/05/2016	37	31/03/2016	M&R to C-Type residence No. C-10 T.T. Singh Road Jhang	50,000
12	419	28/05/2016	62	25/04/2016	M&R to E-Type residence No. E-1 T.T. Singh Road Jhang	40,000
13	194	13/06/2016	22821	22/04/2016	M&R to Tehsildar residence Ahmed Pur Sial	50,000
14	209	13/06/2016	95	02/06/2016	M&R to residence Quarter No. 3 at Agriculture Form Jhang	50,000
15	210	13/06/2016	93	01/06/2016	M&R to Quarter No. 2 Building Staff Colony Jail Road Jhang	45,000

Sr. No.	Vr. No.	Vr. Date	W.O. No.	W.O. Date	Name of Work	Amount
16	232	13/06/2016	22820	22/04/2016	M&R to Staff Quarter No. 2 Ahmed Pur Sial	50,000
17	233	13/06/2016	22823	22/04/2016	M&R to DDO Revenue Residence Ahmed Pur Sial	50,000
18	234	13/06/2016	22827	03/05/2016	M&R to Sub-engineer quarter, building staff colony Shorkot City	50,000
19	235	13/06/2016	22829	03/05/2016	M&R to Sub-engineer residence No. 1, Pattan Road Shorkot City	50,000
20	544	25/06/2016	15	08/06/2016	M&R to residence of Cardiac Specialist at DHQ Jhang	50,000
21	546	25/06/2016	21	14/06/2016	S/R to Chowkidar Quarter near F&P office Jhang	40,000
22	547	25/06/2016	59	20/04/2016	S/R to Chowkidar Quarter near F&P office Jhang	40,000
23	548	25/06/2016	58	20/04/2016	S/R to Sweeper Quarter near F&P office Jhang	39,714
24	549	25/06/2016	57	20/04/2016	M&R to Zila Council Quarter No, 8 Staff Colony	49,996
25	550	25/06/2016	22	14/06/2016	M&R to residence of Dr. Asif Raza at DHQ Jhang	50,000
26	552	25/06/2016	16	13/06/2016	M&R to residence of Drug Controller at DHQ Jhang	50,000
27	553	25/06/2016	25	16/06/2016	M&R to D-Type residence No. D-1 T.T. Singh Road Jhang	49,964
28	554	25/06/2016	26	16/06/2016	M&R to D-Type residence No. D-3 T.T. Singh Road Jhang	50,000
29	555	25/06/2016	27	16/06/2016	M&R to D-Type residence No. D-5 T.T. Singh Road Jhang	50,000
30	557	25/06/2016	5	02/06/2016	M&R to P.T.R.A (1-4) No.8 Satellite Town Jhang	40,000
31	558	25/06/2016	100	02/06/2016	M&R to P.T.R.A (1-4) No. 12 Satellite Town Jhang	40,000
32	559	25/06/2016	1	02/06/2016	M&R to P.T.R.A (1-4) No. 4 Satellite Town Jhang	40,000
33	560	25/06/2016	4	02/06/2016	M&R to P.T.R.A (1-4) No. 15 Satellite Town Jhang	40,000
34	561	25/06/2016	2	02/06/2016	M&R to P.T.R.A (1-4) No. 6 Satellite Town Jhang	40,000

Sr. No.	Vr. No.	Vr. Date	W.O. No.	W.O. Date	Name of Work	Amount
35	562	25/06/2016	nil	02/06/2016	M&R to P.T.R.A (1-4) No. 11 Satellite Town Jhang	40,000
36	583	27/06/2016	32	20/06/2016	S/R to residence D-3 T.T. Singh Road Jhang	50,000
	584	27/06/2016	33	20/06/2016	S/R to residence D-3 T.T. Singh Road Jhang	50,000
37	590	27/06/2016	29	16/06/2016	Improvement/Renovation of residence No. 1 DHQ Hospital Jhang	50,000
	591	27/06/2016	30	16/06/2016	Improvement/Renovation of residence No. 1 DHQ Hospital Jhang	50,000
	592	27/06/2016	31	16/06/2016	Improvement/Renovation of residence No. 1 DHQ Hospital Jhang	50,000
	594	27/06/2016	28	16/06/2016	Improvement/Renovation of residence No. 1 DHQ Hospital Jhang	50,000
38	596	27/06/2016	38	18/06/2016	Renovation of DCO Complex Jhang	45,000
	597	27/06/2016	39	18/06/2016	Renovation of DCO Complex Jhang	45,000
	598	27/06/2016	40	18/06/2016	Renovation of DCO Complex Jhang	50,000
	599	27/06/2016	41	18/06/2016	Renovation of DCO Complex Jhang	50,000
	674	27/06/2016	43	20/06/2016	M&R to meeting room DCO office Jhang	50,000
	675	27/06/2016	45	20/06/2016	M&R to record room DCO office Jhang	50,000
	676	27/06/2016	42	20/06/2016	M&R to retiring room DCO office Jhang	49,856
	677	27/06/2016	46	20/06/2016	M&R to kitchen at DCO office Jhang	50,000
	678	27/06/2016	44	20/06/2016	M&R to English branch at DCO office Jhang	50,000
694	29/06/2016	47	20/06/2016	M&R to naqool branch at DCO office Jhang	50,000	
39	603	27/06/2016	23	14/06/2016	M&R to Govt. residence No. 1 Katchery Compound Jhang	50,000
40	604	27/06/2016	34	20/06/2016	M&R to Govt. residence at Highway Workshop	49,979
41	632	27/06/2016	20	13/06/2016	M&R PHNS driver quarter at DHQ Hospital Jhang	50,000
42	681	27/06/2016	22822	22/04/2016	M&R to R.M. residence Katchery Compound G.M. Raja	50,000

Sr. No.	Vr. No.	Vr. Date	W.O. No.	W.O. Date	Name of Work	Amount
43	682	27/06/2016	35	18/06/2016	S/R to residence No. 3 situated Zila Council Colony	49,995
44	683	27/06/2016	36	18/06/2016	S/R to servant quarter situated Zila Council Colony	50,000
45	700	29/06/2016	22829	16/06/2016	DDO Buildings office Shorkot	40,000
46	701	29/06/2016	22830	16/06/2016	charged to Rehabilitation/repair of GPS Wali Muhammad	50,000
47	702	29/06/2016	22831	11/06/2016	charged to Rehabilitation/repair of GPS Sadhan Nekokaro	48,000
48	706	29/06/2016	49	18/06/2016	M&R B-Type residence B-5 TT Singh Road Jhang	30,371
49	707	29/06/2016	48	18/06/2016	M&R to P.T.R.A , B-Type residence B-5 T.T. Singh Road Jhang	29,993
50	708	29/06/2016	22832	01/06/2016	Special repair to Govt. Rest house G.M. Raja	50,000
	709	29/06/2016	22833	01/06/2016	Special repair to Govt. Rest house G.M. Raja	49,900
Total Amount						2,987,768

Annex-L**[Para: 1.2.2.27]****Excess drawl of pay and allowances after regularization of services of contract employees**

(Rupees in Million)

Sr. No.	Name of DDO	No. of Employees	Amount	Remarks
1	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	05	0.404	Payment of SSB after regularization of services
		01	0.157	Excess payment of pay and allowances after regularization of services
2	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	03	0.217	Payment of SSB after regularization of services
		05	0.076	Payment of Personal Allowance at excessive rates
3	Senior Medical Officer, Rural Health Center, Mukhiana	01	0.080	Payment of SSB after regularization of services
4	Executive District Officer (Health), Jhang	02	0.146	Payment of SSB after regularization of services
			0.024	Non-deduction of BF and GI
5	Senior Medical Officer, Rural Health Center, Rodu Sultan	03	0.044	Payment of SSB after regularization of services
		06	0.064	Payment of Adhoc
6	District Officer (Health), Jhang	65	0.179	Allowance-2010 at excessive rates
7	MS THQ Hospital, Ahmed Pur Sial	02	0.057	
8	SMO RHC, Bagh	02	0.598	Payment of pay and allowances at excessive rates
9	MS THQ Hospital, Shorkot	02	0.360	
Total		97	2.406	

Annex-M**[Para: 1.2.2.31]****Irregular refund of Lapsed Security Deposits**

(Rupees in Million)

Sr. No.	Name of Payee	Name of Civil Work	Start Date	Completion Date	Refund Detail		
					Vr. No.	Month	Amount
1	Ch. Muhammad Akram	Construction of Building for GGPS Rustam Sargana	5/6/2004	4/12/2005	15	Apr-16	0.103
2	Ch. Muhammad Akram	Construction of 2 C/R toilet block etc. @ GGPS Bea abad	5/12/2004	5/26/2006	14	Apr-16	0.087
3	Ch. Muhammad Akram	Play Ground in (PMF) GGHS Chak Janubi	10/23/2007	3/2/2008	13	Apr-16	0.094
4	Rafique Engineering Industries	not mentioned in payment voucher	5/17/2011	6/13/2011	230	Jun-16	0.451
5	Ch. Muhammad Akram	Upgradation of GBPS Rahiidpur	10/8/2007	6/20/2011	326	May-16	0.142
6	Sayed Sabir Ali Shah	Upgradation of Sports Grounds	12/30/2009	7/28/2011	316	Jun-16	0.509
7	M.A. Classic Construction Company	Construction of class rooms @ Govt. Girls Higher Secondary School Bagh	4/1/2011	3/29/2012	199	May-16	0.034
8	Haji Jamil Ahmad & Co.	Conversion of Govt. Boys Higher Secondary School into Model School, Bagh	9/17/2011	4/28/2012	728	Jun-16	0.075
9	Abdul Majeed	Provision of missing facilities @ Govt. Girls Elementary School Chak Shumali	8/27/2011	4/30/2012	64	May-16	0.042
10	Ejaz Ahmad Nadeem	Provision of missing facilities @ Govt. High School Chak 493/JB	10/28/2011	1/5/2012	150	May-16	0.422
11	Haji Mazhar Abbas	Provision of missing facilities @ GGHSS Bagh	5/13/2010	1/13/2012	412	Jun-16	0.184
Total							2.142

Annex-N**[Para: 1.2.2.34]****Non-recovery of House Rent Allowance and Conveyance Allowance**

(Rupees in million)

Sr. No.	DDO	No. of Employees	Conveyance Allowance	HR Allowance	5% HR Charges	Total Amount
1	Medical Superintendent, District Headquarters Hospital, Jhang	16	0	0	0.230	0.230
		06	0.227	0.077	0	0.304
2	Senior Medical Officer, Rural Health Center, Waryam Wala	03	0.072	0.048	0	0.120
3	Medical Superintendent, Tehsil Headquarters Hospital, Ahmed Pur Sial	17	0.135	0.048	0.141	0.324
4	Senior Medical Officer, Rural Health Center, Garh Maharaja	07	0.191	0	0	0.191
5	Senior Medical Officer, Rural Health Center, Haveli Bahadar Shah	01	0.106	0.039	0	0.145
6	Senior Medical Officer, Rural Health Center, Mukhiana	02	0.136	0.034	0	0.170
7	Executive District Officer (Health), Jhang	03	0.110	0.022	0.059	0.191
8	Senior Medical Officer, Rural Health Center, Bagh	09	0.098	0.020	0	0.118
9	Medical Superintendent, Tehsil Headquarters Hospital, Shorkot	11	0.059	0.033	0.125	0.217
Total		75	1.134	0.321	0.555	2.010

Annex-O**[Para: 1.2.2.40]**

(Rupees in Million)

Sr. No.	Work Order No. & Date	Tender Date	Name of Scheme	Amount
1	4923/15.12.2015	19.11.2015	Widening/Improvement of road from 18-Hazari Nawan Kot road to Abadi Ali Chowk to Jamali Khurd	0.476
2	1808/08.05.2015	23.04.2015	Rehabilitation/repair of road from Gharay Bhan to Dhedoana	0.030
3	2585/10.06.2015	07.05.2015	Rehabilitation/repair of road from old Khushab road from Muhammad Wala to Alyana	0.071
4	8342/16.10.2014	22.09.2014	Construction of road from Sabbar to Mouza Laghari	0.168
5	3415/29.07.2015	07.05.2015	Rehabilitation/repair of road from Jabooana to Binda Rasheed Pur	0.242
6	3950/05.09.2015	25.07.2015	Construction of road from Abadi Allah Bux Dholka and Darbar Nibber Shaheed	0.061
7	1813/08.05.2015	23.04.2015	Rehabilitation/repair of road from hospital Pakkaywala to Kot Murad	0.048
8	1806/08.05.2015	23.04.2015	Rehabilitation/repair of road from Khewa to Kharora Baqar	0.082
9	1623/28.04.2015	23.04.2015	Rehabilitation/repair of road from Sargodha road to Mouza Patuana upto Phant	0.059
10	1785/06.05.2015	23.04.2015	Repair of road from Rodu Sultan to Tibba Gehli	0.126
11	1086/26.03.2015	12.02.2015	Construction of road from Rustam Sargana Eid Gah to Darraywala	0.116
12	1885/12.05.2015	23.04.2015	Rehabilitation/repair of road from Zafar Chowk to Wassawa	0.149
Total Recoverable				1.627

Annex-P

[Para: 1.2.2.45]

Excess payment of contractor's profit and overhead charges

(Rupees in Million)

Sr. No.	Name of Work	Item Name	Qty.	Rate	Amount Paid	CP & OH per Unit	CP & OH Amount
1	Provision of missing infrastructure in DHQ Hospital Jhang	S/E open ceiling light 18-W	159	3,840	610,560	640	101,760
		S/E open ceiling light 24-W	47	4,320	203,040	720	33,840
		S/E wall light globe type 24-W	120	1,920	230,400	320	38,400
		P/F (Gree) flour standing cabinet A/C 2-ton	22	143,400	3,154,800	23,900	525,800
		P/F wall light B-6844 best quality	70	2,400	168,000	400	28,000
2	Provision of missing infrastructure in THQ Hospital AP Sial	RO Filtration Plant	1	451,500	451,500	70,000	70,000
		Air Conditioner Split Type 1.5 ton	5	81,200	406,000	11,960	59,800
3	Provision of missing infrastructure in THQ Hospital Shorkot	RO Filtration Plant	1	451,500	451,500	70,000	70,000
4	Renovation/ improvement of Ladies Club Jhang	S/E LED Light 3 watt	34	295	10,030	50	1,700
		S/E LED Light 6 watt	30	571	17,130	96	2,880
		S/E LED Light 12 watt	12	1,050	12,600	175	2,100
		Console mirror	1	40,370	40,370	7,340	7,340
		3 seated Dewan shesham wood	1	33,000	33,000	4,800	4,800
		Bed room chair	2	13,300	26,600	1,930	3,860
		Central Table shesham	1	38,900	38,900	5,660	5,660

Sr. No.	Name of Work	Item Name	Qty.	Rate	Amount Paid	CP & OH per Unit	CP & OH Amount
5	Improvement/ renovation of residence at Jail Road occupied by A.C. 18-Hazari	supply of table	1	10,500	10,500	1,750	1,750
		revolving chair	1	9,800	9,800	1,640	1,640
		steel chair	4	2,400	9,600	400	1,600
		wooden rack	1	3,600	3,600	600	600
		water dispenser	1	18,800	18,800	3,140	3,140
		Looking Glass	1	6,500	6,500	1,080	1,080
		LED lights 6	60	900	54,000	150	9,000
6	Maintenance and repair of PTR A (16-17) Satellite Town Jhang (Group-1)	UPS with Battery	1	40,000	40,000	5,800	5,800
7	Maintenance and repair District Officer (Health) Office Jhang	Sui Gas Heater double plate	6	9,800	58,800	887	5,322
		Sui Gas Heater single plate	24	5,100	122,400	848	20,352
		Energy Saver 24-watt	240	264	63,360	44	10,560
		Energy Saver 45-watt	60	840	50,400	140	8,400
		water electric cooler 50 gallon	1	72,000	72,000	12,000	12,000
		Air Cooler Lahori type	2	24,000	48,000	3,080	6,160
		Pedestal Fan 56" sweep	1	6,800	6,800	1,140	1,140
Total Amount of Contractors Profit & Overhead Charges							1,044,484

Annex-Q**[Para: 1.2.4.2]****Expenditure on repair/rehabilitation of roads and buildings without mentioning details of previous repairs**

(Rupees in Million)

Sr. No.	Name of Scheme	Funds Released
1	Rehabilitation/repair of road from Ahmad Pur Sial to link road Abadi Pan Pura Abadi Hoot Sial	2.418
2	Rehabilitation/repair of road from Chak No. 460 Abadi Pathan	2.171
3	Rehabilitation/repair of road from Faisalabad Road to Chak No. 220 Ghanwan	2.364
4	Rehabilitation of road from Mehmood Kot Sialkot Road to Hadalwala	4.846
5	Rehabilitation of road from Majhi Sultan Road Pull 479/JB to Chak No. 479/JB	1.126
6	Rehabilitation/repair of road from Chak No. 496/JB to Chak No. 497/JB	0.651
7	Repair/patch work of road from Banglow Noul Wala Gojra Road to Chak No. 460/JB Abadi Jattiana	0.597
8	Reconstruction of different culverts	0.079
9	Rehabilitation of road from Jhang Multan Road Adda Gulgasht Dera Justice Manzoor Sial	0.743
10	Rehabilitation of road from Mandi Shah Jewna to Hassam	1.573
11	Maintenance and repair to DCO Office, Jhang	1.500
12	Maintenance and repair to DCO Camp Office, Jhang	1.000
13	Maintenance and repair to Circuit House, Jhang	1.000
Total		20.068