



**AUDIT REPORT
ON
THE ACCOUNTS OF
DISTRICT GOVERNMENT
TOBA TEK SINGH
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
BHU	Basic Health Unit
B&R	Buildings & Roads
CCTV	Close Circuit Television
CCU	Coronary Care Unit
CNIC	Computerized National Identity Card
C&W	Communication & Works
DAC	Departmental Accounts Committee
DCO	District Coordination Officer
DDC	District Development Committee
DDO	Drawing and Disbursing Officer
DDWP	Divisional Development Working Party
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
DST	Double Surface Treatment
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
HPA	Health Professional Allowance
HSRA	Health Sector Reform Allowance
ICU	Intensive Care Unit
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
LED	Light Emitting Diode
MFDAC	Memorandum for Departmental Accounts Committee

MOU	Memorandum of Understanding
MNA	Member National Assembly
MRS	Market Rate System
MSD	Medicine Store Depot
NSB	Non Salary Budget
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
PEC	Punjab Examination Commission
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
POL	Petroleum Oil and Lubricants
PSI	Pound per Square Inch
PPRA	Punjab Procurement Regulatory Authority
RDA	Regional Directorate of Audit
RHC	Rural Health Center
RR&MTI	Road Research & Material Testing Institute
SAP	Systems, Applications and Products
S&GAD	Services and General Administration Department
SST	Single Surface Treatment
SMO	Senior Medical Officer
SSE	Secondary School Educator
TA	Travelling Allowance
THQ	Tehsil Headquarters
TMA	Town / Tehsil Municipal Administration
TST	Triple Surface Treatment
TTS	Toba Tek Singh
WAPDA	Water & Power Development Authority
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, Toba Tek Singh for the financial year 2015-16. The Directorate General of Audit, District Governments, Punjab (South), Multan conducted audit during 2016-17 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

The Audit Report is submitted to the Governor of 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.

-Sd-

Islamabad
Dated: 07.03.2017

(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 mandays 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, Toba Tek Singh for the financial year 2015-16 and the findings are included in the Audit Report.

The District Government, Toba Tek Singh 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 the Government of the Punjab in February, 2010.

District Toba Tek Singh is administratively divided into three tehsils namely Toba Tek Singh, Gojra and Kamalia.

Audit Objectives

Audit was conducted with the objective to ensure that:

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

a) Scope of Audit

Out of total expenditure of the District Government, Toba Tek Singh for the financial year 2015-16, auditable expenditure under the jurisdiction of Regional Director Audit, District Governments, Faisalabad, was Rs 7,615.913 million covering one PAO and 277 formations. Out of this, RDA Faisalabad audited an expenditure of Rs 4,175.697 million which, in terms of percentage, was 55% of total auditable expenditure and irregularities amounting to Rs 1,005.409 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, Toba Tek Singh for the financial year 2015-16 were Rs 98.925 million. RDA, Faisalabad audited receipts of Rs 50.424 million which, in terms of percentage, were 51% of total receipts and irregularities amounting to Rs 6.106 million were pointed out.

b) Recoveries at the Instance of Audit

Recoveries of Rs 64.646 million were pointed out by Audit which were not in the notice of the management before audit. An amount of Rs 1.966 million was recovered and verified during year 2016-17, till the time of compilation of the Report.

However, recovery of Rs 40.674 million pertains to Paras (over one million) drafted 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 and other relevant laws, which govern the propriety of utilization of the financial resources of the District Government in accordance with the regularity framework provided by the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws/rules and according to the INTOSAI auditing standards.

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

d) Audit Impact

A number of improvements in record maintenance and procedures have been initiated by the departments concerned. However audit impact in shape of change in rules could not be materialized as the Provincial Accounts Committee has not discussed audit reports pertaining to District Governments for the year 2016-17.

e) Comments on Internal Control and Internal Audit Department

Internal control mechanism of District Government, Toba Tek Singh 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, unauthorized withdrawal of funds, 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, Toba Tek Singh.

f) The Key Audit Findings of the Report

- i. Irregularities and non-compliance of Rs 237.888 million were noted in 36 cases including five cases of violation of the Punjab Procurement Rules amounting to Rs 32.822 million. ¹
- ii. Performance issues involving an amount of Rs 2.677 million were noted in two cases.²
- iii. Internal Control Weaknesses involving an amount of Rs 130.483 million were noted in four cases.³

¹Para: 1.2.1.1 to 1.2.1.36

²Para: 1.2.2.1 to 1.2.2.2

³Para: 1.2.3.1 to 1.2.3.4

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 (MFDAC) Annex-A.

g) Recommendations

PAO/District Government is required to:

- i. Effect recoveries pointed out during audit regarding pay & allowances.
- ii. Comply with the Punjab Procurement Rules for economical and rational purchases of goods and services.
- iii. Strengthen the existing internal controls to avoid recurrence of similar nature irregularities time and again.
- iv. Implement internal as well as financial controls in letter and spirit to avoid unauthorized withdrawal/utilization of funds.
- v. Make efforts for expeditious realization of various Government receipts.
- vi. Rationalize its budget with respect to utilization.

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

(Rupees in Million)

Sr. No.	Description	No.	Expenditure	Receipts	Total
1	Total Entities (PAOs) in Audit Jurisdiction	1	7,615.913	98.925	7,714.838
2	Total Formations in Audit Jurisdiction	277	7,615.913	98.925	7,714.838
3	Total Entities (PAOs) Audited	1	4,175.697	50.424	4,226.121
4	Total Formations Audited	30	4,175.697	50.424	4,226.121
5	Audit & Inspection Reports	30	4,175.697	50.424	4,226.121
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	240.565
3	Internal Controls	130.483
4	Others	-
Total		371.048

Table3: 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	69.511	5,681.368	768.611	1,096.423	98.925	7,714.838	6,552.270
2	Outlays Audited	40.168	2,760.877	376.483	998.169	50.424	4,226.121*	5,268.641
3	Amount Placed under Audit Observations/ Irregularities Pointed Out	4.217	34.615	185.958	141.500	4.758	371.048	280.517
4	Recoveries Pointed Out at the instance of Audit	4.217	22.396	1.304	7.999	4.758	40.674	89.428
5	Recoveries Accepted / Established at the instance of Audit	4.217	17.268	1.238	3.117	1.244	27.084	76.217
6	Recoveries Realized at the instance of Audit	-	0.431	0.130	-	0.402	0.963	0.981

*The amount mentioned against Sr. No.2 in column of "Total" is the sum of Expenditure and Receipts whereas the total expenditure was Rs 4,175.697 million.

Table4: 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.	213.481
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS ⁴ , 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	130.483
5	Recoveries and overpayments, representing cases of established overpayments or misappropriations of public monies.	27.084
6	Nonproduction of record.	-
7	Others, including cases of accidents, negligence etc.	-
	Total	371.048

Table 5: Cost Benefit

(Rupees in Million)

Sr. No.	Description	Amount
1	Outlays Audited (Items 2 of Table 3)	4,226.121
2	Expenditure on Audit	0.640
3	Recoveries realized at the instance of Audit	1.966
	Cost-Benefit Ratio	3:1

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

CHAPTER 1

1.1 District Government Toba Tek Singh

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 Governments consist 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 District Coordination Officer. The authority of the District Government comprises the management and control of offices of the devolved departments which are decentralized or set up under the Ordinance. The District Government exercises such authority within the District in accordance with general policy of the Government. The District Government is responsible to the people and is mandated for improvement of governance and delivery of services within the ambit of authority decentralized under this Ordinance.

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

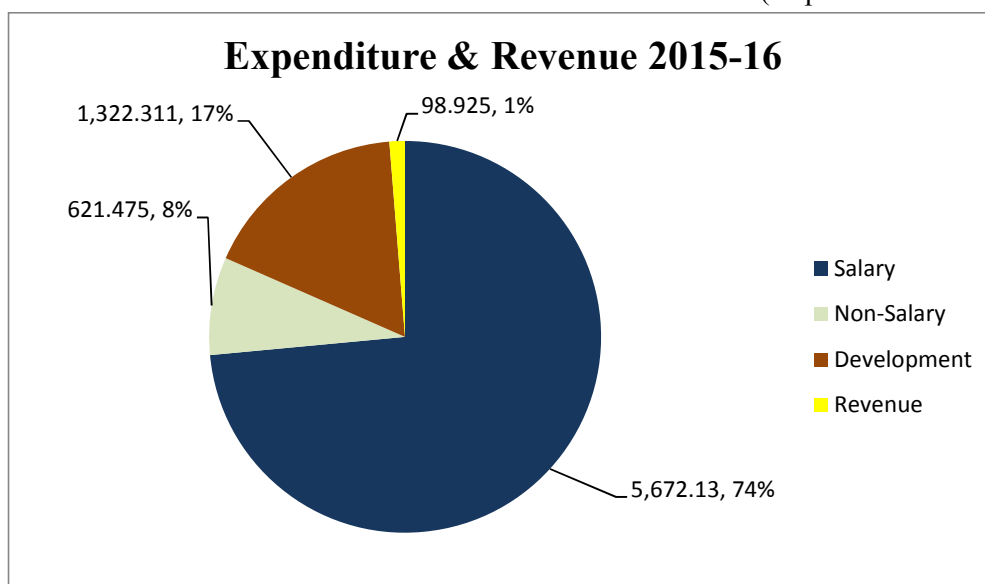
1.1.2 Comments on Budget and Accounts

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

(Rupees in Million)

2015-16	Budget	Actual	Excess (+)/ Lapse (-)	% Excess / Lapse
Salary	5,980.608	5,672.127	(-) 308.481	5.16%
Non-Salary	743.506	621.475	(-) 122.031	16.41%
Development	1,447.770	1,322.311	(-) 125.459	8.67%
Total	8,171.884	7,615.913	(-) 555.971	6.80%
Receipts	20.000	98.925	(+) 78.925	394.63%

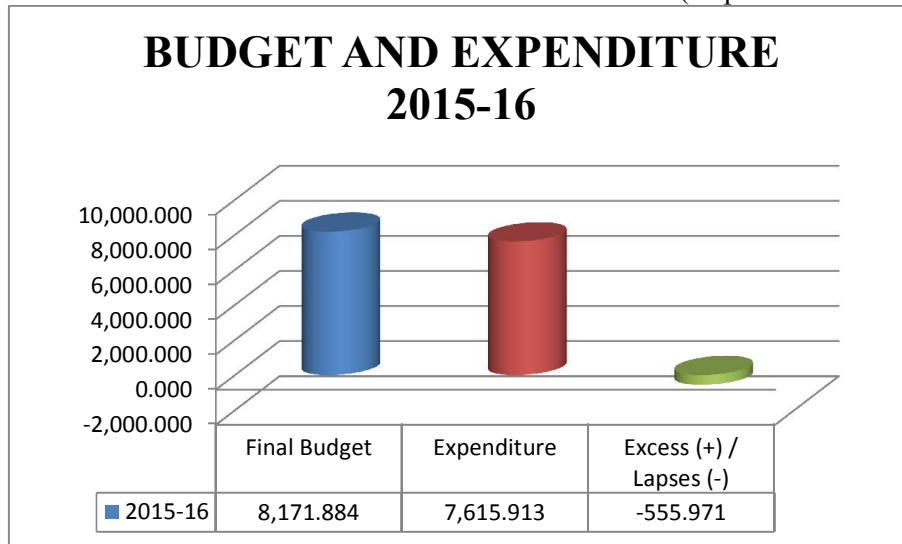
(Rupees in Million)



As per the Appropriation Accounts 2015-16 of the District Government, Toba Tek Singh, total original budget (Development & Non-Development) was Rs 7,212.673 million, Supplementary Grant of Rs 959.211 million was provided and the final budget was Rs 8,171.884 million. Against the final budget, total

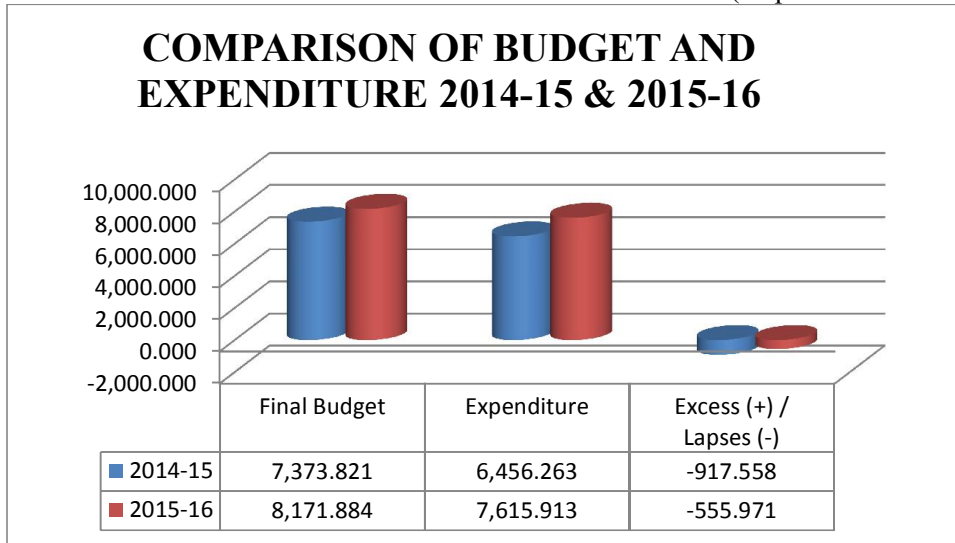
expenditure of Rs 7,615.913 million was incurred by the District Government during 2015-16. A lapse of Rs 555.971 million came to the notice of Audit due to inefficient financial management in release of budget by EDO (Finance & Planning). No plausible explanation was provided by the PAO and management of District Government (Annex-B).

(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 11% and 18% increase in budget allocation and expenditure incurred respectively, while there were overall lapses of Rs 555.971 million during 2015-16.

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

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

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2002-03	22	PAC not constituted
2	2003-04	19	PAC not constituted
3	2004-05	21	PAC not constituted
4	July, 2005 to March, 2008 Special Audit Report	82	PAC not constituted
5	2009-10	39	PAC not constituted
6	2010-11	50	PAC not constituted
7	2011-12	38	PAC not constituted
8	2012-13	12	PAC not constituted
9	2013-14	12	PAC not constituted
10	2014-15	24	PAC not constituted
11	2015-16	27	PAC not constituted

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

1.2 AUDIT PARAS

1.2.1 Irregularities and Non-Compliance

1.2.1.1 Irregular payment of bituminous items – Rs 30.243 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), Toba Tek Singh made payments of Rs 30.243 million to different contractors for execution of bituminous items in seven works for widening and improvement of roads in Toba Tek Singh during 2015-16. The 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.

(Rupees in Million)

Sr. No.	Name of Work	Item Name	Amount
1	Improvement and repair of metaled road from Chowk Mamukanjan Road to Bypass Mamukanjan Road	Triple & Double Surface Treatment	1.487
2	Improvement of road from 296/GB Phatak to Saim Nala	Single & Double Surface Treatment	2.796
3	Improvement/construction of road from Gojra Pansera Road to Chak	Triple Surface Treatment	2.838

Sr. No.	Name of Work	Item Name	Amount
	No.363/JB (Subedarwala)		
4	Widening and Repair/Improvement of road from Toba Gojra Road to 312/JB (Khothowali Chowk) via Chak No.315/JB (Kala Pahar) and Talwandi Tehsil Gojra	Triple & Double Surface Treatment	16.714
5	Improvement of road Chak No.244/GB (Kalan) to Chak No.245/GB (Talwandi) via Chak 244/GB (Khurd)	Triple Double & Single Surface Treatment	1.486
6	Improvement of Road from T-Gate to Adda Kot Khitran	Single & Double Surface Treatment	3.733
7	Improvement of road from Toba-Rajana Road to Toba-Khikha Road Bypass	Triple Surface Treatment	1.189
Total			30.243

Audit is of the view that due to weak monitoring mechanism, the 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 30.243 million.

The matter was reported to the DCO and DDO concerned in September, 2016 to which it was replied that test results/reports were awaited. The reply was not tenable because payments were required to be made after assurance of quality. In DAC meeting held in November, 2016, no reply was furnished by the department.

DAC expressed serious concern for non-submission of reply and directed District Officer (Roads) to submit comprehensive reply at the earliest. No progress was intimated to Audit till the finalization of this Report.

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

[PDP No. 145]

1.2.1.2 Irregular enhancement of scope and accord of Administrative Approval – Rs 19.943 million

According to Government of the Punjab, Planning and Development Department letter No.12(24)PO(Coord-II)P&D/2013 dated 06.04.2013, the Divisional Development Working Party (DDWP) will not approve revised PC-I of project beyond its 1st revision. Further, according to Government of the Punjab, Planning and Development Department letter No.12(2)RO(Coord)P&D/ 2010 dated 31.05.2010, in special circumstances, if upward revision of scheme/ scope is considered inevitable, then prior clearance from the Planning and Development (P&D) Department would be obtained before according revised administrative approval.

District Officer (Roads), Toba Tek Singh awarded work for widening/ repair/improvement of road from Gojra Toba Road to Chak No.312/JB via Chak No.315/JB (Kala Pahar) and Talwandi in May, 2015 at a cost of Rs 42.321 million with completion period upto December, 2015. Administrative Approval of the work was accorded by the District Development Committee (DDC) for Rs 49.877 million in March, 2015. Subsequently, the scope of work was enhanced and scheme was revised for Rs 58.921 million by the DDPW in February, 2016. However, DDWP accorded approval to 2nd revision of the scheme to the extent of Rs 69.820 million in June, 2016 without competence and obtaining of prior clearance from P&D Department.

Audit is of the view that due to non-compliance of Government instructions and lack of due diligence, 2nd revision of Administrative Approval was accorded by the same authority without competence and scope of work was

enhanced without prior clearance from P&D Department. Accord of Administrative Approval without competence and clearance from the P&D Department resulted in irregular enhancement of scope of work to the extent of Rs 19.943 million.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that the scheme was approved with a cost of Rs 49.667 million by DDC in March, 2015. Scheme was assessed in saving and Member Provincial Assembly concerned desired to utilize the saving on additional scope of the work. Therefore, the Competent Authority issued revised Administrative Approval for Rs 58.921 million. Later on due to some calculation mistake, case was once again referred to DDWP. The reply was not tenable because 2nd revision of Administrative Approval for the scheme was accorded by DDWP without approval from Government of the Punjab P&D Department.

DAC directed District Officer (Roads) to ensure production of record as desired by Audit for verification within a week. No progress was intimated to 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.140]

1.2.1.3 Expenditure through irregular School Councils – Rs 16.096 million

According to Section 3.3.2 of 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 twenty six schools, under administrative control of following Deputy District Education Officers, remained working even after the expiry of tenure of two years and incurred expenditure amounting to Rs 16.096 million out of NSB funds and School Management Council (SMC)/Farogh-e-Taleem Fund (FTF) during 2013-16, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Amount		
			NSB	FTF / SMC	Total
1	Government Girls High School 689/31 GB, Pir Mahal	1	1.118	0.808	1.927
2	Deputy District Education Officer (EE-M), Pir Mahal	7	2.847	2.630	5.477
3	Deputy District Education Officer (EE-W), TT Singh	9	3.398	2.058	5.455
4	Deputy District Education Officer (EE-M), Gojra	9	1.785	1.451	3.237
Total		26	9.148	6.947	16.096

Audit is of the view that due to non-compliance of policy guidelines, Schools Councils remained working after expiry of tenure and utilized budget which resulted in irregular expenditure amounting to Rs 16.096 million.

The matter was reported to DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that the School Councils had already been renewed. Therefore, expenditure made through said councils was not irregular. Audit stressed to submit documentary evidence in support of reply or to get the expenditure regularized from the Competent Authority.

DAC directed EDO (Education) to ensure production of record to Audit for verification besides regularization of expenditure from the Competent Authority. No progress was intimated to 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.6, 118, 65, 78]

1.2.1.4 Execution of additional work without retendering – Rs 14.634 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 Inter Departmental Committee of the Public Accounts Committee decision dated 17.11.2001, the management is not empowered to award a new work as an additional work to an existing contractor without calling open tenders.

District Officer (Roads), Toba Tek Singh awarded two works of improvement of roads to contactors at an original agreement cost of Rs 11.153 million during 2015-16. However, the schemes were later on enhanced to the extent of Rs 25.787 million in June, 2016. Contrary to the above, additional works costing Rs 14.634 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 date of completion, as detailed below:

(Rupees in Million)

Sr. No.	Name of Scheme	Original Works			Additional Works		Amount of Work Without Tendering
		Date of Award of Work	Cost of Original Award	Stipulated Date of Completion	Date of Award of Work	Cost of Work After Enhancement	
1	Improvement/construction of road from Gojra Pansera Road to Chak No. 363/JB (Subedarwala)	09.10.2015	9.494	08.04.2016	18.06.2016	22.756	13.262
2	Improvement of road from Railway Phatak 296/GB Saimnala	28.09.2015	1.659	27.11.2015	07.06.2016	3.031	1.372
Total			11.153			25.787	14.634

Audit is of the view that due to lack of due PPRA Rules, additional works were awarded without open competition which resulted in mis-procurement amounting to Rs 14.634 million besides depriving the Government of lowest possible rates.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that during execution, scope of works was enhanced on the demand of beneficiaries. As works were awarded below the estimated cost; therefore, additional works were offered to the same contractors. Audit did not agree with the reply as Punjab Procurement Regulatory Authority (PPRA) Rules did not allow award of additional work to the existing contractor beyond prescribed limit of 15 percent. Audit also stressed to produce relaxation in rules issued by PPRA.

DAC directed District Officer (Roads) to produce relaxation in rule issued by PPRA for award of work without retendering. No progress was intimated to 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.146, 148]

1.2.1.5 Non-completion of schemes– Rs 14.541 million

According to Clause 39 of the Contract Agreement, the time limit for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one per cent of the amount of contract subject to a maximum of 10 percent or such smaller amount as the Engineer-in-Charge may decide, for every day that the work remains un-commenced or unfinished after the proper date.

Three development schemes for up-gradation of school buildings and reconstruction of class rooms costing Rs 20.774 million, under the administrative control of Executive District Officer (Education) Toba Tek Singh, were executed

through District Officer (Buildings) Toba Tek Singh during 2014-15 and 2015-16. The works were required to be completed in June, 2015 and February, 2016. However, District Officer (Buildings) failed to get the works completed within stipulated period and works costing Rs 14.541 million remained incomplete till June, 2016. Executive District Officer (Education) did not make efforts for timely completion of the schemes, as detailed below:

(Rupees in Million)

Sr. No.	Name of Scheme	Cost of Work	Upto-date Expenditure	Stipulated Date of Completion	Percentage of Physical Progress
1	Up-gradation of Government Girls Elementary School to High School level Chak No. 331/JB Toba Tek Singh	8.970	7.049	25.06.2015	79%
2	Up-gradation of Government Girls Elementary School to High School level Chak No.157/GB Tehsil Gojra	6.900	3.778	25.06.2015	55%
3	Reconstruction of four class rooms with verandah at Government High School No.2 Kamalia	4.904	3.714	30.02.2016	76%
Total		20.774	14.541		

Audit is of the view that due to weak monitoring, works could not be got completed within stipulated period. Non-completion of school buildings resulted in depriving the students of envisaged benefits and works costing Rs 14.541 million also remained incomplete.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that scheme at Serial No. 1 had been completed in May, 2016. The scheme at Serial No.2 was incomplete for want of funds. Final notice had been issued to the contractor for completion of the scheme at Serial No. 3. Audit stressed to ensure completion of schemes at the earliest alongwith production of record in the support of reply.

DAC directed EDO (Education) to ensure completion of schemes at the earliest and report progress to Audit. No progress was intimated to Audit till the finalization of this Report.

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

[PDP No. 125]

1.2.1.6 Irregular expenditure on works against defective agreements - Rs 14.013 million

According to Clause 6 of the Contract Agreement, the contractor shall enter into and execute a contract agreement in a form as per specimen provided in the contract form for execution of work. Further, according to Condition 17 of work orders of schemes, contractors were directed to sign the agreements within seven days of receipt Letter of Acceptance.

District Officer (Roads), Toba Tek Singh awarded five works to the contractors costing Rs 17.576 million and made payments of Rs 14.013 million during 2015-16. However, defective agreements were executed without mentioning the date of agreement on the face of stamp papers. Further, the stamp papers were purchased even after the lapse of required period of signing of agreement and expiry of stipulated date of completion of works. The detail is given below:

(Rupees in Million)

Sr. No.	Name of Work	Work Order No. & Date	Stipulated Completion Date	Stamp Papers Issuance Date	Amount of Work
1	Improvement of road from Qazi Ghalib to Sindhilianwali Abdul Hakeem Road Kamalia	1615 dated 01.10.2015	31.12.2015	01.06.2016	1.591
2	Improvement/repair of road from Chak No.521/GB to Chak 519/GB	1611 dated 01.10.2015	31.12.2015	01.06.2016	1.652

Sr. No.	Name of Work	Work Order No. & Date	Stipulated Completion	Stamp Papers	Amount of Work
3	Improvement of road Bypass Toba Rajana Road to Toba Khikha Road	1563 dated 28.09.2015	27.11.2015	09.12.2015	1.883
4	Improvement of road from Railway Phatak Road to Chak No.296/GB to Saimnala	1567 dated 28.09.2015	27.11.2015	09.12.2015	3.031
5	Widening/improvement of Canal Road from Rajana Road to DCO House	497 dated 11.01.2016	10.10.2016	not signed till 18.08.2016	5.856
Total Amount					14.013

Audit is of the view that due to dereliction of duty, payments to contractors were made on defective agreements or even without agreement which resulted in irregular expenditure amounting to Rs 14.013 million.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that there was shortage of stamp papers in market. However, after availability of stamp papers, the agreements were duly signed and completed. Audit did not agree with the reply as agreements were to be executed on stamp papers immediately after issuance of work orders.

DAC directed District Officer (Roads) to fix responsibility for execution of agreement on defective stamp papers and report progress to Audit. No progress was intimated to Audit till the finalization of this Report.

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

[PDP No.144]

1.2.1.7 Irregular expenditure without quotations/tenders – Rs 13.097 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. 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. The procuring agency shall, however, ensure that such procurement is in conformity with the principles of procurement. 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 but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

Eight Drawing & Disbursing Officers of Health Department, Toba Tek Singh incurred expenditure of Rs 13.097 million for purchase of stationery, medicine, x-ray films/material and different store items from local market during 2014-16. 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. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	District Officer (Health), TT Singh	0.151
2	Medical Superintendent, District Headquarters Hospital, TT Singh	0.784
3	Senior Medical Officer, RHC Rajana	2.110
4	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	4.645
5	Senior Medical Officer, RHC Sandhilianwali	1.244
6	Senior Medical Officer, RHC Aroti	1.724
7	Senior Medical Officer, RHC Nia Lahore	0.639
8	Senior Medical Officer, RHC 316/GB	1.800
Total		13.097

Audit is of the view that due to negligence, expenditure was incurred without open competition which resulted in mis-procurement and irregular expenditure of Rs 13.097 million.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, two DDOs replied that funds were released by the District Government on monthly/quarterly basis. Therefore, purchases were made on need basis. Senior Medical Officer, RHC Rajana replied that due to non-finalization of rate contract by the District Purchase Committee well in time, essential medicine and x-ray films were procured on quotations for the smooth running of hospital. The reply was not tenable because purchase was made without observing PPRA Rules and without formulating annual procurement plan.

DAC directed EDO (Health) to justify the matter for purchase without observing PPRA Rules and get the expenditure regularized from the Competent Authority. No progress was intimated to 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.13, 84, 50, 69, 7, 43, 129, 149]

1.2.1.8 Unauthorized retention of funds and vendor payments through DDO Bank Accounts – Rs 13.062 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. Further, according to Rule 4.49(a) of Subsidiary Treasury Rules as amended through Notification No.FD(FR)V-6/75(P) dated 04.03.2010 issued by Government of the Punjab, Finance Department, payments of Rs 100,000 and above to contractors and suppliers shall not be made in cash. The sanctioning authority shall accord sanction in favor of contractor/supplier incorporating Computerized National Identity Card (CNIC) number of the contractor/supplier.

The DDO shall record an endorsement on the bill requiring separate crossed cheque to be issued in favor of contractor/supplier.

Medical Superintendents and Senior Medical Officer of three health facilities withdrew funds from Government Treasury and deposited into DDO bank accounts for further disbursement to different persons during 2015-16. Closing balances of DDO bank accounts on 30.06.2016 depicted that undue retention of funds amounting to Rs 13.062 million was made without justification and in violation of above rules, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Name of Bank	Bank Account No. (Current)	Amount
1	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	National Bank of Pakistan, District Courts Branch, Toba Tek Singh	4002565902	4.571
2	Medical Superintendent, Eye Cum General Hospital, Gojra		4002565724	7.265
3	Senior Medical Officer, Rural Health Nia Lahore		4002579504	1.226
Total				13.062

Further, Medical Superintendent Tehsil Headquarters Hospital, Kamalia made payment of Rs 1.951 million to the nine suppliers/contractors against supply of medicine and bedding/clothing material by issuing cheques of DDO bank account instead of vendor payments directly in favour of suppliers. Furthermore, neither the DDOs nor District Accounts Officer incorporated CNIC numbers of the contractors/ suppliers for issuance of crossed cheques directly in favor of actual payees/ suppliers.

Audit is of the view that due to financial indiscipline, undue retention of funds amounting to Rs 13.062 million and subsequently payments through DDO bank account were made instead of vendor payments which resulted in violation of rules.

The matter was reported to the DCO and DDOs concerned in September, 2016. In DAC meeting held in November, 2016, two DDOs replied

that payments were made to suppliers/contractors through cheques of DDO bank accounts but said suppliers/contractors did not present cheques in bank. Audit stressed to produce record in support of reply and investigate the matter regarding payments through DDO bank accounts instead of vendor payments. No progress was intimated to Audit till the finalization of this Report.

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

[PDP Nos.155, 24, 47]

1.2.1.9 Irregular payment of non-schedule item – Rs 10.362 million

According to the Government of the Punjab, Finance Department instructions issued vide 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 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. However, the finished rate of an item of work shall not exceed the market rate of that item in the area/district. Further, it should be ensured that quantities and specifications as mentioned in technical sanctioned estimate are not changed without the prior approval of Competent Authority.

District Officer (Buildings), Toba Tek Singh executed three civil works for the provision of missing infrastructure in hospitals and improvement/renovation of the Government buildings during 2015-16. Technically sanctioned estimates and execution of the works included non-schedule items costing Rs 10.362 million. Contrary to the above, these non-schedule items were provided and executed in works without approval of rates from Competent Authority. Resultantly, the works were executed and payment was made to contractors on unapproved rates (**Annex-C**). The detail is given in following table:

(Rupees in Million)			
Sr. No.	Name of Work	Agreement Cost	Cost of Non-Schedule Items
1	Provision of missing infrastructure in District Headquarters Hospital Toba Tek Singh	20.000	8.239
2	Provision of missing infrastructure in Tehsil Headquarters Hospital, Kamalia	16.849	1.181
3	Improvement/renovation of Civil Rest House, Toba Tek Singh provision of road, security walls etc.	1.509	0.942
Total		38.358	10.362

Audit is of the view that due to non-compliance of Finance Department's instructions, provision and payment of non-schedule items was made without approval of rates from EDO (W&S), Toba Tek Singh which resulted in irregular expenditure amounting to Rs 10.362 million.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that the non-schedule items had now been provided in the revised estimate and got technically sanctioned from the Competent Authority. Audit stressed to produce relevant record.

DAC directed District Officer (Buildings) to produce relevant record in support of reply to Audit for verification within two weeks. No progress was intimated to 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.116, 107, 110]

1.2.1.10 Excess payment to contractors beyond agreement cost – Rs 8.143 million

According to Para 2.7 of the West Pakistan Buildings and Roads Department Code, cases where the detailed estimates exceed the amount of administrative approval by more than 5 percent and also in cases in which it becomes apparent during the execution of the work, that the amount

administratively approved will be exceeded by more than 10 percent or the amount of the technical sanction will be exceeded owing to increase of rates or other causes, the revised administrative approval of the Competent Authority must be obtained. Further, according to Para 1.59 of *ibid*, Divisional Officers are strictly prohibited from making or permitting any material deviations from any sanctioned design in the course of execution without specific authority.

District Officer (Roads) and District Officer (Buildings), Toba Tek Singh awarded following three civil works for widening/improvement of road and re-construction/improvement of Government buildings to different contractors at an agreement cost of Rs 53.342 million during 2013-15. However, payment amounting to Rs 61.485 million was made to the contractors against these works upto June, 2016. Contrary to the above, excess payment of Rs 8.143 million beyond agreement cost (ranging from 15 per cent to 20 per cent) was made to contractors. The detail is given below:

(Rupees in Million)

Sr. No.	Name of Work	Work Order No. & Date	Work Order Amount	Amount Paid	Excess Payment	% age of Excess Payment
1	Widening/repair/improvement of road from Gojra Toba Road to Chak No.312/JB via Chak 315/JB (Kala Pahar) and Talwandi	713/CB dated 11.05.15	42.321	48.613	6.292	15%
2	Re-construction of dangerous building at Government Model High School Toba Tek Singh	7083-86 dated 12.03.14	9.196	10.680	1.484	16%
3	Improvement/renovation of DCO Office, Committee Room, Court Room Toba Tek Singh	2223 dated 08.05.15	1.825	2.192	0.367	20%
Total Amount			53.342	61.485	8.143	15%

Audit is of the view that due to weak financial controls and negligence, payments were made to the contractors beyond agreement cost of works which resulted in excess payment of Rs 8.143 million.

The matter was reported to the DCO and DDOs concerned in September, 2016. In DAC meeting held in November, 2016, DO (Roads) replied

that case for enhancement of agreement cost, submitted for approval, was awaited. District Officer (Buildings) replied that the amount of agreement had been enhanced. Audit stressed to produce record besides justification for payment without enhancement in agreement by the Competent Authority.

DAC directed District Officer (Roads) and District Officer (Buildings) to ensure production of record within two weeks besides justification for payment without enhancement of agreement. No progress was intimated to Audit till the finalization of this Report.

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

[PDP Nos.142, 113, 111]

1.2.1.11 Unauthorized drawl of Social Security Benefit – Rs 8.056 million

According to Government of the Punjab, Services and General Administration Department Notification No.DS(O&M)5-3/20Q4/CONTRACT (MF) dated 14.10.2009, the pay of employees, regularized w.e.f. 14.10.2009, was required to be fixed at the initial of respective pay scales and the increment(s) already earned shall be converted into Personal Allowance. Further, according to Government of the Punjab, Finance Department letter No.FD.PC-2-2/2010 dated 15.07.2010, Adhoc Allowance - 2010 @ 50 percent of Basic Pay Scales, 2008 was granted to the employees. Furthermore, according to Government of the Punjab, Finance Department Notification No.FD(SRI)-I-39/70 (Vol. III) dated 02.06.1972, the annual increments in the basic pay scales 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 letter dated 19.12.2004, Benevolent Fund (BF) and Group Insurance (GI) were required to be deducted/recovered from civil servant.

Services of 317 teachers, working on contract basis under the administrative control of seven DDOs, were regularized w.e.f. 07.08.2015. However, they drew Social Security Benefit and annual increment which was not admissible to them as per above instructions. Further, Benevolent Fund, Group Insurance and General Provident Fund were also not deducted from their pay after regularization of services. Resultantly, an amount of Rs 8.056 million was overpaid to the employees, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Amount
1	Deputy District Education Officer (EE-W), Pir Mahal	31	0.733
2	Deputy District Education Officer (EE-M), Kamalia	12	0.300
3	Deputy District Education Officer (EE-M), Gojra	21	0.374
4	Deputy District Education Officer (EE-M), Toba Tek Singh	115	2.301
5	Deputy District Education Officer (EE-W), Toba Tek Singh	46	1.932
6	Deputy District Education Officer (EE-M), Pir Mahal	10	0.587
7	Deputy District Education Officer (EE-W), Gojra	82	1.829
Total		317	8.056

Audit is of the view that due to negligence, unauthorized payment of pay and allowances was made to the teachers which resulted in overpayment amounting to Rs 8.056 million to the concerned.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that recovery had been started and progress of recovery would be intimated in near future. Audit stressed to expedite recovery and produce record for verification to the extent of recovery effected.

DAC directed EDO (Education) to produce necessary record to Audit within a week besides effecting recovery of balance amount. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of overpaid amount of Rs 8.056 million from the concerned, under intimation to Audit.

[PDP Nos.57, 102, 62, 95, 122, 73, 135]

1.2.1.12 Execution of civil works without preparation of detailed design and estimates – Rs 6.541 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 during 2014-15, development works shall be got executed according to the Government approved design and specifications.

School Councils of twenty three primary/elementary schools under the administrative control of three Deputy District Education Officers incurred expenditure amounting to Rs 6.541 million on the construction/repair of toilet block, boundary wall, class rooms, soling etc. without preparation of rough cost estimates and approval of design. Detail is as under:

(Rupees in Million)			
Sr. No.	DDOs	No. of Schools	Amount
1	Deputy District Education Officer (EE-M), Kamalia	5	1.537
2	Deputy District Education Officer (EE-W), Gojra	14	4.404
3	Deputy District Education Officer (EE-M), Toba Tek Singh	4	0.600
Total		23	6.541

Audit is of the view that due to violation of the School Council’s Policy, expenditure was incurred on the civil works without preparation of rough cost estimates and approval of design which resulted in irregular expenditure amounting to Rs 6.541 million.

The matter was reported to the DCO and DDOs concerned in September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that expenditure was incurred after approval by the School Councils.

Audit did not agree because works were required to be executed after approval of estimates and design by the Competent Authority.

DAC directed EDO (Education) to ensure regularization of expenditure from Competent Authority and report progress to Audit. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for execution of work without preparation of rough cost estimates, under intimation to Audit.

[PDP Nos.103, 134, 98]

1.2.1.13 Utilization of bricks without ensuring standard specifications and testing – Rs 6.480 million

According to Composite Schedule Rates (CSR)-1964, the standard specification for 1st class bricks is 2000 Pound per Square Inch (PSI). 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 2000 PSI bricks, the utilization of bricks having crushing strength 1700 PSI was allowed with recovery @ Rs 0.30 per brick from all running/final bills of the contractors.

District Officer (Roads) and Assistant Director (Local Government), Toba Tek Singh executed eight works for construction/improvement of roads, soling, boundary wall and drains during 2015-16. However, 1.080 million bricks costing Rs 6.480 million were utilized in these works (**Annex-D**). Contrary to the above, the bricks were used without observing and ensuring the standards to measure the strength because no test reports were available in the record. In the absence of test reports, the authenticity of utilization of standard bricks could not be proved, as detailed in the following table:

(Rupees in Million)

Sr. No.	DDOs	Quantity of Bricks Utilized	Cost of Bricks
1	District Officer (Roads), Toba Tek Singh	903,384	5.420
2	Assistant Director (Local Government), Toba Tek Singh	176,735	1.060
Total		1,080,119	6.480

Audit is of the view that due to weak monitoring mechanism and internal controls, works were executed without ensuring specifications, standards and testing of bricks costing Rs 6.480 million which resulted in execution/acceptance of substandard works.

The matter was reported to the DCO and DDOs concerned in September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that brick samples had already been collected for testing and recovery would be made accordingly. However, partial recovery from the two works had been made. Audit stressed to produce results of test reports at the earliest besides verification of record regarding recovery effected.

DAC directed DO (Roads) to ensure production of the test reports alongwith record of recovery to Audit for verification within a week. No progress was intimated to Audit till the finalization of this Report.

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

[PDP Nos.141, 38]

1.2.1.14 Execution of items not provided in estimate – Rs 5.939 million

According to Conditions of the work orders, the Deputy District Officer (Buildings) Sub-Division Toba Tek Singh gave necessary directions to contractors that they should ensure that the works are executed strictly in accordance with the approved specifications and observance of strict financial

regularities. He should also ensure that quantities and specifications as mentioned in technical sanctioned estimate are not changed without the prior approval of the Competent Authority.

District Officer (Buildings), Toba Tek Singh executed following three civil works for provision of missing infrastructure in hospitals and construction of building during 2015-16. The works were awarded to contractors at an agreement cost of Rs 81.473 million. Contrary to the above, payment of Rs 5.939 million was made to the contractors against execution of various items which were either not provided in technically sanctioned estimates or excess quantities of items were executed in comparison to provisions of estimates (**Annex-E**). The detail is given below:

(Rupees in Million)

Sr. No.	Name of Work	Agreement Cost	Excess Payment Beyond Estimated Provision
1	Provision of missing infrastructure in District Headquarters Hospital, Toba Tek Singh	20.000	4.296
2	Missing infrastructure in Tehsil Headquarters Hospital, Kamalia	16.849	1.107
3	Construction of District Education Complex, Toba Tek Singh	44.624	0.536
Total		81.473	5.939

Audit is of the view that due to financial indiscipline and negligence, excess payment of Rs 5.939 million was made to contractors beyond provisions of estimates and contractual provisions.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that the items executed in schemes at Sr.No.1&2 had now been technically sanctioned by the Competent Authority. However, payment against items executed in the scheme at Sr.No.3 had been withheld. Audit stressed to produce relevant record and revised estimates approved by the Competent Authority.

DAC directed District Officer (Buildings) to produce relevant record to Audit for verification within two weeks. No progress was intimated to Audit till the finalization of this Report.

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

[PDP Nos.114, 108, 112]

1.2.1.15 Unauthorized withdrawal of Conveyance Allowance – Rs 5.753 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.

Contrary to the above, eight DDOs of Education Department, Toba Tek Singh made payment of Conveyance Allowance amounting to Rs 5.753 million during summer/winter vacation and leave period during 2015-16, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Deputy District Education Officer (EE-M), Kamalia	0.667
2	Government Girls High School 689/31GB, Pir Mahal	0.114
3	Deputy District Education Officer (EE-W), Gojra	3.196
4	Government Girls High School No.2, Kamalia	0.008
5	Government Girls High School No.2, Kamalia	0.058
6	Deputy District Education Officer (EE-M), Gojra	0.293
7	Deputy District Education Officer (EE-M), Toba Tek Singh	1.327
8	Deputy District Education Officer (EE-W), Pir Mahal	0.090
Total		5.753

Audit is of the view that due to violation of rules, payment of inadmissible Conveyance Allowance amounting to Rs 5.753 million resulted in overpayment to the employees.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that partial recovery had already been made. District Accounts Office (DAO) Toba Tek Singh had been instructed for remaining recovery. Audit stressed to produce record for verification and expedite the balance recovery from the employees.

DAC directed EDO (Education) to ensure production of record and recovery of balance amount within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of excess paid amount of Rs 5.753 million from concerned at the earliest, under intimation to Audit.

[PDP Nos.101, 5, 133, 4, 3, 63, 96, 58]

1.2.1.16 Irregular expenditure on POL – Rs 5.382 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 dated 23.05.2011, following instructions were issued for the operation of generators:

1. Per hour consumption may be determined and recorded on the log book. An officer may be deputed to authenticate the entries.
2. A register be maintained to record load-shedding by a separate person and got countersigned from WAPDA Division concerned.

3. Head of the institution may compare both the registers/record to ensure proper consumption of POL.
4. Another register may be maintained to enter the POL requisition slip which may be crosschecked at the time of submission of bill.

As a rule of thumb, Medical Superintendent should analyze both the electricity and POL billing to see the trend of expenditure to avoid pilferage of POL. So, strict vigilance by Medical Superintendent and Accounts people is required.

Three DDOs of Health Department, Toba Tek Singh incurred expenditure amounting to Rs 5.382 million against procurement of fuel for vehicle/generator during 2014-16, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount	Remarks
1	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	1.602	POL for ambulance
2	Senior Medical Officer, Nia Lahore	0.975	POL for generator
3	Medical Superintendent, District Headquarters Hospital, Toba Tek Singh	2.805	POL for ambulance
Total		5.382	

However, following irregularities/discrepancies were noted in this regard:

- i. Speedometers/milometers of the vehicles were not got sealed;
- ii. Patient referral protocols were not properly observed and same contact numbers were repeated by showing referral of different patients;
- iii. Evidence of arrival of patients at referred health facility was not available;

- iv. An officer was not deputed to authenticate the entries made in the log book of generator with physical verification of meter reading.
- v. A register was not maintained to record the timing of load-shedding.
- vi. Senior Medical Officer did not compare both the registers/record to ensure proper consumption of POL.
- vii. Load-shedding register/log book of generator were not maintained and got countersigned from concerned WAPDA Division.
- viii. Another register was not maintained to enter the POL requisition slips to crosscheck at the time of submission of bill by the contractor.
- ix. Senior Medical Officer did not analyze both the electricity and POL billing to see the trend of expenditure.

Audit is of the view that due to weak internal controls and violation of the Government instructions, expenditure was incurred without observing above referred instructions. Drawl of POL without observing the Government instructions resulted in irregular expenditure amounting to Rs 5.382 million.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that expenditure on POL of generator was made according to the meter reading and above instruction had been implemented in letter and spirit. Further, compliance would be shown to Audit regarding sealing of speedometers. Audit did not agree because no record was provided at the time of audit and stressed to produce documentary evidence in support of reply.

DAC directed EDO (Health) to ensure production of documentary evidence in support of reply within a week. No progress was intimated to 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.158, 45, 89]

1.2.1.17 Non-imposition of penalty for delay in completion of works – Rs 4.882 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 programme of work, as approved by the Engineer-in-Charge or any amended programme of work approved by the Engineer-in-Charge from time to time (time and quality being deemed to be the essence of the contract on the part of the contractor) 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.

District Officer (Roads), Toba Tek Singh awarded three works costing Rs 48.823 million for widening/improvement of roads during 2013-14 and 2014-15. The works were required to be completed in November and December, 2015 & March, 2016. However, contractors failed to complete the work within stipulated period provided in agreement and works remained incomplete till September, 2016. Contrary to the above, authorities did not impose penalty amounting to Rs 4.882 million for delay in completion of schemes, as detailed below:

(Rupees in Million)

Sr. No.	Name of Work	Work Order No./Date	Stipulated Date of Completion	Physical Progress of Work	Cost of Scheme	Amount of Penalty @ 10%
1	Widening and repair/ improvement of road from Gojra Toba Road to 312/JB (Khothowali Chowk) via Chak No.315/JB (Kala Pahar) and Talwandi	713/11.05.15	10.12.2015	Work in Progress	42.322	4.232

Sr. No.	Name of Work	Work Order No./Date	Stipulated Date of Completion	Physical Progress of Work	Cost of Scheme	Amount of Penalty @ 10%
2	Improvement of road Chak No.244/GB (Kalan) to Chak No.245/GB (Talwandi) via Chak No.244/GB (Khurd)	1814/13.11.15	12.03.2016	Work in Progress	4.842	0.484
3	Improvement of road from Railway Phatak Road to Chak No.296/GB to Saimnala	1567/28.09.15	27.11.2015	Work in Progress	1.659	0.166
Total					48.823	4.882

Audit is of the view that due to non-adherence to contractual provisions and weak internal controls, works remained incomplete and penalty was not imposed. Non-imposition of penalty resulted in non-completion of works and loss to the Government exchequer amounting to Rs 4.882 million.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meetings held in October and November, 2016, it was replied that case for extension in time limit was under process. Audit stressed to produce record of time extension alongwith proof that application was received within due time, otherwise impose penalty.

DAC directed District Officer (Roads) to produce record of time extension by the Competent Authority and proof of application submitted within due time. No progress was intimated to 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 4.882 million, under intimation to Audit.

[PDP No.147]

1.2.1.18 Non-recovery of penalty for late supply – Rs 4.217 million

According to Clause 12 of Special Terms & Conditions contained in Work Order for the supply of desk benches/student chairs under the scheme “Provision of Missing Facilities”, if the firm fails to adhere to the delivery schedule and intends to seek extension thereof, it will be the sole discretion of the

School Council either to grant or refuse extension in delivery period or blacklist the firm and purchase the store at his risk and expense. The deposit at call/Performance Guarantee of the contractor/firm will be forfeited in favour of School Council. However, the extension in delivery period will be granted subject to Liquidated Damages @ 2 percent per month or part thereof, on the agreed amount of the remaining work order.

Ninety six Head Teachers working under the administrative control of Education Department, Toba Tek Singh issued supply orders costing Rs 34.428 million to various firms for supply of furniture during 2015-16. However, suppliers/firms failed to supply furniture within stipulated time period. Contrary to the above, Head Teachers did not take action to impose penalty due to delay in supply of furniture amounting to Rs 4.217 million. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	Financial Year	No. of Schools	Amount of Supply Orders	Amount of Penalty
1	Deputy District Education officer (EE-M), Gojra	2015-16	24	7.593	1.064
2	Deputy District Education officer (EE-M), Pir Mahal	2015-16	32	8.687	0.571
3	Deputy District Education officer (EE-W), Pir Mahal	2015-16	19	2.988	0.299
4	Deputy District Education officer (EE-W), Gojra	2015-16	21	4.285	0.632
5	Deputy District Education officer (EE-W), Toba Tek Singh	2015-16	64	10.875	1.651
Total			96	34.428	4.217

Audit is of the view that due to non-adherence to contractual provision, penalty for late supply of furniture was not recovered. Non-recovery of penalty amounting to Rs 4.217 million for late supply of furniture resulted in loss to the Government exchequer.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that Executive District Officer (Education) had been requested to

recover the damages for late supply @ 2 percent. Audit stressed for recovery of Liquidated Damages from the suppliers concerned and report progress to Audit.

DAC directed EDO (Education) to ensure recovery of Liquidated Damages from defaulting firms and report progress to Audit within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for non-imposition/recovery of penalty besides recovery of Rs 4.217 million at the earliest, under intimation to Audit.

[PDP Nos.61, 74, 60, 137, 117]

1.2.1.19 Irregular expenditure on Local Purchase of day to day medicine – Rs 4.162 million

According to 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, the bidder shall provide attested copy of valid drug license. The supplied drugs shall be accompanied with warranty certificate. Moreover, the contractor will be bound to provide the invoice of his source of purchase. Further, according to Paras 1, 2, 4 of ibid, Local Purchase in Government hospitals is allowed to ensure fulfillment of immediate needs of indoor patients on the prescription of authorized medical practitioner on case to case basis. Treatment register should be maintained encompassing name, registration number, address, diagnosis and description of medicines etc.

Medical Superintendents and Senior Medical Officer of various health facilities expended an amount of Rs 4.162 million on procurement of medicine out of 15 per cent local purchase of (day to day) medicine budget during 2015-16. The detail is given in following table:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	1.990
2	Medical Superintendent, Govt. Eye Cum General Hospital, Gojra	1.916
3	Senior Medical Officer, Rural Health Centre 316/GB	0.256
Total		4.162

Contrary to the above, the procurement was made in violation of prescribed Policy Guidelines and following discrepancies were noticed:

1. No prescription/recommendation for individual patients, on case to case basis, was made by the authorized medical practitioners.
2. Medicine of routine/common use were procured out of 15 percent Local Purchase of (day to day) Medicine Budget instead of procuring the same in bulk, out of 75 per cent Bulk Purchase of Medicine Budget through framework contract finalized by Government of the Punjab, Health Department.
3. Contractor neither provided authentic price list and manufacturing certificates nor it was demanded by the hospital authorities.
4. Central registration point procedure was not established.
5. Treatment register was not maintained encompassing name, registration number, address, diagnosis and description of medicine etc.

Audit is of the view that due to weak internal controls and negligence, Local Purchase of (day to day) medicine was made without observing the policy guidelines. Local Purchase of (day to day) medicine in violation of Policy Guidelines resulted in uneconomical / irregular procurement amounting to Rs 4.162 million.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016,

DDOs replied that the medicine had been purchased on the demand of various departments of the hospital after completing all the codal formalities in the best interest of poor patients. Audit did not agree because medicines were required to be procured on patient-wise indent or on case to case basis.

DAC directed EDO (Health) to investigate the matter and submit comprehensive report within a week. No progress was intimated to 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. 150, 22, 128]

1.2.1.20 Non-realization of the Government revenue – Rs 3.514 million

According to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund. Further, according to Rules 7 (1) & 9 (1) of the Punjab Sub-Treasury Rules, all moneys received shall, without undue delay, be paid in full into the Treasury. Moneys received as aforesaid shall not be appropriated to meet departmental expenditure nor otherwise kept apart from the Consolidated Fund. Furthermore, according to Government of the Punjab, Finance Department's letter No.FD(FR)V-6/2, dated 29.10.1978, in no case the Government money coming into the hands of a Government servant either on account of receipts of the Government or by way of withdrawal from the Treasury should be kept in a commercial bank except with the specific sanction of the Finance Department.

Twenty nine shops located outside Sports Stadium, Toba Tek Singh under the administrative control of District Officer (Sports), Toba Tek Singh were

leased out to different lessees on monthly rental basis. District Officer (Sports), Toba Tek Singh collected the rent amounting to Rs 1.879 million upto June, 2016 leaving a balance of Rs 1.635 million which remained un-recovered. Contrary to the above, the collected rent was deposited into commercial bank account of District Sports Committee, Toba Tek Singh instead of Government Treasury. Further, the amount deposited was drawn and utilized during 2014-16 by the Sports Committee without any authority.

Audit is of the view that due to negligence of authorities and financial indiscipline, rent of shops was not realized and the realized revenue was not got deposited into the Government Treasury. Non-realization of revenue and non-deposit of receipts into the Government Treasury and unauthorized utilization of receipts resulted in loss to the Government amounting to Rs 3.514 million.

The matter was reported to the DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that partial recovery had been made and final notices had been issued to defaulters for balance recovery. Audit stressed to recover rent of shops and to deposit all the receipts into the Government Treasury.

DAC directed District Officer (Sports) to get the matter clarified from the Competent Authority and to produce Demand & Collection register to Audit for verification of recovery within two weeks. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility for unauthorized utilization of receipts besides realization of the revenue into the Government Treasury amounting to Rs 3.514 million, under intimation to Audit.

[PDP Nos.99, 100]

1.2.1.21 Withdrawal of inadmissible Adhoc Allowance – Rs 3.162 million

According to Government of the Punjab, Finance Department order 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 etc.) is less than initial of relevant pay scales. But the total of both the 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-2010.

Contrary to the above, thirty doctors, working in Health Department Toba Tek Singh, including Senior/Medical Officers, Women Medical Officers, Dental Surgeon and specialist doctors drew an amount of Rs 3.162 million during 2014-16 on account of Adhoc Allowance-2010 @ 50 percent of Basic Pay besides drawing Health Sector Reform Allowance (HSRA), Health Professional Allowance (HPA) and Practice Compensatory Allowance (PCA) total of which was more than one month initial of their relevant pay scale, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Number of Doctors	Amount
1	Medical Superintendent, District Headquarters Hospital, TT Singh	17	1.449
2	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	05	0.277
3	Medical Superintendent, Eye cum General Hospital, Gojra	06	1.273
4	Senior Medical Officer, RHC, Nia Lahore	01	0.034
5	Senior Medical Officer, RHC, 316/GB	01	0.129
Total		30	3.162

Audit is of the view that due to non-compliance of Finance Department's instructions, inadmissible allowance was drawn by the employees. Payment of inadmissible Adhoc Allowance-2010 resulted in overpayment amounting to Rs 3.162 million to the employees.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meeting held in October, 2016, three DDOs replied that recovery would be made whereas two DDOs responded that Adhoc Allowance-2010 had been paid to doctors in the light of Government of the Punjab Finance Department letter dated 15.07.2010. Audit did not agree and stressed to recover the overdrawn amount of Adhoc allowance-2010.

DAC directed EDO (Health) to ensure recovery of overdrawn amount of Adhoc allowance, 2010 and report progress within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of Rs 3.162 million at the earliest, under intimation to Audit.

[PDP Nos.79, 151, 15, 41, 131]

1.2.1.22 Non-recovery of price variation from the contractor – Rs 3.117 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), Toba Tek Singh awarded work for widening/repair/improvement of road from Gojra Toba Road to Chak No.312/JB via Chak No.315/JB (Kala Pahar) and Talwandi in May, 2015. The contractor executed the work during May, 2015 to April, 2016. However, during execution of work, there

was more than 5 per cent decrease in price of bitumen as per monthly price variation notifications issued by Government of the Punjab, Finance Department. Contrary to the above, District Officer (Roads) did not recover/adjust price variation amounting to Rs 3.117 million in the bills of contractor.

Audit is of the view that due to negligence, recovery/adjustment of price variation was not made in the bills of contractor. Non-recovery/adjustment of price variation resulted in overpayment of Rs 3.117 million to the contractor.

The matter was reported to the DCO and District Officer (Roads) in September, 2016. In DAC meeting held in November, 2016, it was replied that necessary recovery would be made from the next running bill of the contractor. Audit stressed to ensure recovery of price variation.

DAC directed District Officer (Roads) to recover the amount of price variation from contractor and report progress to Audit. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of overpayment amounting to Rs 3.117 million from the concerned, under intimation to Audit.

[PDP No.143]

1.2.1.23 Irregular procurement of medicine – Rs 2.887 million

According to Clause 2 of Local Purchase Policy, issued by Government of the Punjab, Health Department vide letter No.SO(P-I)5/3-64/2008 dated 19.08.2008, local purchase costs the Government higher price in comparison to bulk purchases. 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. Further, according to Para 2 of Government of the Punjab, Health Department letter No.SO(P-I)3-64/2008 dated 04.10.2013, the purchase of medicine would be subject to the condition that 85 percent (75+10) of the budget for medicine would be utilized for bulk purchase and remaining 15 per cent on day to day purchase.

Medical Superintendent, District Headquarters Hospital, Toba Tek Singh made procurement of medicine from the 10 percent budget on quotations amounting to Rs 2.887 million instead of bulk purchase. Further, procurement was made on quotations at the rate more than offered by the contractor for Local Purchase of medicine which resulted in loss to the Government amounting to Rs 242,022.

Audit is of the view that due to weak internal controls and financial indiscipline, expenditure on procurement of medicine against 10 percent reserve stock was incurred on quotations instead of bulk purchase which resulted in irregular expenditure amounting to Rs 2.887 million and loss to public exchequer amounting to Rs 242,022.

The matter was reported to the DCO and DDO concerned in August, 2016. In DAC meeting held in November, 2016, it was replied that rate contract for bulk purchase of medicines was finalized in October, 2015. Therefore, medicines were purchased out of 10 percent of medicine budget reserved for emergencies and natural calamities, in the best interest of the patients. Audit did not agree because medicines were procured at excessive rates out of 10 percent budget which were required to be procured at the end of year on the pattern of 75 percent bulk purchase.

DAC directed EDO (Health) to investigate the matter and recover the amount paid due to rate difference. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides recovery of Rs 242,022 and regularization of expenditure, under intimation to Audit.

[PDP No.81]

1.2.1.24 Irregular expenditure without quotations/tenders – Rs 2.580 million

According to Rule 9 of the Punjab Procurement Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements and shall proceed accordingly without any splitting or regrouping. 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. The procuring agency shall, however, ensure that such procurement is in conformity with the principles of procurement. 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 but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

District Coordination Officer, Toba Tek Singh incurred expenditure of Rs 2.580 million on acquiring rental based Close Circuit Television (CCTV) cameras, transportation of goods, repair of transport and VVIPs entertainment 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, as detailed below:

(Rupees in Million)

Sr. No.	Description of Procurements	Amount
1	Rental based CCTV cameras on Local Bodies Elections 2015, Transportation of Goods and Repair of Transport	1.102
2	VVIP's Entertainment	1.478
Total		2.580

Audit is of the view that due to violation of PPRA Rules and lack of due diligence, expenditure was incurred without open competition. Procurement without open competition resulted in mis-procurement and irregular expenditure of Rs 2.580 million.

The matter was reported to the DCO and DDO concerned in August, 2016. In DAC meeting held in November, 2016, it was replied that the expenditure had been incurred under different heads of accounts and funds were released by EDO (F&P) on quarterly basis; hence, it was not possible to follow the PPRA Rules. Audit stressed to get the expenditure regularized because procurement was made in violation of procurement rules.

DAC directed District Officer (Coordination) to get the expenditure regularized from the Competent Authority.

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

[PDP Nos.10, 12]

1.2.1.25 Purchase of medicine beyond prescribed limit – Rs 2.502 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 to be consumed for bulk purchase and 15 percent to be consumed for local purchase of medicine.

DDOs of three health facilities incurred expenditure of Rs 3.761 million on procurement of medicine out of local purchase of medicine budget during 2015-16. Contrary to the above, excess expenditure of Rs 2.502 million in excess of the prescribed limit of 15 percent was incurred on local purchase of (day to day) medicine during the period. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	Total Budget	Expenditure to be Incurred (15%)	Expenditure Incurred	Excess Expenditure	Percentage of Excess Expenditure
1	Senior Medical Officer, Rural Health Centre, Rajana	2.894	0.434	1.332	0.898	31%
2	Senior Medical Officer, Rural Health Centre, Nia Lahore	3.000	0.450	1.264	0.814	27%

Sr. No.	DDOs	Total Budget	Expenditure to be Incurred (15%)	Expenditure Incurred	Excess Expenditure	Percentage of Excess Expenditure
3	Senior Medical Officer, Rural Health Centre, Aroti	2.500	0.375	1.165	0.790	32%
	Total	8.394	1.259	3.761	2.502	

Audit is of the view that due to weak internal controls and non-compliance of prescribed criterion, excess expenditure on local purchase of (day to day) medicine was incurred than the prescribed limit. Incurrence of expenditure amounting to Rs 2.502 million beyond prescribed limit resulted in violation of the Government instructions.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, two DDOs replied that procurement was made to ensure 100 percent availability of standard/essential medicines. Other DDO replied that due to non-supply of medicine by the firms, the medicines were purchased from local market for smooth running of health facility. Audit did not agree because the medicine was purchased beyond the prescribed limit without approval from the Competent Authority.

DAC directed EDO (Health) to get the expenditure regularized from the Competent Authority. No progress was intimated to 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.52, 44, 9]

1.2.1.26 Excess drawl of Personal Allowance – Rs 1.966 million

According to Government of the Punjab, Health Department letter No.SO(ND)2-26 2004, (P-II) dated 12.07.2011 read with Para 6 of the Policy letter issued by Government of the Punjab, Services and General Administration

Department bearing No.DS(O&M)-5-3/2004(Contract) (MF) dated 14.10.2009, the increments already earned by the employees during contract appointments were allowed to be converted into Personal Allowance on regularization of their services.

Services of twenty employees working under the administrative control of three DDOs were regularized in 2009-11. However, they were found drawing Personal Allowance at excessive rates as compared to increments earned by them during period of contract appointment involving overpayment of Rs 1.966 million, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Amount
1	Executive District Officer (Health), TT Singh	14	1.785
2	Senior Medical Officer, RHC, Sandhilianwali	01	0.020
3	Senior Medical Officer, RHC, 316 GB	05	0.161
Total		20	1.966

Audit is of the view that due to weak internal controls and negligence, Personal Allowance was drawn at excessive rates. Withdrawal of Personal Allowance at excessive rates resulted in overpayment of Rs 1.966 million to the employees.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, EDO (Health) replied that notice had been issued for recovery but officers concerned replied that recovery of Personal Allowance was unjustified. Audit did not agree and stressed to effect recovery on account of withdrawal of Personal Allowance at excessive rates.

DAC directed EDO (Health) to investigate the matter and recover the amount if found overdrawn and report progress to Audit within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of overpaid Personal Allowance amounting to Rs 1.966 million besides stoppage of further payment, under intimation to Audit.

[PDP Nos.25, 71, 127]

1.2.1.27 Irregular payment on account of price escalation – Rs 1.634 million

According to Clause 55(8) of Contract Agreement, no escalation shall be allowed to the contractor in respect of the period extended for the completion of work due to his own fault. Further, according to the Government of the Punjab, P&D Department Notification No.1(8)PO(Coord-I)P&D/2012 dated 26.07.2012, no cushion should be provided in cost estimates for TS/escalation cost etc. for fully funded schemes.

District Officer (Buildings), Toba Tek Singh awarded work Construction of Special Education Centre, Gojra to contractor in January, 2010 with completion period upto August, 2011. The works were not completed within stipulated time despite the fact that funds were available since 2010. However, price variation amounting to Rs 10.358 million was paid to contractor for the works executed upto June, 2016, out of total price variation amount of Rs 1.634 million was paid in 2015-16. Contrary to the above, price escalation was paid without justification of delay in completion of scheme.

Audit is of the view that due to negligence, price variation was paid for the works executed after expiry of stipulated time. Non-completion of schemes within stipulated time and payment of price variation resulted in loss of Rs 1.634 million to the Government.

The matter was reported to DCO and DDO concerned in September, 2016. In DAC meeting held in November, 2016, it was replied that due to financial constraints of District Government, execution and timely completion of

these works suffered badly and the contactors had to abandon works. Audit stressed to investigate the matter.

DAC directed District Officer (Buildings) to investigate the matter and submit comprehensive report within two weeks for undue delay in completion of works which resulted in payment of price variation. No progress was intimated to Audit till the finalization of this Report.

Audit recommends investigation besides fixing of responsibility for payment of price escalation, under intimation to Audit.

[PDP No.109]

1.2.1.28 Irregular expenditure out of funds drawn in advance from Government Treasury – Rs 1.500 million

According to Para 2 of Government of the Punjab, Finance Department letter No.SO(H-I) 15-12/2016 dated 05.04.2016, Finance Department agrees to allow one time advance withdrawal of funds from Account-IV in favour of Medical Superintendents in case of THQ Hospital up to Rs 0.500 million, subject to following conditions that;

- i. The amount will not be drawn in cash and payment will be made through crossed cheque.
- ii. Vouched account with supporting vouchers / documents to be furnished to District Accounts Officer within one month of the withdrawal of advance for adjustment in the books of account.
- iii. All expenditure shall be incurred after observing provisions of Punjab Procurement Rules, 2014, and the PFR (Keeping of vouched accounts etc. Income Tax / Sales Tax deduction etc.)

The funds will be utilized on following functions:

- a) Replacement of damaged bed mattresses in a phased manner.

- b) Repair and maintenance of all air-conditioners, installation of additional transformers, replacement of wiring to support air-conditioners may also be purchased.
- c) Repair and maintenance of all generators currently installed at DHQ/THQ Hospitals and RHCs.

Medical Superintendents of two hospitals of Health Department District Government, Toba Tek Singh withdrew funds amounting to Rs 1.500 million in advance form the Government Treasury during 2015-16.

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Medical Superintendent District Headquarters Hospital, TT Singh	1.000
2	Medical Superintendent, Government Eye Cum General Hospital, Gojra	0.500
Total		1.500

Contrary to the above, funds were utilized in violation of above instructions due to the following reasons:

1. Unauthorized expenditure of Rs 853,730 was incurred on iron beds repair and spray paint, power supply of dialysis machine, repair of oxygen alarm system, dialyses machine, incinerator and x-ray machine.
2. Expenditure of Rs 774,119 was incurred by splitting the expenditure without calling quotations / advertisement on PPRA's website.
3. Punjab Sales Tax on Services amounting to Rs 39,808 and Income Tax amounting to Rs 30,000 was deducted but not deposited into Government Treasury.
4. All payments were made in cash instead of crossed cheques; and
5. Vouched accounts with supporting documents were not furnished to District Accounts Office for adjustment in accounts.

Audit is of the view that due to non-observance of stipulated instructions, expenditure was incurred in violation of above instructions.

Violation of above instructions resulted in irregular expenditure of Rs 1.500 million.

The matter was reported to DCO and DDOs concerned in August, 2016. In DAC meetings held in October and November, 2016, DDOs replied that repair of the iron beds, spray paint, power supply of dialysis machine etc. were made in emergency as per the instruction of the District Government. However, all the suppliers/firms were directed to deposit the Income Tax. In future the payments would be made through crossed cheques. The reply was not tenable because expenditure was made in violation of the instructions.

DAC directed EDO (Health) to get the expenditure regularized from the Competent Authority. No progress was intimated to 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.86, 20]

1.2.1.29 Irregular expenditure without quotations – Rs 1.338 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. The procuring agency shall, however, ensure that such procurement is in conformity with the principles of procurement.

Two Drawing & Disbursing Officers of Education Department, Toba Tek Singh incurred expenditure of Rs 1.338 million for purchase of white wash

material, furniture, uniforms, white boards and different items of other stores 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, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Headmaster, Government High School No.2, Kamalia	0.908
2	Deputy District Education Officer (EE-M), Gojra	0.430
Total		1.338

Audit is of the view that due to financial mis-management, expenditure was incurred without calling quotations. Procurement without calling quotations resulted in mis-procurement and irregular expenditure of Rs 1.338 million.

The matter was reported to DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that during the financial year 2015-16, NSB funds were allocated in quarterly installments. In view of stated situation, calling of quotations/tenders was not possible. Audit did not agree because procurement was made by splitting the cost of purchases to avoid competition.

DAC directed EDO (Education) to get the expenditure regularized from the Competent Authority and report progress to Audit within a week. No progress was intimated to 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.1, 68]

1.2.1.30 Non-recovery of Penal Rent, House Rent Allowance and Conveyance Allowance – Rs 1.306 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, the officials provided with Government residences above their entitlement are required to pay House Rent @ 10 percent of the maximum of the scale for which the residence occupied was actually meant. 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. Furthermore, according to Government of the Punjab, Finance Department letter No.SO(PW-11-I&L(24)76 dated 27.09.1980, in case of un-authorized occupation, Penal Rent @ 60 percent of the pay of the unauthorized occupant is recoverable.

Twenty three employees of various health facilities were residing in the colonies situated in the same work premises and drew Conveyance Allowance & House Rent Allowance amounting to Rs 0.645 million and House Rent charges, @ 5 per cent & 10 per cent, amounting to Rs 0.052 million was also not deducted from salaries of said employees during 2014-16. Further, penal rent amounting to Rs 0.609 million was also not recovered from illegal occupants of residences. The DDOs concerned did not take action for recovery of excess paid amount of Rs 1.306 million. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Conveyance Allowance	10% of the Maximum of Scale	HR Allowance / Penal Rent	5% HR Charges	Total Amount
1	Medical Superintendent District Head Quarter Hospital, TT Singh	02	-	0.032	-	0.002	0.034

Sr. No.	DDOs	No. of Employees	Conveyance Allowance	10% of the Maximum of Scale	HR Allowance / Penal Rent	5% HR Charges	Total Amount
2	Senior Medical Officer, Rural Health Center, Rajana	01	-	-	0.027	-	0.027
3	Medical Superintendent Tehsil Head Quarter Hospital, Kamalia	08	0.095	-	0.076	0.018	0.189
4	Senior Medical Officer, Rural Health Center, Sandhlianwali	01	0.022	-	0.012	-	0.034
5	Senior Medical Officer, Rural Health Center, Aroti	05	0.086	-	0.046	-	0.132
6	Senior Medical Officer, Rural Health Center, 316 GB	03	0.145	-	0.044	-	0.189
7	Executive District Officer (Health), TT Singh	01	-	-	0.609	-	0.609
8	Senior Medical Officer, Rural Health Centre, Nia Lahore	02	0.063	-	0.029	-	0.092
Total		23	0.411	0.032	0.843	0.020	1.306

Audit is of the view that due to non-compliance of Finance Department's instructions, employees drew inadmissible allowances. Withdrawal of inadmissible allowances and non-recovery of Penal Rent resulted in excess payment amounting to Rs 1.306 million to the employees.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meeting held in November, 2016, DDOs replied that employees concerned were directed to deposit the recoverable amount. Audit stressed to expedite recovery of overpaid amount.

DAC directed EDO (Health) to recover the excess paid amount at the earliest and report progress to Audit within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery amounting to Rs 1.306 million from the employees concerned at the earliest, under intimation to Audit.

[PDP Nos.87, 53, 152, 70, 8, 130, 27, 42]

1.2.1.31 Non-recovery of permit / license fee from the business entities – Rs 1.244 million

According to Notification No.736/DGT dated 16.06.2003 and Notification No.760/DO(E&T) dated 04.12.2005, District Council, Toba Tek Singh levied tax on license/permit fee on marble factories, rice mills, sugar mills, power looms, brick kilns, petrol pumps, cotton factories, diesel laboratories, gas cylinder agencies, fireworks, ice factories, soda water factories, wood sellers etc. Further, according to Rule 76(1) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, the primary obligation of the collecting officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

District Coordination Officer, Toba Tek Singh did not recover an amount of Rs 1.244 million during 2015-16 on account of license / permit fee outstanding against business entities such as marble factories, rice mills, sugar mills, power looms, brick kilns, petrol pumps etc. No efforts were made to recover the outstanding arrears from the business holders. **(Annex-F)**

Audit is of the view that due to negligence and monitoring mechanism, license/ permit fee was not recovered from the business entities. Non-recovery of fee resulted in depriving the Government from income of Rs 1.244 million.

The matter was reported to DCO and DDO concerned in August, 2016. In DAC meeting held in November, 2016, it was replied that recovery would be shown to Audit after detailed scrutiny of record. Audit stressed to ensure recovery of permit/license fee at the earliest.

DAC directed District Officer (Coordination) to ensure recovery of permit fee/license fee and report progress to Audit. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned, besides recovery of Rs 1.244 million, under intimation to Audit.

[PDP No.11]

1.2.1.32 Unauthorized payment of Sales Tax – Rs 1.238 million

According to Serial No.52A of Sixth Schedule of Sales Tax Act, 1990, hospitals having more than 50 beds are exempt 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, the Federal Tax Ombudsman decided that the 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, Federal Board of Revenue / Revenue Division preferred representation No.1(572)S(TO-II)/2011 dated 19.09.2011 to the President of Pakistan, where the President of Pakistan dismissed the representation of the Federal Board of Revenue.

Contrary to the above, Medical Superintendents of three health facilities made payment of Rs 1.238 million to Faisalabad Electricity Supply Company (FESCO) on account of General Sales Tax included in electricity bills of 2015-16. Efforts were not made to claim Sales Tax exemption on the basis of above decisions. The detail is as under:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Medical Superintendent, Government Eye Cum General Hospital, Gojra	0.367
2	Medical Superintendent, District Headquarters Hospital, Toba Tek Singh	0.614
3	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	0.257
Total		1.238

Audit is of the view that due to weak internal controls, payment of General Sales Tax was made on exempted supplies. Payment of General Sales Tax on exempted supplies amounting to Rs 1.238 million resulted in extra burden on District Fund.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that the case of irregular payment of Sales Tax on electricity had already been sent to the FESCO. Audit stressed to ensure adjustment/refund of unjustified General Sales Tax at the earliest.

DAC directed EDO (Health) to take necessary action for recovery and report progress to Audit within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery/adjustment of Sales Tax amounting to Rs 1.238 million, under intimation to Audit.

[PDP Nos.23, 90, 156]

1.2.1.33 Irregular expenditure in violation of procurement rules – Rs 1.173 million

According to Rule 14 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 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.

School Councils of five elementary/high schools under the administrative control of Deputy District Officer (EE-M), Gojra and Headmaster, Government High School No.2, Kamalia incurred expenditure of Rs 1.173 million

on procurement of goods and execution of civil works without advertisement on the PPRA website and tendering in violation of above rule, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Amount
1	Government High School No.2, Kamalia	1	0.312
2	Deputy District Education Officer (EE-M), Gojra	5	0.861
	Total	6	1.173

Audit is of the view that due to non-adherence to procurement rules, expenditure was incurred without advertisement on website of the Authority and tendering which resulted in irregular expenditure amounting to Rs 1.173 million in violation of rules.

The matter was reported to DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that NSB funds were allocated in quarterly installments. In view of stated situation, calling of quotations/tenders was not possible. Audit did not agree because procurement was made without advertisement on PPRA's website.

DAC directed EDO (Education) to get the expenditure regularized from the Competent Authority and report progress to Audit within a week. No progress was intimated to 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.2, 66]

1.2.1.34 Unauthorized payment of pay and allowances – Rs 1.147 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.

Sixteen employees working under following DDOs drew inadmissible pay and allowances amounting to Rs 1.147 million due to the reasons mentioned against each.

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Designation	Period	Amount	Observation
1	Medical Superintendent, District Headquarters Hospital, TT Singh	15	Principal Dental Surgeon	26.07.2015 to 31.12.2015	0.760	Salaries were paid after death of employee dated 26.07.2015.
			Senior Gynecologist	23.05.2016 to 31.05.2016	0.044	Salaries were paid after retirement w.e.f. 23.05.2016
			Women Medical Officer	30.05.2016 to 30.06.2016	0.069	Salaries were paid for absent period w.e.f. 30.05.2016
			Dental Surgeon	01.12.2015 to 29.02.2016	0.025	Drew HSRA at excessive rate and inadmissible PCA
			11 employees	2015-16	0.150	Drew CA, HSRA, Mess and Dress Allowance during leave
2	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	01		2015-16	0.099	Drew pay and allowances during absent period and one month pay in lieu of one month prior notice for resignation
Total		16			1.147	

Audit is of the view that due to weak internal controls, payment of inadmissible pay and allowances was made which resulted in excess payment

amounting to Rs 1.147 million to the employees and extra burden on public exchequer.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that partial recovery had been made and remaining amount would be recovered. However, HSRA, Mess and Dress Allowance could not be deducted during leave as per clarification of Government of the Punjab, Health Department. Audit stressed recovery at the earliest.

DAC directed EDO (Health) to ensure recovery of overdrawn amount and report progress to Audit within two weeks. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery of Rs 1.147 million at the earliest, under intimation to Audit.

[PDP Nos.82, 153]

1.2.1.35 Irregular payment beyond estimated provisions – Rs 1.028 million

According to Work Order for provision of missing infrastructure in District Headquarters Hospital, Toba Tek Singh issued vide No.Endst:3885-90 dated 25-08-2015, contractor should ensure that the work is executed strictly in accordance with the approved specifications and observance of strict financial regularities. He should also ensure that quantities and specifications as mentioned in technically sanctioned estimate are not changed without prior approval of Competent Authority. Further, according to Serial No.14 of the Instruction for Posting in Measurement Book (MB), all quantities should be clearly traceable into the document on which payments are made.

District Officer (Buildings), Toba Tek Singh awarded civil work for provision of missing infrastructure in District Headquarters Hospital, Toba Tek

Singh during 2015-16. The work was awarded to contractor at an agreement cost of Rs 20 million in August, 2015. Execution of work depicted that payment amounting to Rs 1.028 million was made to contractor against execution of item providing/laying water supply pipe line with D-class working pressure. Contrary to the above, payment was made to contractor without recording detailed measurements of execution of the work in MB and the item was also not provided in technically sanctioned estimate of the work.

Audit is of the view that due to weak internal controls and misuse of authority, payment was made to contractor in violation of estimated provisions and without recording details in MB. Violation of rule and contractual provisions resulted in irregular/excess payment of Rs 1.028 million to contractor.

The matter was reported to the DCO and DDO in September, 2016. In DAC meeting held in November, 2016, it was replied that the items in question had now been provided in the revised detailed estimates and technically sanctioned by the Competent Authority. Audit stressed to produce relevant record in support of reply.

DAC directed District Officer (Buildings) to produce relevant record to Audit for verification. No progress was intimated to 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.115]

1.2.1.36 Unauthorized drawl of allowances during leave – Rs 1.006 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. Further, 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, the Conveyance Allowance and HSRA will not be admissible to the officers/officials during leave period.

Fifty five employees working in six health facilities drew Conveyance Allowance, Health Sector Reform Allowance, Incentive Allowance, Dress Allowance and Mess Allowance amounting to Rs 1.006 million during leave for the period from July, 2014 to August, 2016. 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 below:

(Rupees in Million)

Sr. No.	DDOs	No. of Employees	Total
1	Senior Medical Officer Rural Health Center, Rajana	19	0.144
2	Medical Superintendent Tehsil Headquarters Hospital, Kamalia	09	0.167
3	Senior Medical Officer Rural Health Center, Sandhilian Wali	03	0.029
4	Executive District Officer (Health), TT Singh	07	0.169
5	Senior Medical Officer Rural Health Center, Nia Lahore	10	0.195
6	Medical Superintendent Eye cum General Hospital, Gojra	07	0.302
Total		55	1.006

Audit is of the view that due to non-compliance of rules, inadmissible allowances were drawn by the employees during leave period which resulted in overpayment of Rs 1.006 million.

The matter was reported to DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, Executive District Officer (Health) replied that partial recovery was effected and notices had been issued to employees concerned for remaining recovery. Audit stressed to produce record for verification and expedite recovery.

DAC directed EDO (Health) to effect recovery besides production of record to Audit for verification within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends recovery amounting to Rs 1.006 million from the concerned at the earliest, under intimation to Audit.

[PDP Nos.51, 154, 72, 26, 40, 17]

1.2.2 Performance

1.2.2.1 Non-obtaining Performance Security and Stamp Duty – Rs 1.485 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 District Headquarters, Tehsil Headquarters Hospitals, RHCs, BHUs in Punjab etc.) during the financial year 2015-16, shall issue notifications of Award/Advance Acceptance of Tender and subsequently contract and issue purchase orders against the rate finalized by the Health Department after receipt of Performance Security in the form of an irrecoverable Bank Guarantee equivalent to 5 per cent of the total contract amount and stamp duty @ 25 paise per every 100 rupees of the total value of the contract.

Medical Superintendents and Senior Medical Officer of three health facilities issued supply orders to different suppliers/firms for supply of medicine costing Rs 28.368 million out of 75 percent Bulk Purchase of Medicine Budget during 2015-16. Contrary to the above, procurement was made without obtaining Performance Security of Rs 1.419 million and Stamp Duty of Rs 0.066 million. The detail is given below:

(Rupees in Million)

Sr. No.	DDOs	Amount of Supply Orders	Amount of Performance Security	Amount of Stamp Duty	Total
1	Medical Superintendent, District Headquarters Hospital, Toba Tek Singh	20.101	1.005	0.050	1.055
2	Medical Superintendent, Tehsil Headquarters Hospital, Kamalia	6.495	0.325	0.016	0.341
3	Senior Medical Officer, Rural Health Center, Rajana	1.772	0.089	-	0.089
Total		28.368	1.419	0.066	1.485

Audit is of the view that due to negligence, Performance Security amounting to Rs 1.419 million and Stamp Duty of Rs 0.066 million were not obtained which resulted in violation of Government instructions and loss to public exchequer.

The matter was reported to DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, DDOs replied that after consolidation of supply orders at district level, Executive District Officer (Health) Toba Tek Singh issued consolidated supply orders to the firms concerned after obtaining the Performance Security. Audit did not agree because obtaining of Performance Security and Stamp Duty was the responsibility of authority issuing supply orders.

DAC directed EDO (Health) to investigate the matter regarding non-obtaining of Performance Security/recovery of Stamp Duty and report progress to Audit. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned besides regularization of matter from the Competent Authority and recovery of Stamp Duty amounting to Rs 0.066 million, under intimation to Audit.

[PDP Nos.83, 159, 54]

1.2.2.2 Non-obtaining Performance Guarantee – Rs 1.192 million

According to Condition-2 of Standard Tender Document issued by the Executive District Officer (Education), Toba Tek Singh, 10 percent Performance Guarantee would be obtained at the amount of work order from the successful bidders.

School Councils of forty four elementary and primary schools working under the administrative control of two DDOs of Education Department, Toba Tek Singh issued supply orders to different suppliers/firms amounting to Rs 11.920 million without obtaining Performance Guarantee of Rs 1.192 million, as detailed in the following table:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Amount of Supply Orders	Amount of Performance Guarantee
1	Deputy District Education Officer (EE-W), Gojra	20	4.327	0.433
2	Deputy District Education Officer (EE-M), Gojra	24	7.593	0.759
Total		44	11.920	1.192

Audit is of the view that due to weak internal controls and negligence, Performance Guarantee amounting to Rs 1.192 million was not obtained which resulted in violation of above referred instructions.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meetings held in October and November, 2016, it was replied that due to negligence of the School Councils, Performance Guarantee was not obtained from the supplier. However, the amount of bid security would be forfeited in favor of the Government. Audit stressed to take necessary action against the defaulting firm and produce status of supply of furniture.

DAC directed EDO (Education) to ensure necessary action against the defaulting firm and production of record to Audit for verification within a week. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned, blacklisting of defaulting firm and forfeiture of bid security, under intimation to Audit.

[PDP Nos.64, 136]

1.2.3 Internal Control Weaknesses

1.2.3.1 Block allocation of funds in Annual Budget Estimates – Rs 79.212 million

According to Rule 58(5) of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, no lump sum provisions shall be made in the budget the details of which cannot be explained.

District Government, Toba Tek Singh appropriated funds amounting to Rs 79.212 million as block allocation against unapproved new schemes in Annual Budget Estimates for the financial year 2015-16. Contrary to the above, block allocation of funds was made, detail of which was not explained in Budget Estimates.

Audit is of the view that due to lack of planning, block allocation of funds was made against unidentified expenditure. Block allocation of Rs 79.212 million resulted in irregular appropriation of funds.

The matter was reported to the DCO and DDO concerned in August, 2016. In DAC meeting held in November, 2016, it was replied that at the time of approval of Annual Budget, development schemes were awaited. Later on, schemes of public interest were identified against total block allocation by Public representatives. Audit did not agree because block allocation was made in violation of rules and stressed to produce list of approved Annual Development Program.

DAC directed District Officer (Planning) to produce approved ADP containing development schemes. No progress was intimated to 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.28]

1.2.3.2 Non-utilization of funds of Non-Salary Budget – Rs 36.311 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 one hundred and fifty five elementary and primary schools working under the administrative control of six Deputy District Education Officers, could not utilize funds released under Non Salary Budget during 2015-16 and the funds amounting to Rs 36.311 million (70 per cent) remained unutilized till June, 2016, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	No. of Schools	Allocation for the Year	Expenditure During the Year	Funds Remained Unutilized	%age Non-Utilization
1	Deputy District Education Officer (EE-M), Kamalia	33	10.002	4.188	5.814	58%
2	Deputy District Education Officer (EE-W), Gojra	52	15.982	-	15.982	100%
3	Deputy District Education Officer (EE-M), Gojra	21	6.660	3.346	3.314	50%
4	Deputy District Education Officer (EE-M), TT Singh	09	4.286	1.990	2.996	70%
5	Deputy District Education Officer (EE-W), Pir Mahal	11	3.323	1.030	2.293	69%
6	Deputy District Education Officer (EE-W), Kamalia	29	11.501	5.589	5.912	51%
Total		155	51.754	16.143	36.311	70%

Audit is of the view that due to weak management and monitoring mechanism, funds could not be utilized. Non-utilization of funds amounting to Rs 36.311 million resulted in blockage of resources.

The matter was reported to the DCO and DDOs concerned in August and September, 2016. In DAC meeting held in October, 2016, DDOs replied that, most of the schools had utilized the funds and warnings had been issued to schools which could not utilize funds. Audit stressed to produce record in support of reply for verification.

DAC directed EDO (Education) to ensure production of necessary record to Audit for verification within a week. No progress was intimated to 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.104, 138, 67, 97, 56, 49]

1.2.3.3 Non-maintenance of record – Rs 12.219 million

According to Rule 3(1) & (2) of the Punjab Local Government (Accounts) Rules, 2008, all transactions of the Local Government involving money out of District/Local Fund shall be brought to accounts subject to the provisions of the Ordinance, the accounts of the receipts and expenditure of the Local Government shall be kept in such form and in accordance with such principles and methods as the Auditor General of Pakistan has prescribed in the Manual or New Accounting Model.

Deputy District Officer (Health), Toba Tek Singh incurred an expenditure of Rs 12.219 million under different objects/codes of classification during 2007-12. The requisite record in support of expenditure was neither maintained nor produced to Audit, as detailed in the following table:

(Rupees in Million)

DDO	Detail of Record not Maintained	Amount
Deputy District Officer (Health), Toba Tek Singh	Vouched accounts, sanctions, stock register and payroll for the financial years 2007-12 and reconciled expenditure statements for the financial years 2007-10	12.219

Audit is of the view that due to financial indiscipline and negligence, record was not maintained and produced to Audit for verification. Non-maintenance of record amounting to Rs 12.219 million created doubt about the legitimacy of the expenditure.

The matter was reported to the DCO and DDO concerned in August, 2016. In DAC meeting held in November, 2016, it was replied that disciplinary action had been initiated against the then Accounts Clerk of the office concerned. Audit stressed to investigate the matter and ensure early production of auditable record for verification.

DAC directed EDO (Health) to investigate the matter and ensure early production of record to Audit for verification. No progress was intimated to Audit till the finalization of this Report.

Audit recommends fixing of responsibility against the concerned for non-maintenance/non-production of record, under intimation to Audit.

[PDP No.14]

1.2.3.4 Irregular payment through open cheques – Rs 2.741 million

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 Officer (DDOs). The DDO, while submitting the bill at the pre-audit counter of Accountant General / District Accounts Officer, shall record an endorsement on the bill requiring separate cross cheque to be issued in favor of contractor / supplier.

Two DDOs of Health Department, Toba Tek Singh made payment of Rs 2.741 million to different suppliers/contractors during 2015-16. Contrary to the above, bank statements of DDO bank accounts depicted that payments above Rs 100,000 were made through open cheques instead of making payments through crossed cheques, as detailed below:

(Rupees in Million)

Sr. No.	DDOs	Amount
1	Senior Medical Officer, RHC, Nia Lahore	0.924
2	Medical Superintendent, Govt. Eye Cum General Hospital, Gojra	1.817
Total		2.741

Audit is of the view that due to weak internal and financial controls, payments amounting to Rs 2.741 million were made through open cheques which resulted in violation of the Government instructions.

The matter was reported to the DCO and DDOs concerned in August, 2016. In DAC meetings held in October and November, 2016, Senior Medical Officer, RHC, Nia Lahore replied that cheques were issued to suppliers for petty payments. Medical Superintendent, Eye Cum General Hospital, Gojra replied that Local Purchase of medicine was made through open cheques. The reply was not tenable because payments were made in violation of rules.

DAC directed EDO (Health) to furnish proper justification for payment through open cheques and production of necessary record to Audit for verification within a week. No progress was intimated to 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.46, 19]

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
Government High School No.2, Kamalia	1	2	Unauthorized expenditure beyond the competency of School Council	0.880
	2	3	Non-recovery due to illegal advance increments and extra ordinary leave without pay	0.048
	3	5	Un-justified procurement of white wash items	0.075
	4	7	Un-justified expenditure on procurements	0.069
Government Girls High School, 689/31 GB,TTS	5	1	Unauthorized expenditure beyond the competency of School Council	0.319
	6	2	Irregular purchase of furniture by School Council on framework contract executed by EDO (Education)	0.401
	7	4	Irregular expenditure due to operation of bank account by single signatory	0.808
	8	5	Irregular advance withdrawal of funds without Pre-Audit	0.280
	9	7	Excess payment of allowances and non-deduction of BF & GI due to regularization of services of contract employee	0.050
	10	8	Overpayment of General Sales Tax	0.009
RHC, Aroti TTS	11	2	Non-purchase of medicine at risk and cost of original suppliers	0.132
	12	4	Non-blacklisting of firms and non-forfeiture of Performance Security due to non-supply of medicine	0.364
	13	5	Overpayment of General Sales Tax	0.074
	14	6	Irregular purchase of day to day medicine	0.766
	15	8	Overpayment due to purchase of x-ray films at excessive rate	0.037
	16	9	Unauthorized payment for procurement of substandard medicine	0.029
DCO, Toba Tek Singh	17	4	Excess drawl of POL for Generator	0.187
	18	5	Award of lease without open auction	0.110
	19	6	Irregular expenditure on the repair of transport	0.253
	20	7	Mis-procurement through collusive practices	0.606
	21	8	Less deduction of Income Tax	0.009
	22	9	Non-deduction of House Rent Charges	0.007

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
	23	10	Non-reimbursement of expenditure incurred on behalf of the Provincial Government	0.378
	24	11	Non-deduction of Income Tax on honoraria	0.049
	25	12	Unauthorized withdrawal of Conveyance Allowance	0.030
DO (Health),TTS	26	1	Unjustified drawl of Adhoc Allowance	0.155
	27	2	Unauthorized payment of Health Sector Reform Allowance	0.090
	28	8	Irregular expenditure on the repair of transport	0.422
	29	9	Expenditure from wrong object code	0.125
Deputy District Officer (Health), TTS	30	1	Unauthorized drawl of Health Sector Reform Allowance	0.059
	31	3	Unjustified drawl of funds from Government Treasury	0.154
	32	4	Non deduction of Sales Tax	0.022
	33	6	Non-utilization of funds	0.951
	34	7	Overpayment by charging more than actual mileage	0.015
Eye Cum General Hospital, Gojra	35	2	Unauthorized payment of Health Sector Reforms Allowance	1.195
	36	4	Excess payment of salaries during absence from duty	0.980
	37	5	Unauthorized expenditure in violation of austerity measures	2.857
	38	8	Non-supply of medicine and non-forfeiture of Performance Security	0.089
	39	9	Loss due to local purchase of medicine at higher rates	0.099
	40	10	Unauthorized purchase of medicine from the firms declared blacklisted	0.424
	41	13	Non-deduction of Sales Tax on services	0.095
EDO (Health), TTS	42	14	Excess payment of inadmissible Health Sector Reforms Allowance	0.028
	43	3	Non-forfeiture of performance security due to non-supply of medicine	0.162
	44	5	Non-deduction of Sales Tax on services	0.013
	45	6	Non-recovery of penalty imposed	0.008
	46	7	Drawl of Health Sector Reforms Allowance without admissibility	0.015
	47	8	Non-recovery of liquidated damages	0.035
EDO (F&P),TTS	48	9	Consumption of POL without sealing of speedometer	-
	49	2	Unjustified payment to FESCO without estimates and non-surrender of savings thereof	-
	50	3	Expenditure excess than budget allocation	-
	51	4	Anticipated saving not notified and surrendered in time against release of funds	-
	52	5	Non-imposition of penalty due to non-completion of development scheme within stipulated period.	1.510
	53	6	Undue delay in the completion of development schemes resulting excess expenditure	1.419
	54	7	Non-completion of CCB schemes	-

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
	55	8	Non-rendering of accounts by Punjab Rural Support Programme	-
	56	9	Expenditure on improvement / repair of roads without mentioning detail of previous repairs	9.000
	57	10	Non-incorporation of site photographs in the rough cost estimate of development schemes	2.192
	58	12	Unauthorized utilization of savings of Pak MDG	2.632
RHC, Nia Lahore	59	4	Non-forfeiture of Performance Security due to non-supply of medicine	0.036
	60	7	Loss to Government due to purchase of X-Ray films on excess rates	0.092
	61	9	Loss due to local purchase of medicine at higher rates	0.108
	62	10	Excess drawl of POL by recording extra mileage of vehicle	0.033
DDEO (EE-W), Kamalia	63	1	Excess payment of Social Security Benefit after regularization of services	1.774
	64	2	Non-recovery of Benevolent Fund and Group Insurance after regularization of services	0.405
	65	5	Overpayment due to drawl of excess pay and allowances	0.401
	66	7	Irregular expenditure on construction work	0.198
	67	9	Irregular expenditure by School Council	0.254
	68	10	Non-supply of furniture	0.400
RHC, Rajana	69	2	Excess drawl of Health Sector Reforms Allowance without admissibility	0.133
	70	5	Irregular drawl of salaries	0.744
	71	7	Non-recovery of penalty for late supply of medicine	0.016
	72	8	Non-forfeiture of Performance Security	0.021
	73	10	Non-replacement of substandard medicine	0.035
GGHS, Laboratory, Kamalia	74	1	Excess payment of allowances	0.057
	75	2	Less/non-recovery of pay & allowances, Benevolent Fund and Group Insurance after regularization of service	0.065
	76	3	Irregular cash payments instead of crossed cheques	2.208
	77	4	Irregular advance withdrawal of funds without Pre-Audit	0.739
	78	5	Un-authorized drawl of pay after relieving from school	0.156
	79	6	Non-deduction of Sales Tax on services	0.014
Dy. District Officer (Health), Gojra	80	1	Loss to Government due to non-registration of health care establishment and hospitals	0.460
	81	2	Loss to Government due to non-recovery of license fee	0.535
	82	3	Irregular expenditure on issuance of petrol against personal motorcycles	0.572
	83	4	Irregular withdrawal of time barred claim of Travelling Allowance	0.060
	84	5	Overpayment by charging more than actual mileage	0.055

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
Dy. DEO (EE-W), Pir Mahal	85	4	Non-forfeiture of performance security and black listing of firm due to non-supply of furniture items	2.511
	86	5	Non-recovery on account of Benevolent Fund and Group Insurance	0.123
	87	7	Non-deposit of General Sales Tax	0.370
	88	8	Unauthorized grant of annual increment before completion of 6 months service	0.143
	89	9	Non deduction of Income Tax at source	0.115
Dy. DEO (EE-M), Gojra	90	2	Non-deduction of Income Tax and Sales Tax	0.217
	91	6	Overpayment due to drawl of excess pay	0.128
	92	9	Mis-utilization of furniture grant	0.488
	93	11	Irregular expenditure excess than authorized limit by School Council	0.079
	94	14	Non-deduction of Income Tax	0.009
	95	15	Non-provision of Non-Salary Budget	0.290
RHC, Sandilanwali	96	2	Non-purchase of medicine at risk and cost of original suppliers	0.109
	97	4	Non-blacklisting of firms and non-forfeiture of Performance Security due to non-supply of medicine	0.713
	98	5	Overpayment of General Sales Tax	0.039
	99	6	Non-Deduction of Sales Tax on Services	0.018
	100	8	Unauthorized payment of Health Risk Allowance	0.018
	101	9	Un-justified payment of medicine	0.052
Dy. DEO (EE-M), Pir Mahal	102	3	Procurement in violation of procurement rules	2.000
	103	4	Unauthorized withdrawal of Conveyance Allowance and Charge Allowance	0.033
	104	5	Irregular expenditure by School Council	4.923
	105	7	Irregular withdrawal of Inspection Allowance	0.420
District Headquarter Hospital TTS	106	2	Payment of medicines without inspection report	20.058
	107	7	Delay in deposit of Government revenue	1.997
	108	8	Loss due to procurement of LP medicine at excessive rate	0.086
	109	11	Non-deduction / deposit of Income Tax	0.072
	110	12	Non-forfeiture of Performance Security	0.150
	111	13	Non-recovery of excess paid amount on purchase of medicine at risk and cost of original contractor	0.337
	112	14	Irregular use of Lab items	1.867
DO (OFWM), TTS	113	1	Expenditure on bricks without certification of crushing strength of bricks	5.137
	114	2	Irregular execution of works without administrative approval by the authority	-
	115	3	Non-utilization of Funds	1.087
	116	4	Non-utilization of development funds	4.710
	117	5	Irregular payment of salary to employee	0.040

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
	118	6	Less deduction of General Sales Tax	0.002
Dy. DEO (EE-M), TTS	119	4	Non-black listing of firm and non-forfeiture of Performance Security due to non-supply of furniture	0.297
	120	5	Unauthorized grant of annual increment before completion of six months service	0.401
	121	6	Non-recovery on account of Benevolent Fund and Group Insurance	0.389
	122	8	Non-deposit of General Sales Tax	0.358
	123	9	Non-deduction of Income Tax at source	0.111
DO (Sports), TTS	124	3	Non-credit of profit earned to Account-IV	0.509
	125	4	Unauthorized drawl of Conveyance Allowance	0.101
	126	5	Irregular expenditure without calling quotations/tenders	0.415
	127	6	Non-deduction of Income Tax	0.051
	128	7	Doubtful expenditures on purchase of sports material and uniform	0.050
Dy. DEO (EE-M), Kamalia	129	8	Unauthorized expenditure on the salaries of contingent staff	0.999
	130	5	Advance drawl of Non-Salary Budget (NSB) fund	0.220
	131	6	Excess expenditure against sanctioned budget	1.819
	132	7	Difference of cash balance between cash book and bank statements	2.538
	133	8	Irregular expenditure under head POL	0.209
District Officer (Buildings), TTS	134	9	Payment of inadmissible allowances to staff	0.018
	135	10	Non-deduction of Group Insurance	0.017
	136	4	Irregular expenditure and excess payment to contractor	0.023
	137	7	Excess payment to contractor due to inadmissible contractor profit overhead charges	0.141
	138	9	Excess payment due to charging of excess rate of tuff tile	0.115
	139	10	Excess payment to contractor due to charging of excess rates	0.208
	140	12	Excess payment to contractor due to charging of excess rate of razor wire	0.242
	141	15	Excess payment to contractor	0.297
	142	16	Excess payment to contractor against items not provided in work order and approval of rates	0.421
	143	17	Overpayment on account of non-deduction in rate due to use of local sand	0.201
Dy. DEO (EE-W), TTS	144	19	Excess payment to contractor	0.251
	145	3	Irregular expenditure by School Council	2.684
	146	4	Procurement in violation of Procurement Rules	1.434
	147	5	Non-maintenance of record	1.194
	148	6	Irregular payment of pay and allowances	0.056
	149	8	Non-deduction of Income Tax and Sales Tax	0.037
	150	9	Unknown whereabouts of Farogh-e-Taleem Funds	0.219

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
	151	10	Less-deduction of House Rent Charges	0.034
	152	11	Payment through uncrossed cheques	0.394
	153	12	Irregular expenditure under head of POL	0.254
	154	13	Non-forfeiture of Performance Security	0.211
	155	14	Irregular withdrawal of Inspection Allowance	0.715
	156	15	Unauthorized withdrawal of Charges Allowance	0.037
EDO (Education), TTS	157	1	Non-black listing of firm due to non-supply of furniture and non-forfeiture of bid security	1.160
	158	2	Un-justified transfer of funds for purchase of items for brick kiln children	0.644
	159	3	Non-renewal of private registered schools	-
	160	5	Unauthorized drawl of mobility allowance	0.320
	161	6	Infructuous expenditure on teacher's remuneration due to poor performance	10.068
	162	8	Undue favour to the supplier due to non-obtaining of performance guarantee	0.531
	163	9	Non-implementation of penalties imposed on teachers due to results below PEC Examination	-
	164	10	Difference of cash balance between cash book and bank statements	16.010
	165	11	Irregular expenditure under head POL	0.382
	166	12	Non-recovery of liquidated damages	0.047
RHC, 316 GB	167	1	Overpayment due to purchase of X-Ray films at excessive rate	0.040
	168	3	Unauthorized drawl of Health Sector Reforms Allowance	0.042
	169	5	Non-blacklisting of firms and non-forfeiture of Performance Security due to non-supply of medicine	0.168
	170	7	Non-purchase of medicine at risk and cost of original suppliers	0.155
	171	8	Non-deduction of Sales Tax on Services	0.009
	172	9	Non-recovery of penalty for late supply of medicine	0.011
	173	11	Overpayment by charging more than actual mileage	0.064
	174	12	Overpayment payment of General Sales Tax	0.156
	175	13	Non-deposit of receipt	0.017
	176	14	Doubtful expenditure on repair of generator and transport	0.446
	177	15	Excess payment to supplier due to less receipt of medicine	0.021
	178	16	Non/less deduction of Income Tax	0.030
Dy. DEO (EE-W), Gojra	179	1	Non-black listing of firm due to non-supply of furniture	4.417
	180	7	Drawl of funds through adjustment without provision of bills	0.990
	181	8	Drawl of pay and allowances against irrelevant designation	0.633
	182	9	Fraudulent drawl of SMC and NSB fund	0.304
	183	11	Difference of cash balance between cash book and bank statements	5.999

Name of Formation	Sr. No.	Para No.	Title of Para	Amount of Audit Observation
	184	13	Irregular expenditure under head POL	0.588
	185	14	Non-deduction/ non-verification of General Sales Tax invoices	0.156
DO (Roads), TTS	186	8	Non-recovery of price variation from the contractor	0.312
	187	9	Loss due to provision of uneconomical option in the estimate	0.165
	188	11	Non-recovery of price variation from the contractors	0.425
	189	13	Non-recovery of compensation from the contractor	0.846
	190	14	Substandard execution of Surface Treatment of Road	-
	191	15	Non-recovery of lease rent charges from the owners of petrol pumps	0.430
	Tehsil Headquarter Hospital Kamalia	192	7	Payment of Health Sector Reforms Allowance without entitlement
193		8	Excess payment of Daily Allowance	0.075
194		9	Non-recovery of Liquidated Damages for late supply of medicine	0.073
195		10	Non-deduction/ Short deduction of Income Tax	0.150
196		11	Irregular drawl of Health Sector Reforms Allowance	0.494
197		14	Non-blacklisting of firms and non-forfeiture of Performance Security	0.069
198		15	Irregular drawl of salaries by shifting of headquarter	1.146
199		18	Irregular carry forward of current year liabilities	0.518
200		19	Irregular expenditure for bulk purchase of medicine	-

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
DO (Livestock)	1	2	Unauthorized advance withdrawal of funds	3.373
	2	3	Delay in uploading annual procurement plan on web site of PPRA	4.200
	3	4	Un-proportionate expenditure	4.506
	4	5	Less Recovery of Income Tax	0.707
	5	6	Non recovery of penalty	0.652
	6	7	Excess withdrawal of pay and allowances after regularization	0.333
	7	8	Unauthorized expenditure without open competition	0.198
	8	9	Non sealing of speedometer of motor vehicles	0.608
RHC 316/GB Chatiana	9	3	General duty of staff, expenditure on salaries of staff	0.748
	10	4	Over payment due to unauthorized drawal of HSRA	0.044
	11	5	Payment made without DTL report	0.411
	12	6	Loss of discount due to non-execution of contract with medical store	0.063
	13	7	Non supply of medicine	0.521
	14	8	Non minimization of chances of pilferage/misappropriation	1.322
	15	9	Irregular expenditure under the head of POL	0.897
	16	10	Unjustified purchase/improper consumption of polio jackets	0.024
	17	11	Non recovery from auction of dried trees	0.250
	18	12	Non posting of dental surgeon, poor service delivery expenditure	0.271
DO (Excise & Taxation)	19	1	A) Unauthorized drawal of allowance, recovery thereof.	0.228
	20	2	Loss to Government due to non-achievement of assigned targets of receipt besides incurring heavy expenditure on pay and allowances	10.841
	21	3	Irregular purchase of uniform due to splitting	0.139
	22	4	Doubtful consumption of POL	-
	23	5	Irregular drawal pay and allowance without verification of degrees	0.159
	24	6	Unjustified expenditure on repair of vehicle	0.063
	25	7	Doubtful payment of General Sales Tax by supplier/non	0.041

Name of Formation	Sr. No.	Para No.	Subject	Amount
			deposit/verification of GST invoices	
	26	8	Unauthorized payment of SSB after regularization	0.004
	27	2	Non-recovery on account of general provident fund	0.219
	28	3	Unauthorized drawal of pay	0.343
	29	5	Non recovery from auction of dried trees	0.920
	30	6	Non deposit of auction money	0.096
	31	8	Unknown whereabouts of POL withdrawn and non-maintenance of log book	0.124
	32	9	Cash payment instead of cross cheque	1.462
	33	11	Non verification of GST	1.109
Dy. DEO(MEE), Toba Tek Singh	34	12	Unauthorized drawal of pay due to irregular posting as AEO after completion of admissible period	0.517
	35	14	Non recovery of fines imposed on teachers	0.045
	36	15	Irregular procurement from un-registered firms	0.193
	37	16	Excess expenditure than budget allocation	11.968
	38	17	Saving not surrendered	3.536
	39	18	Difference of budget & expenditure between SAP FI data and reconciliation statement	2.101
	40	1	Non-sale of finished products	0.069
	41	2	Blockage of public funds due to non-disposal of vehicle and unserviceable items	0.291
	42	3	Non-recovery of loan and profit	0.062
	43	4	Non Recovery of Income Tax	0.163
	44	5	Less deduction of Income Tax	0.020
Manager, District Industrial Home, Toba Tek Singh	45	6	Non-deduction of GST and Income Tax	0.061
	46	7	Unjustified drawal of Conveyance Allowance during leave	0.003
	47	8	Difference of budget & expenditure b/w SAP-FI data and reconciliation statement	0.012
	48	2	Encroachment of land	-
	49	3	Non-collection of replenishment cost	1.178
	50	4	Irregular expenditures on forestry without formulating / approval of working plan	3.022
DO (Forest)	51	5	Unjustified expenditures on payment to labor for planting amounting	2.867
	52	6	Non deduction of GPF, Benevolent Fund from the employees of defunct Municipal Corporation	0.781
	53	7	Unauthorized expenditures purchase of polythene bags	0.190
	54	8	Unjustified deposit of tree cess amount against wrong head of account	0.743
	55	9	Unauthorized operation of bank account with closing balance	0.697

Name of Formation	Sr. No.	Para No.	Subject	Amount
	56	10	Loss to Government due to theft of trees	0.046
Government Eye Cum General Hospital, Gojra	57	2	Purchase of medicine in violation of PPRA Rules	0.533
	58	3	Purchase of MSD medicine on higher rates	0.142
	59	4	Non-utilization of funds	1.432
	60	5	Non-supply of medicine and non-forfeiture of security	0.889
	61	6	Purchase of medicine on higher rates	0.229
	62	7	General duty of staff, irregular expenditure on the salaries of posted at other health facilities	0.804
	63	8	Unauthorized drawal of allowance during leave period	0.074
	64	9	Excess expenditure due to non-observance of utmost austerity in usage of public money.	0.324
	65	10	Unjustified expenditure without proper requisition/indent	0.084
	66	12	Less Recovery of Income Tax at source	0.030
	67	13	Purchase on dateless quotations	0.099
Dy. DEO(MEE),Gojra	68	4	Expenditure through irregular School Council	4.973
	69	5	Unauthentic expenditure without fulfill codal formalities	2.480
	70	6	Expenditure excess than authorized limit	2.301
	71	7	Unauthorized expenditure on weather shield paint	0.587
	72	9	Uneconomical procurements	0.288
	73	11	Unauthorized withdrawal of pay and allowance as AEO	0.160
	74	13	Irregular withdrawal of inspection allowance	0.260
	75	14	Unauthorized with drawal under head of gas and electricity	0.086
Government Islamia Secondary School TTS	76	1-A	Unjustified drawal of allowance	0.309
	77	1-B	Recovery on account of general provident fund, B.F and G.I	0.148
	78	1-C	Excess drawal of pay due to availing illegal advance increments	0.311
	79	4	Non-deposit of sale proceeds of trees	0.034
	80	5	Non-deposit of GST	0.029
	81	7	Expenditure excess than budget allocation	1.201
	82	10	Physical verification of store & stock was not conducted	-
Government Islamia High School, Gojra	83	2	Non Provision of record	5.345
	84	3	Expenditure through irregular School Council	7.373
	85	4	Expenditure without procurement plan, determination of needs, their priorities and estimate	2.028
	86	5	Un proportionate expenditure	1.013
	87	6	Expenditure excess than authorized limit	2.320
	88	7	Expenditure without prior approval of austerity committee	0.609
	89	8	Irregular payment through un-crossed cheques	0.577
	90	9	Unauthorized withdrawal of allowance during winter	0.087

Name of Formation	Sr. No.	Para No.	Subject	Amount
			vacations	
	91	10	Unauthorized expenditure on weather shield paints	0.075
	92	1	Non Provision of Record	1.295
	93	2	Splitting of expenditures	0.791
Government Millat Girls High School, Gojra	94	3	Expenditure without procurement plan, determination of needs, their priorities and estimate	0.928
	95	4	Expenditure through irregular School Council	2.223
	96	5	Expenditure excess than authorized limit	0.718
	97	6	Irregular advance withdrawal of NSB fund	0.475
	98	7	Un-proportionate expenditure	0.542
	99	8	Unauthorized expenditure on weather shield paints	0.096
	100	9	Irregular payment through un-crossed cheques	0.184
	DO (OFWM) TTS	101	1	Irregular expenditure on Civil Work for improvement of watercourses without approval
102		2	Irregular release and incurrence of expenditure on improvement of watercourses without admin approval	24.250
103		3	Unauthorized use of PIPIP fund	0.834
104		4	Doubtful expense/consumption of PIPIP funds	0.254
105		5	Irregular purchases from PIPIP funds	1.202
106		6	Irregular execution of water course from PIPIP funds	1.558
107		7	Non achievement of target	-
108		8	Unauthorized execution of brick lining work instead of Precast Parabolic Structure (PCPS)	0.287
109		9	Wasteful expenditure due to non-leveling of land	2.025
110		10	Less deduction of Sales Tax	0.038
111		11	Doubtful expenditure on the salaries of tractor drivers	0.560
RHC PIR Mahal	112	4	Non-auction of parking stands	0.483
	113	5	Unauthorized withdrawal of Health Risk Allowances	0.281
	114	6	Unauthorized appointment/ pay and allowance against yardstick	0.241
	115	7	Unauthorized withdrawal of Practice Compensatory Allowance	0.130
	116	8	Unauthorized with drawal of allowance	0.111
	117	9	Supply of medicine at excessive rate	0.060
	118	10	Excess withdrawal of pay and allowance after regularization	0.025
	119	11	Non-forfeiture of performance security on non-supply of medicine	0.024
	120	12	Local purchase of medicine beyond prescribed limit and Non-Provision of record	0.094
	121	13	Irregular expenditure on local purchase/day to day purchase of medicine	0.794
	122	14	Irregular expenditure under the head of POL for	1.935

Name of Formation	Sr. No.	Para No.	Subject	Amount
			generator and motor vehicles	
Dy. DEO(WEE), Toba Tek Singh	123	2	Extra Burdon on Government exchequer due to non-regularization of contract staff through payment of Social Security Benefit	8.159
	124	3	Drawal of salaries in-spite of orders of termination of contract of teaching staff	0.121
	125	4	Excess payment of social security benefit	0.875
	126	6	Undue favour to the supplier due to non-obtaining of performance guarantee	0.300
	127	7	Non recovery of liquidated damages	0.137
	128	8	Non utilization of salary budget	4.533
	129	9	Non utilization of SMC funds	13.822
	130	10	Unjustified expenditure on civil work without tendering	1.208
	131	11	Drawal pay and allowances during period of leave without pay	0.050
	132	13	Non-recovery of fine imposed from absent teachers	0.014
RHC Chak No.394/JB Jajja	133	1	Local purchase of medicine without competition	0.470
	134	2	Non-supply of medicine and non-forfeiture of security	0.703
	135	3	Irregular issuance of supply orders for MSD medicine	1.145
	136	4	Irregular expenditure on pay & allowances	3.877
	137	5	Irregular drawal of HSRA	0.329
	138	7	Excess payment of Health Risk Allowance	0.151
	139	8	Irregular expenditure on pay & allowances of Operation Theater Assistant	0.397
	140	9	Irregular drawal of pay and allowance under the wrong DDO Code	0.358
	141	10	Drawal of funds without availability of record	0.017
	142	11	Loss due to purchase of x-ray films on higher rates	0.006
	143	12	Purchase of medicine on higher rates	0.098
DO(Roads)	144	2	Non-recovery of annual rent from owners of petrol pumps	0.880
	145	3	Unauthorized expenditure on M&R	1.874
	146	4	Excess payment to contractor for quantities not provided in T.S Estimate	0.135
	147	6	Unjustified payment of lead of earth	0.575
	148	7	Unjustified payment of lead of earth	0.358
	149	8	Unjustified payment of lead of earth	0.314
	150	9	Unjustified payment of lead of earth	0.118
151	10	Unjustified payment of lead of earth	0.166	
DO(Health-I) TTS	152	1	Overpayment due to un-authorized grant of selection grade	3.366
	153	3	Recurring loss to public exchequer due to storage / retention of motorcycles / bicycles	1.370

Name of Formation	Sr. No.	Para No.	Subject	Amount
	154	4	Loss to Government due to theft of bicycles	0.091
	155	5	Unauthorized drawal of allowance during earned leave period	0.071
	156	6	Unauthorized drawal of allowance, recovery thereof	0.229
	157	7	Irregular drawal of salaries due to change of headquarter amount under observation	0.389
	158	8	Irregular expenditure on salaries due to un-authorized joining of service after lapse of joining period	0.131
	159	9	Non auction of unserviceable store items	0.045
	160	10	Irregular expenditure on repair of transport and machinery and equipment	0.230
	161	11	Payment to lady doctor with doubtful performance of duty amount under observation	0.053
	162	12	Irregular expenditures under head of POL for generator	0.545
	163	13	Non-verification of 25 years qualifying service for pension from District Accounts Officer, T.T. Singh	-
DCO, Toba Tek Singh	164	2	Transfer of funds to account iv without approval of funds	38.393
	165	3	Unknown where about of closing balance of designated accounts	3.351
	166	4	Recoveries outstanding against allottees of Government residences	0.408
	167	5	Irregular/un-economical expenditure on the procurement of material	2.259
	168	6	Non accountal of wanda and flour	1.153
	169	7	Undue retention of money in bank account	0.853
	170	8	Irregular/unauthorized expenditure on Travelling Allowance Claims	0.207
	171	9	Reimbursement of medical charges on doubtful documents	0.067
	172	10	Huge expenditure on Sui Gas of camp office	0.195
	173	11	Expenditure on the repair of machinery equipment without maintenance of record	0.349
	174	12	Loss to Government due to vacation of goodown at Pir Mahal by Food Department	0.322
	175	13	Doubtful expenditure out of head "Others"	0.339
	176	14	Expenditure met from wrong code classification	0.182
	177	15	Un-reliable expenditure on fairs and celebrations	0.072
	178	16	Improper maintenance of record of residences owned by Government	-
EDO (Education)	179	1	Un-authorized drawal and payment to School Council	0.400
	180	2	Non-recovery of registration / inspection fees from private schools	0.189

Name of Formation	Sr. No.	Para No.	Subject	Amount
	181	5	Loss to Government due to theft of trees and miscellaneous items	2.000
	182	7	Heavy expenditure on NFBE Centre with minor output	10.200
	183	8	In fructuous expenditure on the establishment of FLC centers	2.912
	184	9	Wasteful expenditure due to shifting of NFBE centers	0.780
	185	10	Non-inclusion of staff of literacy department in the seniority list of their cadre in education department	2.576
	186	11	Non-finalization of disciplinary cases	-
	187	12	Non-surrender of unutilized funds	0.695
	188	13	Unauthorized drawal of allowance during earned leave period recovery	0.026
Tehsil Headquarter Hospital, Kamalia	189	2	Unjustified drawal of adhoc allowance, recovery thereof	0.071
	190	3	Non recovery of allowances during leave period	0.142
	191	5	Unauthorized payment/non-recovery of miscellaneous allowances	0.100
	192	6	Non recovery of Income Tax and Government receipt	0.045
	193	7	Overpayment by charging more than actual mileage	0.050
	194	8	A. Non-blacklisting of firms due to non-supply of medicine B. Non-forfeiture of performance security of defaulter suppliers	1.166
	195	9	Non pursuance of replacement of transformer	0.500
	196	10	Purchase of medicine on higher rates	0.208
	197	12	Less payment of Income Tax on salaries	0.118
	198	13	Non deduction of GST on services	0.067
	199	14	Irregular utilization of medicine without DTL report and inspection	0.449
	200	15	Loss to public exchequer due to delay in finalization of MSD rate contract	0.155
201	16	Irregular issuance of supply orders without mentioning delivery period	2.764	
DEO(WEE),TTS	202	1	Non-repair of dangerous school buildings in spite of administrative approval	-
	203	2	Overdrawn of salary after retirement	116.000
	204	4	Recoverable on account of monitoring observation	0.069
	205	5	Non-achievement of benefits due to non-utilization of NSB grant	9.633
	206	6	Irregular expenditure on repair of vehicle	0.101
	207	7	Non-Provision of vouched accounts	0.147
	208	8	Drawal of salary without sanctioned medical leave	0.168
209	9	Non-imposition of fine on account of poor results against teachers	-	

Name of Formation	Sr. No.	Para No.	Subject	Amount
	210	10	Irregular mutual transfer in violation of transfer policy	-
	211	11	Loss due to theft and non-recovery from concerned	0.025
EDO(F&P) TTS	212	2	Loss to Government due to non-recovery of annual license fee due to non-approval of tax schedule	1.300
	213	3	Non recovery of allowance	0.753
	214	5	Loss to Government due to non-auction of agricultural land	0.329
	215	6	Loss to Government due to non-recovery of auctioned money of agriculture land	0.095
	216	7	Unknown where about of receipt of Zila Council rest house despite incurring expenditure	0.218
	217	8	Loss to Government Due to burnt of Government vehicle	0.231
	218	9	Weak management/slow progress of development schemes of district annual development programme	53.790
	219	10	Loss to Government due to non-achievement of receipt targets	7.857
	220	11	Weak management due to non-utilization of allocated fund for CCB schemes	23.326
	221	13	Unjustified transfer of fund	85.000
	222	14	Unjustified block allocation	70.000
	223	15	Loss to Government Due to non-recovery of rent of shops	0.029
	224	16	Loss to Government Due to non-auction of vacant shops	0.162
	225	17	Unknown whereabouts of expenditure	0.074
	City Hospital, Kamalia	226	1	Mis-utilization of generator non-maintenance of log book , expenditure on gas etc.
227		2	Purchase of medicine in violation of PPRA Rules	0.596
228		3	Irregular local purchase of medicine out of head 75% MSD	0.346
229		4	Purchase of medicine on higher rates and MSD medicine on higher rates	0.025
230		5	Non-utilization of funds	0.326
231		6	Non-supply of medicine and non-forfeiture of security	0.234
232		7	Excess expenditure (123% excess) due to non-observance of utmost austerity in usage of public money	0.189
233		8	Unjustified purchase/improper consumption of polio jackets	
234		9	Improper consumption/expense of medicine without stock register of emergency	0.015
235		10	Utilization of 32 % budget for purchase of single medicine	0.237
236		11	Un-necessary purchase of medicine	0.136

Name of Formation	Sr. No.	Para No.	Subject	Amount
	237	12	Less Recovery of Income Tax at source	0.006
	238	13	Non-utilization of hospital ambulance	2.000
	239	2	Non-verification of GST	2.449
	240	4	Unjustified drawal of adhoc allowance recovery thereof	2.228
	241	7	Non collection of GI premium from the employees of Defunct Zila Council	0.182
	242	8	Un-authorized payment of qualification allowance	0.058
	243	10	Excess drawal of adhoc relief and personal allowance	0.109
	244	11	Irregular drawal of salaries by science teachers	1.085
	245	12	Less deduction of GPF, and GI	0.168
	246	13	Unauthorized payment of salaries to employees after retirement period	0.067
	247	14	Undue retention of Government money	0.039
	248	15	Non recovery from auction of dried trees	0.246
	249	16	Unauthorized drawal of inspection allowance	0.050
	250	17	Non return of computer/printer	0.080
	251	18	Non recovery of penalty imposed on teacher	0.009
	252	19	Overpayment due to non-implementation of penalty	0.074
	253	20	Irregular drawal of pay & allowances by employees	9.953
	254	2	Non-forfeiture of performance guarantee due to non-supply of medicine	10.875
	255	3,4 & 05	Non-recovery of allowances during leave period	0.232
	256	4	Unauthorized drawal of HSRA	0.153
	257	5	Un-authorized payment of social security benefit	0.162
	258	6	Recoverable allowance illegally paid to the officers/officials provided with Government vehicle	0.232
	259	7	Non development of CMWS after completion of training (MNCH)	-
	260	8	Irregular expenditure on pay and allowance	1.957
	261	9	Maintenance & repair of building without rendering of vouched account	0.200
	262	10	Non-utilization of funds	17.108
	263	1	Recovery of overpayment of health risk allowance	1.134
	264	3	Non supply of medicine and non-forfeiture of security of defaulting suppliers	5.934
	265	4	In fructuous expenditure on the salaries of employees without performing relevant job	1.450
	266	6	Doubtful shifting of patients to allied hospital Faisalabad involving expenditure on POL	1.937
	267	7	Loss to Government due to damage of transformer	0.627
	268	8	Non-maintenance of log books of vehicles amount under observation	0.270

Name of Formation	Sr. No.	Para No.	Subject	Amount
	269	9	Non-provision of vouched account of deposit works	1.354
	270	10	Purchase of medicine without immediate requirement	0.140
	271	11	Unauthorized drawal of allowance during earned leave	0.126
	272	12	Unauthorized overpayment of allowances	0.049
Dy. DEO (WEE), Kamalia	273	4	Expenditure on maintenance and repair of school buildings without preparing rough cost estimates	0.940
	274	5	Unauthorized deposit of Government revenues into student fund instead of treasury	0.156
	275	6	Expenditure incurred through irregular School Council	2.653
	276	8	Loss to Government due to non accountal of material	0.568
	277	9	Non-utilization of non-salary budget	0.513
	278	11	Acknowledgment receipts of payments not obtained	0.073
DO(Labour)	279	1	Payment of allowance during leave	0.002
	280	2	Non utilization of funds	0.532
	281	3	Irregular payment without keeping paid voucher	0.005
Dy. DO (Health), Kamalia	282	3	Payment of allowance without admissibility	0.064
	283	4	Unjustified utilization of services of employees of health facility	0.726
	284	5	Non recovery of license fee and renewal of fee due to non-registration of medical store	0.320
	285	6	Irregular contingent paid staff and payment of salaries	0.147
	286	7	Excess drawal of diesel against dengue campaign	0.006
	287	8	Unjustified appointment on regular basis and drawal of pay	0.032
	288	9	Purchase of Machinery & Equipment and Furniture & Fixture from wrong head of account	0.091
	289	10	Irregular drawal of T.A without approval	0.052
	290	11	Excess payment of pay after retirement date	0.104
	291	12	Non utilization of funds	0.244
DO (Buildings)	292	2	Excess payment due to non-reduction in rate for use of local sand	0.588
	293	3	Excess payment by charging more than actual/ permissible rates	1.031
	294	10	Construction of school building at rejected site Rs44.285 million	-
	295	12	Unknown whereabouts of material retrieved from dismantlement of existing structure	1.269
	296	13	Excess payment to contractor against items not provided in T.S Estimate and award letter	2.188
	297	14	Excess payment due to drawal of allowance	0.090
	298	15	Irregular & unauthorized expenditure on the salaries of work charged employees	0.165
	299	17	Unjustified payment for earth work involving extra lead	1.452

Name of Formation	Sr. No.	Para No.	Subject	Amount
	300	18	Excess payment more than sanctioned	0.060
	301	19	Non recovery of GST	0.273
RHC 740/GB, Kamalia	302	2	Unjustified expenditure for fuel consumption in generator	1.402
	303	4	Purchase of medicine beyond prescribed limit	0.649
	304	5	Excess payment due to drawal of salaries during absence from duty and excess payment of salary after transfer	0.645
	305	6	Overpayment of pay and allowances	0.470
	306	7	Unjustified appointment on regular basis	
	307	8	A. Unauthorized payment of HSRA without entitlement B. Overpayment due to drawal of HSRA beyond entitlement	0.389
	308	9	Unknown whereabouts of material	0.343
	309	10	Excess drawal of funds against vehicle repair	0.052
	310	11	Excess payment of certain allowances without admissibility during leave	0.181
	311	12	Irregular expenditure on local purchase/ day to day purchase of medicine	0.857
	312	13	Drawal of Health Risk Allowance without entitlement	0.324
	313	15	Irregular drawal of pay and allowances without performing duty at RHC	6.395
	314	16	Over payment on procurement of medicine	0.037
	315	17	Irregular payment of previous year liabilities from current year budget	0.520
	316	18	A. Non-blacklisting of firms due to non-supply of medicine b. Non-forfeiture of performance security of defaulter supplier	0.455
	317	19	Unjustified drawal of funds due to non-availability of manual pay bill	1.402
DDEO (MEE), T.T. Singh DDEO (MEE), Gojra DDEO (WEE), TT Singh DDEO (WEE), TT Singh DDEO (MEE) Kamalia DDEO (WEE) Kamalia	318	1,4,1,1 0,12,1, 12,3,5, 6,1	Irregular payment of allowance	6.970
DDEO (MEE), Gojra DDEO (MEE) Kamalia DDEO (WEE) Kamalia	319	3, 21, 3	Delay in regularization of contract employees resulting in extra burden on Government exchequer	10.743

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	
3	Provincial Excise.	7,352,000	-	7,352,000	5,461,488	(-)	1,890,512
5	Forests.	22,287,000	-	22,287,000	20,137,751	(-)	2,149,249
7	Charges on A/c of M. V. Act.	2,469,000	-	2,469,000	1,844,539	(-)	624,461
8	Other Taxes & Duties.	8,152,000	-	8,152,000	7,172,056	(-)	979,944
10	General Administration.	101,059,000	-	101,059,000	63,230,839	(-)	37,828,161
15	Education.	5,030,667,000	-	5,030,667,000	4,839,464,083	(-)	191,202,917
16	Health Services.	999,235,000	15,536,000	1,014,771,000	952,371,689	(-)	62,399,311
17	Public Health.	3,900,000	-	3,900,000	3,316,596	(-)	583,404
18	Agriculture.	133,756,000	-	133,756,000	115,303,672	(-)	18,452,328
19	Fisheries.	2,879,000	581,000	3,460,000	3,091,126	(-)	368,874
20	Veterinary.	147,782,000	-	147,782,000	120,685,649	(-)	27,096,351
21	Co-operative.	25,232,000	-	25,232,000	21,778,312	(-)	3,453,688
22	Industries.	2,726,000	4,000	2,730,000	2,319,019	(-)	410,981
23	Miscellaneous Departments.	4,051,000	-	4,051,000	2,079,112	(-)	1,971,888
24	Civil Works.	68,026,000	3,643,000	71,669,000	62,465,662	(-)	9,203,338
25	Communications.	53,284,000	-	53,284,000	41,320,454	(-)	11,963,546
26	Community Organization	7,759,000	-	7,759,000	1,810,808	(-)	5,948,192
31	Miscellaneous.	26,904,000	-	26,904,000	21,357,365	(-)	5,546,635
32	Civil Defense.	4,584,000	4,746,000	9,330,000	8,391,921	(-)	938,079
	Block Allocation (Financial Assistance)	30,000,000		30,000,000		(-)	30,000,000
	Allocation (leaves Encashment / Death Leave)	17,500,000		17,500,000		(-)	17,500,000
	Total Non-Development :	6,699,604,000	24,510,000	6,724,114,000	6,293,602,141	(-)	430,511,859
36	Development.	342,820,000	358,363,000	701,183,000	701,270,223	(+)	87,223
41	Highways, Roads & Bridges.	59,671,000	27,183,000	86,854,000	53,688,595	(-)	33,165,405
42	Government Buildings.	110,578,000	549,155,000	659,733,000	567,352,122	(-)	92,380,878
	Total Development :	513,069,000	934,701,000	1,447,770,000	1,322,310,940	(-)	125,459,060
	Grand Total :	7,212,673,000	959,211,000	8,171,884,000	7,615,913,081	(-)	555,970,919

Annex-C**[Para: 1.2.1.8]****Irregular payment of non-schedule item**

(Amount in Rupees)

Description of Item	Amount
marble tile china Verona 3/4" thick i/c cement plaster	1,690,800
Master tile 16"x16" super white master imperial dark color polished with gray cement 1st floor	247,600
do ----- ground floor	1,526,650
Master tile dado 10"x12"white master imperial dark color polished with gray cement	772,990
Mater tile dado 10"x12"white master imperial dark color polished with gray cement colors	1,104,390
Master tile dado 10"x12" master imperial dark color polished with gray cement colors designed tile 10"x20"	494,780
rock wall on front wall etc.	176,960
commode master	110,700
MS grill with frame of MW square pipe	770,565
PPRC pipe of different types and dia	478,195
fiber glass shed	147,150
steel graphy on wall etc.	240,730
kerb stone	22,500
gold matic pump 1/2HP	45,500
circuit breaker 100 AMP	409,500
Total	8,239,010

(Amount in Rupees)

Description of Item	Amount
Providing laying concrete paver tuff tile 60mm thick	351,000
Providing laying marble tile China Verona 12"x12"x1" size complete	198,220
Providing laying marble border 3" wide black color	13,140
Providing fixing exhaust fans 16" sweep plastic body	90,200
Providing fixing 18" sweep	33,550
Providing laying PPRC 25mm gate valve, elbow, Ts, sockets etc.	189,734
Panel board 500 to 1000 Amp	200,000
Supply and erecting change over switch triple pole heavy duty 500 to 1000 Amp	105,000
Total	1,180,844

(Amount in Rupees)

Description of Item	Amount
Providing laying concrete paver tuff tile 60mm thick	645,335
Making of fancy steel gate	67,200
Providing fixing wardrobe	45,100
Supplying of LEDs 32" and 40"	60,000
Providing laying master porcelain tiles 16"x16"size complete	70,400
Providing fixing false ceiling	30,240
Supplying room refrigerator small size	24,000
Total	942,275

Annex-D

[Para: 1.2.1.12]

Irregular utilization of bricks without ensuring standard specifications and testing

(Rupees in Million)

Vr. No.	Voucher Date	Name of Scheme	Item	Quantity		No. of Bricks	Rate/1,000	Amount
28	30.06.2016	Widening and Repair/Improvement of road from Toba Gojra Road to 312/JB (Khothowali Chowk) via Chak No.315/JB (Kala Pahar) and Talwandi	Road Edging	75,820	Rft	202,187	6,000	1.213
			Pacca Brick Work	28,265	Cft	381,578	6,000	2.289
26	25.06.2016	Improvement and repair of metaled road from Chowk Mamukanjan Road to Bypass Mamukanjan Road	Road Edging	2,646	Rft	7,056	6,000	0.042
20	25.06.2016	Improvement/constructi on of road from Gojra Pansera Road to Chak 363/JB (Subidarwala)	Road Edging	17,756	Rft	47,349	6,000	0.284
			Pacca Brick Work	4,379	Cft	194,117	6,000	1.166
			Pacca Brick Work	4,876	Sft	25,989	6,000	0.156
20	27.05.2016	Improvement of road Chak No.244/GB (Kalan) to Chak No.245/GB (Talwandi) via Chak No.244/GB (Khurd)	Road Edging	5,464	Rft	14,571	6,000	0.087
			Pacca Brick Work	1,115	Cft	15,053	6,000	0.090
			Pacca Brick Work	2,905	Sft	15,484	6,000	0.093
Total						903,384		5.420

(Amount in Rupees)

Sr. No.	Name of scheme	Quantity	Rate/1000	Amount
1	Construction of brick pavement/re-soiling Chak No 407JB under PAK. DMG,s Community Development Programme 2014-15	24,570	6,000	147,420
2	Construction of Brick Pavement Chak No. 312 GB	82,904	6,000	497,424
3	Construction of Brick Pavement Chak No. 187/GB	65,718	6,000	394,308
4	Construction of boundary wall of graveyard Chak No.286/GB	3,543	6,000	21,258
Total				1,060,410

Annex-E**[Para: 1.2.1.13]****Excess payment to contractors due to execution items not provided in estimate**

(Amount in Rupees)

Name of Item	Qty.	Unit	Rate	factor	Amount
Mater tile dado 10"x12"white master imperial dark color polished with gray cement	4547	sft	170	1	772,990
Mater tile dado 10"x12"white master imperial dark color polished with gray cement colors	5259	sft	210	1	1,104,390
Mater tile dado 10"x12" master imperial dark color polished with gray cement colors designed tile 10"x20"	1903	sft	260	1	494,780
rock wall on front wall etc.	2528	sft	70	1	176,960
commode master	9	each	12300	1	110,700
MS grill with frame of MW square pipe	1093	sft	705	1	770,565
fiber glass shed	327	sft	450	1	147,150
steel graphy on wall etc.	3439	sft	70	1	240,730
kerb stone	250	rft	90	1	22,500
gold matic pump 1/2HP	5	each	9100	1	45,500
circuit breaker 100 AMP	35	each	11700	1	409,500
Total					4,295,765

(Amount in Rupees)

Name of Item	Qty. as per T.S Estimate	Qty. Executed and paid	Unit	Excess Qtys. Paid	Rate Paid	Recovery
Providing and laying R.C.C pipe molded with cement concrete complete 18" dia	1,095	1,780	rft	685	502.10	343,938
Providing and laying R.C.C pipe molded with cement concrete complete 15" dia	-	737	Rft	737	491.60	362,309

Name of Item	Qty. as per T.S Estimate	Qty. Executed and paid	Unit	Excess Qtys. Paid	Rate Paid	Recovery
Providing laying, cutting, jointing, testing and disinfecting pipe line in trenches with P.V.C pipes of BSS with D class working pressure complete in all respect. 6” dia	-	700	Rft	700	572.80	400,960
Total						1,107,207

Annex-F**[Para: 1.2.1.30]****Non-recovery of permit / license fee from the business entities**

(Amount in Rupees)

Sr. No.	Name of Item	Rate	No. of Units	Total Recoverable
1	Petrol Pump (Urban)	10,000	4	40,000
2	Petrol Pump (Rural)	7,500	31	172,500
3	Kiln	7,500	23	85,500
4	Cotton Factory	10,000	2	20,000
5	Rice Mills	10,000	2	20,000
6	Ice Factory	5,000	3	15,000
7	Marble Factory	5,000	18	90,000
8	Gas Agency	2,000	39	78,000
9	Wood toll	1,000	21	21,000
10	Power looms	150	3,662	549,300
11	Sugar Mills	100,000	1	100,000
12	Ice Bars	2,000	3	6,000
13	Soda water	1,500	18	27,000
14	Toori Farosh	1,000	8	8,000
15	Karkhana Toori	3,000	2	6,000
16	Diesel laboratory	500	11	5,500
Total			3,848	1,243,800