



**AUDIT REPORT**  
**ON**  
**THE ACCOUNTS OF**  
**DISTRICT GOVERNMENT**  
**KHANEWAL**  
**AUDIT YEAR 2015-16**

**AUDITOR GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

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

## **PREFACE**

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

The Report is based on audit of the accounts of various offices of the District Government, Khanewal for the financial year 2014-15. The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during 2015-16 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

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

Islamabad  
Dated:

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

## **EXECUTIVE SUMMARY**

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of the City District Governments and District Governments in Punjab (South). The Regional Directorate of Audit (RDA), District Governments, Multan, a Field Audit Office of the DGA, District Governments, Punjab (South), Multan, carries out audit of District Governments Multan, Lodhran, Vehari, Pakpattan, Sahiwal and Khanewal.

The Regional Directorate Audit has a human resource of 27 officers and staff, constituting 6,094 mandays and the budget amounting to Rs 24.922 million was allocated in audit year 2015-16. 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 Multan carried out audit of the accounts of various formations of District Government, Khanewal for the Financial Year 2014-15 and the findings included in the Audit Report.

The District Government, Khanewal conducts its operations under Punjab Local Government Ordinance, 2001. The District Coordination Officer (DCO) is the Principal Accounting Officer (PAO) of the District Government and carries out functions of the District Government through group of offices as notified in Punjab Local Government Ordinance (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 was not elected therefore the Annual Budget Statement was authorized by the DCO, who has been notified as Administrator by the Government of the Punjab in February, 2010.

District Khanewal is administratively divided into four Tehsils namely Khanewal, Kabirwala, Jahania and Mian channu.

## **Audit Objectives**

Audit was conducted with the objectives 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 were made in accordance with the 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, Khanewal for the financial year 2014-15, auditable expenditure under the jurisdiction of Regional Director Audit (District Governments), Multan was Rs 7,727.417 million covering one PAO and 446 formations. Out of this, Regional Director Audit (District Governments), Multan audited an expenditure of Rs 3,413.605 million which, in terms of percentage, is 44% of total auditable expenditure and irregularities amounting to Rs 1,913.757 million were pointed out. Regional Director Audit planned and executed audit of 23 formations i.e. 100% achievement against planned audit activities.

Total receipts of the District Government Khanewal for the financial year 2014-15 were Rs 31.933 million. RDA Multan audited receipts of Rs 12.773 million which in terms of percentage is 40% of total receipts and irregularities amounting to Rs 0.639 million were pointed out.

### **b) Recoveries at the Instance of Audit**

Recoveries of Rs 297.374 million were pointed out by Audit which were not in the notice of the management before audit. No amount was recovered and verified during the year 2015-16, till the time of compilation of Report.

However against the total recovery amount of Rs 25.111 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 were 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 2015-16.

### **e) Comments on Internal Control and Internal Audit department**

Internal control mechanism of District Government Khanewal 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 like withdrawal of public funds against the entitlement of the employees. Negligence



on the part of District Government authorities may be captioned as one of important reasons for weak Internal Controls.

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

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

- i. Misappropriation of Rs 2.595 million was noted in one case<sup>1</sup>.
- ii. Non-production of record of Rs 43.321 million was noted in one case<sup>2</sup>
- iii. Irregularities and non-compliance amounting Rs 198.310 million was noted in four cases<sup>3</sup>
- iv. Performance issue involving Rs 6.885 million was noted in five cases<sup>4</sup>
- v. Internal control Weaknesses involving an amount of Rs 6.418 million were noted in two cases<sup>5</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**

PAO/District Government is required to:

- i. Conduct physical stock taking of the fixed and current assets.
- ii. Comply with the Punjab Public Procurement Rules for economical and rational purchases of goods and services.

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<sup>1</sup> Para 1.2.1.1

<sup>2</sup> Para 1.2.2.1

<sup>3</sup> Para 1.2.3.1 to 1.2.3.4

<sup>4</sup> Para 1.2.4.1 to 1.2.4.5

<sup>5</sup> Para 1.2.5.1 to 1.2.5.2

- iii. Conduct inquiries in which responsibility be fixed and appropriate disciplinary action taken against the person responsible for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. Make efforts for expediting the realization of various Government receipts.
- v. Ensure establishment of internal control system and proper implementation of the monitoring system.
- vi. Rationalize budget with respect to utilization.

## SUMMARY TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rupees in Million)

Sr. No.	Description	No.	Expenditure	Receipts
1	Total PAOs in Audit jurisdiction	01	7,727.417	31.933
2	Total formations DAOs / DDOs in Audit jurisdiction	446	7,727.417	31.933
3	Total Entities (PAOs) Audited	01	3,413.605	12.773
4	Total formations DAOs / DDOs Audited	23	3,413.605	12.773
5	Audit & Inspection Reports	23	-	-
6	Special Audit Reports	-	-	-
7	Performance Audit Reports	-	-	-
8	Other Reports(relating to Districts)	-	-	-

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

(Rupees in Million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Asset management	3.338
2	Financial management	204.452
3	Internal controls	6.418
4	Others	43.321
	<b>Total</b>	<b>257.529</b>

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

Sr. No.	Description	Expenditure on Physical Assets	Salary	Non - Salary	Civil Works	Receipts	Total Current Year	Total last Year
1	Total financial outlay	63.865	6,111.232	361.903	1,190.416	31.933	7,759.349	6,860.697
2	Outlays audited	13.201	1,978.884	646.841	773.438	12.773	3,425.137*	2,022.463
3	Amount placed under audit observations /irregularities pointed out	3.338	17.957	222.701	11.207	2.326	257.529	341.51
4	Recoverables pointed out at the instance of audit	3.338	17.957	2.595	1.221	-	25.111	36.991
5	Recoverable accepted /established at the instance of audit	3.338	17.957	2.595	1.221	-	25.111	36.991
6	Recoverable realized at the instance of audit	-	-	-	-	-	-	-

\*The amount mentioned against Sr. No. 02 in column of "Total" is a sum of expenditures and receipts whereas the total expenditure was Rs 3,413.605 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.	184.931
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	2.595
3	Accounting Errors (accounting policy departure from IPSAS <sup>2</sup> , misclassification, over 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.	4.166
5	Recoveries and overpayments, representing cases of establishment overpayment or misappropriations of public monies	22.516
6	Non-production of record.	43.321
7	Others, including cases of accidents, negligence etc.	-
<b>Total</b>		<b>257.529</b>

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

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Outlays Audited (Items 2 Table 3)	3,425.137
2	Expenditure on Audit	0.258
3	Recoveries realized at the instance of Audit	-
4	Cost-Benefit Ratio	-

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<sup>1</sup> The Accounting Policies and Procedure as prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

# **CHAPTER 1**

## **1.1 District Government Khanewal**

### **1.1.1 Introduction**

As per the Punjab Local Government Ordinance, 2001, the District Governments / Local Governments established under the Ordinance shall function within the Provincial framework and adhere to the Federal and Provincial Laws. In performance of the functions, Local Governments carry out the functions devolved by the Provincial Government to the District Government level.

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

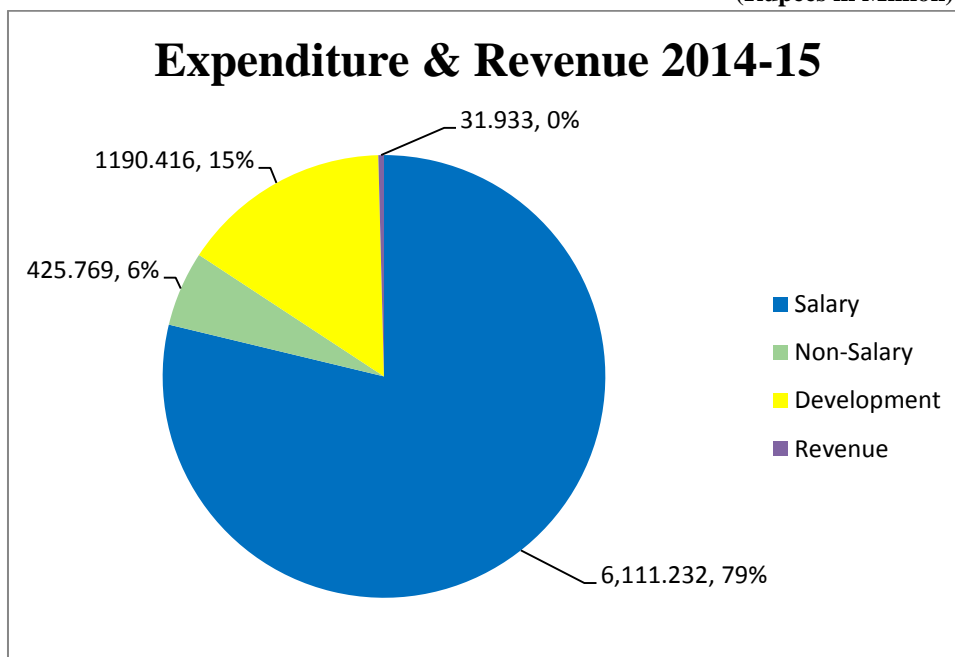
### 1.1.2 Comments on Budget and Accounts

The detail of Budget and Expenditure is given below in tabulated form

(Amount in Million)

2014-15	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	6,478.454	6,111.232	(367.221)	-6%
Non-salary	544.063	425.769	(118.294)	-22%
Development	1,623.864	1,190.416	(433.449)	-27%
<b>Total</b>	<b>8,646.381</b>	<b>7,727.417</b>	<b>(918.964)</b>	<b>-11%</b>
Receipts	31.933	31.933	-	0%

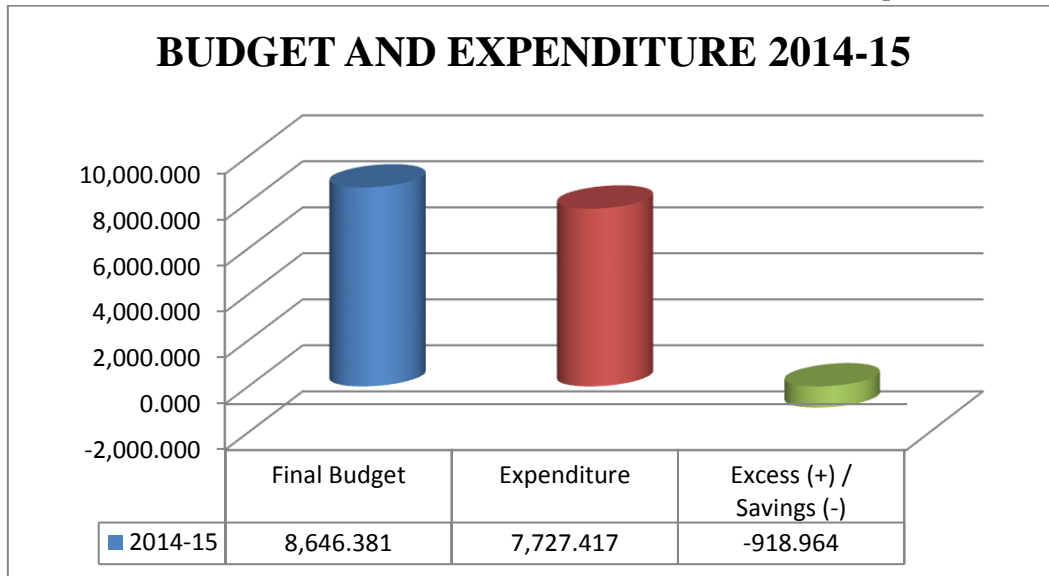
(Rupees in Million)



As per the Appropriation Accounts 2014-15 of the District Government Khanewal, total original budget (Development and Non-Development) was Rs 8,156.559 million, supplementary grant of Rs 489.822 million was provided and the final budget was Rs 8,646.381 million. Against the final budget, total expenditure of Rs 7,727.417 million was incurred by the District Government

during the financial year 2014-15. A saving of Rs 918.964 million came to the notice of Audit, which shows that the District Government failed to provide services and infrastructure development. No plausible explanation was provided by the PAOs / Administrator and management of District Government (Annex-B)

(Rupees in Million)



Due to inefficient financial management in release of budget by EDO (F&P), major portion of saving occurred as detailed below:

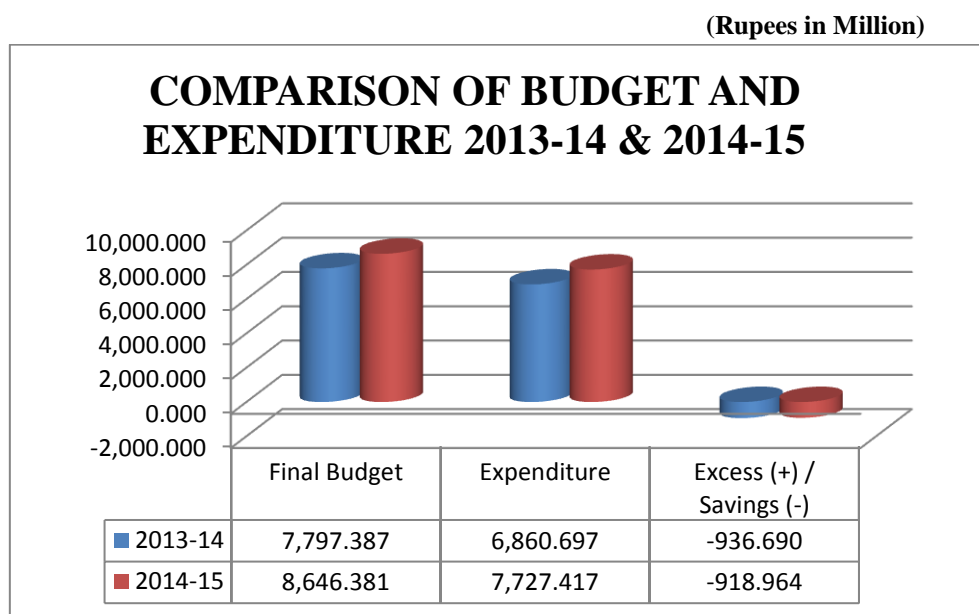
- In various offices under EDO (Education) saving of Rs 190.682 million (4% of allocation) occurred by over estimating/releasing the budget against the vacant posts despite the fact that no recruitment against these vacant posts was made during the financial year 2014-15. Further funds of School Management Council (SMC) were not utilized despite availability. The same resulted into depriving the students / populace from necessary facilities such as provision of furniture & fixture as well as provision of laboratory equipment.
- In Health Department saving of Rs 148.245 million (15% of allocation) occurred due to non-utilization of budget allocations made under SP-I and SP-II of PMDGP. Health Department finalized the rate



contract near the end of the financial year i.e. in June, 2015 resulting in non-utilization of budget for purchase of medicines. This resulted into depriving the populace from better health facilities.

- In Works & Services Department saving of Rs 433.449 million (27 % of allocation) occurred due to non-execution/completion of development schemes.

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



There was 11% and 13% increase in Budget Allocation and Expenditures incurred respectively, while there was overall savings of Rs 918.964 million during 2014-15.

### **1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2014-15**

Audit paras reported in MFDAC of last year audit report which have not been attended in accordance with the directives 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

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2002-03	26	PAC not constituted
2	2003-04	13	PAC not constituted
3	2004-05	12	PAC not constituted
4	*01/07/2005 to 31/03/2008 Special Audit Report	111	PAC not constituted
5	2009-10	28	PAC not constituted
6	2010-11	35	PAC not constituted
7	2011-12	46	PAC not constituted
8	2012-13	11	PAC not constituted
9	2013-14	28	PAC not constituted
10	2014-15	15	PAC not constituted

\*Period covered in Special Audit for F.Y 2005-08.

## **1.2 AUDIT PARAS**

## **1.2.1 Fraud/Misappropriation**

### **1.2.1.1 Suspected misappropriation due to non-execution – Rs 2.595 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 to the Government through fraud or negligence on his part.

Under the administrative control of Dy. DEO (EE-W), Mian Channu, administrations of different schools drew an amount of Rs 2.595 million from Non-Salary Budget (NSB) for different repair works and purchases during F.Ys. 2013-15. During physical verification, it was found that the amount drawn for the purpose was not spent by the schools as there was no work done on various sites, and no purchases made. Neither the stock entries nor the consumption record was available. School Management Council (SMC) also did not vet the expenditure (**Annex-C**).

Audit is of the view that due to weak internal controls amounts drawn by the schools were not spent on execution of work.

Non-execution of works resulted in misappropriation of funds and loss to the Government amounting to Rs 2.595 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that Inquiry was being conducted to probe into the matter, and that action would be taken on the receipt of the Inquiry report. DAC meeting was held in December, 2015, in which para was kept pending for fixing of responsibility and recovery of the amount. No progress was intimated till the finalization of Report.

Audit recommends fixing of responsibility for doubtful expenditure, besides recovery of Rs 2.595 million, under intimation to Audit.

[AIR Para: 13]

## **1.2.2 Non-Production of Record**

### **1.2.2.1 Non-production of record - Rs 43.321 million**

According to Section 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 requests for information in as complete a form as possible and with all reasonable expedition".

DDO of the office of the DCO Khanewal did not produce the record of SDA operated by the DCO office involving expenditure of Rs 43.321 million during 2014-15. Heavy expenditure on Flood & Ramzan bazaar was made during 2014-15 from SDA account but record of expenditure was not produced despite various repeated written and verbal requests.

Further following record related to the SDA was also not produced.

- i. Cash Book of SDA account
- ii. Record of different time to time releases of SDA during 2014-15
- iii. Cheque Book of SDA account
- iv. Vouchers / Stock registers / Acquaintance roll etc.

Audit is of the view that due to weak internal controls, record was not properly maintained and produced for audit verification.

Non-production of vouched account created doubt regarding legitimacy of expenditure of Rs 43.321 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that record was available and would be produced when required by the Audit. Reply of the DDO was not tenable, as no record was produced at the time of record verification. DAC meeting was held in December, 2015, in which

para was kept pending for record verification. No progress was intimated till the finalization of Report.

Audit recommends that responsibility be fixed and strict disciplinary action taken against the concerned for non-production of record, under intimation to Audit, as well as production of record to Audit for scrutiny.

[AIR Para: 02]



### **1.2.3 Irregularities and Non-Compliance**

### **1.2.3.1 Irregular allocation of budget – Rs 175.498 million**

According to the Government of Punjab Finance Department letter No. FD(DG)1-84/2012 dated July 24, 2014, “while formulating the budget, District Government needs to ensure that the non-salary expenditure is kept at a bare minimum level, and in no case it should be allowed to increase by more than 20% of the actual expenditure of previous year.”

Executive District Officer (Finance & Planning) allocated in the annual budget for the financial year 2014-15 Rs 175.498 million more than the previous year’s allocation. The increase was more than the 20% limit in violation of above referred letter (**Annex-D**).

Audit is of the view that due to weak internal controls, excess allocation of budget to various departments was made.

Excess allocation of budget of Rs 175.498 million resulted in violation of the Government instructions.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that after considering the needs and requirements of different departments, Competent Authority i.e. District Coordination Officer allocated the budget/funds being Principal Accounting Officer / Administrator of the District / Zila Council. Reply of the DDO was not tenable, because budget was allocated in excess of the prescribed limit. DAC in its meeting held in December, 2015 decided to keep the para pending for regularization. No further progress was intimated till the finalization of Report.

Audit recommends regularization from Punjab Finance Department, besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 14]

### **1.2.3.2 Unauthorized withdrawal of 50% Adhoc Relief Allowance – Rs 15.705 million**

According to Para 6 of the Government of the Punjab Finance Department letter No.FD.PC.40-04/12 dated 17.04.2012, 50% Adhoc Allowance 2010 is not admissible to those doctors who are drawing PHSRA and Health Professional Allowance, if the amount of both is more than initial basic pay of the scale.

Different DDOs allowed withdrawal of Rs 15.705 million on account of Adhoc Relief Allowance, 2010, to the doctors during financial years 2012-13 to 2015-16. The doctors were drawing PHSRA and Health Professional Allowance which was more than the initial basic pay of their scale. The detail of the DDOs is as under:-

**(Rupees in Million)**

<b>Sr. No.</b>	<b>Name of DDOs</b>	<b>Total</b>
1	Dy. DO (Health) Mian Channu	1.743
2	MS DHQ Hospital	1.829
3	MS THQ Hospital Jahanian	2.99
4	MS THQ Hospital Mian Channu	7.173
5	MS THQ Hospital Kabirwala	1.97
<b>Total</b>		<b>15.705</b>

Audit is of the view that due to weak internal controls, unauthorized Adhoc Relief Allowance was paid.

Non-compliance of the Government instructions resulted into excess payment and loss to the Government amounting to Rs 15.705 million.

The matter was reported to DCO and DDOs concerned in October, 2015. DDOs replied that concerned doctors had been asked to submit the reply. The reply was not tenable as 50% Adhoc Relief Allowance, 2010, was not admissible to concerned doctors in the light of above notification. DAC, in its meeting, held in December, 2015, directed the DDOs to direct all the doctors for recovery of overpaid amount, and to refer the case to DAO Khanewal. Para was shifted to DAO Khanewal as the gazetted officers were self DDOs. No progress was intimated till the finalization of Report.

Audit recommends recovery of Adhoc Relief Allowance, 2010 amounting to Rs 15.705 million from the concerned, besides fixing of responsibility against the DAO, under intimation to Audit.

[AIR Para: 02,03,12,01,02]

### 1.2.3.3 Irregular expenditure without approval of non-schedule items – Rs 5.820 million

According to Secretary C&W Department letter No.PA/Secretary (C&W) /2008 dated 17-11-2008, “use of non-schedule items is curbed and only such items are included which are necessary for work and with the approval of competent authority on the basis of rate analysis.”

District Officer (Roads) paid an amount of Rs 5.820 million for non-schedule items during the financial year 2014-15 without according the approval of competent authority and without making the detailed rate analysis in scheme "Installation of LED Lights, Station Chowk to Lahore Side Road in city Khanewal". The detail is as under:

(Amount in Rupees)

Sr. No.	Name of item	Qty purchased	Rate charged	Amount paid	Remarks
1	S/I of LED street light (Bridge lux) made in U.S.A Cree made in U.S.A Nichimen made in Japan	60 Nos	42,360	2,541,600	MB No. 303/670, Page No. 01-45
2	S/I of Hybrid inverter	3 Nos	85,000	255,000	
3	S/I of batteries Narada brand USA made in China	3600	295	1,062,000	
4	S/F of high round conical pole hot dip	30 Nos	37,300	1,119,000	
5	S/I of circuit breakers	12 Nos	4,875	58,500	
6	P/F of batteries box	3 Nos	14,000	42,000	
7	S/I of A.C wire ( 2 core) 10 mm flexible	2500 meter	163.54	408,850	
8	S/Installation of switches	3 sets	25,600	76,800	
9	S/I of P.V.C pipe	3 sets	85,600	256,800	
<b>Total</b>				<b>5,820,550</b>	

Audit is of the view that due to weak internal controls, approval and rate analysis of non-schedule items was not made.

Non-compliance of the Government instructions resulted in uneconomical and irregular expenditure amounting to Rs 5.820 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that non-schedule items were approved by the competent authority. Reply of the DDO was not tenable because no approval and detailed rate analysis were shown during verification of record. DAC meeting was held in December, 2015, in which para was kept pending for inquiry of rates. No further progress was intimated till the finalization of Report.

Audit recommends regularization from Punjab Finance Department, besides fixing of responsibility, under intimation to Audit.

[AIR Para: 30]

#### **1.2.3.4 Unauthorized expenditure beyond financial limit – Rs 1.287 million**

According to Rule No. 2 b(i) of Punjab Delegation of Financial Powers Rules, 2006, administrative department can sanction expenditure on purchase of stationery items up to Rs 500,000 during the financial year.

DDO of the office of DCO Khanewal made expenditure of Rs 609,128 and Rs 678,120 respectively on purchase of stationery during 2013-14 and 2014-15. The expenditure was held unauthorized as sanction had been accorded beyond the delegated financial power in violation of the above rule. The detail is as under:

(Amount in Rupees)

<b>Period</b>	<b>Fund Center</b>	<b>Detail Object Description</b>	<b>Budget Grant</b>	<b>Actual Expenditure</b>
2013-14	KW 3039	A03901-STATIONERY	650,000	609,128
2014-15	KW 6039	A03901-STATIONERY	680,000	678,120
<b>Total</b>				<b>1,287,248</b>

Audit is of the view that due to weak internal controls, unauthorized expenditure was made.

Non-compliance of the Government instructions resulted into unauthorized expenditure of Rs 1.287 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that amount included Sales Tax & Income Tax. The stationery items were purchased accordingly as and when required on the demand of various branches/offices. All the stationery items were purchased under Delegation of Financial Power Rules, 2006. The DCO had been delegated powers of administrative department. The required items were purchased after observing the codal formalities within competency. Reply of the DDO was not tenable, because administrative department has the power of expenditure of Rs 500,000 during a financial year. DAC meeting was held in December, 2015, in which para was kept pending for regularization. No further progress was intimated till the finalization of Report.

Audit recommends regularization from Punjab Finance Department, besides fixing of responsibility, under intimation to Audit.

[AIR Para: 01]

## **1.2.4 Performance**

#### **1.2.4.1 Purchase of sports material on higher rates – Rs 1.965 million**

According to Rule 39 (2) (a) (viii) of PPRA Rules, 2014 the lowest evaluated bidder shall be awarded the contract. Further, according to Rule 2.31(a) of Punjab Financial Rules Vol-I, a drawer of bill of pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations

District Officer (Sports) purchased sports material for Sports Gymnasium Khanewal worth Rs 5.690 million during 2014-15 on higher rates which resulted into loss of Rs 1.965 million. Two contractors submitted their tender forms whereas one contractor quoted lower rates but the purchase was made on higher rates without stating any reason in writing from the second contractor who quoted those rates. The available record of sports material purchased did not reflect the make, model and country of manufacturing, due to which the purchase of sports material imported from any specific country cannot be ascertained. Due to purchase at higher rates, the Government sustained a loss of Rs 1.965 million (**Annex-E**).

Audit is of the view that due to weak financial management, purchases were made on higher rates.

Purchase on higher rates resulted into loss to the Government amounting to Rs 1.965 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that purchase was made after fulfilling all codal formalities with due care; that Audit had compared the rates of M/s Atta Business Network with M/s Bodionix Sports and Fitness, Islamabad while M/s Atta Business Network offered rates of Chinese sports material but their office had demanded the items manufactured from Germany, UK, France, and USA; and that the purchase was made in accordance with advertisement and as per tender documents. Reply of the DDO was not tenable, because no proof was provided for purchase of imported items. DAC meeting was held in December, 2015, in which para was kept pending for recovery and inquiry against DO (Sports). No further progress was intimated till the finalization of Report.



Audit recommends that responsibility be fixed against the concerned, besides recovery of loss of Rs 1.965 million, under intimation to Audit.

[AIR Para: 03]

#### **1.2.4.2 Purchase of chairs on higher rates for IT Labs – Rs 1.373 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 the Government through fraud or negligence on his part.

EDO (Education) Khanewal purchased 1,308 chairs for IT Labs on higher rates amounting to Rs 1.373 million. Chairs were purchased from the concerned supplier @ Rs 4,500 per chair. Rates of EDO (Education) Khanewal were in excess of the rates paid by the EDO (Education) Pakpattan for purchase of chairs for IT Labs @ Rs 3,450 per chair resulting in excess payment of Rs 1.373 million as detailed below:

(Amount in Rupees)

<b>Name of scheme</b>	<b>No. of chairs purchased</b>	<b>Rate paid</b>	<b>Rate of EDO (Edu) Pakpattan</b>	<b>Difference</b>	<b>Recovery</b>
Purchases for IT Labs Secondary Schools (11 Schools) newly opened labs	32*11=352	4,500	3,450	1,050	369,600
Purchases for IT Labs Secondary Schools (16 Schools) replacement of labs already available (Federal Government.)	16*16=256	4,500	3,450	1,050	268,800
Purchases for IT Labs for Elementary Schools (22 Schools) newly opened labs	22*10=220	4,500	3,450	1,050	231,000
Purchases for Chairs at IT Labs for Elementary Schools (replaced computers in 32 Schools)	15*32=480	4,500	3,450	1050	504,000
<b>Total</b>					<b>1,373,400</b>

Audit is of the view that due to weak internal controls, purchases were made on higher rates.

Purchase on higher rates resulted into loss to the Government amounting to Rs 1.373 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that open tenders were called through advertisement and all the purchases were made through District Purchase Committee according to best available rates. Reply of the DDO was not tenable, because no documentary evidence was produced to verify the purchases of higher quality. DAC meeting was held in December, 2015, in which para was kept pending for recovery. No further progress was intimated till the finalization of Report.

Audit recommends recovery of Rs 1.373 million, besides fixing of responsibility, under intimation to Audit.

[AIR Para: 03]

#### **1.2.4.3 Non-recovery of District Government revenue – Rs 1.259 million**

According to Rule 76 (1) of PDG and TMA (Budget) Rules 2003, the collecting officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

District Officer (Excise & Taxation) Khanewal did not make arrangements to take the possession of the Government property of 183 Kanals and 16 Marlas situated in Mouza Lalera Tehsil Kabirwala District Khanewal despite expiry of lease period in respect of a lessee on 30.06.2008. Audit further observed that arrears of Rs 1.259 million were also not recovered from the concerned lessee as detailed below:

(Amount in Rupees)

<b>Year</b>	<b>Amount of Arrears</b>
2007-08	92,308
2008-09	123,000
2009-10	135,300
2010-11	148,830
2011-12	163,713
2012-13	180,084
2013-14	198,092
2014-15	217,901
<b>Total</b>	<b>1,259,228</b>

Audit is of the view that due to weak internal controls, neither the possession of the land was acquired, nor arrears were recovered from the lessee.

Non-acquiring of possession of land and non-recovery of the Government revenue resulted in loss to the Government amounting to Rs 1.259 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that in the light of patwari's roznamcha report No. 405 dated 27.05.2014 land had been vacated from the occupant. Later on, the previous tenant / illegal occupant regained the possession and cultivated the land unlawfully which was reported to the office. Hence SHO Sarai Sidhu was requested to launch FIR against illegal occupants on 19.12.2014 vide their office letter No. 1196 but action was not taken. Once again reminder was sent vide letter No. 304-310 dated 16.04.2015 but in vain. Currently, the illegal occupants were still holding the possession. DAC meeting was held in December, 2015, in which para was kept pending and it was advised that matter should be taken up with DCO for lodging of FIR. No further progress was intimated till the finalization of Report.

Audit recommends that responsibility be fixed and steps taken for acquiring the possession of land and recovery of arrears of lease amount of Rs 1.259 million, under intimation to Audit.

[AIR Para: 02]

#### **1.2.4.4 Non-imposition of penalty for late completion of works – Rs 1.221 million**

According to Clause 39 (a) of Contract Agreement, the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The work shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the program of work and the contractor shall pay as compensation an amount equal to one percent of the amount of contract subject to maximum of 10% or such smaller amount as the engineer in-charge (whose decision in writing shall be final) may decide, on the amount of the estimated cost stated in item (b) of the memorandum of work for

every day the work remains un-commenced or unfinished after the proper date. Further, according to Clause 37, read with Clause 39 (a) of the general conditions of the standard contract agreement, if by reason of any amount of extra or additional work of any kind or variation of form, quality or quantity of the works or any part thereof ordered by the engineer in-charge, or any other ground or other special circumstances of any kind whatsoever, the contractor shall apply in writing to the engineer in-charge within 30 days of the date of such circumstances, the full and detailed particulars of his claim on account of which he desires an extension as aforesaid. The time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor.

District Officer (Buildings) Khanewal, did not impose penalty of Rs 1.221 million during the financial year 2014-15 on the contractors who did not complete various works within the stipulated period. Also, no time limit extensions were granted to the contractors (**Annex-F**).

Audit is of the view that due to weak internal controls, no penalty was imposed on the contractor who failed to complete the work in time.

Non-imposition of penalty resulted into loss to the Government amounting to Rs 1.221 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that time extension cases of the scheme mentioned in the para would be processed as per Agreement Clause 39 and penalty would be imposed on the contractors if delay in completion of the scheme was due to the fault of the contractor. The reply of the DDO was not tenable as the contractors had to apply in writing to the engineer in-charge within 30 days of the date of any special circumstances, the full and detailed particulars of their claims on account of which they desired the extension. DAC meeting was held in December, 2015, in which para was kept pending for recovery. No further progress was intimated till the finalization of Report.

Audit recommends recovery of Rs 1.221 million, besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 37]

### 1.2.4.5 Loss to the Government due to non-auction of godowns – Rs 1.067 million

According to Section 18 (6) and (7) of Punjab Property Rules, 2003, a local Government shall identify the immovable Property for auction under this rule and refer the matter to the District Coordination Officer. The Committee shall assess the market rent of the immovable Property on the basis of recommendations of the District Rent Assessment Committee notified by the Board of Revenue, Punjab.

District Officer (Excise & Taxation) Khanewal did not make efforts for auction of four District Government godowns due to which the Government sustained a loss of Rs 1.067 million during 2011-15 as detailed below:

(Amount in Rupees)

Sr. No.	Property Type	Tehsil	Area	Year	Monthly	Demand for the Year	Receipt for the Year	Loss to Government
1	2 Godown	Kabirwala	Abdul Hakim	2011-12	5,368	64,416	-	64,416
				2012-13	5,368	64,416	-	64,416
				2013-14	5,368	64,416	-	64,416
				2014-15	5,368	64,416	-	64,416
				<b>Total</b>				
2	Godown	Jahanian	Darkhana Wala	2011-12	4,207	50,484	-	50,484
				2012-13	4,207	50,484	-	50,484
				2013-14	4,207	50,484	-	50,484
				2014-15	4,207	50,484	-	50,484
				<b>Total</b>				
3	4 Godown	Mian Channu	Chak No. 124/15-L	2011-12	8,445	101,340	-	101,340
				2012-13	8,445	101,340	-	101,340
				2013-14	8,445	101,340	-	101,340
				2014-15	8,445	101,340	-	101,340
				<b>Total</b>				
4	4 Godown	Khanewal	Chak No. 168/10-R	2011-12	8,426	101,112	-	101,112
				2012-13	8,426	101,112	-	101,112
				<b>Total</b>				
<b>Grand Total</b>								<b>1,067,184</b>

Audit is of the view that due to weak internal controls, godowns were not auctioned / rented.

Non-auctioning of godowns resulted into loss to the Government amounting to Rs 1.067 million.

The matter was reported to DCO and concerned DDO in October, 2015. DDO replied that auction of the Ghalla Godown was advertised every year through DGPR Punjab Lahore but no one turned up for the auction process. DAC meeting was held in December, 2015, in which para was kept pending and it was decided that the matter of auctioning of godowns may be pursued vigorously by DO (E&T), and the case should be forwarded to Building department for condonation of loss sustained by the Government. No further progress was intimated till the finalization of Report.

Audit recommends that responsibility be fixed and steps taken for auction of the godowns and condonation of loss sustained by the Government, under intimation to Audit.

[AIR Para: 04]

## **1.2.5 Internal Control Weaknesses**

### **1.2.5.1 Unjustified award of work to contractor without issuance of tender – Rs 4.166 million**

According to Rule 2.61(1) of B&R code, in advertisement the place where and the time when the contract documents can be seen, and the blank form of tender obtained; also the amount, if any to be paid for such forms of tender be mentioned.

District Officer (Buildings) Khanewal issued bogus work orders of Rs 4.166 million to the contractors for different construction works without issuing tenders to them. It was bogus tendering as a contractor who did not participate in the tender process was awarded the work for execution. (**Annex-G**)

Audit is of the view that due to weak internal controls, tenders were awarded to those contractors who had not participated in the tender process.

Award of work without participating in tender process resulted in bogus award of work and bogus tender process as well.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that at the time of preparing computer list the names of Construction Companies were typed erroneously. Reply of the DDO was not tenable because no tender registers and comparative statement were shown during verification of record. DAC meeting was held in December, 2015, in which para was kept pending for inquiry and fixing of responsibility. No further progress was intimated till the finalization of Report.

Audit recommends fixing of responsibility through departmental inquiry, besides regularization of expenditure from Punjab Finance Department, under intimation to Audit.

[AIR Para: 05, 06, 07]



### 1.2.5.2 Unjustified payment of pay and allowances due to bogus documents - Rs 2.252 million

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

Deputy District Officer (Health) Mian Channu, made payment of Rs 2.252 million to the officials without verifying their documents. Later on, documents of the said employees were declared bogus by the concerned Board. The officer concerned did not make any efforts to recover the amount paid on account of pay and allowances. Detail of recovery is given below:

(Amount in Rupees)

Sr. No.	Designation	Date of Joining	Period	BPS	Per month Pay	No of months for which pay drawn	Total
1	Medical Technician	01.12.2009	12/2009 to 01/2015	9	20,678	62	1,282,036
2	Computer Operator	07.03.2009	03.2009 to 08.2013	12	18,304	53	970,112
<b>Total</b>							<b>2,252,148</b>

Audit is of the view that due to weak internal controls, pay and allowances were paid without verification of documents from concerned university / board.

Payment without verification of documents resulted into loss to the Government amounting to Rs 2.252 million.

The matter was reported to DCO and DDO concerned in October, 2015. DDO replied that the documents were first verified by the office of the Executive District Officer (Health) Khanewal and DDOH Mian Channu was directed to

release the salary after verification of documents. The documents of both the employees were found bogus during re-verification process. DAC meeting was held in December, 2015, in which para was kept pending for recovery. No further progress was intimated till the finalization of Report.

Audit recommends that disciplinary action be taken against the responsible, besides recovery of Rs 2.252 million, under intimation to Audit.

[AIR Para: 03]

## **Annex**

## Annex-A

## Part-I

Memorandum for Departmental Accounts Committee Paras Pertaining to  
Current Audit Year 2015-16

(Rupees in Million)

Name of Formation	Sr. No.	Para No.	Subject	Amount
DCO	1	8	Unjustified payment of Social Security Benefits ,non-recovery	0.180
	2	1	Loss to the Government. due to purchase of POL on higher rates above than the Government. declared sales price	0.032
	3	13	Doubtful expenditure on purchase of POL due to absence of stock entry & consumption record	0.276
	4	16	Non / less deduction of income tax	0.079
	5	17	Unjustified expenditure on repair of machinery	0.670
EDO F&P	6	2	Irregular printing of budget books	0.199
	7	9	Unauthorized retention of funds of PMDGP closed in 2013	145.654
	8	11	Unjustified retention of the Government. funds	241.964
	9	17	Non-verification of general sales tax deposit into the Government treasury	0.147
DO Building	10	1	Bogus tendering process leads to award of work to contractors without issuance of tender to them inquiry thereof	0.918
	11	3	Irregular sanction of excess/ over a revised technical sanction without concurrence of finance department and non-recovery of earnest money of enhanced	0.173
	12	14	Irregular payment of items without provision in TS estimates recovery thereof	0.378
	13	24	Doubtful execution of work at site beyond specification approved in TS estimate	0.537
	14	26	Non-recovery of pay & allowances of absence and leave period	0.71
	15	28	Non-deduction of House Rent Allowance and Conveyance Allowance of employees residing in the Government. residences situated within work premises recovery thereof	0.224
	16	41	Un-authorized appointment of work charged employees and payment thereof	6.449

Name of Formation	Sr. No.	Para No.	Subject	Amount
	17	43	Loss to the Government due to deterioration of the Government vehicles	0.500
	18	45	Non-deduction of Conveyance Allowance from the salaries of officers availing the Government vehicles recovery thereof.	0.020
	19	46	Adversely affect the services of employees due to non-regularization of services and payment of SSB.	0.121
	20	52	Unjustified approval in TS estimate and payment on account of consultancy charges.	0.145
DO (E&T), Khanewal	21	3	Non-recovery of rent of shops.	16.097
	22	5	Loss to the Government due to non-recovery of license fee of professions	0.361
	23	6	Recovery of unauthorized payments to employees	0.080
	24	8	Non-verification of deposit of sales tax	0.060
DLO	25	1	Purchase of medicine on higher rate and recovery	0.065
	26	4	Irregular drawl of Social Security Benefit	0.417
DO OFWM	27	11	Non-verification of general sales tax deposit into the Government treasury	1.873
DO Sports	28	5	Recovery excess payment on account of GST for supply of sports material for Sports Gymnasium Khanewal	0.796
	29	7	Recovery due to less deduction of income tax on supply of sports items	0.222
	30	8	Excess payment or non-availability of vendors bills whom payment has been made	0.212
	31	9	Excess payment to M/s bodionix sports and fitness without demand in the work order and advertisement	0.104
	32	10	Non-deduction / deposit of provincial sales tax recovery thereof	0.067
DO Road	33	2	Non-deposit of the Government receipt	1.396
	34	4	Excess rate charged in different construction of roads regarding relaying of brick aggregates and recovery	0.765
	35	8	Recovery on account of excess rate charged in construction of different metaled roads by D.O (Road), Khanewal.	0.232
	36	9	Recovery on account of less amount recovered for dismantled material.	0.122

Name of Formation	Sr. No.	Para No.	Subject	Amount
	37	13	Recovery on account of excess rate charged in construction of metaled road in street Khadim Hussain, Abadi Gulberg, Khanewal.	0.07
	38	15	Non-recovery of professional tax	0.3
	39	17	Recovery on account of penalty for non-completion of work construction of M/R from Khanewal stadium to D.H.Q Hospital	0.1
	40	18	Less calculation of existing earth and recovery in construction of M/R from Chak no. 103/10-R to 160/10-R.	0.131
	41	37	Unjustified payment of securities deposits after a lapse of 3 years.	1.984
EDO (HEALTH)	42	1	Unjustified appointment of Junior Technician / Dispenser having low merit by ignoring the highest merit candidate.	0
	43	8	Loss to the Government due to purchase medicines on high rates instead of availability of same medicines in District Rate Contract	0.723
	44	10	Incomplete record of sample registers & inspection registers of drug branch.	0
	45	13	Loss to the Government due to non-registration of Health Care Establishments and Hospitals	1.3
	46	14	Irregular clearance of pending liabilities without allocation of funds	0.793
	47	15	Loss to the Government due to non-collection of liquidated damages	0.071
Dy. DO(H) Kabirwala	48	1	Unjustified payment of conveyance allowance to the officials residing within duty premises	3.198
	49	3	Loss to the Government due to non-registration of Doctors, Nurses & Paramedics	1.64
	50	4	Irregular payment of HSRA during general duty	0.641
	51	5	Non-deduction of conveyance allowance	0.434
	52	6	Un-authorized withdrawal of conveyance allowance & HSRA during leave recovery thereof	0.262
	53	8	Unauthorized payment of NPA	0.167
	54	9	Non-deduction of liquidated damages	0.119
	55	11	Non- production of record of medicine	0.1
Deputy DO (Health), Mian Chanu	56	1	Irregular payment of house rent and conveyance allowance	3.139
	57	2	Unjustified with drawl of pay and allowances and recovery thereof	1.743

Name of Formation	Sr. No.	Para No.	Subject	Amount
	58	4	Non-deduction of conveyance allowance	0.807
	59	5	Irregular payment of PHSR allowance during general duty and recovery thereof	0.308
	60	6	Irregular withdrawal allowance during leave periods	0.286
	61	7	Excess withdrawal of personal allowance and recovery thereof	0.124
	62	8	Excess payment PHSR allowance and recovery thereof	0.088
DHQ Khanewal	63	4	Excess drawl of Non-Practicing allowance despite the private practice	0.165
	64	8	Excess charging of rates of POL than the rates given on OGRA web sites	0.063
	65	11	Misclassification of expenditures	0.282
	66	12	Non-recovery liquidity damages	0.138
	67	14	Non-recovery of penal rent house rent allowance	0.384
	68	15	Non-deduction \ short deduction of income tax amounting	0.11
M.S THQ Hospital Mian Channu	69	17	Excess payment of sales tax on electricity bills despite the exemption	0.416
	70	3	Unauthorized payment of sales tax recovery	0.2
	71	5	Unauthorized excess payment of HSRA	0.372
	72	6	Unauthorized residence over and above the entitlement	0.493
	73	7	Non-recovery of pay & allowances of absence and leave period	0.135
	74	8	Non-recovery of penal rent due to unauthorized occupation of the Government residence	0.262
	75	9	Unauthorized purchases through quotations to avoid tender process	0.468
M.S THQ Hospital Jahanian	76	10	Adversely affect the services of employees due to non-regularization of services and payment of SSB	0.15
	77	3	Purchase of less shelf life medicine	0.232
	78	9	Recovery on account of undue payment of pay and allowances for absent period of Mst. Asia Ashfaq charge nurse	0.076
	79	15	Recovery on account of misappropriation of medicines due to wrong calculation or less entries in stock book	0.052
	80	17	Recovery on account of excess rate charged for Health Professional allowance	0.405

Name of Formation	Sr. No.	Para No.	Subject	Amount
THQ Hospital Kabirwala	81	1	loss to the Government due to non-registration of Doctors, Nurses & Paramedics	0.475
	82	3	Unjustified payment of SSB and non- recovery	0.138
	83	5	Unjustified drawl of conveyance allowance &HSRA during leave period	0.182
	84	6	Unjustified drawl of conveyance & non-deduction of 5% maintenance charges instead of stay in hospital based Government residences	0.178
	85	7	Unjustified drawl of allowance	0.029
	86	9	Loss to the Government due to purchase of POL on higher rates above than the Government declared sales price	0.033
	87	11	Misappropriation of medicines & x-ray films	0.05
	88	12	Non / less deduction of income tax	0.049
	89	13	Less deposit of the Government receipts, recovery	0.145
	90	15	Loss to the Government due to non-collection of liquidated damages	0.074
SMO RHC Tulamba	91	2	Unauthorized excess withdrawal of SSB and recovery thereof	0.043
	92	3	Unauthorized payment of Health Sector Reform Allowance during leave	0.048
	93	5	Unjustified with drawl of pay and allowances and recovery thereof	0.457
	94	8	Irregular drawl of personal allowance	0.554
EDO (Education) Khanewal	95	1	Unjustified payment for computer software involving cost	3.648
	96	6	Loss of the Government due to non-collection of liquidated damages against late supply of n-computing kits	0.736
	97	9	Less deduction of income tax from the contractor's bills	0.988
	98	12	Loss to the Government due to non-deposit of sales tax	2.771
	99	5	Loss to the Government due to non-deposit of general sales tax into the Government treasury	0.055
Dy. DEO Elementary Education (W) Mian channu	100	1	Loss to the Government due to irregular payment of conveyance allowance during winter vacation	2.768
	101	5	Recovery of overpayment pay & allowances during leave without/half pay	0.188
	102	6	Loss to the Government due to payment of	0.56



Name of Formation	Sr. No.	Para No.	Subject	Amount
			conveyance allowance during leave	
	103	7	Misappropriation / excess payment of GST recovery thereof	0.072
	104	8	Loss to the Government. due to non-deduction of GST	0.35
	105	9	Loss to the Government. due to non-deduction of income tax	0.134
	106	10	Loss to the Government. due to non-deduction of GST	0.444
	107	11	Loss to the Government. due to non-deduction. of GST	0.156
	108	12	Loss to the Government. due to non-deduction of GST and income tax	0.214
	109	14	Misappropriation /excess payment of GST recovery thereof	0.123
Headmaster GHS 33 / 10R	110	1	Verification of sales tax	0.14
Headmaster GHS 17 / 8R	111	3	Non-verification of sales tax	0.056
	112	4	Recovery of overpayment on account of conveyance allowance during winter vacations	0.037
Headmaster GHS 33 / 10R	113	6	Non-auction of dry trees through District Wood Disposal Committee valuing at least	1.000
Dy. DO (Agriculture-Ext) Khanewal	114	6	Unjustified disbursement of TA/DA to different field assistants and baildars	0.715
	115	9	Misclassification of expenditure	0.115
	116	10	Non-verification of deposit of sales	0.051
<b>Total</b>				<b>463.895</b>

**Part-II**

**Memorandum for Departmental Accounts Committee Paras not attended in  
Accordance with the Directives of DAC Pertaining to Audit Year 2014-15  
(Rupees in Million)**

<b>Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
DCO	1	2	Excess withdrawal of honorarium	0.155
	2	5	Loss to the Government due to non-regularization of employees working on contract and withdrawal of Social Security Benefits	0.195
	3	6	Non-collection of proof of deposit of sales tax	0.119
	4	11	Less/non-deduction of income tax	0.0268
EDO (Health)	5	13	Excess payment of stipend to the CMW during leave period	0.0401
	6	14	Non-renewal of license for medical store	0.039
DO (Health)	7	3	Non-auctioning of condemned Government properties	0
Dy. DO (H)	8	6	Unauthorized withdrawal of house rent allowance and conveyance allowance instead of deduction of 5% maintenance charges	0.23
	9	7	Unauthorized withdrawal of house rent allowance by the doctors instead of deduction of conveyance allowance residing inside hospital premises	0.051
	10	10	Short deduction of income tax	0.096
	11	16	Loss to the Government due to non-collection of liquidated damages	0.0736
	12	17	Unjustified purchase of medicines without obtaining performance security	0.12
	13	18	Non-deduction of shelf life plenty	0.0128
	14	19	Non-collection of proof of deposit of sales tax of branch	0.0097
MS DHQ Hospital	15	5	Non-forfeit of security of the defaulter contractors due to none accomplish of supply orders	0.095
	16	9	Recovery on account of drawl of conveyance allowance during leave	0.114
MS THQ Kabirwala	17	7	Unauthorized payment of conveyance allowance	0.113
	18	8	Loss to the Government due to non-deduction of	0.049

Formations	Sr. No.	Para No.	Subject	Amount
			liquidated damages	
	19	9	Non-deposit of the Government fee	0.064
	20	13	Irregular payment of pending liabilities	0.53
SMO RHC Makhdoom Pur	21	5	Unjustified payment of conveyance allowance to the officials residing within duty premises	0.159
	22	6	Non-production of consumption record	0.125
	23	7	Bogus receiving & consumption of medicine	0.101
	24	8	Irregular expenditure on purchase of medicine	0.09
	25	9	Non-collection of performance guarantee	0.086
	26	10	Advance withdrawal without immediate disbursement	0.085
	27	12	Non-availability of stock entry and proof of consumption of medicines	0.048
	28	13	Unjustified payment of sales tax on third schedule items & exempt items	0.039
RHC Sarye Sidhu	29	6	Unjustified up-gradation of para-medical staff and unauthorized excess payment of pay	204
	30	7	Less deposit of the Government receipts, recovery	0.075
	31	9	Loss to the Government due to non-collection of liquidated damages	0.053
	32	10	Unjustified purchase of medicines without obtaining performance security	0.068
	33	11	Non-collection of proof of deposit of sales tax	0.108
SMO RHC Haveli Koranga	34	5	Fictitious preparation of expenditure statement for June, 2014	0.062
DO Building	35	11	Opening of tender by irrelevant tender board for the schemes	558.901
	36	17	Recovery due to payment of earth from outside source despite availability of surplus earth	0.053
	37	23	Non-deduction of 5% maintenance charges despite residing in the Government residence	0.011
DO Road	38	1	Items supplied at site beyond specifications approved, irregular sanction & payment of non-schedule items and uneconomical purchase of led lights	6.154
	39	6	Overpayment of securities to the contractors	0.126

Formations	Sr. No.	Para No.	Subject	Amount
	40	9	Overpayment of excess lead in carriage of stone as compare to leads approved by planning & design directorate	0.192
	41	10	Overpayment to contractor due to substandard use of bricks and non-deduction of road camber recovery thereof	0.136
	42	14	Irregular delay in acceptance of tenders	28.896
	43	16	Overpayment of earthwork due to payment of excess rates of lead without any evidence	0.163
	44	18	Un-authorized / bogus appointment of work charged employees and payment	0.216
DO OFWM	45	9	Doubtful payment of sales tax without verification of deposit	0.381
DO Environment	46	1	Loss to the Government due to non-issuance of environmental approval to various poultry farms, cotton factories and petrol pumps	4515
	47	4	Unauthorized withdrawal of conveyance allowance and recovery	0.077
	48	5	Unauthorized re-joining of Field Assistant and withdrawal of salary	0.122
Dy. DEO (EE-W) Khanewal	49	3	Recovery of personal allowance	0.174
	50	4	Unjustified regularization of contract employee and recovery	0.058
	51	5	Recovery on account of drawl of pay and allowance to absent period by Mr. Shahid Saddiquee the Government modal primary school 46/10-R.	0.061
	52	9	In-com tax not/ less deposited	0.161
Dy. DEO (EE-W) Jahanian	53	1	Unauthorized withdrawal of social security benefit despite regularization of services	0.154
	54	4	Unauthorized excess withdrawal of pay and allowance recovery thereof	0.27
DO Forest	55	8	Unjustified payment of sales tax	0.166
	56	9	Non-recovery of loss to the Government due to unjustified reduction of damage	0.153
	57	11	Exorbitant higher rate for purchase of gamlas	0.064

<b>Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
	58	12	Non-action against the offender and non-recovery of loss	0.052
EDO (Education)	59	8	Non-payment of tender fee	0.027
	60	13	Un-justified payment in cash instead of cheque	0.25
	61	14	Bogus expenditure on transportation of books	0.014
	62	15	Non-collection of proof of deposit of sales tax of CLC branch	0.051
	63	16	Unjustified expenditure on repair of vehicle	0.095
	64	17	Unjustified expenditure on repair of machinery & furniture	0.044
	65	18	Doubtful purchase of POL without consumption record	0.018
DCO	66	9	Non-recoupment of funds disbursed on behalf of Provincial Government	2
	67	10	Uneconomical expenditure on repair without quotations	0.682
EDO Health	68	1	Non-utilization of funds	12.64
	69	4	Unauthorized withdrawal of pay & allowance against up gradation of posts	0
	70	7	Recovery of un-authorized withdrawal of conveyance allowance & PHSRA during leave	0.572
	71	10	Irregular payment of motor vehicle tax	0.222
	72	11	Non-forfeiture of performance guarantee	0.167
DO (Health)	73	1	Irregular drawl of social security benefit	0.132
	74	7	Unauthorized drawl of health sector reform allowance	0.72
Dy. DO (H)	75	4	Unjustified up-gradation of para-medical staff and unauthorized excess payment of pay	5.99
	76	8	Unauthorized withdrawal of house rent allowance and conveyance allowance & HSRA despite having residential job and availability of the Government residences inside hospital premises	0.61
	77	9	Non-recovery of health sector reform allowance(HSRA) withdrew by persons on general duties	0.256
	78	12	Unjustified payment of TA/DA	0.061
MS DHQ	79	2	Excess expenditure from budget allocation	0.793

Formations	Sr. No.	Para No.	Subject	Amount
Hospital	80	4	Loss of the Government due to non-collection of liquidated damages	0.189
	81	10	Recovery on account of drawl of pay on leave with half and without pay and pay drawn on bogus papers	0.543
MS THQ Kabirwala	82	4	Unauthorized appointment of work charge employees	0.38
	83	5	Unauthorized drawl of Health Sector Reform allowance	0.232
	84	6	Unauthorized payment of House Allowance and Conveyance Allowance	1.634
	85	12	Unauthorized receipt by Lab Assistant by issuance fictitious test reports	0.126
SMO RHC Makhdoom Pur	86	2	Advance withdrawal for purchase of medicines without DTL reports	0.43
	87	3	Non-collection of actual payees receipt	0.538
RHC Sarye Sidhu	88	8	Non-production of consumption & receipt record of laboratory	0
SMO RHC Haveli Koranga	89	3	Irregular / doubtful drawl of pay and allowances without performance of duties – rs.1.497 million, recovery	0.264
DO Building	90	2	Unauthorized expenditures on residential buildings beyond competency	1.646
	91	3	Unauthorized payment of conveyance allowance	0.204
	92	10	Unauthorized execution and payment of items not available /in excess than TS estimate	1.126
	93	14	Unauthorized refund of additional performance securities before prescribed period	1.437
DO Road	94	2	Non-reconciliation of bitumen account and non-recovery of overpaid	0.325
	95	3	Securities deducted & retained since long but not credited to account-IV	6.312
	96	4	Irregular opening of tenders by irregular tender board and pool tendering besides non-maintenance of tender stock register and proper tender sale register inquiry thereof	243.497
	97	11	Loss to the Government due to non-auctioning of empty tar drums	0.537

Formations	Sr. No.	Para No.	Subject	Amount
	98	13	Short imposition of penalty and extension of time limit recovery thereof	1.284
	99	17	Non-maintenance of separate cash book of cost center KW-6018 inquiry thereof	67.021
DO OFWM	100	1	Unauthorized withdrawal of conveyance allowance for employees availing the Government vehicles and recovery	0.245
Dy. DEO (EE-W) Khanewal	101	2	Recovery on account of pay and allowances during leave without pay, half pay, absent from duty or pay drawn after retirement.	0.629
	102	6	Recovery on account of excess drawl of pay and allowance due to wrong fixation.	0.602
	103	7	Unjustified payment of income tax	0.224
	104	8	Non-deposit of sale tax	0.672
	105	11	Non-production of record of non-salary budget account	0.208
Dy. DEO (EE-W) Kabirwala	106	1	Doubtful expenditure on account of POL	0.558
	107	4	Non-production of record	4.664
	108	6	Irregular drawl of personal allowance	0.218
	109	9	Recovery due to irregular drawl of charge allowance	2.124
	110	12	Difference between bank statement and cash book	0.792
	111	13	Non-collection of proof of deposit of sales tax	0.027
DO Forest	112	1	Unauthenticated trees record without verification of road side plantation & non-entry of trees	200
	113	3	Non-availability of stock entry and proof of plantation	1.632
	114	5	Non-recovery of loss to the Government due to theft of road side trees	0.558
	115	6	Unjustified payment of labour for hand watering & weeding of plants	0.014
EDO (Education)	116	1	Unjustified purchase of CCTV cameras & multimedia for high & higher secondary schools	19.439
	117	2	Purchase of CCTV cameras, multimedia & biometric system from imaginary / fake firm	3.93
	118	3	Misappropriation of sales tax due to purchase from imaginary / fake firm	0.707

<b>Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
	119	4	Non-maintenance of cash book of NSB / SDA account	6.4
	120	5	Unjustified purchase of furniture without obtaining performance security	4.56
	121	6	Loss to the Government due to non-collection of liquidated damages against late supply of furniture	1.83
	122	7	Purchase of furniture on higher rates	91.264
	123	9	Unjustified purchase of furniture	91.245
	124	10	Loss to the Government due to purchase of furniture on higher price & self-favored firms due to defective tendering process	91.245
	125	11	Loss to the Government due to purchase of furniture on higher price	48.73
	126	12	Unjustified purchase of furniture through central rate contract instead direct by school council	91.245



**Annex-B**

**Summary of Appropriation Accounts by Grants for the Financial Year 2014-15**

**(Rupees in Million)**

Grant No.	No. & Name of the Grant / Appropriation	Voted / Charged	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation
							(+)
							Excess
1	2	3	4	5	6	7	8
<b>NON-DEVELOPMENT</b>							
3	Provincial Excise.	Voted	7.312	0	7.312	6.637	0.675
5	Forests.	Voted	27.912		27.912	21.637	6.275
7	Charges on A/c of Motor V. Act.	Voted	3.089	00	3.089	2.063	1.026
8	Other Taxes and Duties	Voted	9.146	0	9.146	9.336	0.190
10	General Administration.	Voted	137.902	0	137.902	88.865	49.036
15	Education.	Voted	5359.210	0	5359.210	5219.695	139.515
16	Health Services.	Voted	964.404	0	964.404	816.159	148.245
17	Public Health	Voted	2.820	0	2.820	2.636	0.184
18	Agriculture.	Voted	142.477	0	142.477	122.617	19.860
19	Fisheries.	Voted	3.086	0	3.086	2.059	1.027
20	Veterinary.	Voted	87.755	0	87.755	69.464	18.291
21	Co-operation.	Voted	27.023	0	27.023	23.517	3.506
22	Industries.	Voted	2.526	0	2.526	1.486	1.040
23	Miscellaneous Departments.	Voted	3.675	0	3.675	3.202	0.473
24	Civil Works.	Voted	63.066	0	63.066	37.804	25.262
25	Communications.	Voted	135.338	0	135.338	82.873	52.465
31	Miscellaneous.	Voted	37.732	0	37.732	20.310	17.422
32	Civil Defence	Voted	8.044	0	8.044	6.640	0.000
<b>Total Non-Development :</b>			<b>7022.517</b>	<b>0</b>	<b>7022.517</b>	<b>6537.002</b>	<b>485.515</b>
<b>DEVELOPMENT</b>							
36	Development.	Voted	296.178	0	296.18	96.236877	199.941123
41	Road & Bridges.	Voted	178.821	0	178.82	158.17917	20.641832
42	Road & Bridges.	Voted	14.836	0	14.84	4.868122	9.967878
	ADP 36 including DDF	Voted	644.2073	489.82207	1,134.03	931.13137	202.897998
<b>Total Development :</b>			<b>1134.042</b>	<b>489.82207</b>	<b>1623.864</b>	<b>1190.415</b>	<b>433.448831</b>
<b>Grand Total :</b>			<b>8,156.559</b>	<b>489.822</b>	<b>8,646.381</b>	<b>7,727.417</b>	<b>918.964</b>

**Annex-C**  
**[Para 1.2.1.1]**

**Misappropriation of funds made from NSB fund due to non-execution of work / purchases -- Rs 2.595 million**

(Amount in Rupees)

<b>Sr. No.</b>	<b>Name of School</b>	<b>Description</b>	<b>Amount of Expenditure</b>	<b>Status of Work</b>
1	GGPS 85/15-L	Vouchers are self made and not verified from SMC committee moreover, not signed by the headmistress and entries in the cash book also not verified by the SMC Committee	751,625	Purchase made/work executed on self made/fake invoices/bills
2	GGMS 92/15 L	Vouchers are self made and not verified from SMC committee moreover not signed by the headmistress and entries in the cash book not verified by the SMC Committee	635,320	Purchase made/work executed on self made/fake invoices/bills
3	GMMS 47-A/15 L	Vouchers are self made and not verified from SMC committee moreover not signed by the headmistress and entries in the cash book not verified by the SMC Committee	472,880	Purchase made/work executed on self made/fake invoices/bills
4	GMMS 135/16 L	Vouchers are self made and not verified from SMC committee moreover not signed by the headmistress and entries in the cash book	701,600	Purchase made/work executed on self made/fake invoices/bills

Sr. No.	Name of School	Description	Amount of Expenditure	Status of Work
		not verified by the SMC Committee		
5	GGPS PULL GHARAT	Earth filling	34,400	Bill made on simple white paper without signature of head teacher and SMC and CNIC of the receiver not mentioned nor photocopy/signature/thumb impression given. So misappropriated this amount
<b>Grand Total</b>				<b>2,595,825</b>

## Annex-D

### [Para 1.2.3.1]

#### Unauthorized allocation of budget more than prescribed limit -- Rs 175.498 million

(Amount in Rupees)

Grant No.	Description	Budget Estimates 2013-14 (Expenditure Non - Salary)	Budget Estimates (2014-15) Non-Salary	Difference	Increase
10	KW 6037-Zila Nazim	212,762	775,000	562,238	264%
	KW 6038-Zila Council Secretariat	539,058	1,685,000	1,145,942	213%
	KW 6039-District Coordination Office	38,053,977	66,470,000	28,416,023	75%
	KW 6024-Executive District Office (F&P)	1,801,535	3,073,500	1,271,965	71%
	KW 6226-E.D.O. (Community Development)	999,262	1,471,300	472,038	47%
	KW 6021- District Officer( Finance and Budget)	480,950	1,288,000	807,050	168%
	KW 6273- Accounts Branch	47,091	145,000	97,909	208%
16	KW 6001- Executive District Officer (Health)	1,890,959	29,179,900	27,288,941	1443%
	KW 6003-RHC KachaKhu	1,624,656	2,023,800	399,144	25%
	KW 6004-RHC Tulamba	1,612,357	1,987,500	375,143	23%
	KW 6007-Dy. DO (Health), Khanewal	1,174,330	1,577,100	402,770	34%
	KW 6008-Dy. DO(Health),Kabirwala	1,088,869	1,542,200	453,331	42%
	KW 6009-Dy.DO(Health), M. Channu	1,156,753	1,314,850	158,097	14%
	KW 6010-District Headquarter Hospital Khanewal	32,594,994	38,819,000	6,224,006	19%
16	KW 6254- Other Hospitals & Dispensaries	441,619	591,800	150,181	34%
	KW 6255-Other Health Facilities and Preventive Measures	246,488	415,000	168,512	68%
	KW 6581 Thatta Sadiq Abad	563,750	821,500	257,750	46%
	KW -Dy. DO (Health), Jahanian	-	480,600	480,600	4806%
	KW Dy. DO (Health), Jahanian (12 BHUs )	-	1,075,000	1,075,000	10750%
18	KW 6026-EDO (Agriculture)	1,100,412	1,578,600	478,188	43%
	KW 6264-DDO Plants Protection and Locust Control, Jahanian	99,894	184,000	84,106	84%
20	KW 6363-Field Control Diseases	3,219,035	4,336,700	1,117,665	35%
24	KW 6017-District Officer (Building) Khanewal	13,723,767	31,262,200	17,538,433	128%
31	KW 6025- District Officer (Planning and Development)	1,489,966	3,120,000	1,630,034	109%
31	KW 6249-DDO MSP DHQ Khanewal	13,103	51,100	37,997	290%
<b>Grand Total</b>				<b>175,498,184</b>	

**Annex-E**  
**[Para 1.2.4.1]**

**Purchase of sports material on higher rates – Rs 1.965 million**

(Amount in Rupees)

Sr. No.	Name of the Item	Quantity	Rate offered by Bodionix Sports & Fitness		Rate Offered by Atta Business Network			Difference
			Unit Rate (In PKR)	Rate (IN PKR)	Unit Rate (In PKR)	Rate (IN PKR)	Rate (IN PKR)	
	<b>Cardio Package</b>							
1	Tread mill	4	362,700	1,450,800	225,000	900,000	550,800	
2	Recumbent Cycle	1	204,750	204,750	31,000	31,000	173,750	
3	Upright Cycle	1	175,500	175,500	26,000	26,000	149,500	
4	Cross Trainer	2	175,500	351,000	85,000	170,000	181,000	
5	Multi Press (Chest / Shoulders)	1	193,050	193,050	32,000	32,000	161,050	
6	Leg Press and Calf	1	157,950	157,950	48,500	48,500	109,450	
7	Lat pull down / mid row	1	175,500	175,500	88,000	88,000	87,500	
8	Leg Extn. / Leg Curl	1	175,500	175,500	88,000	88,000	87,500	
9	Dumbbells Set and Rack 180 kg (8 Pair) +1	1	126,360	126,360	76,000	76,000	50,360	
10	Free weights		439	-	240	-	-	
11	Abdominal bench	1	35,100	35,100	19,500	19,500	15,600	
12	Adjustable bench	1	32,760	32,760	29,500	29,500	3,260	
13	hyper extension	1	35,100	35,100	19,500	19,500	15,600	
14	Sport Flooring	497.25 SFT	497	497	160	160	337	
15	Mirrors	263.25 SFT	263	263	250	250	13	
16	Weight Scales	4	7,020	28,080	16,000	64,000	(35,920)	
17	Hight chart	2	Free		3,500	7,000	(7,000)	
18	Chin up bar	1	7,956	7,956	24,000	24,000	(16,044)	
19	Aerobic Steps	2	4,095	8,190	5,500	11,000	(2,810)	
20	Gym Balls	2	1,872	3,744	2,000	4,000	(256)	
21	Skipping ropes	2	1,170	2,340	600	1,200	1,140	
22	Dispenser	2	15,795	31,590	14,500	29,000	2,590	
23	LCD 42	1	76,050	76,050	98,500	98,500	(22,450)	

24	Badminton net with pole	2	12,870	25,740	2,250	4,500	21,240
25	Table (Table Tennis)	2	22,815	45,630	14,500	29,000	16,630
26	Chairs	12	4,680	56,160	4,950	59,400	(3,240)
27	Tables	4	22,815	91,260	16,500	66,000	25,260
28	Sofa	6	4,329	25,974	27,500	165,000	(139,026)
29	Tables (for office use)	1	22,815	22,815	16,500	16,500	6,315
30	Office chairs	12	5,850	70,200	4,950	59,400	10,800
31	Office Cabinet	2	11,115	22,230	14,900	29,800	(7,570)
32	File rack	3	13,455	40,365	7,900	23,700	16,665
33	computer Cordo2	1	63,765	63,765	36,500	36,500	27,265
34	Kitchen crockery	1	17,550	17,550	24,500	24,500	(6,950)
35	Kitchen set	1	11,700	11,700	44,500	44,500	(32,800)
36	Kitchen cabinet	1	33,345	33,345	620	620	32,725
37	UPS 6000 W	1	585,000	585,000	92,000	92,000	493,000
<b>Total</b>							<b>1,965,285</b>

## Annex-F

[Para 1.2.4.4]

### Non-imposition of penalty for late completion of works and recovery – Rs 1.221 million

(Amount in Rupees)

Name of Work	Work order no and Date	Amount of Work order/TS	Duration in Months	Target Date as per work order	Actual Date of Completion	Delay in Days	Penalty imposed	penelaty should be imposed at avg rate of 5%	Short imposition of penalety	Remarks
up gradation of GGES to GGHS khan BahadarGarh tehsil Kabirwala	4554/18.04.14	6,152,749	8	17.12.14	still in progress / not yet completed	285	0	307,637	307,637	contractor has not applied for time extension
cons. Of 4 class rooms in GHS at Chak No. 70/10-R	1531-34/07.11.14	3,484,741	5	06.04.15	still in progress / not yet completed	170	0	1742,37.05	1742,37.05	contractor has not applied for time extension
renovation of DCO Office Retiring Room and PA Office Khanewal	749/30.09.14	4,417,094	2	29.11.14	still in progress / not yet completed	335	0	220,854.70	220,854.70	contractor has not applied for time extension
const. of one class room GGPS 51/15L M.channu	2558/16.1.15	910,089	3	15.04.15	still in progress / not yet completed	170	0	45,504.45	45,504.45	contractor has not applied for time extension
Const. of canteen and improvement of city park Khanewal	760/30.09.14	2,627,205	3	29.12.14	still in progress / not yet completed	270	0	131,360.25	131,360.25	contractor has not applied for time extension
Up-gradation of Government Middle School at Chak No. 14/8-AR, Tehsil Mian Channu District Khanewal to High Level	1900/08.11.14	6,829,185	5	06.04.15	still in progress / not yet completed	270	0	341,459.25	341,459.25	contractor has not applied for time extension
<b>Total</b>									<b>1,221,053</b>	

**Annex-G**  
**[Para 1.2.5.1]**

**Unjustified award of work to contactor without issuance of tender – Rs 4.166 million**

**Construction Of Boundary Wall with Gate and Gate Pillar around Graveyard at Main City Kabirwala**

**(Amount in Rupees)**

Sr. No. of work/ Tender Dated	Name of work	Estimated Cost (M)	To Whom Issued	Tender Opened	Work Order Issued to	Cost	Remarks
3/ 27.12.14	Cosnt. Of Boundary Wall with Gate and Gate Pillar around Graveyard at Main City Kabirwala	1,784,000	1. Muhammad Ramzan 2. Engineer Associates 3. AD Malik 4. Liaqat Ali 5. Muhammad Nazir 6. Atharhussain 7. ZubairAkhtar 8. Abdullah Farhan 9. Rana Builders 10. Iqbal 11. RaoZahid 12. RanaSohailAkhrar 13. Malik M. Abdullah 14. RaoHameed 15. Future Construction Company 16. RhmatWazir& Co. 17. Ikhlasjamil& Co 18. ShahzadMureedGujjar 19. Muhammad Arshad	1. Akhtar construction Company 2. Abdullah Farhan	Akhtar construction Company vide WO No. 2426/ CB dated 15.01.2015	1.784 Million	Work was allotted to a contractor to whom no tender was issued.

Construction of Boundary Wall, Gate and Gate Pillar at Mubarak Shah Mouza Sultanabad							
Sr. No. of work/ Tender Dated	Name of work	Estimated Cost (M)	To Whom Issued	Tender Opened	Cost	Remarks	
4/ 27.12.14	“Construction of Boundary Wall, Gate and Gate Pillar at Mubarak Shah Mouza Sultanabad,”	1382000	1. Rana Muhammad Tahir 2. Abdullah Farhan 3. B.K construction 4. RanaTasawar 5. RanaSohail 6. Malik M. Abdullah 7. Muhammad Imran 8. IkhlasJamil& Co	1. Liaqat Ali 2. B.K Construction	1.382 Million	Mr. Liaqat Ali was shown as participated in tender process whereas he was not sold any tender for this work. Actually this person is relative of any official hence he was shown as participated to oblige without payment of tender fee.	
<b>S/R to DCO Camp Office Khanewal,</b>							



Sr. No. of work/ Tender Dated	Name of work	Estimated Cost (M)	To Whom Issued	Tender Opened	Cost	Remarks
23/ 27.12.14	"S/R to DCO Camp Office Khanewal."	1,000,000	<ol style="list-style-type: none"> <li>1. Ranz Muhammad</li> <li>2. TahirNaeem</li> <li>3. Waji Shah</li> <li>4. NasirIqbal</li> <li>5. B.K Construction</li> <li>6. Iqbal</li> <li>7. Haq Nawaz</li> <li>8. MirzaAbid</li> <li>9. Khatana Traders</li> <li>9. Muhammad Arshad</li> </ol>	<ol style="list-style-type: none"> <li>1. Muhammad Arshad</li> <li>2. Khatana Traders</li> <li>3. Usman Khan</li> </ol>	1.00 Million	Mr. Usman Khan was shown as participated in tender process whereas he was not sold any tender for this work. Actually this person is relative of any official hence he was shown as participated to oblige without payment of tender fee.
<b>Total</b>					<b>4.166</b>	