



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
DISTRICT GOVERNMENT  
BAHAWALPUR  
AUDIT YEAR 2014-15**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

AA	Administrative Approval
ADP	Annual Development Programme
ARA	Adhoc Relief Allowance
B&R	Building & Road
CCB	Citizen Community Board
CD	Community Development
C&W	Communication & Works Department
DAC	Departmental Accounts Committee
DCO	District Coordination Officer
DDC	District Development Committee
DDO	Drawing and Disbursing Officer
DEO (EE-M)	District Education Officer (Elementary Education-Male)
DEO (EE-W)	District Education Officer (Elementary Education-Female)
DGA	Directorate General Audit
DHQ	District Headquarters
DO	District Officer
DTL	Drug Testing Laboratory
EDO	Executive District Officer
F&P	Finance and Planning
FD	Finance Department
HSRP	Health Sector Reforms Programme
LG&CD	Local Government & Community Development Department
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
OFWM	On Farm Water Management
P&D	Planning and Development
PDG	Punjab District Government
PESRP	Punjab Education Sector Reforms Programme
PEEDA	Punjab Employees Efficiency & Disciplinary Act
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
RHC	Rural Health Centre
SE	Superintending Engineer
S&GAD	Services and General Administration Department
SMC	School Management Council
THQ	Tehsil Head Quarter
TS	Technical Sanction
VRI	Veterinary Research Institute

W&S  
WUA

Works & Services  
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 Accounts of District Governments.

The report is based on audit of the accounts of various offices of the District Government, Bahawalpur for the financial year 2013-14. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during 2014-15 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs.1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

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

Islamabad

Dated:

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

## **EXECUTIVE SUMMARY**

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

The Regional Directorate has a human resource of 25 officers and staff, constituting 4,848 mandays and the budget amounting to Rs2.008 million was allocated in audit year 2014-15. The office is mandated to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance audit of entities, projects and programs. Accordingly RDA Bahawalpur carried out audit of the accounts of various formations of District Government, Bahawalpur for the financial year 2013-14 and the findings included in the Audit Report.

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

District Bahawalpur is administratively divided into six Tehsil namely Bahawalpur (City), Bahawalpur (Saddar), Yazman, Khairpur Tamewali, Hasilpur and Ahmadpur East.

### **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 Bahawalpur for the financial year 2013-2014 auditable expenditure under the jurisdiction of Regional Director Audit, Bahawalpur was Rs 7,322.451 million covering one PAO and 254 formations. Of this, RDA Bahawalpur audited an expenditure of Rs 4,837.500 million which, in terms of percentage, is 66% of auditable expenditure. Regional Director Audit planned and executed audit of 30 formations i.e. 100% achievement against the planned audit activities.

Total receipts of the District Government Bahawalpur for the financial year 2013-14, were Rs12.228 million. RDA Bahawalpur audited receipts of Rs4.025 million which was 28% of total receipts.

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

Recoveries of Rs197.153 million were pointed out by Audit which was not in the notice of the management before audit. An amount of Rs4.373 million was recovered and verified during year 2014-15, till the time of compilation of the Report.

However against the total recovery amount of Rs101.526 million pertaining to paras (over one million) drafted in this report, no amount of 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), PFR Vol-I, II, Delegation of Financial Powers and other relevant laws, which govern the propriety of utilization of the financial resources of the District Government in accordance with the regularity framework provided by the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws / rules and according to 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 2014-15.

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

Internal control mechanism of District Government Bahawalpur was not found satisfactory during audit. Many instances of weak internal controls have been highlighted during the course of audit which includes some serious lapses on the part of District Government authorities which may be captioned as one of important reasons for Weak Internal Controls.

According to Section 115-A (1) of PLGO, 2001, District Government shall appoint an Internal Auditor but the same was not appointed by District Government Bahawalpur.

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

- i. Misappropriation of Rs8.066 million was noted in two cases<sup>1</sup>
- ii. Non production of record of Rs71.798 million was noted in one case<sup>2</sup>
- iii. Irregularities and non-compliance amounting to Rs303.039 million was noted in fifteen cases<sup>3</sup>
- iv. Weak internal controls were noted in twenty four cases involving an amount of Rs101.526 million<sup>4</sup>

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:**

PAODistrict Government is required to:

- i. Ensure to fix responsibility in cases of misappropriation/fraud and losses.
- ii. Effect recoveries pointed out, during audit, regarding pay & allowances.
- iii. Comply with DAC directives
- iv. Take appropriate action for non-production of record.
- v. Comply with the Public Procurement Rules for economical and rational purchases of goods and services.

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1Para 1.2.1.1 to 1.2.1.2

2Para 1.2.2.1

3Para 1.2.3.1 to 1.2.3.15

4Para 1.2.4.1 to 1.2.4.24

- vi. Strengthen the existing internal controls to avoid recurrence of similar nature irregularities time and again.
- vii. Take appropriate actions for over payment of pay and allowances
- viii. Make efforts for expediting the realization of various Government receipts.
- ix. Ensure deposit of District receipts into proper head of account.
- x. Rationalize its budget with respect to utilization.

## SUMMARY TABLES & CHARTS

**Table 1: Audit Work Statistics**

(Rupees in Million)			
Sr. No.	Description	No.	Budget/ Expenditure
1	Total PAOs in Audit jurisdiction	1	7,322.451
2	Total formations DAO/DDOs in Audit jurisdiction	254	7,322.451
3	Total entities (PAOs) audited	1	1,718.726
4	Total formations DAO / DDOs audited	30	1,718.726
5	Audit & Inspection Reports	30	-
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	71.798
2	Financial management	0
3	Internal controls	101.526
4	Violation of Rules	303.039
5	Others	8.066
<b>Total</b>		<b>484.429</b>

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

<b>Sr. No.</b>	<b>Description</b>	<b>Expenditure On Physical Assets</b>	<b>Salary</b>	<b>Non-Salary</b>	<b>Civil Works</b>	<b>Receipt</b>	<b>Total Current Year</b>	<b>Total Last Year</b>
1	Outlays audited	118.322	73.411	1,383.736	143.257	235.400	1,954.126	1,717.627
2	Amount placed under audit observations /irregularities pointed out	112.584	43.162	292.537	34.378	1.768	484.429	709.134
3	Recoveries pointed out at the instance of audit	-	60.106	39.201	-	1.768	101.075	86.648
4	Recoveries accepted /established at the instance of audit	-	60.106	39.201	-	1.768	101.075	86.648
5	Recoveries realized at the instance of audit	-	2.499	1.414	-	0.460	4.373	4.235

The amount mentioned against Sr. No 1 in column of “Total” is the Sum of Expenditures and Receipt whereas the total expenditure was Rs1,718.726 Million.

**Table 4: Irregularities Pointed Out****(Rupees in Million)**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
1	Violation of rules and regulations and violation of principle of propriety and probity in public operations.	303.039
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	8.066
3	Accounting errors (accounting policy departure from IPSAS <sup>5</sup> , misclassification, overstatement or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems (Managerial Controls).	-
5	Recoveries and overpayments, representing cases of established overpayments or misappropriations of public monies (Financial Controls).	101.526
6	Non-production of record.	71.798
7	Others, including cases of accident, negligence etc.	-
<b>Total</b>		<b>484.429</b>

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

**Table 5: Cost Benefit****(Rupees in Million)**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audit (Items 1 of Table 3)	2,376.264
2	Expenditure on Audit	0.090
3	Recoveries realized at the instance of Audit	4.373
	Cost-Benefit Ratio	48.588

# **CHAPTER 1**

## **1.1 District Government Bahawalpur**

### **1.1.1 Introduction**

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

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

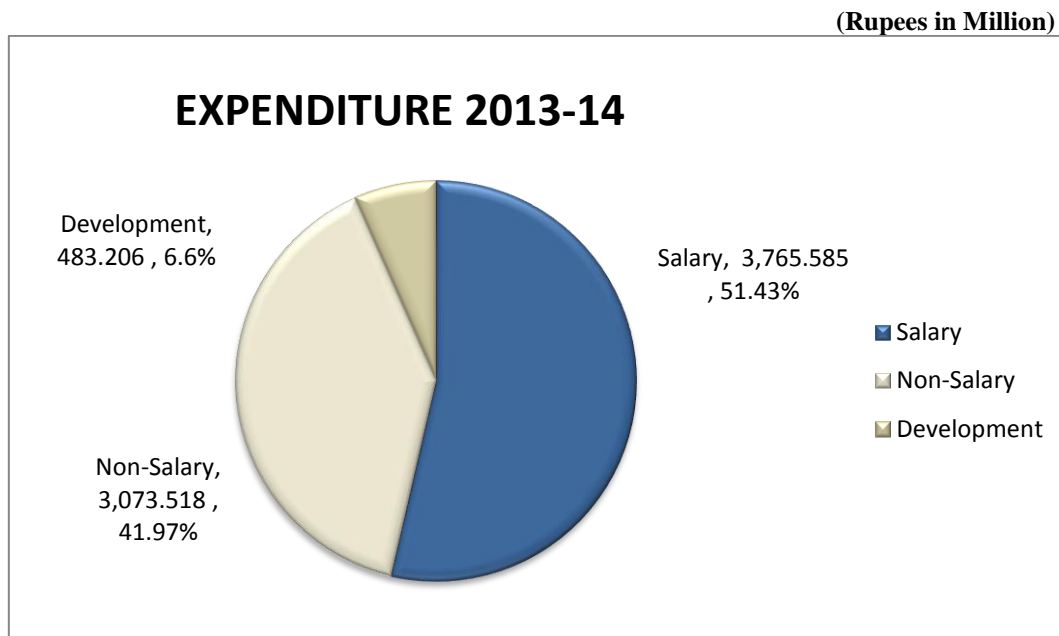


### 1.1.2 Comments on Budget and Accounts

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

**(Rupees in Million)**

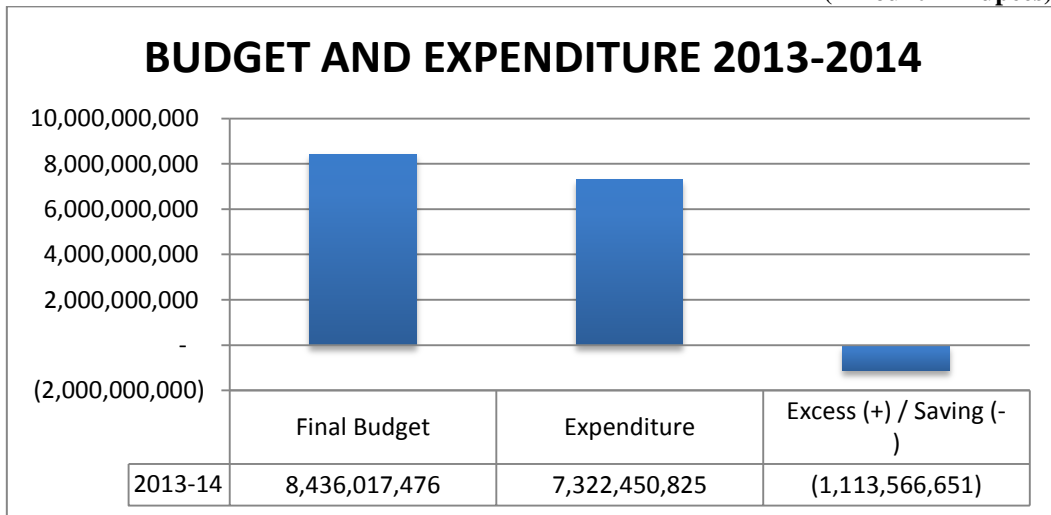
2013-14	Budget	Actual	Excess (+) / Saving (-)	%
Salary	4,318.312	3,765.727	-552.585	12.79%
Non Salary	3,325.118	3,073.518	-251.600	7.566%
Development	792.587	483.206	-309.381	39.03%
<b>Total</b>	<b>8,436.017</b>	<b>7,322.451</b>	<b>-1,113.566</b>	<b>13.20%</b>
<b>Receipts</b>	<b>13.371</b>	<b>12.228</b>	<b>1.143</b>	



As per the Appropriation Accounts 2013-14 of the District Government, Bahawalpur, total original budget (Development and Non-Development) was Rs8,101.381 million, supplementary grant of Rs334.636 million was provided and the final budget was Rs8,436.017 million. Against the final budget, total

expenditure of Rs7,322.451 million was incurred by the District Government during 2014-15. Annex – B

(Amount in Rupees)

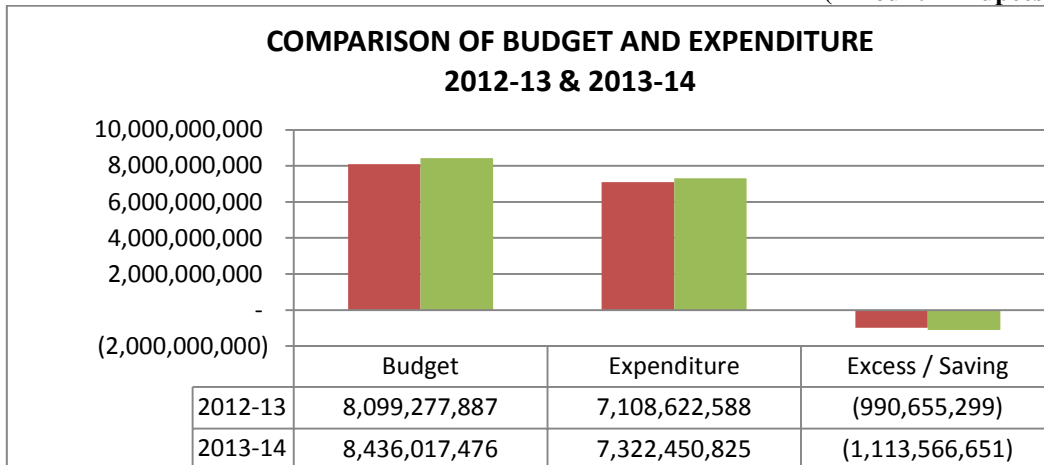


Due to inefficient financial management by the Principal Accounting Officer / DCO there was saving of Rs1,113.566 million. Major portion of savings occurred as detailed below:

Savings of Rs602.767 million (45.37 % of allocation) occurred in grant -36 (Development Expenditure) due to non-execution/completion of development schemes by various departments.

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

(Amount in Rupees)



There was 4% and 3 % increase in budget allocation expenditure incurred respectively, while there were overall savings of Rs1,113.566 million during 2013-

### **1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2013-14**

Audit paras reported in MFDAC (Annex-1) of last year audit report which have not been attended in accordance with the direction of DAC have been reported in part II of Annex-A.

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

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

### Status of Previous Audit Reports

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
1	2002-03	22	Not convened
2	2003-04	28	Not convened
3	2004-05	28	Not convened
4	01/07/2005 to 31/03/2008 Special Audit Report	158	Not convened
5	2009-10	38	Not convened
6	2010-11	92	Not convened
7	2011-12	24	Not convened
8	2012-13	13	Not convened
9	2013-14	41	Not convened

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

## **1.2 AUDIT PARAS**

## **1.2.1 Fraud / Misappropriations**

### 1.2.1.1 Misappropriation in Purchee Fee – Rs4.186 Million

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

District Officer Livestock deposited less amount on account of purchee fee as compared to animals treated in the hospitals which led to misappropriation of Rs4.186 million during 2013-14. The detail is given below:

#### 1. Treatment of animal at hospital

(Amount in Rupees)

Sr. No.	Description	Animals treated	Fee per animal	Total fee collected	Fee deposited	Mis-appropriation
1	Total Animals treated	755,542				
2	Cases treated on Tour (free)	43,818				
3	Remaining cases	711,724	02	1,423,448	354,119	1,069,329

#### 2. Vaccination of Animals

(Amount in Rupees)

Sr. No.	Type of Vaccination of animal	Animal vaccinated	Fee per animal	Total fee collected	Fee deposited	Mis-appropriation
1	Hemorrhagic Septicemia	66,931	3	200,793	1,717,670	
2	Black Quarter	263,624	3	790,872		
3	Foot & Mouth	141,965	15	2,129,475		
4	Enterotoxaemia	499,488	2	998,976		
5	Caprine pleura pneumonia	575,110	0.5	287,555		
6	Newcastle Disease (Rural Poultry)	706,960	0.10	70,696		
7	Sheep Pox	68,800	2	137,600		
8	PPR	23,700	2	47,400		
9	Goat Pox	85,700	2	171,400		
<b>Total</b>				<b>4,834,767</b>	<b>1,717,670</b>	<b>3,117,097</b>
<b>Grand Total</b>						<b>4,186,426</b>

Audit is of the view that irregularity occurred due to weak internal controls.

The above action of the Department caused less recovery of revenue of Rs4.186 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that the purchase fee was required to be charged from animals treated at outdoor of Veterinary Hospitals / Dispensaries, whereas for the animals treated on tour as well as during field / farmers days no purchase fee was required. Further the cost of vaccination was being deposited regularly & cost of vaccines in hand would be deposited after its utilization. Moreover audit had also included the vaccination free of cost under CM Package, but no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 kept the para pending for verification of record. No progress was intimated to Audit till finalization of the Report.

Audit recommends that recovery be effected and deposited into treasury, under intimation to Audit.

[AIR Para: 7]

#### **1.2.1.2 Misappropriation of Vaccine – Rs3.880 Million**

According to letter No. 1(58) SO (B&F) L&DD/2010 (Pt.I) “the department is of the view that this amount can be utilized for the vaccination of the animals to clear the outstanding amount to be paid to Veterinary Research Institute(VRI) Lahore against the purchase of vaccines by the districts to achieve this department’s vision of disease free province”.

District Officer Livestock purchased vaccine of Rs3.880 million during 2013-14 keeping in view the above letter, but not a single penny from amounts collected from the users / beneficiaries was deposited by the department into government treasury. This led to misappropriation of Rs3.880 million.

Audit is of the view that irregularity occurred due to weak internal controls.

The above action of the department leads to misappropriation of Rs3.880 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO of replied that the saving was in balance with District



Government which was allowed to be re-appropriated under vaccines head for expenditure. Hence in the compliance of administrative department the saving was got released from District Government Bahawalpur and consequently was utilized for the payment of vaccines. The DAC in its meeting held in October, 2014 directed to get clarification from the department. No progress was intimated to Audit till finalization of the Report.

Audit recommends that amount collected be deposited into treasury, under intimation to Audit.

[AIR Para: 6]

## **1.2.2 Non Production of Record**

### **1.2.2.1 Non Production of Record – Rs71.798 Million**

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “the Auditor General shall in connection with the performance of his duties under this ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts. Furthermore, according to section 115(6) of the Punjab Local Government Ordinance 2001 “All officials shall afford all facilities and provide record for audit inspection and comply with the requests for information in as complete a form as possible and with all reasonable expedition”.

Various offices under the control of DCO, EDO (Health) EDO(W&S) and EDO(Education) did not produce record of expenditure of Rs71.798 million during 2004-14 incurred under different objects / codes of classification, in violation of the above rules. The detail is given in Annex – C.

Audit is of the view that non-production of record reflected irresponsible attitude on the part of executives.

The non-production of record may create doubt about the legitimacy of the expenditure which could not be ascertained due to non-production of record.

The matter was reported to the DCO and DDOs concerned in July, August and September, 2014. The Principal Government Higher Secondary School Mubarikpur and Dy. DEO (EE-W) Bahawalpur replied that all the record was available which could be seen at any time, but no record was produced in support of reply. DCO replied that acknowledgements of receipts of POL were available which may please be verified. Record of Rs655,038 was verified and para reduced to Rs42,002. The DDOs of Government H/S School Chani Goth and Government Girls Model High School Ahmed Pur East replied that most of the staff had been transferred from this school to other schools and their service books and other service record had been forwarded to their new place of posting. Similarly some of the officials had been retired and their service books had also

been handed over to them after the completion of their pension cases. Therefore the stated record was not produced. As far as non maintenance of cash book was concerned the same had been maintained as per rules. Dy. DEO (EE-W) Hasilpur replied that progress would be shown at the earliest. Dy. DO (EE-M) Hasilpur replied that record of TA / DA bill and record of remaining 71 Schools was available in the office but no record was produced. DO (Roads) replied that receipt record of rental charges was available but the record was not provided. DO (Buildings) replied that there was no missing cash voucher in the record which was not accepted as total was corrected after audit. The Principal Government H/S School 188/M replied that record was being traced out. The DAC in its meeting held in October, 2014 directed to get the record verified at the earliest whereas in the case of DCO the DAC directed to keep the para pending till the assurance that POL has not been drawn twice. No progress was intimated to Audit till finalization of the Report.

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

[AIR Para: 8, 9, 20, 5, 21, 2, 26, 11, 13, 25, 8]

### **1.2.3 Irregularities & Non Compliance**

### 1.2.3.1 Adoption of Defective Advertisement Process of Work – Rs112.584 Million

According to Rule 12 (2) of Punjab Public Procurement Rules 2014 “any procurement exceeding two million rupees shall be advertised on the website of the procuring agency, and in at least two national dailies of wide circulation, one in English and one in Urdu.

District Officer (Roads) allotted work of 42 different development schemes costing Rs112.584 million during 2013-14 by advertising in daily (Sutluj) having limited circulation. Detail is given below:

**(Rupees in million)**

<b>Total Development Works</b>	<b>TS Amount</b>	<b>Remarks</b>
52	112.584	Special Repairs of various roads
<b>Total</b>	<b>112.584</b>	

Audit is of the view that irregularity occurred due to avoiding healthy competition.

The above action of the management resulted in irregular expenditure of Rs112.584 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that Director Public Relation Bahawalpur was requested to make publication through National Press both in Urdu and English. Reply was not accepted as advertisement was made only in one Urdu newspaper. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority. No progress was intimated to Audit till finalization of the Report.

Audit recommends that irregularity be got condoned from the competent authority, under intimation to Audit.

[AIR Para: 9]

### 1.2.3.2 Purchases of Medicines through Rate Contract – Rs59.578 Million

According to Government of the Punjab Health Department Letter No. SO (P-III) 2-3/2010 (P) dated 22.12.2011, “organizations were advised not to make purchases on rate contract basis failing which necessary action shall be taken against the officer involved”

District Officer (Health) incurred expenditure of Rs5.958 million on purchase of medicines without observing the PPRA rules and the instructions contained in the above letter. EDO finalized the Rate Contract and DO (Health) was one of the members. Detail of expenditure incurred by DO(Health) on purchases through Rate contract during 2013-14 is given below:

(Amount in Rupees)

Sr. No.	Year	DDO Code	Budget	Expenditure
1	2013-14	BR-6346	50,000,000	54,214,646
2		BR-6357	2,500,000	2,482,071
3		BR-6362	1,700,000	1,681,920
4		BR-6363	1,200,000	1,199,853
<b>Total expenditure</b>				<b>59,578,490</b>

Audit is of the view that due to weak internal controls the management made purchases through Rate contact.

The negligence resulted into irregular expenditure of Rs59.578 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that all the medicines were purchased according to PPRA Rules, 2014 after observing all codal formalities. Reply was not tenable as purchase was to be made according to the prescribed procedure. The DAC in its meeting held in October, 2014 kept the para pending for strict compliance of the audit observation. No progress was intimated to Audit till finalization of the Report.

Audit recommended that the irregularity be got regularized from the competent authority under intimation to Audit.

[AIR Para: 2]

### **1.2.3.3 Undue Favour to the Contractor thorough Enhancement of Contract – Rs42.635 Million**

According to Rule 2.33 of PFR Vol-1, “every government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by the Government through fraud or negligence on his part.”

District Officer (Roads) gave undue favor to the contractors through enhancement of original contract of work and increased the cost of various works by Rs42.635 million during 2013-14. In some cases it was also observed that enhancement was granted even after the due completion date of work. The enhancement was granted without any justification i.e. request from people of area or request by concerned MNA/MPA. Moreover, the formal request/ acceptance of work enhanced was not on record which shows that enhancement was made without demand of work. The detail is given below:

(Amount in Rupees)			
No. of Scheme	Contracted cost	Enhanced cost	Excess cost
40	46,916,298	89,550,940	42,634,642

Audit is of the view that undue favour had been extended to the contractors.

The above irregularity of Rs42.635 million occurred due to non observance of above rule.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that enhancement of work / contract was made as per site requirements on the pressing demand of the inhabitants of the area by the competent authority after fulfilling of all codal formalities, but no record in support of reply was produced. The DAC in its meeting held in October, 2014 directed to get the record verified within seven days but no record was produced till the finalization of this report. No progress was intimated to Audit till finalization of the Report.



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

[AIR Para: 12]

#### **1.2.3.4 Irregular Award of Contract– Rs20.972 Million and Recovery – Rs674,905**

According to Para 2.82 of B&R Code, it is fundamental rule that no work shall be commenced unless administrative approval by the competent authority is given and properly detailed design and estimates have been sanctioned, allotment of funds made and order of its commencement issued by the competent authority.

District Officer (Roads) did not get approved the estimated cost of work pertaining to non scheduled items from the EDO (W&S) and works amounting to Rs20.972 million during 2013-14 were allotted without approval of the competent authority. Moreover the estimated cost of tuff tile was not worked out on the prescribed rates at site due to which work of tuff tile was allotted to contractors at higher rates resulting in a loss of Rs674,905 to Government. The detail is given in Annex – D.

Audit is of the view that above irregularity occurred due to poor management.

Due to this action of the management, Government Treasury sustained loss of Rs20.972 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that estimated cost of work of non scheduled items was already approved. However payment made to contractor over and above the approved rate was being recovered. The reply was not accepted as before execution of work the approval of non scheduled items was to be obtained. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority besides recovering the stated amount at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that recovery be effected besides getting the irregularities condoned from the competent authority and initiating disciplinary proceedings against the person(s) at fault, under intimation to Audit.

[AIR Para: 8]

### **1.2.3.5 Abnormal Delays in Completion of Projects and Non-Imposition of Penalty – Rs14.737 Million**

According to Clauses 37 and 39 of the contract agreement, the contractor shall pay as compensation an amount up to 10 % of the estimated cost of work if the work is not completed within stipulated period of time. Moreover, Government of the Punjab, C&W Departments letter dated 20.04.2009 stipulates that a copy of the extension order shall be endorsed to the Superintending Engineer, Chief Engineer and Special Secretary C&W, for their information and record.

DO (Roads) and Buildings allotted 25 development projects to the different contractors for Rs147.372million. The contractors did not work with the desired pace and abnormally delayed completion of projects during 2013-14, in violation of terms of agreements. District Officers did not take appropriate actions to improve the pace of work. The contractors were also granted undue favour and penalty up to 10% of contract price was not imposed to the concerned contractors despite the fact that in most of the cases they were neither granted time extension nor were their requests for the same on record. In remaining cases the time extensions were granted on unjustified reasons. Moreover, copies of time extensions granted were not endorsed (communicated) to the Special Secretary (C&W) in violation of above rules. Detail is given below:

(Amount in Rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Projects</b>	<b>Estimated Costs of the Projects</b>	<b>Amount of Penalty @ 10 %</b>
1	DO (Roads)	01	64,502,000	6,450,000
		20	33,113,178	3,311,318
2	DO (Buildings)	04	49,756,966	4,975,697
<b>Total</b>		<b>25</b>	<b>147,372,144</b>	<b>14,737,015</b>

Audit is of the view that loss occurred due to ineffective financial and managerial controls, negligence of the management and undue favour to the contractors.

Undue favour to contractor resulted loss to Government of Rs14.737 million.

The matter was reported to the DCO and DDO concerned in September, 2014. DO (Roads) and DO (Buildings) replied that extension in time limit was granted where required by the competent authority on the genuine grounds, but no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that disciplinary action be initiated against the person(s) at fault, under intimation to Audit.

[AIR Para: 5, 11, 16]

#### **1.2.3.6 Irregular Payment Procedure – Rs13.663 Million**

According to Rule 2.14 Note 01 “It is a serious irregularity to draw cheques and deposit them in the cash chest at the close of the year for the purpose of showing the full amount of grant as utilized”. Moreover according to Government of the Punjab Finance Department letter No. FD(FR)V-6/75(P) dated 20.06.2007 “ payments of Rs 100,000 and above to the contractors and suppliers shall not be made in cash by the drawing and disbursing officer. At places where pre-audit cheques are issued, the sanctioning authority shall accord sanction to incur expenditure, under his own signatures, in favour of contractor/supplier incorporating CNIC No. of the Contractor/Supplier”.

District Officer (Health) drew an amount of Rs13.663 million on account of purchase of medicines, the cheques were issued by District Accounts Officer in favour of DO(Health) who subsequently issued bank drafts in favour of contractors / suppliers during 2013-14. DO(Health) was supposed to make direct

payments to supplier through chques instead of drawing the amount in his name. Detail of payments made is given below:

(Amount in Rupees)

Sr No.	Name of firm to whom draft issued	Cheque No.	Date of drawl	Amount
1	M/S Baloom Pharmaceuticals Rawalpindi	2521014	26.06.2014	4,847,040
2	M/S Valor Pharmaceuticals Rawalpindi	2521014	26.06.2014	1,371,516
3	M/S Hassan Surgical Bahawalpur	2521054	27.06.2014	201,960
4	M/S Pioneer Pharma Gujrat	2521054	27.06.2014	1,445,400
5	M/S Java Pharmaceuticals Lahore	2521193	30.06.2014	5,797,000
<b>Payment made through draft</b>				<b>13,662,916</b>

Audit is of the view that irregularity occurred due to weak financial and managerial controls.

Above action of the management caused unjustified payment of Rs13.663 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that all the payments were made by bank draft in favour of suppliers. The reply of the department was not tenable as payments to the suppliers were to be made through cheques and by name cheques were to be prepared by the DAO. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that the irregularity be got condoned from the competent authority besides fixing of responsibility against the person(s) at fault, under intimation to Audit.

[AIR Paras: 14]

### **1.2.3.7 Unjustified Purchases of Medicines and Payment through Bank Draft – Rs7.470 Million**

According to Sr. No.J of Government of the Punjab Health Department (Purchase Cell) letter No. S.O. (P-I) II / 3-G-1/2001 dated 06.09.2001, no medicine can be got utilized without Drugs Testing Laboratories for quality

assurance before issuance to patients. Further, according to Rule 2.14 Note # 01 “It is a serious irregularity to draw cheques and deposit them in the cash chest at the close of the year for the purpose of showing the full amount of grant as utilized”.

District Officer Livestock incurred expenditure of Rs7.470 million during 2013-14 on account of purchase of medicines. All the expenditure was unjustified on the basis of the following observations:

1. The department withdrew the entire amounts of Rs7.470 million from DAO which was retained by the DDO, payment was made to the supplier through draft cheque, and this was done only to save the fund from lapsing, which was held unlawful by audit.

2. All the purchases amounting to Rs7.470 million were made in June just to utilize the Budget.

3. The department issued Payment Draft # G/66-145 (0102341), dated 26.06.2014 for payment to the said Supplier M/S Selmore Pharma Lahore for the Medicine (Neflox Inj. 50ml) before DTL report which was received on 03.07.2014.

4. As per condition # 09 of the Supply order issued to the concerned supplier “payment will be made on receipt of satisfactory result/report of DTL” but the department got passed the bill from DAO on 26.06.2014 vide G/66-145 (0102341) and retained the draft just to give favor to the supplier & the draft was sent to the supplier on 03.07.2014 i.e next financial year after receipt of DTL”.

Audit is of the view that irregularity occurred due to weak financial management.

The above action of the Department caused loss to Government exchequer of Rs7.470 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that funds were utilized in accordance with PPRA and Financial Rules. The ban was lifted by the Government of the Punjab vide No. 1 (510 SO (B&E) L &DD / 2010 (PT-I) dated 04.03.2014. after lifting of ban purchase process was initiated on 08.03.2014 after fulfillment of all codal

formalities and no irregularity occurred, but no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 kept the para pending for regularization.No progress was intimated to Audit till finalization of the Report.

Audit recommended that the matter may be got regularized from the competent authority under intimation to Audit.

[AIR Para: 9]

### **1.2.3.8 Award of Contract without observing Codal Formalities – Rs6.494 Million**

According to Government of the Punjab C&W Department letter No.SOB-1(C&W)5-7-2008 dated 07.07.2008, “ granite stone cladding work and affixing of all kinds of luxury and imported stones/tiles on all the under construction Government buildings be stopped forthwith and such provisions in the planning stage be revised and the money be diverted towards providing facilities of public utility.

DO (Buildings) executed work of “Construction of Parking Shed, and remaining Shed of Mosque in DCO Office” which was allotted out of “Distt. Annual Development Programme 2012-13” to M/S Mr. M.Sabir for Rs3.755 million vide letter No. 9204-06, dated 05.12.2012 at 02% above T.S Estimate with following Scope of Work:

i.	Parking Shed	Rs2,860,000
ii.	Remaining Shed of Mosque including 26 Ceiling Fans	Rs366,500
iii.	Construction of 03 Shops	Rs575,000

And after one year (on 17.01.2014), extended scope of work of this was allotted out of “Chief minister’s Municipal Services Program / C.C.B Funds” to same contractor at same rates without any advertisement or bidding process vide letter no. 1-2/DOP/BWP/P&D with following extended scope of work and included the renovation / improvement of DCO Office amounting to Rs6.350 million.

This was open to the following observations:

1. Two schemes / projects of two different development programs were shown combined to give benefit to desired contractor rather than keep both the programs separate.

2. No bidding process for new work was adopted which could have resulted in more competition and even saving of 02% (above T.S).

3. As both phases were approved from two different funds / programs, therefore both Phases / Works should have been advertised separately. In this way there would have been chances of more competition, less rates and quick completion of both phases / projects.

4. Undue favor / benefit to the contractor was awarded in shape of awarding 2.5 times bigger project at same acceptance rates (02% above T.S) and without any competition.

5. The project was revised two times (Original AA 3.895 M, 1<sup>st</sup> Revision 6.145 M & 2<sup>nd</sup> Revision 9.700 M) without approval of Finance Department.

6. New T.S has not been approved (signed) yet but work had been started and even partial payment had also been made.

7. Renovation of DCO office was of Luxury nature project which was not approved by the competent authority.

Audit is of the view that management did so with the intention to give undue favor the contractors.

Due to above action of the management Government Treasury sustained loss of Rs6.494 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that the non scheduled items were approved by the competent authority. The A.A. was accorded and work carried out accordingly as per approved specification and TS Estimates. The revised A.A. was accorded by the competent authority and work carried out as per TS Estimates. The work had been executed economically at the old rates. However the prescribed rates and regulations were not allowed. The DAC in its meeting held in October, 2014

directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

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

[AIR Para: 09]

### **1.2.3.9 Appointment of Teachers below Prescribed Qualification– Rs5.849 Million**

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

The following DDOs paid pay and allowances amounting to Rs5.849 million to four (4) teachers working under their administrative control. The person(s) did not have the required qualification for the post at the time of appointment / recruitment which resulted in unauthorized payment on pay & allowances during 1990-2014. The detail is given below:

(Amount in Rupees)

<b>Sr. No.</b>	<b>DDOs</b>	<b>Name of Teachers</b>	<b>Period</b>	<b>Qualification</b>	<b>Total Amount</b>
1	Government (S.A) High School Ahmed Pur East	Muhammad Naseem (EST) Agriculture	01.04.1987 to 30.06.2014	Matric + Diploma in Agronomy	1,897,648
2	Ahmed Pur East	Israr-ul-Haq (D.M)	04.02.1990 to 30.06.2014	Matric + Diploma in art and craft	1,573,784
3	Govt. Higher Secondary School Chani Goth	Mr. Abdul Qadir (PET)	3/1986 to 6/2014	Matric	2,276,372
4	Govt. Higher Secondary School for Boys 188-Murad Choona wala Hasilpur	Mr. Muhammad Ijaz Saleem PET	2004-05 to 2-13-14	Matric + Diploma	101,090
<b>Total</b>					<b>5,848,894</b>



Audit is of the view that irregularities occurred due to non-compliance of relevant rules and ineffective financial / managerial controls.

Unauthorized appointments and change of cadre resulted in unauthorized expenditure of Rs5.849 million.

The matter was reported to the DCO and DDOs concerned in August & September, 2014. The Principal Government SA High School Ahmed Pur East replied that the prescribed qualification for both the categories of post was matric with diploma in respective trade i.e. Matric with Diploma in Agronomy for EST (Agro) and Matric with Diploma in Arts and Craft, but no documentary evidence was produced in support of reply. The Principal Government Higher Secondary School Chani Goth replied that prescribed academic qualification for the post of Drawing Master was enhanced but the said qualification was not followed. The Principal Government Higher Secondary School 188 Murd Choona Wala replied that the case along with audit para had been sent to DEO (EE-M) for necessary action but did not agree with the reply as appointments were to be made according to the prevailing. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that recovery be effected besides irregularities be got condoned from the competent authority besides initiating disciplinary proceedings against the person(s) at fault, under intimation to Audit.

[AIR Para: 5, 4, 4]

#### **1.2.3.10 Irregular drawl of Pay and Allowances and Shifting of Headquarter – Rs5.176 Million**

According to Government of the Punjab Finance Department Notification No.FD/SRIV-8-1/76(PROV) dated 16/03/1988, shifting of headquarter of a civil servant can only be allowed for a period not exceeding three months with the prior approval of Finance Department as all posts are created by the Finance Department after full justification given by the Departments. If the incumbent of the post is working at other than his place of posting it means that there is no

need of such post. The proper way is that the Finance department may be approached for creation of post at required station by abolishing the corresponding post. Moreover Government of the Punjab Health Department letter No.PA/DSA-1/3/94 dated 19/03/1994 and DA/DSC/1294 dated 12/12/1995 letter No.4113-5/E dated 25/03/1998, letter No.18872-76/E dated 05/11/1996 and letter No.3961-4050/C dated 13/02/2004 to DO (Health) stipulate that all kind of general duties were done away with the direction that if any person was found on general duty his absence should be considered along with disciplinary action.

The following DDOs paid the pay and allowances amounting to Rs5.176 million during 2008-2014 to the officials whose head quarters were shifted beyond the period of three months without approval of the Finance Department and in violation of above rule. The detail is given below:

**(Amount in Rupees)**

Sr. No.	DDOs / Original place of posting	Place of Current Posting	No. of Official	Designation	Period	Amount
1	RHC Kudwala	DCO Office Bahawalpur	01	Computer Operator	1.08.08 to 06/2014	1,941,940
2	THQ Hospital Ahmadpur East	THQ Yazman, EDO(Health) BWP, DO(Health) BWP, BHUs	07	Charge Nurse, Niab Qasid, Sanitary Worker,	1.07.13 to 31.07.14	1,275,036
3	Para Medical School	Commissioner Office	01	Head Clerk	1.04.08 to 31.7.2014	1,959,880
<b>Total</b>						<b>5,176,856</b>

Audit is of the view that above irregularity occurred due to non observance of the prevailing rules / instruction of the Government

Above action of the management resulted in irregular payment of Rs5.176 million.

The matter was reported to the DCO and DDOs concerned in July, August and September, 2014. SMO RHC Khudwala replied that the said computer operator was working on temporary basis in addition to his duty. MS THQ Hospital Ahmed Pur East replied that the said employee was working at Bahawalpur District for best interest of public due to shortage of staff as there was ban on new recruitment. The Principal Government Para Medical School Bahawalpur replied that officer and officials were deputed on General Duty by

the orders of higher authorities. The replies were not tenable as all the employees were on General Duty beyond the period of three months. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends fixation of responsibility for negligence and irregularity be got condoned from the competent authority under intimation to Audit.

[AIR Para: 6, 6 & 8]

#### **1.2.3.11 Over Estimation of Costs after Allowing 20% Contractor's Profit – Rs3.354Million**

According to Government of the Punjab, Finance Department Letter No. RO (Tech)FD-18-29/2004 dated 03.03.2005, "Purchase of plant, machinery and other store items including turbines, street lights, etc. were required to be purchased as per procedure laid down in the purchase manual and 20% contractor's profit on procurement of such items was not allowed".

District Officer (Buildings) over estimated the costs of plant, machinery and other store items after allowing 20 % contractor's profit and over head charges in violation of above referred instructions of the Finance Department. Subsequently, the said items were purchased through the contractors for seven development schemes, which resulted in excessive expenditure of Rs3.354 million during 2013-14. The detail is given in Annex – E.

Audit is of the view that loss occurred due to ineffective internal controls and not exercising due diligence by the management.

Above action of the management caused a loss of Rs3.354million to the government.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that the said items were not store items. Therefore the contractors profit and overhead charges were genuine. The reply of the

department was not accepted as department did not observe the above stated rule in letter and spirit. The DAC in its meeting held in October, 2014 directed to ensure the compliance of audit directives. No progress was intimated to Audit till finalization of the Report.

Audit recommends recovering the amount and depositing it into government treasury besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 11]

#### **1.2.3.12 Execution of Excess Quantity without Revision of T.S – Rs2.963 Million**

According to Secretary (C&W) Department Lahore letter No. SOR-I (S&W) 1-42 (Misc.) dated 30-07-1997, the work may be executed strictly in according to scope and provisions of the technically sanctioned estimates. Items of work executed in violation of the provision of the sanctioned estimate will not be entertained.

District Officer (Buildings) paid excess quantities than provided in the T.S in six different development schemes during 2013-14. And in some cases payments were made for the items that were not available in the TS. Detail is in Annex-F.

Audit is of the view that above irregularity occurred due to poor management.

Due to above action of the Management the Government sustained loss of Rs2.963 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that revised estimates were under process for sanction by the competent authority. The reply of department was not accepted as before execution of work in excess of quantity already sanctioned it was required to obtain sanction of the revised estimates. The DAC in its meeting held in October,

2014 directed to get the irregularity condoned from competent authority at the earliest.No progress was intimated to Audit till finalization of the Report.

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

[AIR Para: 07]

### 1.2.3.13 Unjustified Payment of Price Variation – Rs2.923 Million

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

District Officer (Buildings) made payment of Price Variation in excess of 03% Contingencies allocated to meet the same expenditures during 2013-14. It was also noticed that:

1. Work was not completed within time limit
2. No Time extension or revision was requested / applied / granted.
3. Contingency Record (register) was not produced to audit otherwise unjustified amount of price variation Rs2.923 million would be increased.

(Amount in Rupees)

Sr. No.	Scheme	Name of Contractor	Reference	03% Contingency Allocated	Price Variation Paid	Excess Paid
1	New Building of Special Education CenterHasilpur	Gulzar Ahmad	19th Running Bill	1,240,872	2,226,455	985,583
2	New Building of Special Education CenterKhairpur	Gulzar Ahmad	10th Running Bill	1,241,736	3,179,408	1,937,672
			<b>Total</b>	<b>3,819,825</b>	<b>6,743,080</b>	<b>2,923,255</b>

Audit is of the view that loss occurred due to ineffective internal controls and not exercising due diligence by the management.

Above action of the management caused a loss of Rs 2.923 million to the government.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that payment of excess price variation would be regularized as revised estimate was under process. The department admitted the fact. The DAC in its meeting held in October, 2014 directed to recover the stated amount from the persons concerned and deposit into Government Treasury at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends recovering the amount and depositing it into government treasury besides fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 15]

#### **1.2.3.14 Irregular Payment of Pay and Allowances to an Appointee not having prescribed Qualification – Rs2.763 Million**

According to Pay Revision Rules 1983 issued by the Finance Department letter No. FD-PC-2-1/83 dated 25.08.1983 the prescribed qualification for the post of PET DM (BPS-09) was FA /F.Sc with relevant diploma.

Principal Government Higher Secondary School Channi Goth paid pay and allowances to PET who was appointment on 01.03.1986 on Matric basis instead of FA / FSc in violation of above rule. He was entitled to fixed pay till the passing of FSc / FA examination, but he was allowed running scale BPS– 09 which was quite irregular and unjustified. The detail is given in Annex –G.

Audit is of the view that above irregularity occurred due to non observance of prevailing rules.

Above action of the management resulted in irregular payment of pay and allowances of Rs2.763 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that matter had already been taken up with the higher authority for regularization. The DAC in its meeting held in October, 2014 directed that expenditure be got regularized at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that matter be investigated at appropriate level and to take disciplinary against person(s) at fault, under intimation to Audit.

[AIR Para: 4]

#### **1.2.3.15 Expenditure beyond Competency and without Observing PPRA Rules – Rs1.203Million**

According to Rule 2 (b) (i) (i) of the Punjab Delegation of Financial Power Rules 2006, the DCO being head of the Administrative Department, was competent to sanction expenditure of Rs 500,000 per annum on account of purchase of “Stationery”. Moreover according to Rule 9 of Punjab Procurement Rules 2009 “A procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA’s web site”.

DCO sanctioned 06 “Stationery” bills amounting to Rs1.203 million against two tenders dated 16.08.2013 & 03.01.2014. Clearance of bills was unauthorized as the DCO was competent to sanction expenditure of Rs500,000 per annum on this account. Further no advertisements were floated on PPRA website in violation of the above rules.

Audit is of the view that irregularity occurred due to ineffective financial management.

Above action of the management resulted in irregular expenditure of Rs1.203 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that tenders were called for in press as well as on the website of PPRA in the light of the Government Instructions and rate contracts were made. Reply was not accepted as Government had banned rate contract. The DAC in its meeting held in October, 2014 kept the para pending for regularization.No progress was intimated to Audit till finalization of the Report.

Audit recommends that the irregularity be got condoned from the competent authority, under intimation to Audit.

[AIR Para: 27]



## **1.2.4 Internal Control Weaknesses**

### 1.2.4.1 Illegal Charging of Fee by the Veterinary Staff – Rs20.904 Million

According to Government of the Punjab LS&DD Punjab Lahore letter No 1119-54 dated 03.07.2014 vaccination fee is ranging from Rs2 to Rs15 whereas Insemination fee is Rs50 per animal. Furthermore according to job description of veterinary assistant, he is not authorized to issue / recommend medicines.

Veterinary / field staff of DLO during 2013-14 charged excess rates than the rates fixed by the department vide above referred letters which was verified by the following officers / officials during field visit physically and recoded statements of the breeders / beneficiaries duly signed by the officer and official of both departments.

1. Mr. Muhammad Arshad Malik Asstt. Audit Officer
2. Mr. Muhammad Rashid Asstt. Audit Officer
3. Mr. Malik Saeed Ahmad Assistant O/o the DLO BWP
4. Mr. Hafiz Bashir Ahmad Accountant/Cashier O/o the DLO BWP
5. Concerned Veterinary Assistant / AI Technician

The results of physical verification are given below:

(Amount in Rupees)

Sr. No.	V. Centre	Name of AI Technician	Name of Breeder / Beneficiary	CNIC No.	Cell No.	Rate of Insemination as per Govt. notification	Rate Charged
1	Basti Ganwar Ali		M. Akhtar S/o M. Hussain	31202-0647987-7		50	125
2			Hajran Bibi D/o Ashiq Hussain			50	50
3	Jhangi Wala	Mr. M. Akbar	Zafar Iqbal S/o M. Bukhsh	31202-1571401-3	3007465820	50	300
4			Dilshad Ahmed S/o Hashim Muhammad		3056946450	50	300
5			M. Abid S/o Gull Hassan	31202-7712993-3	3003536888	50	200
6			Malik Allah Ditta S/o Malik Ghulam Farid		3447300458	50	200
7	Lashkar Di Goath	Mr. Iftikhar Ahmed	M. Khalid S/o Faiz Muhammad	31202-5132904-7	3006804402	50	100
8			M. Qasim S/o M. Anwar	31202-0499053-3	3084748731	50	150
<b>Total</b>						<b>450</b>	<b>1425</b>
<b>Average</b>						<b>50</b>	<b>178.25</b>

Moreover the vaccination rates described by the different people were given in Annex–I. The total assessment of over / excess charged amount came to Rs20.904 million.

Furthermore during joint field visit by the Audit officer and representative of the live stock department, it was observed that the Veterinary Assistants were illegally offering medical facilities to the breeders, furthermore they were charging heavy amount to the breeders for the services. Detail is tabulated as below:

**(Amount in Rupees)**

Sr. No.	V. Centre	Name of VA	Name of Breeder / Beneficiary	Cell No.	Rate of Treatment per animal
1	Mouza Utera	Muhammad Javaid Shah	Zahoor Ahmad S/O Jind Wada	0332-6886420	5,000
2	Mouza Utera		Malik Muhammad Ramzan S/o Haji Ghulam Rasool	0346-6330617	2,000

Audit is of the view that above irregularity occurred due to poor management.

These results also make the entire insemination or medication doubtful amounting to Rs20.904 million as these being used as private practice by the field staff.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that no complaint of such overcharges was received from the field. The DAC in its meeting held in October, 2014 did not accept the reply as written complaints / evidence were provided by the public in the presence of staff of the department and it directed that case be enquired under PEEDA within 60 days. No progress was intimated to Audit till finalization of the Report.

Audit recommends that matter be investigated at appropriate level and disciplinary action be taken against person(s) at fault, under intimation to Audit.

[AIR Para: 17, 20]

#### **1.2.4.2 Irregular Regularization of Contract Employees Prior to their Appointment against the Policy– Rs16.977 Million**

According to the policy for regularization of contract employees circulated by the Government of Punjab School Education Department vide No. SO(SE-III) 2-16/2007 dated 19.10.09, the contract employees who were in service upto 14.10.2009 were required to be regularized.

Dy. DEO (EE-M) and Dy. DEO (W) Hasilpur regularized the employees who were not in service upto 14.10.2009 these were regularized with effect from 19.10.2009 in violation of above government instruction. The detailed record of regularization of the officials appointed after 14.10.2009 was not provided. Detail is given in Annex-H.

Audit is of the view that irregularity occurred due to non observance of prevailing rule.

The above action of management caused unauthorized payment of Rs16.977 million.

The matter was reported to the DCO and DDOs concerned in August, 2014. Both the DDO replied that officials were appointed as per policy. The reply was not accepted as officials appointed after 14.10.2009 could be regularized. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

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

[AIR Para: 09, 08]

#### **1.2.4.3 Non Auction of Machinery, Vehicles, etc. – Rs7.878 Million**

According to Section 124 (3) of PLGO 2001, “the moveable property of local government which is required to be disposed of shall be sold through competitive bidding by public auction.”

The following DDOs did not auction the dry / uprooted trees which were lying in the office during 2013-14. The auction had to be made for disposal of the items, but efforts were made to auction and fetch the revenue. In the consequences all the old items were deteriorating value day by day. Detail is given below:

(Amount in Rupees)

Sr. No.	DDOs	Particulars	Amount
1	Para Medical School	89 No.s of Trees	1,000,000
2	RHC Kudwala	36 No.s of Trees	200,000
4	Dy. District Officer Education (E.E.M) Hasilpur	unserviceable material and dry trees	1,600,000
5	Government Girls Higher Secondary School, Chah Fateh Khan	87 (Cft) of dry / fallen trees	78,000
6	DO (Roads) Bahawalpur	Machinery, Equipment	2,250,000
7	DO(Live stocks) BWP	Old Vehicle	1,150,000
8	Dy. District Officer Education (E.E.W) Hasilpur	unserviceable material and dry trees	1,600,000
9	DO(OFWM), Bahawalpur	Laser land leveling machine	250,000
10	Govt. Girls H/S Yazman	Dry Trees	100,000
<b>Total</b>			<b>7,878,000</b>

Audit is of the view that above irregularity occurred due to weak financial management.

The above action of the management caused less / Non recovery of revenue amounting to Rs7.878 million.

The matter was reported to the DCO and DDOs concerned in July, August and September, 2014. All the DDOs replied that auction process had been initiated. The DAC in its meeting held in October, 2014 directed all the DDOs for strict compliance of the audit observation. No progress was intimated to Audit till finalization of the Report.

Audit recommends that auction be made and sale proceed be deposited into treasury, under intimation to Audit.

[AIR Para: 9, 13, 25, 9, 10, 18, 19, 8, 8]

#### 1.2.4.4 Recovery due to Non Use of Steel Items of Pakistan Steel Mill Karachi – Rs7.813 Million

According to “Contract Agreement” it was mandatory to use steel bars from billet of Pakistan Steel Mills Karachi/imported billet as per specification ASTM 615. District Officer was responsible to ensure use of specified billet and payment was to be released for M.S steel bars (Manufactured from Pakistan Steel). Contractor was bound to provide original invoice and certificate that M.S bars have been manufactured by Pakistan steel billet. This paper should be produced before release of payment, if not produced, the rate of M.S bars shall be reduced by Rs4,500 per ton.

DO (Buildings) made payments of steel amounting to Rs7.813 million during 2013-14 against different works without production of invoice of steel billets and certificate from the contractors that iron items were produced by Pakistan Steel Mills Karachi. The detail is given below:

(Amount in Rupees)

Sr. No.	Scheme	Item	Qty. as per M.B	M.B & Page no.	Rate	Amount	Deduction @ Rs. 4500 Per Ton
1	New Building of Special Education Center Hasilpur	Fabrication of Mild steel 60 grade	62470	19th Bill Running Bill	8,174	5,106,098	2,811,150
		Fabrication of Mild steel 40 grade	4700	19th Bill Running Bill	7,241	340,315	211,500
2	New Building of Special Education Center Khairpur TW	Fabrication of Mild steel 60 grade	73732	10th Bill Running Bill	7,825	5,769,824	3,317,940
		Fabrication of Mild steel 40 grade	2712	10th Bill Running Bill	7,241	196,369	122,040
3	Up-Gradation of GGHS Qaimpur to Higher Sec. School, KPT	Fabrication of Mild steel 40 grade	14363	10th Running Bill	7,358	1,056,815	646,335
4	Boring of Tue Well (0.5 Cusec) Construction of Pump House Bwp	Fabrication of Mild steel 40 grade	233	2228/1774 P-111	10,132	23,608	10,485
5	Construction of CMW School Hostel BWP	Fabrication of Mild steel 40 grade	15410	2197/1653 P-121	9,079	1,399,097	693,450
<b>Total</b>							<b>7,812,900</b>

Audit is of the view that above irregularity occurred due to not observing of provision of agreement.

The above action of the department caused a loss of Rs7.813 million to the Government.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that the MS Bars of Pakistan Steel of 60 Grade were not used MB Bars of 40 Grade were used as per schedule of rates as provided in TS Estimates. The record to the extent of Rs5.079 million was produced and verified and para reduced to Rs7.813 million. The DAC in its meeting held in October, 2014 directed to recover the overpaid amount from the concerned and to deposited it into Government Treasury at the earliest. No progress was intimated to Audit till finalization of the Report.

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

[AIR Para: 08]

#### **1.2.4.5 Payment of Pay and Allowances without Verification of Diploma – Rs 4.816 Million**

According to Government of the Punjab Finance Department Letter No.SOR-III-2-53/77 dated 28.03.1978, No.SOR-III-2-87/88 dated 25.07.1989 and SOR-III-2-47/99 dated 03.08.1989,“the appointment orders and other academic documents should be got verified from the concerned authority before payments of pay and allowances.”

District Officer Livestock made unauthorized payment of pay & allowances amounting to Rs4.816 million during 2013-14 to three Veterinary Assistants who were appointed by the Assistant Director Veterinary, Bahawalpur without verification of their diplomas from the issuing authority i.e. Director (Live Stock & Dairy Development) Barani Area, Rawalpindi. The said officials were still in service. Similarly observation regarding eleven VAs was raised by audit previous year. These eleven VAs had been placed under suspension and the

matter was being inquired by the department, whereas no action had been taken against the above mentioned VAs. The detail regarding payment to officials is as below:

(Amount in Rupees)

Sr. No.	Name of official	Designation	Period	Total
1	Mr. Mohammad Abbas	Veterinary Assistant	09/93 to date	1,662,226
2	Muhammad Aslam		09/93 to date	1,662,226
3	Muhammad Afzal		06/95 to date	1,4915,89
<b>Total</b>				<b>4,816,041</b>

Audit is of the view that above irregularity occurred due to ineffective internal controls and not exercising of due diligence by the management.

Above action of the management caused unauthorized expenditure of Rs4.816 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that diplomas under observation were sent to the issuing authority i.e. Director, L&DD Barani Areas Rawalpindi. The issuing authority informed that record of Veterinary Assistant Class prior to April, 1992 was not available. The accused were heard in person, keeping in view the recommendation of inquiry officer and available record, the accused were exonerated. The reply was not accepted by the committee as it was the responsibility of the DDO to get all documents verified prior to any payment. The DAC in its meeting held in October, 2014 kept the para pending for strict compliance. No progress was intimated to Audit till finalization of the Report.

Audit recommends fixation of responsibility against the person(s) at fault along with recovering the amount under intimation to Audit.

[AIR Para: 19]

#### **1.2.4.6 Loss due to Unauthorized Payment of Conveyance / Mobility Allowance – Rs4.415 Million**

According to Finance Department, Government of the Punjab letter No. FD-PC.38-8/77 dated 05.07.1977 no Conveyance Allowance is admissible to



government servants having residences within premises of the office or availing facility of official vehicle. Further, Rule 1.15 of the Punjab Travelling Allowance Rules 1976 stipulates that, Conveyance Allowance is not admissible during the period of leave of any kind or vacations. Furthermore, according to Government of the Punjab Education Department (School Wing) letter No. So (S-III) 1-2-16/2007 dated 24.09.2007, no mobility allowance is admissible during the period of leave.

The following DDOs made unauthorized payments of Rs4.415 million on account of conveyance/mobility allowances during 2013-14 to various officers/officials despite the fact that they were either residing in government accommodations situated within the office premises or using Government vehicles. Further, the payments of mobility/conveyance allowances were made during leave periods which was not admissible. The detail is given below:

(Amount in Rupees)

Sr. No	DDOs	No. of Empl	Period	C.A / Mobility HSRP / Allowance paid during the period of leave	C.A / Mobility Allowance paid during Summer / Winter Vacations	C.A paid to persons having Govt. Vehicle / residence within premises	Amount Recoverable
1	Dy. DEO(M) HSP		2013-14	1,245,807	0	0	1,245,807
2	DO(Health) BWP	136	2013-14	0	0	1,251,200	901,600
3	Dy. DEO(W) HSP		2013-14	725,822	0	0	725,822
4	Govt. Girls H/S Chah Fateh Khan BWP	49	2008-14	160,147	214,457	0	374,604
5	Govt. (S.A) High School Ahmadpur East	21	2008-14	0	198,876	0	135,779
6	Dy DEO(EE-W) BWP	672	2013-14	0	797,274	0	797,274
7	DO(Environment)	3	2006-14	0	0	64,840	62,340
8	DO(Roads) BWP	6	2013-14	21,250	0	0	21,250
9	GGHS Multani Gate	28	2006-14	150,661	0	182,827	150,661
<b>Total</b>							<b>4,415,137</b>

Audit is of the view that unauthorized payment of allowance to concerned due to non observance of prevailing rules.

Ineffective financial controls and negligence of the management resulted in unauthorized payment of conveyance allowance and loss of Rs4.415 million to government.

The matter was reported to the DCO and DDOs concerned in July, August and September, 2014. All the DDOs replied that the recovery process had been initiated and progress would be shown. The DAC in its meeting held in October, 2014 directed to recover the stated amount at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that unauthorized payment be recovered from the concerned besides initiating disciplinary proceedings against the person(s) held responsible for making unauthorized payments, under intimation to Audit.

[AIR Para: 14, 1, 9, 1, 2, 2, 1, 5, 18 & 3]

#### **1.2.4.7 Unjustified Utilization of Vaccine – Rs3.880 Million**

According to Para 6 of the letter No. 6 of the policy letter issued vide letter No. 1 (57) SO(B&E)/L&DD/09 dated May, 08/2009 of the Director General (Extension) L&DD Punjab, Lahore, in order to ascertain the transparency in utilization of funds and methodology to achieve objective, it is proposed that target beneficiaries will be landless, widowed, orphaned and destitute having 1-20 mixed Livestock, A list of beneficiaries will be prepared with the help of register of food stamp scheme and Zakat Usher committees of union councils. A card containing detail of beneficiaries and services and benefits availed will be issued to the beneficiaries. Complete record and activities carried out in the interest of beneficiaries will be maintained by the District Officer Livestock. The concerned DLOs will also be responsible to monitor the activities carried out in the scheme efficiently. Further, according to para 1 of the minutes of meeting held on 17.08.2009, Veterinary Officer will verify and certify the lists of beneficiaries and about 20% of the entries will be verified by the DLOs.

District Officer Livestock did not monitor the activities relating to provision of health facility by all the Veterinary Hospitals / Dispensaries / Centers during 2013-14. As a result assigned target of the scheme were not achieved and instruction from the higher authorities regarding vaccination were not passed to remove deficiencies consequent it was observed that:

- List of Beneficiaries was not prepared with the help of Usher Zakat & food Stamps Scheme and no list of approved beneficiaries was provided to audit for verification.
- Vaccine was consumed by 1-20 animals but no authentic record was maintained to justify the vaccine consumed.
- In most Veterinary Hospitals Dispensaries/ Centers only vaccine service was provided.
  - In some cases medicine was shown issued /given to the beneficiaries but no record was prepared for audit.

Audit is of the view that irregularity occurred due to non observance of prevailing rules.

The above action of the management caused irregular utilization of vaccine of Rs3.880 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that record was available with veterinary institutions. All the services were provided as per requirements and quality of service delivery was being monitored by the senior officers. Approved list of beneficiaries was also available and would be shown to audit, but no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority. No progress was intimated to Audit till finalization of the Report.

Audit is the view that due to weak internal control government instructions were not followed and put the government resources on risk.

[AIR Para: 1]

#### **1.2.4.8 Appointment of PTC Teachers below Prescribed Qualification and Award of Advance Increments–Rs3.513 Million**

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

Twenty Seven (27) PTC teachers working under the control of Dy. DEO's, Bahawalpur (EE-W) and Hasilpur (EE-M) were appointed on the basis of Matric and PTC (during the year 1997) despite the fact that required qualification for that post was F.A and PTC. Recruitment of persons who did not meet prescribed qualification and expenditure of Rs7.548 million on their salary was held unauthorized. Moreover, the DDOs allowed thirty four (34) PTC teachers to draw two advance increments on acquiring qualification of F.A / F.Sc. Advance increments on passing "Intermediate Examination" were not admissible to these teachers as required qualification for the post of PTC teachers was enhanced from Matric / PTC to F.A/PTC w.e.f 01.02.1997. The persons did not have required educational qualification at the time of appointment and they passed intermediate examination after entering in to government service in order to meet the minimum required criteria of the post. Hence, grant of advance increments on acquiring qualification of F.A/F.Sc. was not admissible resulting in unauthorized expenditure of Rs3.069 million on this account. The detail is given below:

(Amount in Rupees)

Sr. No.	DDOs	No. Of Teachers	Period	Amount
1	Dy. DEO(EE-W) Bahawalpur	07	1997 to 2014	<b>1,198,800</b>
		05	1997 to 2014	<b>444,520</b>
2	Dy. DEO (EE-M) Hasilpur	06	1997 to 2014	1,869,740
<b>Total</b>				<b>3,513,060</b>

Audit is of the view that above irregularities occurred due to non-compliance of relevant rules and ineffective internal controls.

Above action of the management caused unauthorized payment of pay & allowances worth Rs3.513 million.

The matter was reported to the DCO and DDOs concerned in August and September, 2014. Both the DDOs replied that the appointments were made in consonance with the advertisement published by the Secretary Government of the Punjab. The reply was not accepted as notification was issued prior to the date of appointment. The DAC in its meeting held in October, 2014 directed to get the

irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends getting the irregularity condoned from the competent authority besides recovery of loss and fixing the responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 4, 13, 17]

#### **1.2.4.9 Reimbursement of Securities before Prescribed Period – Rs 3.351 Million**

According to Government of the Punjab Notification No.RO (Tech) FD 1-2/2010 dated 04.09.2012, the Security deposit lodged by a contractor (in cash or /other form) shall be refunded to him after the expiry of six/ three months after the issue of the certificate of completion of work under Clause 40 hereof by the Engineer-in-charge, or along with the final bill if it is prospered after that period on account of some unavoidable circumstances.

DO (Roads) refunded security Rs3.351million to different contractors on account of securities deposit of work before the prescribed period for completion of the work in thirteen (13) development schemes in violation of above rule during 2013-14. The detail is given in Annex – I.

Audit is of the view that irregularly occurred due to weak internal control and intention to extend undue favour to the contractors.

Unauthorized refund of securities resulted loss to government of Rs3.351 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that securities were refunded to the contractors concerned by the Engineer Incharge after his satisfaction. The reply was not accepted as the securities could not be refunded before prescribed period. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that disciplinary action be initiated against the person(s) at fault and irregularity be got condoned from competent authority, under intimation to Audit.

[AIR Para: 14]

#### **1.2.4.10 Unauthorized Expenditure on Advance Increments of B.Ed. and M.A / M.Sc – Rs3.127 Million**

According to Judgment of the Supreme Court of Pakistan CPLA No.3329-3235-L/2002 announced on 11.04.2003 and clarification issued by Government of the Punjab, Finance Department Vide letter No. FD-PR/21-3/2004 dated 05.11.04, elementary school teachers drawing pay in BS-14 are not entitled to advance increments of B.Ed. and M.A. Overpayment prior to 08.05.1998 was waived off being cut off date for those middle school teachers, but over paid amount w.e.f. 08.05.1998 was to be recovered in easy installments besides refaxing their pay.

Eight DDOs under the control of EDO (Education) allowed forty four (44) Elementary School Teachers (EST) and Senior Vernacular (SV) teachers to draw advance increments on acquiring qualifications of B.Ed and M.A / M.Sc. The advance increments were not admissible to these employees as they had already availed benefit of higher grade (BPS-14) on acquiring degrees of B.A/B.Sc. and increments for qualifications i.e. B.Ed, M.A/M.Sc could not be allowed w.e.f 08.05.1998 being cut off date. Moreover, the Dy.DEO's did not recover inadmissible payment of advance increments amounting to Rs3.127 million from 08.05.1998 to 30.06.2014. The detail is given in Annex – J.

Audit is of the view that due to weak internal controls on the part of DDO, advance increments allowed to the concerned employees.

Ineffective financial controls and negligence of the management resulted in unauthorized grant of advance increments and loss of Rs3.127million to the government.

The matter was reported to the DCO and DDOs concerned in July, August and September 2014. The Headmistress Government Girls Higher Secondary

School Uch Sharif, Dy. DEO (EE-W) Hasilpur and Dy. DEO (EE-W) Bahawalpur replied that the Honorable Lahore High Court Multan Bench waived off the recovery of wrong drawl of advance increments by school teachers, but no documentary evidence was produced in support of reply. The Government H/S School Chani Goth replied that recovery would be effected, whereas the Dy. DEO (EE-M) Hasilpur replied that all the service books had been sent to the DAO Bahawalpur for re-fixation of the pay. The Principal Government Girls Higher Secondary School Chah Fateh Khan replied that in accordance with the decision dated 11.04.2013 of the Honorable Supreme Court of Pakistan no recovery was due, but no record was produced for verification in support of reply. The Headmistress Government Girls Model High School Ahmed Pur East replied that recovery of wrong drawl of advance increments by school teachers for Higher Qualification was waived off in accordance with the orders of Honorable Lahore High Court Multan Bench Multan, whereas the DDO of Government Girls Sadiq Model High School Bahawalpur replied that the pay of the concerned teachers had been got re-fixed from the DAO and the pay had been reduced accordingly, but no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 directed to recover the stated amount at the earliest.No progress was intimated to Audit till finalization of the Report.

Audit recommends that unauthorized payment be recovered from the concerned besides initiating disciplinary proceedings against the person(s) held responsible for making unauthorized payments, under intimation to Audit.

[AIR Para: 1, 2, 12, 16, 3, 3, 7, 1, 3, 1]

#### **1.2.4.11 Unjustified Expenditure on POL – Rs2.598 Million**

According to Rule 2.10 (a) (1) of PFR Vol-I, “same vigilance should be exercised in respect of expenditure incurred from Government Revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money.”

EDO and DO Health incurred expenditure on POL amounting to Rs2.598 million during the period July, 2013 to June 2014 for vehicle No. UN.272-52

(LEG 1992) and No.UN.272-10 under the use of EDO and DO (Health) respectively. The whole expenditure was unjustified on the basis of the following audit observations:

I. According to the austerity measures for the period 2013-14 no plan was prepared for curtailment of POL as a result excess expenditure was incurred as compared to previous year.

II. Monthly expenditure of POL of EDO (Health) was Rs 88,000 and of DO (Health) Rs 85,770 which was unjustified apparently and revealed that either inspections were not made or excess distance was shown.

III. The daily average of the POL consumption by EDO (Health) of said period after deduction of leaves came to 31 Liters per day and daily distance covered was 182 K.M. per day, whereas POL consumed by DO (Health) on daily average basis of said period after deduction of leaves (Sundays), came to Rs 3018 per day and daily distance covered was 210 K.M. per day. The officers traveled 182 KM and 210 K.M. per day respectively for the whole year which requires investigation and clarification neither a single note of visit / meeting was issued from HQ nor inspection notes of any visit of health facilities was produced.

IV. If the officer remained continuously on visit with the average of 180KM / 210 KM (each day) then it was evident that the officer did not have any time left for official work at Headquarter.

(Amount in Rupees)

Sr. No.	Vehicle No.	6/13	7/13	8/13	9/13	10/13	11/13	12/13	1/14	2/14	3/14	4/14	5/14	Total Amount
1	UN 272-52	82719	88117	87980	95204	78168	82177	41823	158629	134188	88589	-	-	937,594
2	X-67-AF-215	43630	55525	38656	84038	68874	79838	29773	-	6477	147402	45253	31695	631,161
3	UN.272-10	-	-	-	-	-	-	-	-	-	-	-	-	1,029,250
<b>Total</b>														<b>2,598,005</b>

Audit is of the view that above irregularity occurred due to non observance of the prevailing rules / instructions.

Above action of the management resulted in irregular expenditure of Rs2.598 million.



The matter was reported to the DCO and DDOs concerned in August and September, 2014. Both the DDOs replied that expenditure incurred on POL was fully justifiable. The official vehicle was used for bonafide official duties / purposes as approved by the competent authority, but no documentary evidences regarding observations of austerity measures as well as other documents were produced in support of reply. The department did not produce relevant record to justify 180 KM / 210KM of travelling per day. Not a single note of visit of said meeting or any inspection note was produced to audit team. The DAC in its meeting held in October, 2014 accepted the reply of the department being satisfactory but audit disagreed because the provisions of austerity measures were not followed and no curtailment plan was prepared. No progress was intimated to Audit till finalization of the Report.

Audit recommends that the matter be got inquired at higher level and responsibility be fixed under intimation to Audit, besides recovery of the amount used on trips which could not be established.

[AIR Para: 2 & 17]

#### **1.2.4.12 Payment of Excess Steel Quantity for Projects of Same Nature – Rs2.563 Million**

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

District Officer (Buildings) during 2013-14 made excess payment amounting to Rs2.563 million on account of utilization of steel of 40 grade and 60 grade in three different projects i.e. Special Education Centers Hasilpur, Yazman & Khairpur Tamewali whereas design map, nature and size as per administrative approval and technical sanction were same. The detail is given in Annex –K.

Audit is of the view that management did so with the intention to favor the contractors.

Due to above action of the management Government Treasury sustained loss of Rs2.563 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that the plinth beam was approved in T.S estimate of Special Education Center Yazman due to depression of site. The other two centers were not provided with the plinth beam as there was no depression of site, so the building design was not of the same nature. Furthermore the difference between Sr. No 1 & 3 could not be justified. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority besides recovering the stated amount at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that recovery be effected and irregularities be got condoned from the competent authority besides initiating disciplinary proceedings against the person(s) at fault, under intimation to Audit.

[AIR Para: 14]

#### **1.2.4.13 Promotion to Higher Post without any Selection Criteria – Rs2.543 Million**

According to Rule 14 of the Punjab Civil Servants (Appointment & Conditions of Service) Rules, 1974 as amended vide Notification No.SOR.III-1-14/75 dated 28th July 1987, “All persons holding posts in the same functional unit who possess the minimum qualification and experience prescribed for a higher post reserved for departmental promotion, shall be eligible to compete for the promotion in the manner and subject to the conditions as may be prescribed”. Furthermore serial No. 10 of Notification No.SOR.III.2.122/89 dated 28th January, 1990 requirement for the post of Jr. Clerk being Matriculate was typing speed of 25 wpm. Candidates who possess academic qualifications but do not possess the requisite skill in typing may be selected subject to the condition that

they acquire the prescribed typing speed within six months of their appointment and in case of their failure their services shall be liable to termination.”

Principal Government Girls Higher Secondary School Yazman made payment of pay and allowances amounting to Rs2.543 million for the period 2002-2014 to Mr. Muhammad Asad Ullah Shah who was appointed as Lab Attendant (L.A) in BPS-01 with under Matric qualification on 19.10.1985 whereas the required qualification for the post of Lab Attendant was Matric with Science. He was promoted as Junior Clerk w.e.f. 02.02.1999, without keeping in view the line and criteria for promotion. The irregular promotion caused excess / irregular payment of pay and allowances w.e.f. February, 1999 to June, 2014.

Audit is of the view that above loss occurred due to non observance of prevailing rules.

The above action of the management resulted in irregular drawl of pay & allowance of Rs2.543 million.

The matter was reported to the DCO and DDO concerned in August 2014. The DDO replied that the post of Lab Assistant lies in BS-01 i.e. Class-IV while qualification of Matric with Science was required for Junior Lecturer Assistant (JLA) in BS – 05. Moreover, the said employee was awarded promotion as Junior clerk against 20% in-service quota having the prescribed qualification, but no service rules were produced in support of reply. The DAC in its meeting held in October, 2014 directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends that the irregularity be got condoned from competent authority besides taking disciplinary action against the persons at fault, under intimation to Audit.

[AIR Para: 6]

#### **1.2.4.14 Non-Collection of “Water Charges” from Residents – Rs2.002Million**

According to Para 76 (1) of Government Of the Punjab, Local Government and Rural Development Department (Budget) Rules, 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under proper receipt head.

DO (Buildings) was providing drinking water facility to all 556 residences of “One Unit Staff Colony” and “Officers Colony” but recovery of Water Charges was not being made from residents despite the fact that Electricity Bills (Rs1,991,607), Pay of Tube well Drivers and expenses on Repair & Maintenance of connections were being paid by the department. Pay roll entries of Building Office Staff (residing in such colonies) were checked which showed that deduction of Water Charges were being made Rs2 to Rs3 per residence while prevailing water rates of TMA Bahawalpur City for Domestic (Residential) Connections were Rs150 per month. The detail is given in Annex – L.

Audit is of the view that loss occurred due to weak managerial controls.

Weak internal control resulted in non collection of revenue of Rs2.002 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that the collection of Water Charges was not the responsibility of Buildings Department, only repair and maintenance of official residences was being carried out by the Building Department. The reply was not tenable as all the residences were provided water by the Building Department and it was the responsibility of the Buildings Department to collect Water Charges. The DAC in its meeting held in October, 2014 directed to recover the Water Charges from the concerned at the earliest.No progress was intimated to Audit till finalization of the Report.

Audit recommends fixation of responsibility against the person(s) at fault along with recovering the amount under intimation to Audit.

[AIR Para: 01]

#### **1.2.4.15 Loss due to Non Achievement of Revenue Target – Rs1.956 Million**

According to Rule 76 of the Punjab District Governments & TMA (Budget) Rules, 2003, the collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.

District Officer Transport could recover only Rs5.178 million for permit fee, Adda fee, etc. for the year 2013-14 against revenue target of Rs7.134 million. This resulted into less realization of Rs 1.956 million. It was worth mentioning here that last year Rs7.694 million was collected against target of Rs4.879 million.

Audit is of the view that loss occurred due to ineffective financial controls and laxity of the management.

The above action of management caused loss to Government of Rs1.956 million.

The matter was reported to the DCO and DDO in August, 2014. The department replied that revenue target could not be achieved due to shortage of staff which was not accepted as in the previous year with the same strength 100% target of revenue collection was achieved. The DAC in its meeting held in October, 2014 kept the para pending for recovery. No progress was intimated to Audit till finalization of the Report.

Audit recommends that recovery be effected under intimation to Audit.

[AIR Para: 1]

#### **1.2.4.16 Excess payment of Pay and Allowances – Rs1.850 Million**

According to Rule 2.31 (a) of PFR Vol-I, a drawer of bill for pay and allowances, contingencies and other expenses will be held responsible for any overcharges, fraud and misappropriations.

The following DDOs made excess payment on account of Mess and Dress allowance and Misc. Allowances during 2013-14 as detailed below:

(Amount in Rupees)

DDOs	Particulars	Nature of Overpayment	Period	Rate	Amount
EDO(Health)	Mr. Farhat Abbas Mohsin EDO	ARA @50%	18.04.2013 to 31.07.2014	11,995	181484
THQ Ahmadpur East	-	Pay and Allowances	7/2013 to 6/2014	-	475,235
Dy. DEO(M) HSP	Dy. DEO(M) HSP	Charge Allowance	2013-14	60,000	51,000
		BF / WF Allowance	2013-14	127602	127,602
Dy. DEO(W) HSP	DY.DEO(W) HSP	Charge Allowance	2013-14	48000	48000
Govt. Girls M/H School APE	Govt. Girls M/H School APE	Pay and Allowances	2013-14	428723	379,898
Dy. DEO(W) BWP	Dy. DEO(W) BWP	Pay and Allowances	2013-14	586434	586,434
<b>Total</b>					<b>1,849,653</b>

Audit is of the view that above loss occurred due to negligence of the Department.

Above action of the management resulted in over drawl of pay and allowances of Rs1.850 million.

The matter was reported to the DCO and DDOs concerned in July, August and September, 2014. EDO (Health) replied that recovery from the concerned would be effected. MS THQ Hospital Ahmed Pur East replied that bio Matric system was installed in this hospital for attendance. All the officers and officials did not mark attendance on attendance register. The reply was not accepted by the committee and it directed the EDO (Health) to inquire into the matter and submit report at the earliest. Dy. DEO (EE-M) Hasilpur, Dy. DEO (EE-W) Bahawalpur and Hasilpur and Government Girls Model High School Ahmed Pur East replied that recovery process has been initiated. The DAC in its meeting held in October, 2014 directed to recover the stated amount at the earliest.No progress was intimated to Audit till finalization of the Report.

Audit recommends to recover the amount from the concerned and deposit it into Treasury under intimation to Audit.

[AIR Para: 6, 11, 6, 20, 7, 4, 14]

#### **1.2.4.17 Irregular Expenditure due to Erratic Posting– Rs1.849 Million**

According to the Government of the Punjab Letter No. 45 (m) 4 – 2 / 99 dated 12.08.1999 and as per directions of Honorable Supreme Court of Pakistan erratic postings are not allowed in the Education Department.

Principal of Government Girls Higher Secondary School, Chah Fateh Khan paid pay and allowances amounting to Rs1.849 million to a Subject Specialist (Political Science) who was posted erratically against the post of Subject Specialist (Psychology) and SS (Education) during 2009-14 in violation of above directions.

Audit is of the view that irregularity occurred due to ineffective financial and managerial controls.

Above action of the management resulted in irregular expenditure of Rs1.849 million.

The matter was reported to the DCO and DDO concerned in July, 2014. The DDO replied that Government had been requested for the adjustment of the lady officer against the proper post. The DAC in its meeting held in October, 2014, directed to get the irregularity condoned from competent authority at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends getting the irregularity condoned from the competent authority besides fixing the responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 7]

#### **1.2.4.18 Irregular Expenditure due to Appointment, Change of Cadre and Promotion – Rs1.845 Million**

According to Rule 11 of Appointment and Conditions Rules 1974 and letter No. SR-III-1-14/75 dated 17-10-93 appointment by transfer may be made if transfer is prescribed in the relevant service rules as a method of appointment to such post.

Scrutiny of service book of Mr. Muhammad Khalid Shahid (Assistant) working under the administrative control of DO(Health) revealed that he was initially appointed as Junior Clerk cum Store keeper in Accelerated EPI Programme / project for a period of 2 years or till such time, the crash programme of EPI was completed, vide order No. DHO/5769/EPI/CDC dated 02.04.1983. He applied for the said post on 19-03-83 which was received in DO (Health) office on the same date vide Diary No. 2271. Then he was transferred to another programme / project i.e. TB clinic vide DDHO Bahawalpur order No. 2119-24/Admn dated 15.05.1984. He was again transferred to RHC Uch Sharif vide DDHS Bahawalpur order No. S.T/2414-22/Admn dated 04.06.1984. Later on he was transferred to DO (Health) office BWP where he was promoted as Senior Clerk and then Assistant. Audit has following observations:

1. Recruitment was made without observing prescribed procedure. In case of initial appointment the post was required to be advertised and all process of such appointment of said post i.e. applications received, applications rejected, typing test, interview, list of candidates appeared, merit list, minutes of selection committee etc. were required to be produced.

2. Transfer from one project to other was not permitted by the rules except where it was mentioned in the service rules as a method of fulfillment / appointment of that post. As seniority of each project / programme was different from the other and was disturbed by this method. As per rules if the post was vacant and the work was of important nature such post can be filled by temporary transfer but seniority was always maintained in the parent office / office of initial appointment. More over RHC was a separate entity and had separate DDO. This action of the management resulted in irregular expenditure of Rs 1,845,530.

3. Service book of the incumbent revealed that his services were regularized w.e.f. 01.12.1984 but no proof / letter of regularization was produced. Moreover only a regular employee can be promoted.

4. He was promoted as senior clerk and then Assistant whereas the post of Junior Clerk / storekeeper was not promotion able and other officials appointed against the post of store keeper had not been promoted uptill now. This resulted in overpayment of Rs431,132 (as complete service book was not produced hence it is assumed that he was promoted as Senior Clerk w.e.f. 12/96).



5. Corrigendum issued by the EDO (F&P) Bahawalpur vide No. EDO (F&P)/BWP/2-24/2009 dated 12.01.2012 seemed bogus which may be verified, specially the signatures of EDO (F&P).

6. The matter was investigated by the Regional Directorate of Anti Corruption Establishment Bahawalpur and the matter was communicated to the Secretary Health Government of the Punjab vide letter No. DDP-BR-(1145) 7664 dated 18.05.2012 for Departmental Proceedings against the officer/official, but no further action had so far been intimated to the Audit.

Audit is of the view that above irregularity occurred due to extending undue favour by management and violation of rules.

Above action of the management resulted in irregular expenditure and excess payment of salary amounting to Rs 1.845 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that recruitment was made through employment exchange. The objection regarding transfer from one project to other was bane w.e.f. 17.10.1993 which was not applicable on the cadre. The promotion and payments thereon were made according to the procedure and with the approval of the competent authority. The DAC in its meeting held in October, 2014 directed the EDO (F&P), EDO (Health) and EDO (CD) to probe into the matter and submit report within fifteen days. No progress was intimated to Audit till finalization of the Report.

Audit recommends that the matter may be probed at appropriate level under intimation to Audit.

[AIR Para: 7]

#### **1.2.4.19 Nonpayment of Sales Tax and Non Deduction of Income Tax – Rs1.768 million**

According to Finance Department letter No. SO(Tax)1-19/97 dated 19-09-98, all purchases should be made from the firms/person registered with sales tax department and against the prescribed invoices of sales tax showing the amount of sales tax and registration number of sales tax. Further according to the

Section 153 of income tax ordinance 2001, deduction of income is to be made at source @ 3.5% on supply and @ 6% on repairs and services etc.

The different schools under the administrative control of following DDOs incurred Rs7.248 million on accounts of different purchases and Rs4.146 million and repairs but payment of Sales Tax and deduction of Income Tax was not effected in violation of above rule during 2013-14. The detail is given in below:

(Amount in Rupees)

Sr. No.	DDOs	No. of School	Total Expenditure on Purchases	Total Expenditure on Repair	GST	Income Tax	Total
1	Dy. DEO(M) Hasilpur	70	2,334,480	1,357,354	396,862	174820	571,682
2	Dy. DEO(W) Hasilpur	71	2,045,780	1,087,736	347,783	144210	491,993
3	Dy. DEO(W) BWP	116	2,867,870	1,701,269	487,537	216,795	704,332
	<b>Total</b>	<b>257</b>	<b>7,248,130</b>	<b>4,146,359</b>	<b>1,232,182</b>	<b>535,825</b>	<b>1,768,007</b>

Audit is of the view that above irregularity occurred due to non observance of above rules.

Above action of the DDO resulted in irregular purchase and loss to Government due to non deduction of Income Tax of Rs1.768 million.

The matter was reported to the DCO and DDO concerned in August, 2014. All the DDOs replied that recovery letters had been issued to the concerned. The DAC in its meeting held in October, 2014 kept the para pending for recovery. No progress was intimated to Audit till finalization of the Report.

Audit recommends that recovery be effected under intimation to Audit.

[AIR Para: 15, 11, 2]

#### **1.2.4.20 Payment of Different Rates for Non-Scheduled Items of Same Nature during Same Period – Rs1.703 Million**

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

District Officer (Buildings) made payment amounting to Rs1.703 million of non-scheduled items at different rates regarding project of same nature during

same period, even allowed through same Admin Approval letter. The detail is given in Annex –M.

Audit is of the view that above irregularity occurred due to intention of awarding undue favor to desired contractor.

The above action of the Department caused a loss to the Government of Rs1.703 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that the TS Estimate was approved by the competent authority and the rates of items pointed out by audit were same. However, the contractor quoted different rates of these items for different schemes in the tender. The tendered rates quoted by the contractor were within the permissible limit. There was no loss to the Government, but no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 directed to recover the over paid amount from the concerned contractor and deposit into Government Treasury at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends fixing of responsibility along with recovering the amount from the concerned under intimation to Audit

[AIR Para: 19]

#### **1.2.4.21 Regularization of Adhoc Service without Observing Codal Formulates – Rs1.599 Million**

According to Rule 22 of Punjab Civil Servants (Appointment and Condition of Services Rules 1974): -

1. When a post be required to be filled the appointing authority shall forward a requisition to the selection authority immediately after taking decision to fill the post.”
2. After forwarding requisition to the selection authority may, it if considers necessary in the public interest, fill the post on adhoc basis for a period

not exceeding one year pending nomination of a candidate by the selection authority, keeping in view the following:

- (a) The vacancy is advertised properly in the news papers.
- (b) The appointment is made of a person duly qualified in accordance with the provision of rules and orders applicable to the post.
- (c) The Selection is made on the basis of merit as per criteria.
- (d) Appointment order should certify that requisition has been sent to the selection authority
- (e) Appointment is made subject to revocation at any time by the competent authority.

EDO (Health) appointed Mr. Muhammad Hanif as Chowkidar on adhoc basis vide No. 6406-10 dated 22.04.1990 for one year. His service was to be terminated on 21.04.1991 automatically but the services of official were regularized on 05.07.1993. The following observations were made:

1. The appointment on adhoc basis was made without observing above criteria.
2. He was no more in service when he was regularized.
3. Maximum period of adhoc service was one year. After one year his service was not got extended nor relaxation of rule was obtained.
4. Service was regularized without observing above rules.
5. Extension of adhoc service was not obtained, therefore, annual increment for 12/90 and 12/91 could not be allowed.

Audit is of the view that above irregularity occurred due to non observance of the prevailing rules / instructions.

Above action of the management resulted in irregular regularization of adhoc service and irregular payment of Rs1.599 million.

The matter was reported to the DCO and DDO concerned in August, 2014. The DDO replied that an enquiry committee was constituted to probe into the matter regarding regularization of adhoc service. The DAC in its meeting held

in October, 2014 directed to get irregularity regularized.No progress was intimated to Audit till finalization of the Report.

Audit recommends that the irregularity be got condoned from the competent authority besides fixing of responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para: 15]

#### **1.2.4.22 Irregular Drawl of Pay due to Improper Service Record – Rs1.535 Million**

According to Rule 7.17 of PFR Vol-1, “Special attention is drawn to the rules regarding maintenance of service books, which are given in Chapter XII of the Civil Services Rules (Punjab), Volume I, Part I. The service book is a contemporary record in minute detail of a person's official career. Non-pensionable service should be distinctly shown as such in column 2 of the service book, and every entry should be attested at the time by the head of the office”. It is the duty of all heads of offices to see that the service books of the establishments employed under them are punctually and regularly written, that the entries made on the opening pages are re-attested at least every five years, and that no member of the office has access to the books. Further more according to Rule 7.18 of PFR Vol-1, “ At a fixed time early in the year say January, the service books should be taken up for verification by the head of the office who, after satisfying himself that the services of the Government servant concerned are correctly recorded in each service book, should record it in a certificate”.

Scrutiny of service book of Mr. Muhammad Nawaz Anjum (Vaccinator) revealed that he was appointed as Vaccinator on 09.04.1984 but it did not depict as to when his service was regularized. Moreover service book revealed that it was printed in 1994 whereas incumbent was appointed in 1984. A complaint revealed that duplicate service book had been maintained by fake entries and signatures. Complaint also revealed that he was suspended on 19.05.1990 and 23.10.1994 and was issued show cause notice on 31.10.1994, but not a single entry was available in his service book. Personal file of the incumbent was not provided deliberately to conceal the facts.

Audit is of the view that above irregularity occurred due to change in service record and concealment of facts / personal file.

Above action of the management resulted in irregular Payment of Rs1.535 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that said employee was appointed as Vaccinator on 09.04.1984 but his service was not regularized. It was correct that his duplicate service book had been maintained by fake entries as the entries of his suspension and other punishment are not available. The matter was under investigation and factual position would be shown at the time of next meeting. The DAC in its meeting held in October, 2014 directed the EDO (Health) to probe into the matter and submit report within fifteen days. No progress was intimated to Audit till finalization of the Report.

Audit recommends that the matter may be probed at appropriate level under intimation to Audit.

[AIR Para: 8]

#### **1.2.4.23 Over Payment due to Non-reduction of Composite Rates of Concrete – Rs1.040Million**

According to chapter – 6 (Concrete) of MRS, “Composite rate shall be reduced by Rs 5.5 per CFT & Rs12 per CFT if Chenab sand and local sand respectively is used”.

District Officer (Buildings) made payment for 86,644 CFT of RCC work in (06) development schemes. Composite rates of RCC were not reduced to the stated extent as locally available sand (Pit sand) was used instead of purchasing the same from “Harrow, Tehsil Hassan Abdal, District Attock” as the department failed to produce any proof that which type of sand was used. This resulted in a loss of Rs1.040 million during 2013-14. The detail is given at Annex – N.

Audit is of the view that loss occurred due to ineffective financial controls and not exercising due diligence by the management.

The above action of the management caused excess payment of Rs1.040 million.

The matter was reported to the DCO and DDO concerned in September, 2014. The DDO replied that no local or chanab sand was used in RCC work at site instead of Harrow sand in all the RCC elements. Hence no reduction in the cost was required. The reply was not acceptable as no documentary evidence was produced in support of reply. The DAC in its meeting held in October, 2014 directed the EDO (W&S) to submit report in this regard at the earliest. No progress was intimated to Audit till finalization of the Report.

Audit recommends recovery of the loss and deposit into treasury besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 20]

#### **1.2.4.24 Loss due to Encroachment of Government Property and use for Personal Purposes in Million**

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

As per letter No.G-30/2014/468/EDO (Health) date 25.04.14 and inquiry report No.47/DO(H) dated 13.05.14 by DO(Health) Bahawalpur, one Air Conditioned Room (8x10 sq feet) in the OPD Block of MS THQ Hospital Ahmadpur East was illegally occupied by Mr. Muhammad Tariq Malik. DDO failed to get the Government property vacated from illegal occupant.

Moreover the building of Government Primary School Basti Bhaderan estimated cost Rs1.200 million under the administrative control of Dy. DEO (EE-M) Hasilpur, was illegally occupied by the native agriculturist. The building consisted on two rooms, gallery, courtyard and washrooms. Due to illegal occupation the children of this area were consistently deprived from basic right of education.

Audit is of the view that loss occurred due to ineffective controls over assets by the management.

Improper control over assets caused encroachment of valuable property and hence loss to the government in million.

The matter was reported to the DCO and DDO's concerned during August, 2014. MS THQ Hospital Ahmed Pur East replied that letter had been issued to the said occupant for recovery and he was also directed to vacate the side room of the hospital. Dy. DEO (EE-M) Hasilpur replied that matter had already been taken up. The DAC in its meeting held in October, 2014 directed that hospital side room may be got vacated by police by getting FIR registered and in case of Dy. DEO(M) Hasilpur the committee directed that enquiry be made by EDO(Education) within one month.No progress was intimated to Audit till finalization of the Report.

Audit recommends to recover the amount from the concerned and deposit into Treasury beside taking legal action against the unauthorized occupation of Government property, under intimation to Audit.

[AIR Para: 08 & 13]



# **ANNEX**

**Memorandum for Departmental Accounts Committee Paras  
Pertaining to Current Audit Year 2014-15**

(Amount in Rupees)

DDOs	Sr. No.	Para No.	Audit Observation	Amount
DCO	1.	16	Loss to Government due to unjustified expenditure on repair of vehicle Rs429,363	429,363
Executive District Officer (Finance & Planning)	2.	2	Non collection of pension contribution funds from different departments of district government amounting to Rs.3.571 million	3,571,000
	3.	3	Abnormal delay in completion of development schemes due to improper financial management amounting to Rs.144.346 million	144,346,000
	4.	6	Unauthorized re-appropriation of funds amounting to Rs.3,13,500	313,500
District Officer (Fisheries)	5.	1	Loss due to unauthorized payment of conveyance allowance – 139,865	139,865
	6.	2	Irregular expenditure on repair of vehicle – Rs.97,008/-	97,008
	7.	3	Non maintenance of record of income – Rs.243,160/-	243,160
District Officer (Livestock)	8.	8	Unauthorized occupation of residential quarters, recovery of penal rent Rs.971820	971,820
	9.	11	Irregular purchase of tyres Rs.174,096	174,096
	10.	13	Loss to Govt. due to purchase of medicine on higher rates from market, amounting to Rs.591600	591,600
	11.	14	Excess expenditure than sanctioned budget Rs.378609 and non surrendering of anticipated funds Rs.9533399/-	378,609
Deputy District Officer (OFWM), Bahawalpur.	12.	1	Excess expenditure than sanctioned budget Rs.68765	68,765
	13.	6	Non-utilization of budget Rs.546309	546,309
Executive District Officer (Education)	14.	1	Unjustified expenditure due to splitting Rs249,931	249,931
	15.	7	Supply of science items not as per specifications Rs595,760/-	595,760
	16.	8	Provision of short lab material as per payment made Rs962,930	962,930
	17.	9	Irregular purchase of Tyres Rs27,200	27,200
	18.	12	Unauthorized retention of unspent balance of	52,914,000

DDOs	Sr. No.	Para No.	Audit Observation	Amount
			stipend amounting to Rs52.914 million	
Principal, Govt. Girls Higher Secondary School, Uch Sharif	19.	2	Unauthorized Appointment of Allowing Advance Increments to PTC Teachers	1,406,382
	20.	3	Unauthorized Appointment of Allowing Advance Increments to PTC Teachers	731,72
	21.	4	Resign from service without depositing one month pay Rs.28444/-	28,444
	22.	5	Recovery of overpayment Rs.78069/-	78,069
	23.	6	Unjustified use of PTCL Rs.47631/-	47,631
	24.	7	Payment of teacher from the date of joining instead from medical overpayment Rs.67322/-	67,322
	25.	8	Irregular payment to teachers Rs.547906/-	547,906
	26.	10	Misappropriation of Rs.122419/-	122,419
	27.	12	Irregular appointment of drawing mistress, irregular expenditure of Rs.1397028/-	1,397,028
Senior Headmistress, Govt. Girls High School Ahmadpur East.	28.	3	Irregular payments of arrears of the pay and allowances without additional budget and misclassification Rs.6,14,716/-	614,716
	29.	5	Loss to Govt. due to change of cadre and excess payment of pay and allowances amounting to Rs.16,48,080/-	1,648,080
	30.	6	Unauthorized Appointment of Allowing Advance Increments to PTC Teachers	1,010,544
	31.	8	Advance out of student fund – not refunded of Rs.128,471/-	128,471
	32.	10	Irregular purchase of furniture of Rs.399,020/- and non deposit of GST Rs.82,527/-	82,527
	33.	11	Irregular consumption of electricity and payment during off days of school Rs.572,263/-	572,263
	34.	12	Irregular drawl of pay and allowances at erratic posting Rs.1,535,235/-	1,535,235
Principal Govt. Girls Higher Secondary School Yazman	35.	1	Irregular payment of pay and allowances due to change of cadre	111,587
	36.	2	Non stoppage of payment of pay and allowance after rationalization and transfer of post and Teacher Rs.792,828/-	792,828
	37.	4	Unauthorized drawl of arrears on account of pay and allowances Rs.327899/-	327,899
	38.	10	Doubtful distribution of educational books due to non-improper maintenance of relevant record loss in thousands.	-
	39.	12	Non-utilization of budget Rs.10292630/-	10,292,630
	40.	15	Doubtful maintenance of record of student library security Rs.765000/-	765,000

DDOs	Sr. No.	Para No.	Audit Observation	Amount
	41.	16	Doubtful expenditure on repair and maintenance of school building through students library security fund Rs.100000/-	100,000
	42.	17	Excess utilization of budget Rs.12078271/-	12,078,271
Senior Headmistress, Govt. Girls High School, Syed Imam Shah, Multani Gate, Bahawalpur.	43.	5	Irregular payment of arrears of pay and allowances without additional budget amounting to Rs.309,416/-	309,416
	44.	6	Expenditure incurred in excess of budget amounting to Rs.18,256/-	18,256
	45.	7	Likely misappropriation of F.T. Fund making bogus vouchers amounting to Rs.242,050 recovery of Rs.115,900/-	242,050
	46.	8	Los to Govt. due to unjustified expenditure on account of different Heads amounting to Rs.48,698/-	48,698
Deputy D.E.O. (M), Hasilpur	47.	1	Unauthorized payment of leave encashment and misclassification payment without budget Rs.3,727,943/-	3,727,943
	48.	3	Loss to Govt. due to non accounted of receipt into books of account Rs.117,873	117,873
	49.	4	Unauthorized payment of leave encashment Rs.480,891	480,891
	50.	5	Unauthorized drawl of pay and allowances without performing duties of the post Rs.1,596,455	1,596,455
	51.	7	Recruitment against the contract policy Rs.9,542,585	9,542,585
	52.	10	Irregular appointment as EST and unauthorized award of running scales, other irregularities Rs.2,142,442	2,142,442
	53.	19	Bogus expenditure out of SMC Rs.452,249	452,249
	54.	21	Non utilization of SMC Grant / Fund by the schools Rs.3,050,351	3,050,351
	55.	24	Un-authorized retention of funds and difference in Cash Book balance and Bank Balance Rs.1.397 (M)	1,397,000
Principal Govt. Higher Secondary School, Chani Goth.	56.	6	Irregular payment of arrears of pay and allowances without additional budget amounting to Rs.63000	63,000
	57.	7	Expenditure by Misclassification	-
	58.	8	Excess expenditure than sanctioned budget	-
	59.	10	Non utilization of budget / unspent budget Rs.5594400	5,594,400
Deputy District Education Officer	60.	2	Fraudulent drawl of pay and allowance after retirement – Rs.272,925/-	272,925

DDOs	Sr. No.	Para No.	Audit Observation	Amount
(Women) Hasilpur	61.	3	Doubtful expenditure / physical verification Rs.812,800/-	812,800
	62.	4	Unauthorized payment of leave encashment and misclassification / payment without budget Rs.1602,514/-	1,602,514
	63.	6	Irregular expenditure on POL – Rs.703,229/-	703,229
	64.	10	Fictitious drawl of TA/DA and non availability of vouched accounts / concealment of record Rs.350,543/-	350,543
	65.	14	Irregular payment of arrears of pay and allowances without additional budget Rs.704,336/-	704,336
	66.	15	Bogus expenditure out of SMC – Rs.476,157/-	476,157
	67.	17	Non-utilization of SMC Grant / fund by the school RS.4,426,760/-	4,426,760
	68.	20	Variation of expenditure of pay and allowances Rs.1,197,732/-	1,197,732
Govt. Higher Secondary School Chak No.188/M, Tehsil Hasilpur	69.	3	Irregular payment of arrears of pay and allowances without additional budget amounting to Rs.196,660/-	196,660
Principal, Govt. Girls Higher Secondary School Chah Fateh Khan, Bahawalpur.	70.	4	Irregular expenditure due to unauthorized appointments by the Minister of Education Rs.2.045 Million	2,045,000
	71.	5	Loss due to irregular appointment and unauthorized grant of selection grade etc, Rs.2.133 Million	2,133,000
	72.	8	Irregular expenditure on arrears of qualification pay R.61,000/-	61,000
Principal, Govt. S.A. High School Ahmadpur East.	73.	1	Misappropriation of Public Money through Fake Invoicing – Rs 48,000	48,000
	74.	6	Irregular Grant of Financial Assistance – Rs 800,000	800,000
	75.	7	Irregular Expenditure due to Erratic Posting of Staff	-
	76.	8	Incorrect Reporting of Financial Information – Rs 112,043	112,043
	77.	9	Unauthorized Demolishing of Boundry Wall and Construction of Toilets - Rs400,000	400,000
Govt. Sadiq Model Girls High School Bahawalpur.	78.	2	Irregular award of BPS-15 to O.T. recovery of Rs.140,661	140,661
	79.	5	Irregular payment of arrears of pay and allowance without additional budget amounting to Rs.583,079	583,079
	80.	6	Non forfeiture of security deposit/earnest money due to non-starting of work –	500,000

DDOs	Sr. No.	Para No.	Audit Observation	Amount
			Rs.500,000/-	
Dy DEO (W) Bahawalpur	81.	5	Irregular Expenditure on Purchase of Different Items and Issuance Rs 153,425	153,425
	82.	6	Drawl of Pay and Allowances without Sanctioned Post Rs 912,732	-
	83.			917,732
	84.	7	Award of Running / Regular Scale without Prescribed Qualification Rs 114,070	-
	85.	8	Irregular Payment of Arrears of Pay and Allowances without Additional Budget Rs 1,012,281	1,012,281
	86.	10	Irregular Payment to Schools – Rs. 5.820 million	5,820,000
	87.	11	Bogus Expenditure out of SMC – Rs 570,321	570,321
	88.	12	Unauthorized Personal Use of Government Fund – Rs 220,000	220,000
	89.	13	Illogical Grant of SMC Fund to Shelter Less School – Rs 110,000	110,000
	90.	16	Unauthorized Payment of Leave Encashment and Misclassification / Payment without Budget Rs.1,740,499	-
	91.	17	Non utilization of SMC Grant / Fund by the Schools Rs 14,401,219	14,401,219
	92.	18	Irregular Purchase of Furniture out of SMC of Rs 8,080,000	8,080,000
	93.	19	Purchase of Furniture and other Items on Higher Rates Rs 2,292,469	2,292,469
	94.	20	Un-authorized Retention of Fund and Difference in Cash Book Balance and Bank Balance Rs 2,147 M	2,147,000
Executive District Officer (Health)	95.	1	Un authorized retention of house after transfer and non payment of penal rent repair and maintenance charges and house rent allowance Rs.523,820/-	523,820
	96.	3	Irregular receive and distribution of medicine – Rs7,56,48,583	75,648,583
	97.	8	Purchase at excessive rate amounting to Rs.487,324/-	487,324
	98.	9	Irregular drawl of pay and allowances due to shifting of Headquarter	-
	99.	16	Un-authorized expenditure on POL Rs.103,417	103,417
Rural Health Centre, Kudwala	100.	5	Improper maintenance of record of Indoor Department.	-
	101.	7	Excess payment of pay and allowance recovery Rs.100059/-	100,059

DDOs	Sr. No.	Para No.	Audit Observation	Amount
	102.	11	Misappropriation of computer Rs.53000	53,000
	103.	12	Non-provision of record	-
Principal, Para Medical College, Bahawalpur.	104.	2	Recovery of penal rent charges – Rs.3,598,236	3,598,236
	105.	7	Irregular payments of arrears of pay and allowances without additional budget and misclassification Rs.128,400	128,400
	106.	10	Recovery of 5% repair and maintenance charges – Rs.131,484	131,484
	107.	11	Irregular drawn of T.A.D.A – Rs.249,177	249,177
	108.	12	Non availability of vouched account – Rs.122,623	122,623
	109.	13	Unauthorized payment after Transfer Rs.11,230	11,230
	Medical Superintendent, THQ Hospital, Ahmadpur East	110.	2	Drawl of pay against redundant post irregular expenditure Rs.227484
111.		3	Loss to Govt. due to drawl of different allowances during leave periods Rs.72310	72,310
112.		4	Unauthorized drawl of pay & allowances – Rs.108938	108,938
113.		7	Loss due to non recovery of penal rent Rs.265200	265,200
114.		10	Loss to Government due to unauthorized drawl of practice compensatory allowance – Rs.30000	30,000
115.		13	Unauthorized drawl of Non practicing allowance (NPA) – Rs.96000	96,000
District Officer (Health)	116.	4	Unjustified payment of employees without performing duties loss to Government of Rs.572390	572,390
	117.	5	Irregular pay due to shifting of Headquarters Rs.	-
	118.	20	Misappropriation of funds through fictitious billing amounting to Rs.196456	196,456
District Officer (Transport),	119.	8	Non utilization of budget Rs.1589645	1,589,645
District Officer (Environment)	120.	1	Irregular expenditure on repair of vehicle Rs.160,677/-	160,677
	121.	2	Loss due to non issuance of Environmental Approval to various Housing Schemes and Poultry Farms (Control Shed) 180,000	180,000
	122.	4	Unauthorized expenditure on POL Rs.140,800	140,800
	123.	6	Unauthorized expenditure on POL Rs.140,800	140,800
	124.	8	Loss due to Fictitious Invoices Rs.28,893	28,893
	125.	9	Non removal of CNG Cylinders from School Vans and Public Transport	-

DDOs	Sr. No.	Para No.	Audit Observation	Amount
District Officer (Buildings)	126.	5	Loss to Govt. due to vacant residences and un-justified drawl of House rent allowance by the employees amounting to RS.150,120/-	150,120
	127.	6	Loss to Govt. treasury due to non-recovery of professional tax, amounting to Rs.318,500/-	318,500
	128.	17	Loss to Govt. due to non-forfeiting earnest money, amounting to Rs.2,766,412/-	2,766,412
	129.	21	Loss to Govt. treasury due to less collection of penalties of late renewals	169,000
	130.	23	Loss to Govt. by awarding price variation of in spite of delay on the behalf of the contractor amounting to RS.3,179,408/-	3,179,408
	131.	24	Loss to Govt. by allowing unjustified excess time limit for warding price variation to contractor amounting to Rs.5,405,863/-	5,405,863
	132.	26	Loss to Govt. due to abnormal delay in completion of projects, amounting to RS.2,107,958/-	2,107,958
	133.	27	Loss to Govt. due to doubtful drawl of POL	89,617
	134.	29	Misappropriation of funds through fictitious billing amounting to RS.503,651/-	503,651
	135.	31	Doubtful / Non-verified educational certificate of employees.	-
	136.	33	Non production of record	-
District Officer (Roads),	137.	1	Blockage of fund due to non maintenance of roads amounting to Rs.10 million	10,000,000
	138.	16	Loss to Govt. due to non recovery of utilities charges amounting to Rs.36,000	36,000
	139.	20	Loss to Govt. due to non submission of stamp paper for contract agreements	15,700
	140.	21	Loss to Govt. due to un-justified fuel consumption amounting to Rs.277,830	277,830
District Coordination Officer	141.	28	Excess Rates due to non observing OGRA rates	109,290
District Officer (Livestock),	142.	4	Un-Authorized drawl of conveyance allowance Rs.250000	250,000
	143.	10	Loss to Govt. due to purchase of medicine on higher rates, amounting to Rs.258450/-	258,450
	144.	16	Rates due to non observing OGRA rates RS.54604/-	54,604
District Officer (OFWM)	145.	1	Loss to Govt. treasury due to non-deduction of General Sales Tax from suppliers, amounting to RS.1,157,188	1,157,188
EDO (Education)	146.	17	Excess rates due to non observing OGRA rates Rs.16,027	16,027



DDOs	Sr. No.	Para No.	Audit Observation	Amount
Principal, Govt. Girls Higher Secondary School, Uch Sharif	147.	11	Irregular drawl of conveyance allowance during the period of earned leave Rs.2315934/-	2,315,934
Senior Headmistress, Govt. Girls High School Ahmadpur East.	148.	1	Unauthorized drawl of conveyance / mobility allowance during winter vacations leave – Rs.2,48,319/-	248,319
	149.	9	Un-authorized drawl of pay and allowances during study leave Rs.82,527/-	82,527
Principal Govt. Girls Higher Secondary School Yazman	150.	9	Unauthorized payment to mobility / conveyance allowance during vacation period a recovery of RS.114710/-	114,710
Principal Govt. Higher Secondary School Mubarakpur	151.	2	Unauthorized payment of conveyance / mobility allowance during summer / winter vacation Rs.178,852	178,852
	152.	3	Loss due to unauthorized payment of social security benefit and different allowances after regularization of services of contract employees Rs.795,279	795,279
Deputy D.E.O. (M), Hasilpur	153.	8	Unauthorized expenditure on electricity Rs.127,140	127,140
Deputy District Education Officer (Women) Hasilpur	154.	16	Excess/irregular payment of allowances and non-deduction of W.F, and B.F, increments – RS.175,149/-	175,149
Govt. Sadiq Model Girls High School Bahawalpur.	155.	3	Payment of conveyance allowance / mobility allowance during leave periods recovery of Rs.223,389	223,389
Dy DEO (W) Bahawalpur	156.	15	Drawl of Pay and Allowances during leave without Pay / absent Rs 79,357	79,357
EDO (Health)	157.	13	Non recovery of professional tax Rs.165,000/-	165,000
Rural Health Centre, Kudwala	158.	1	Overpayment on account of PHRSP allowance Rs.156249/-	156,249
	159.	3	Misappropriation of medicine OPD fees and admission fees Rs.206640	206,640
	160.	4	Loss to Govt. due to irregular payment of PHSRP Rs.118440/-	118,440
	161.	8	Unauthorized drawl of conveyance allowance Rs.38020/-	38,020
Principal, Para Medical College, Bahawalpur.	162.	1	Unauthorized drawl of conveyance allowance during leave – Rs.74,390	74,390
Medical Superintendent, THQ Hospital, Ahmadpur East	163.	14	Loss to Government due to Non/Less deposit of Hospital receipts Rs.82760	82,760

DDOs	Sr. No.	Para No.	Audit Observation	Amount
District Officer (Health)	164.	24	Misappropriation of disposable syringes Rs.336,669	336,669
	165.	26	Excess rates due to non observing OGRA rates Rs.104,207/-	104,207
District Officer (Transport)	166.	5	Unauthorized absence from duty	82,261
	167.	9	Loss to Govt. due to purchase of POL at higher rates than the rates fixed by OGRA	76,516
District Officer (Environment)	168.	7	Loss due to unauthorized payment of conveyance allowance – 64,840	64,840
District Officer (Buildings)	169.	6	Loss to Govt. treasury due to non-recovery of professional tax, amounting to Rs.318,500/-	318,500
	170.	10	Loss to Govt. due to approving fancy / luxury items, amounting to Rs.3,388,993/-	3,388,993
	171.	13	Loss to Govt. due to non-deducting shrinkage, amounting to Rs.277,277/-	277,277
District Officer (Roads)	172.	6	Non recovery of professional tax	255,000
	173.	7	Non recovery of lease rent for approaches to petrol pumps Rs.535,000/-	535,000

**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 2013-14**

DDOs	Sr. No.	Para No.	Audit Observation	Amount	Nature of Observation
Dy. DEO (EE-W) Bahawalpur	1	8	Award of Running / Regular scale without prescribed qualification Recovery	972,899	Irregularity
DO (Buildings)	2	13	Over payment due to non-reduction of composite rates of concrete	703,749	Irregularity
DO (Buildings)	3	4	Irregular Payment of 20% Contractor's Profit	539,556	Irregularity
D O (Live Stock)	4	4	Un-Authorized Drwal of Pay and Allowances	521,355	Irregularity
EDO(W&S)	5	11	Non Accountal of POL in Logbook	508,680	Internal Control Weakness
Dy DEO(Male) Khairpur Tamewali	6	11	Tempering in service record and irregular award of BPS-14	381,040	Irregularity
Dy. DEO (EE-M) Khairpur Tamewali	7	3	Non Deposit of sales proceeds of trees into Government treasury	261,560	Misappropriation

**Annex – B**

**Summary of Appropriation Account by Grants for the Financial Year 2013-14**

**(Amount in Rupees)**

Grant No.	Name of the Grant	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	(+) Excess (-) Saving
<b>NON-DEVELOPMENT</b>						
3	Provincial Excise.	18,872,887	0	18,872,887	17,816,550	(-) 1,056,337
5	Forests	9,295,652	0	9,295,652	9,082,391	(-) 213,261
7	Charges on A/c of M. V. Act.	8,917,168	0	8,917,168	7,062,408	(-) 1,854,760
8	Other Taxes & Duties.	15,078,656	0	1,578,656	14,034,917	(-) 1,043,739
10	General Administration.	316,076,714	0	316,076,714	238,622,132	(-) 77,454,582
15	Education.	5,035,293,150	0	503,5293,150	4,753,661,622	(-) 281,631,528
16	Health Services.	97,8151,863	0	978,151,863	943,855,798	(-) 34,296,065
17	Public Health.	3,838,850	206,740	4,045,590	3,996,934	(-) 48,656
18	Agriculture.	155,782,824	0	155,782,824	150,775,092	(-) 5,007,732
19	Fisheries.	3,770,300	0	3,770,300	3,223,305	(-) 546,995
20	Veterinary.	156,435,793	0	156,435,793	135,446,919	(+) 20,988,874
21	Co-operative.	29,724,038	3,386,122	33,110,160	32,845,862	(-) 264,298
22	Industries.	8,090,144	0	8,090,144	6,548,204	(+) 1,541,940
23	Miscellaneous Departments.	8,039,252	207,508	8,246,760	8,088,383	(+) 158,377
24	Civil Works.	123,754,171	62,423,859	186,178,030	141,207,194	(-) 44,970,836
25	Communications.	145,438,058	168,665,838	314,103,896	233,517,520	(-) 80,586,376
31	Miscellaneous.	65,178,150	72,459,011	137,637,161	132,800,617	(-) 4,836,544
32	Civil Defence.	7,502,420	0	7,502,420	6,658,910	(-) 843,510
<b>Total Non-Development :</b>		<b>7,089,240,090</b>	<b>307,349,078</b>	<b>7,396,589,168</b>	<b>6,839,244,758</b>	<b>(-) 557,344,410</b>
<b>DEVELOPMENT</b>						
36	Development.	0	394,899,148	394,899,148	238,304,265	(-) 156,594,883
41	Highways, Roads & Bridges.	208,483,000	12,258,852	220,741,852	63,790,309	(-) 156,951,543
42	Government Buildings.	221,207,000	110,557,000	331,764,000	181,111,493	(-) 150,652,507
	Arrears of Zila Council.	18,366,000	0	18,366,000	0	(-) 18,366,000
	Closing Balance.	19,711,000	52,946,000	72,657,000	0	(-) 72,657,000
<b>Total Development :</b>		<b>467,767,000</b>	<b>570,661,000</b>	<b>1,038,428,000</b>	<b>483,206,067</b>	<b>(-) 555,221,933</b>
<b>Grand Total :</b>		<b>7,557,007,090</b>	<b>878,010,078</b>	<b>8,435,017,168</b>	<b>7,322,450,825</b>	<b>(-) 1,112,566,343</b>

**Annex-C****[Para 1.2.2.1]****Non Production of Record – Rs71.798 Million****(Amount in Rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>Period of Audit</b>	<b>Particulars</b>	<b>Amount</b>
1	Govt Higher Secondary School Mubarak Pur	2004-14	Service Books, Receipts and Payment in connection with Farooq-e-Taleem Fund	2,047,972
2	Govt. H/S School Channi Goth	2006-14	Personal Files, promotion orders, transfer orders, LPCs, revised pay slips, service books	180,000
3	District Co-ordination Officer BWP		POL consumption of VVIPs visits	697,040
4	Govt. H/S School Chani Goth	2007-08	Cash Book	3,448,201
6	Dy. DEO(W) Hasilpur	2013-14	SMC Fund record , service book	13,474,000
7	Dy. DEO(W) BWP	2013-14	SMC Fund record , service book	1,470,000
8	Govt. Girls High School Ahmadpur East	2006-14	Service Book	3,080,000
9	Dy. DEO(M) Hasilpur	2012-14	Misc.	6,116,720
10	DO(Roads) Bahawalpur	2013-14	TA/DA bill	1,050,242
			Receipt record of machinery and equipment	158,400
11	DO(Buildings) Bahawalpur	2013-14	Repair & Maintenance of Building	40,075,760
12	Govt. Higher Secondary School 188/M	2004-14	Expenditure Statement	0
<b>Total</b>				<b>71,798,335</b>

**Annex-D**

**[Para 1.2.3.4]**

**Irregular Award of Contract– Rs20.972 Million and Recovery – Rs674,905**

**(Amount in rupees)**

Sr.No	Name of scheme	Cost	Length tuff tile work	Rate approved by DO	Rate as per audit	Actual payment	payment as per audited estimate	Over payment
1	Construction of M/Road & Tuff Tiles Basti Ghareeb Abad Green Town Bahawalpur L=(700Rft)	3.370	10000	76	71.4	760,000	714,000	46,000
2	Construction of Tuff Tiles Habib Colony, Street Syed Amir Ali, Street Jam Imtiaz, Street Ch.Iftikhar, Street Malik Niaz, Street Master Hanif Bahawalpur L=(1180Rft)	1.000	11474	73.5	71.4	843,339	819,244	24,095
3	Construction of Tuff Tiles & Metalled Road Dilawar Colony Street Qadir Bukhsh, Qasim Ghorri, Muhammad Afzal Bahawalpur L=(1360Rft)	2.500	28639	72.19	71.4	2,067,449	2,044,825	22,625
4	Construction of Tuff Tiles Maqbool Colony Street Abbas Cheema, Street Raja Shafqat & Awami Colony Street CH.Ramzan Bahawalpur L=(950Rft)	1.000	10050	73.92	71.4	742,896	717,570	25,326
5	Construction of Tuff Tiles Malay Wali Galli near street Ishfaq Cloth House, Street near Sarfraz Electric Store, Street opposite Data Store Bahawalpur L=(1464Rft)	1.500	15808	76.92	71.4	1,215,951	1,128,691	87,260
6	Construction of Tuff Tiles Street Ather Rasheed, Street Sajjid Awan, Mohallah Nawaban & Street Nawaz, Dr.Abdul Malik, Street Hafiz Saeed, Street Hafiz Khurshid Mohallah Ganj Sharif Bahawalpur L=(1660Rft)	1.000	11206	78.2	71.4	876,309	800,108	76,201

Sr.No	Name of scheme	Cost	Length tuff tile work	Rate approved by DO	Rate as per audit	Actual payment	payment as per audited estimate	Over payment
7	P/L Tuff Tile Shamas Colony, Sabir Colony, Saeedabad, Chota Bindra (UC-10) BahawalpurL=(2100Rft)	2.366	22983	76.01	71.4	1,746,938	1,640,986	105,952
8	P/L Tuff Tiles in streets Nazirabad Colony BahawalpuL=(2200Rft)	2.502	24195	77.19	71.4	1,867,612	1,727,523	140,089
9	P/L Tuff Tiles Paver Kucha Ganj Sharif, Shah Ganj, Gull Hassan etc, Shahi Bazar BahawalpurL=2068Rft	2.910	30563	73.12	71.4	2,234,767	2,182,198	52,568
10	P/L Tuff Tile Paver Tayyba Chaki to house Asif Sehmi via Ghosia Masjid, Street Hamaiyun Advocate Ghousia Colony, construction of m/road from house Malik Mazhar Channar to house Safdar Khakhi near Noon House Road Askri Town Bahawalpur L=1170Rft Metalled	2.824	11022	80	71.4	881,760	786,971	94,789
<b>Total</b>		<b>20.972</b>				<b>13,237,021</b>	<b>12,562,116</b>	<b>674,905</b>

#### Audit cost per 100 CFT

Material	4,620
Sand	371
sand building	66
Labour	693
Higher charges of vibrator	200
Contractor profit	1,190
	<b>7,140/100= 71.40</b>

Material rates obtaining from the Finance division site (1<sup>st</sup>feb to 31th July)

**Annex-E**  
**[Para 1.2.3.11]**

**Over Estimation of Costs after Allowing 20% Contractor's Profit – Rs 3.354 Million**

(Amount in rupees)

Sr. No.	Scheme	Reference	Item No.	Unit	Quantity	Rate	Amount	20% C.Profit / OHC
1	Constn. of Parking Shed, Remaining shed of Mosque and 3 Nos. shops in DCO Office, BWP.	CC 07th Running Bill		per sft	7,887	75.00	591,525	98,588
				each	140	600.00	84,000	14,000
				each	1	7,600.00	7,600	1,267
				each	40	230.00	9,200	1,533
				each	25	696.00	17,400	2,900
				per sft	431	338.00	145,678	24,280
				per sft	343	220.00	75,460	12,577
				each	1	14,500.00	14,500	2,417
				each	1	13,600.00	13,600	2,267
	each	27	3,000.00	81,000	13,500			
2	Provision of Tuff Paver, Construction of Ablution Place, Toilet Block & Repair of Markazi Eid Gah	2334/996 P-134		per sft	136,105	75.00	10,207,875	1,701,313
3	New Building of Special Education Center Hasilpur	19th Bill Running Bill	12	per sft	20,594	75.00	1,544,550	257,425
4			13	each	1	815,000.00	815,000.00	135,833
5			14	each	1	325,000.00	325,000.00	54,167
6			16	each	2	22,632.00	45,264	7,544
7			17	each	23	13,800.00	138,000	23,000
8			18	per sft	800	100.00	80,000	13,333
9			15	each	1	390,000	390,000	0
10			New Building of Special Education Center Khairpur T.W	10th Bill Running Bill	9	per sft	17,980	73.00
11	16	each			1	500,000.00	500,000.00	83,333
12	14	each			1	200,000.00	200,000.00	33,333
13	2	each			2	32,000.00	64,000	10,667
14	3	each			6	25,000.00	150,000	25,000
15	15	each			1	300,000	300,000	0

Sr. No.	Scheme	Reference	Item No.	Unit	Quantity	Rate	Amount	20% C.Profit / OHC
16	New Building of Special Education Center Yazman	14th Bill Running Bill	60	per sft	11,261	78.33	882,074	147,012
17			18	each	1	857,534.50	857,534.50	142,922
18			12	each	1	344,685.00	344,685.00	57,448
19			63	each	2	33,632.90	67,266	11,211
20			62	each	6	26,634.75	159,809	26,635
21			97	each	1	466,892	466,892	77,815
22	Up-Gradation of GGHS Qaimpur to Higher Sec. School, KPT	10th Running Bill	7	each	1	15,030.00	15,030.00	2,505
23	Boring of Tue Well (0.5 Cusec)			each	1	893,600.00	893,600.00	148,933
24				each	6	350.00	2,100	350
25	Construction of Pump House & Provision of Pumping Machinery /Construction ORH (10000-Gallan) in Officer Colony High Court Bwp						13,270	2,212
<b>Total</b>							<b>20,814,452.5</b>	<b>3,354,077</b>



**Annex-F**

**[Para 1.2.3.12]**

**Execution of Excess Quantity without Revision of T.S – Rs 2.963 Million**

**(Amount in Rupees)**

Sr. No.	Scheme	Name of Contractor	Item	Unit	Quantity as per T.S	Quantity as per M.B	Excess Quantity Paid	Rate	Amount
1	Boring of Tue Well (0.5 Cusec) Construction of Pump House & Provision of Pumping Machinery /Construction ORH (10000-Gallan) in Officer Colony High Court Bwp	Saeed Ahmad	Providing laying cutting jointing testing and disinfecting G.I. pipe line in trenches with socket joints using G.I. pipes of B.S.S 1378-1967 complete in all respects with specials and valves C.I. flanged O.H.R to line	per Rft	200	218	18	544.35	9,798
			Providing and fixing sluice valve of B.S.S quality and weight. Class "B" for cast iron pipe line, and Asbestos cement pipe line (including cost of jointing material)	No.	2	3	1	6,694.20	6,694
			Fabrication of M.Steel	% Kg	177	233	56	10,132.30	5,674
			P/L RCC in roof slab	per Cft	68	73	5	251.45	1,257
			Cement paving deep stand joint 1:2	% Sq	Extra Item	817	817	1,475.35	12,054
			Excavation of Trenches	% o cft	Extra Item	2496	2496	1,291.20	3,223
2	P.M.F. Re-construction of Primary Block GHS KPT.	Azhar Iqbal	Pacca Brick Work in F&P 1:6	% Cft	1916	2306	390	13,944.80	54,385
			Earth Filling	%0 Cft	8769	9376	607	6,407.70	3,889
			Pacca Brick Work in G.Floor 1:6	% Cft	2290	2352	62	14,800.15	9,176
			P/F Steel Windows	per Sft	288	312	24	372.30	8,935
			M.S flat grill	per Sft	288	312	24	180.80	4,339
			S/E of single core PVC cables (7/0.44")	per meter	50	58	8	96.45	772
			P/L dry brick pavement / soling in streets	% Cft	951	1121	170	11,720.00	19,924
5	Provision of Tuff Paver, Construction of Ablution Place, Toilet Block & Repair of Markazi Eid Gah	M/S Ghulam Yasin	Tuff Tiles 60mm	per Sft	125948	136,105	10157	75.00	761,775
			Fabrication of M.Steel	% Kg	1287	3282	1995	10,974.90	218,949
			Fabrication of Heavy Steel	% Kg	90	316	226	12,420.25	28,070

Sr. No.	Scheme	Name of Contractor	Item	Unit	Quantity as per T.S	Quantity as per M.B	Excess Quantity Paid	Rate	Amount
4	P.M.F. Re-construction of Primary Block GHS KPT.	Azhar Iqbal	PCC Plane	% Cft	Extra Item	4	4	17,100.00	684
5	New Building of Special Education Center Hasilpur	Gulzar Ahmad	cement concrete 1:6:18	% cft	2580	2943	363	5,266.20	19,116
			pacca brick work 1:4	% cft	120	1628	1508	8,497.45	128,142
			pacca brick work 1:5	% cft	9744	10415	671	8,184.25	54,916
			cement plaster 1/2" thick 1:4	% cft	16097	17601	1504	946.75	14,239
			cement plaster 1/2" thick 1:5	% cft	64424	75848	11424	897.85	102,570
			cement plaster 1/2" thick 1:3	% cft	24011	35227	11216	1,005.35	112,760
			fabrication of mild steel	% kg	4277	4700	423	7,240.75	30,628
			RCC in roof	per Cft	30	72	42	176.95	7,432
			RCC in roof 1:2:4	per Cft	11415	11692	277	218.35	60,483
			RCC in roof G/F	per Cft	9249	9955	706	227.05	160,297
6	New Building of Special Education Center Khairpur TW	Gulzar Ahmad	Pacca Brick Work in G.Floor 1:6	%cft	23164	23367	203	8,199.85	16,646
			3/8" thick cement plaster	%cft	29380	31697	2317	1,101.05	25,511
			Excavation in foundation	%o Cft	58737	62512	3775	2,518.55	9,508
			Spraying anti termite	sft	32314	45390	13076	173.00	22,621
			DPC	%sft	2051	23531	21480	3,287.30	706,112
			DPC 2" thick	%sft	3604	3979	375	3,031.80	11,369
			RCC	per cft	1961	2009	48	168.25	8,076
			Earth Filling	%o Cft	33708	35271	1563	1,214.40	1,898
			Pacca Brick Work	% Cft	7634	10140	2506	8,184.25	205,097
			sand under floor	% Cft	7575	14023	6448	936.80	60,405
6	New Building of Special Education Center Khairpur TW	Gulzar Ahmad	Brick or stone ballast	% Cft	12752	12824	72	2,219.30	1,598
			Tile 9x4 1/2x1 first floor	%sft	14118	14138	20	3,344.00	669
			S/F broken Glass	per Sft	1679.5	2080	400.5	61.45	24,611
			PCC Plane	% Cft	5362	5460	98	14,667.85	14,374
			RCC pipe 12" dia	per rft	495	545	50	289.00	14,450
<b>Total</b>									<b>2,963,126</b>

**Annex-G****[Para 1.2.3.14]****Irregular Payment of Pay and Allowances to an Appointee not having prescribed Qualification – Rs2.763 Million****(Amount in rupees)**

<b>Period</b>	<b>Pay</b>	<b>Month</b>	<b>Amount</b>
03/1986 to 11/1986	620	9	5,580
12/86 to 06/187	649	7	4,543
07/86 to 11/87	868	5	4,340
12/87 to 11/88	906	12	10,872
12/88 to 11/89	944	12	11,328
12/89 to 11/90	982	12	11,784
12/90 to 05/91	1,020	6	6,120
06/91 to 11/91	1,617	6	9,702
12/91 to 11/92	1,989	12	23,868
12/92 to 11/93	1,761	12	21,132
12-93 to 05-94	1,833	6	10,998
06-94 to 11-94	2,478	12	29,736
12-94 to 11-95	2,575	12	30,900
12-95 to 11-96	2,672	12	32,064
12-96 to 11-97	2,769	12	33,228
12-97 to 11-98	2,866	12	34,392
12-98 to 11-99	3,000	12	36,000
12-99 to 11-2000	3,130	12	37,560
12-2000 to 10-01-01	3,260	12	39,120
11-01-2001 to 11-2001	3,390	12	40,680
12-2001 to 11-2002	5,280	12	63,360
12-2002 to 11-2003	5,475	12	65,700
12-03 to 11-2004	5,670	7	39,690
12-2004 to 06-2005	5,865	5	29,325
07-2005 to 11-2005	6,755	12	81,060
12-2005 to 11-2006	6,980	7	48,860
12-2006 to 06-2007	7,205	5	36,025
07-2007 to 11-2007	10,650	7	74,550

<b>Period</b>	<b>Pay</b>	<b>Month</b>	<b>Amount</b>
12-2007 to 06-2008	10,910	5	54,550
07-2008 to 11-2008	13,035	12	156,420
12-2008 to 11-2009	13,345	12	160,140
12-2009 to 11-2010	13,655	7	95,585
12-2010 to 06-2011	13,660	5	68,300
07-2011 to 11-2011	22,030	12	264,360
12-2011 to 11-2012	22,640	7	158,480
12-2012 to 11-2013	23,250	12	279,000
12-2013 to 06-14	23,860	7	167,020
<b>Total</b>			<b>2,276,372</b>

**Annex-H****[Para 1.2.4.2]****Irregular Regularization of Contract Employees Prior to their Appointment against the Policy– Rs 16.977 Million****Dy. DEO (M) Hasilpur****(Amount in Rupees)**

<b>Mrs. Azra Amin (ESE)</b>						
<b>Name Of School</b>	<b>Markaz</b>	<b>From</b>	<b>To</b>	<b>Months</b>	<b>Pay</b>	<b>Amount</b>
G.P.S Kanjwan	Qaimpur	19.10.09	30.11.10	13	3,820	49,660
		01.12.10	30.06.11	7	6,580	46,060
		01.07.11	30.11.11	5	6,580	32,900
		01.12.11	30.11.12	12	6,960	83,520
		01.12.12	30.11.13	12	7,340	88,080
		01.12.13	31.07.14	8	7,720	61,760
						<b>361,980</b>
<b>Total Employees</b>						<b>34</b>
<b>G.Total</b>						<b>12,307,320</b>

**Dy DEO (W) Hasilpur****(Amount in Rupees)**

<b>Mrs. Aysha Zafar (SESE)/PET</b>						
<b>Name Of School</b>	<b>Markaz</b>	<b>From</b>	<b>to</b>	<b>Months</b>	<b>Pay</b>	<b>Amount</b>
G.G.E.S Ward No. 12	HSP	19.10.09	30.11.10	13	4,920	63,960
		01.12.10	30.06.11	7	5,300	37,100
		01.07.11	30.11.11	5	8,610	43,050
		01.12.11	30.11.12	12	8,610	103,320
		01.12.12	30.11.13	12	8,610	103,320
		01.12.13	31.07.14	8	9,220	73,760
						<b>424,510</b>
<b>Total Employees</b>						<b>11</b>
<b>G.Total</b>						<b>4,669,610</b>

**Annex-I**

**[Para 1.2.4.9]**

**Reimbursement of Securities before Prescribed Period – Rs 3.351  
Million**

**(Amount in rupees)**

Sr. No.	Vr. No. & Date	Name of Scheme	Name of Contractor	Actual due date	Payment date	Amount
1	05 dt: 05.11.2013	Construction of Bridge on 3-L/AP Disty at RD-38600 Mouza Goth Mehrab, Bahawalpur	M/S HATCO	15.01.14	05.11.13	522,582
2	06 dt: 05.11.2013	Construction of M/Road from Rashid Petroleum to Chak No.23-Marlay Khairpur Tamewali	M/S HATCO	17.01.14	05.11.13	522,582
3	31 dt: 21.11.2013	Re-habilitation of M/Road from Hatheji - Jhangra Road, Ahmedpur East	Mr. Muhammad Ramzan	11.06.14	21.11.13	320,000
4	34 dt: 25.11.2013	Re-habilitation of M/Road from Adda Mahand to Basti Malik Rashid Naich, Ahmedpur East	M/S Javed & Co.	13.08.14	25.11.13	516,860
5	46 dt: 26.11.2013	Re-habilitation of M/Road from Khairpur to Bhaili Road, Khairpur Tamewali	Arif Dogar	10.12.13	26.11.13	279,770
6	47 dt: 26.11.2013	Construction of M/Road from Bella Jhullan road to Basti Mud Mastoi, Ahmedpur East	M/S Shahzad & Co.	19.06.14	26.11.13	307,078
7	59 dt: 29.11.2013	Re-habilitation of M/Road from Saraiki Chowk Railway Station Road to Ex-District Council Office, Bahawalpur	M/S Waqas & Brothers	20.02.14	29.11.13	121,357
8	63 dt: 29.11.2013	Construction of M/Road from Abadi Chak No.120/DRB to Chak No.134/DRB Yazman	Mr. Haji Nazir Ahmed	20.12.13	21.11.13	393,138
9	06 dt: 16.01.2014	Construction of Tuff Tiles Street Opposite Awan Plaza to House Dr. Riaz Metla Mohallah Islampura & Bahawal Hotel Fateh Khan Bazar, near Thalla Noor Jahan, Bahawalpur	Muhammad Arshad	25.03.14	16.01.14	100,958
10	15 dt: 21.01.2014	Construction of M/Road & Tuff Tiles in Delawar Colony Street Qasir Bukhsh Wasim Ghouri and Muhammad Afzal, Bahawalpur	Muhammad Arshad	07.02.14	21.01.14	191,406
11	15 dt: 17.03.2014	Special Repir of M/Road from Zanana Hospital Road to House Furqan Opposite Zanana Hospital, Bahawalpur	Waqas & Brothers	27.04.14	17.03.14	22,775
12	16 dt: 17.03.2014	Special Repir of M/Road from House Shabbir Zafar wali Galli, Delawar Colony, Bahawalpur	Waqas & Brothers	27.04.14	17.03.14	10,529
13	18 dt: 17.03.2014	Special Repir of M/Road from Bohar Chowk to Masjid Siddiquaia, Bahawalpur	Mr. Awais Shah	03.05.14	17.03.14	41,923
<b>Total</b>						<b>3,350,958</b>

**Annex-J****[Para 1.2.4.10]****Unauthorized Expenditure on Advance Increments of B.Ed.  
and M.A / M.Sc – Rs3.127 Million****(Amount in Rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of Teachers</b>	<b>Amount</b>
1	Govt. Girls H/S School Uch Sharif	1	471,442
2	Govt. H/S School Channi Goth	2	129,615
3	Dy. DEO(W) Hasilpur	8	210,407
4	Dy. DEO(M) Hasilpur	5	73,200
5	Dy. DEO(EE-W) Bahawalpur	12	157,200
6	Govt. Girls H/S School Chah Fateh Khan	6	792,483
7	Govt. Girls Model H/S Ahmadpur East	3	383,613
8	Govt. Sadiq Model Girls H/S BWP	2	316,688
9	Govt S.A High School Ahmadpur East	2	206,596
10	Govt. Girls H/S Multani Gate Bahawalpur	3	385,840
	<b>Total</b>	<b>44</b>	<b>3,127,084</b>

**Annex-K**  
**[Para 1.2.4.12]**

**Payment of Excess Steel Quantity for Projects of Same Nature –  
Rs2.563 Million**

**(Amount in rupees)**

Sr. No.	Scheme	Name of Contractor	Item	Quantity as per M.B	Ref.	Minimum Quantity Used	Excess Quantity Used	Rate per % Kg	Amount
1	New Building of Special Education Center Hasilpur	Gulzar Ahmad	Fabrication of Mild steel 60 grade	62470	19th Running Bill	62470	0	8,173.68	-
2			Fabrication of Mild steel 40 grade	4700	19 <sup>th</sup> Running Bill	1326	3,374	7,240.75	24,430,291
3	New Building of Special Education Center Khairpur TW	Gulzar Ahmad	Fabrication of Mild steel 60 grade	73732	10th Running Bill	62470	11,262	7,825.40	88,129,655
4			Fabrication of Mild steel 40 grade	2712	10th Running Bill	1326	1,386	7,240.75	10,035,680
5	New Building of Special Education Center Yazman	Mehmood Abdullah	Fabrication of Mild steel 60 grade	78828	14th Running Bill	62470	16,358	8,173.68	133,705,057
6			Fabrication of Mild steel 40 grade	1326	14th Running Bill	1326	0	7,240.75	-
<b>Total</b>				<b>223768</b>			<b>32,380</b>		<b>256,300,682 / 100 = 2,563,006</b>



**Annex-L**

**[Para 1.2.4.14]**

**Non-Collection of “Water Charges” from Residents – Rs2.002Million  
(Amount in rupees)**

<b>Sr. No.</b>	<b>Water Supply Scheme at</b>	<b>Electricity Meter No.</b>	<b>Electricity Bills Paid During 2013-14</b>
1	One Unit Staff Colony BWP	28-154441224100-U	163,623
2	One Unit Staff Colony BWP	28-154141237600-U	746,844
3	Water Tanki Teh. BWP	28-154141155100-U	472,118
4	Officers Colony near DHO BWP	28-154410498400-U	279,982
5	Water Supply Near High Court	28-154410628000-U	329,040
<b>Total</b>		<b>-</b>	<b>1,991,607</b>

<b>Sr. No.</b>	<b>Venue / Design. Resid. Colony</b>	<b>Residence Categories</b>				<b>Recovery for 2012-13 &amp; 2013-14 @ Rs. 150 per Month</b>
		<b>I</b>	<b>II</b>	<b>III</b>	<b>Total</b>	
	<i>for Scale No.</i>	<i>11-17</i>	<i>5-10</i>	<i>01-04</i>		
1	One Unit Staff Colony	75	316	59	450	1,620,000
2	Officers Colony	2	48	20	70	252,000
3	Bachelor Flats	24	-	-	24	86,400
4	Family Flats	6	-	-	6	21,600
5	B-Type	4	-	-	4	14,400
6	I-B-Type	2	-	-	2	7,200
<b>Total</b>		<b>113</b>	<b>364</b>	<b>79</b>	<b>556</b>	<b>2,001,600</b>

Note: Loss for last two financial years has been calculated Actual loss may be calculated at departmental level.

**Annex-M**

**[Para 1.2.4.20]**

**Payment of Different Rates for Non-Scheduled Items of Same Nature  
during Same Period – Rs1.703 Million**

**(Amount in Rupees)**

Scheme	Reference	Date of Technical Sanction	Schedule Rates Applied	Item No.	Non Schedule Items	Unit	Qty.	Rate paid	Lowest Rate	Excess Rate	Excess Payment
New Building of Special Education Center <b>Hasilpur</b>	19th Running Bill	17.10.2009	M.R.S 03rd Qtr. 2009	12	Tuff Tile 60mm	per sft	20,594	75.00	73.00	2.00	41,188
				13	Turbine	each	1	815,000.00	500,000.00	315,000.00	315,000
				14	Santry Fugul Pump	each	1	325,000.00	200,000.00	125,000.00	125,000
				15	Sludge Pump	each	1	390,000.00	300,000	90,000.00	90,000
				01	Fabrication of Mild Steel 60grade	% Kg	62,470	8,173.68	7,825.40	348.28	217,571
				02	Street Light Pole	each	2	32,000.00	22,632.00	9,368.00	18,736
				03	Flood Light Phillips 40w	each	6	25,000.00	13,800.00	11,200.00	67,200
New Building of Special Education Center <b>Yazman</b>	14th Running Bill	08.09.2009	M.R.S 03rd Qtr. 2009	60	Tuff Tile 60mm	per sft	11,261	78.33	73.00	5.33	60,021
				18	Turbine	each	1	857,534.50	500,000.00	357,534.50	357,535
				12	Santry Fugul Pump	each	1	344,685.00	200,000.00	144,685.00	144,685
				63	Street Light Pole	each	2	33,632.90	22,632.00	11,000.90	22,002
				62	Flood Light Phillips 40w	each	6	26,634.75	13,800.00	12,834.75	77,009
				97	Sludge Pump	each	1	466,891.50	300,000	166,891.50	166,892
				21	Fabrication of Mild Steel 60grade	% Kg	78,828	8,173.68	7,825.40	348.28	274,542
<b>Total</b>											<b>1,702,837</b>

**Annex-N**

**[Para 1.2.4.23]**

**Over Payment due to Non-reduction of Composite Rates of Concrete –  
Rs1.040Million**

**(Amount in rupees)**

Sr. No.	Scheme	Name of Contractor	Reference	Item No.	Item Detail	Unit	Quantity	Deduction @ Rs. 12 per cft
1	New Building of Special Education Center <b>Khairpur</b>	Gulzar Ahmad	10th Running Bill	9	RCC in Roof slabe 1:2:4 Foarm Work	per cft	12,755	153,060
				9	RCC in Roof slabe 1:2:4 w/o Foarm Work	per cft	1,961	23,532
				9	RCC in Roof slabe 1:1 1/2:3	per cft	1,709	20,508
				48	RCC in Roof 1st Floor	per cft	9,304	111,648
2	New Building of Special Education Center <b>Hasilpur</b>	Gulzar Ahmad	19th Running Bill		Different RCC Works	per cft	25,132	301,584
3	New Building of Special Education Center <b>Yazman</b>	Mehmood Abdullah	14th Running Bill		Different RCC Works	per cft	26,875	322,500
4	Up-Gradation of GGHS Qaimpur to Higher Sec. School, KPT	Al-Khalid Eng.	10th Running Bill		Different RCC Works	per cft	4,618	55,416
5	Boring of Tue Well (0.5 Cusec) Construction of Pump House & Provision of Pumping Machinery /Construction ORH (10000-Gallan) in Officer Colony High Court Bwp	Saeed Ahmad	2228/1774 P-111		Different RCC Works	per cft	73	876
6	Construction of CMW School Hostel BWP	Saleem & Co,	2197/1653 P-123		Different RCC Works	per cft	4,217	50,604
<b>Total</b>							<b>86,644</b>	<b>1,039,728</b>