



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

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
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)
DGA	Director General Audit
DHQ	District Headquarters
DO	District Officer
DTL	Drug Testing Laboratory
EDO	Executive District Officer
F&P	Finance and Planning
FD	Finance Department
INTOSAI	International Organization of Supreme Audit Institutions
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
PESRP	Punjab 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	Project Management Unit
RDA	Regional Director Audit
SE	Superintending Engineer
S&GAD	Services and General Administration Department
SMC	School Management Council
SNA	System Network Administrator
THQ	Tehsil Head Quarter
TS	Technical Sanction
W&S	Works & Services
HSRP	Health Sector Reform Program

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, Pakpattan 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 the 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, Pakpattan for the Financial Year 2014-15 and the findings included in the Audit Report.

The District Government, Pakpattan 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 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 Pakpattan is administratively divided into two Tehsils namely Pakpattan and Arifwala.

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 was 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, Pakpattan for the financial year 2014-15, auditable expenditure under the jurisdiction of Regional Director Audit (District Governments), Multan was Rs 4,217.155 million covering one PAO and 233 formations. Out of this, Regional Director Audit (District Governments), Multan audited an expenditure of Rs 2,787.773 million which, in terms of percentage, is 66% of total auditable expenditure and irregularities amounting to Rs 1,929.186 million were pointed out. Regional Director Audit planned and executed audit of 23 formations i.e. 100% achievement against planned audit activities.

Total receipt of the District Government Pakpattan for the financial year 2014-15, were Rs 4.217 million. RDA Multan audited receipts of Rs 1.687 million which was 40% of total receipts and irregularities amounting to Rs 2.039 million were pointed out.

b) Recoveries at the Instance of Audit

Recoveries of Rs 59.819 million were pointed out by Audit which was not in the notice of the management before audit. An amount of Rs 1.539 million was recovered and verified during the year 2015-16, till the time of compilation of Report.

However, against the total recovery amount of Rs 9.234 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 2015-16.

e) Comments on Internal Control and Internal Audit department

Internal control mechanism of District Government Pakpattan 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 Pakpattan.

f) The Key Audit Findings of the Report

- i. Non-Production of record of Rs 119.481 million was noted in one case¹
- ii. Irregularities and non-compliance involving an amount of Rs 11.362 million was noted in two cases²
- iii. Performance issue involving Rs 1.800 million was noted in one case³
- iv. Internal control Weaknesses involving an amount of Rs 92.524 million were noted in five cases⁴

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 of 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.
- iii. Inquiries be held and responsibility fixed for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. Appropriate actions may be taken for non production of record and compliance of decisions of DAC meetings.
- v. Efforts be made for expediting the realization of various Government receipts.
- vi. Ensure establishment of internal control system and proper implementation of the monitoring system.
- vii. Rationalize budget with respect to utilization.

¹ Para 1.2.1.1

² Para 1.2.2.1 to 1.2.2.2

³ Para 1.2.3.1

⁴ Para 1.2.4.1 to 1.2.4.5

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rupees in Million)

Sr. No.	Description	No.	Expenditure	Receipt
1	Total PAOs in Audit jurisdiction	01	4,217.156	4.217
2	Total formations DAO/DDOs in Audit jurisdiction	233	4,217.156	4.217
3	Total entities (PAOs) audited	01	2,787.773	1.687
4	Total formations DAO / DDOs audited	23	2,787.773	1.687
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	-
2	Financial management	1.8
3	Internal controls	92.524
4	Others	130.843
	Total	225.167

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	55.756	2,712.287	808.464	640.649	4.217	4,221.373	3,819.764
2	Outlays Audited	55.755	1,604.978	808.453	318.567	1.687	2,789.44*	2,958.290
3	Amount placed under Audit Observations / Irregularities	-	9.234	124.133	91.800	0	225.167	88.547
4	Recoveries Pointed Out at the instance of Audit	-	9.234	-	-	-	9.234	6.207
5	Recoveries Accepted / Established at the instance of Audit	-	9.234	-	-	-	9.234	6.207
6	Recoveries Realized at the instance of Audit	0.425	1.114	-	-	-	1.539	-

*The amount mentioned against Sr. No.2 in column of “Total” is the sum of expenditure and receipt, whereas, the total expenditure was Rs 2,787.753 million.

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

Sr. No.	Description	Amount under Audit Observation
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	3.928
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3	Accounting Errors (accounting policy departure from IPSAS ¹ , 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.	92.524
5	Recoverable and overpayments, representing cases of established overpayments or misappropriations of public monies	9.234
6	Non-production of record.	119.481
7	Others, including cases of accidents, negligence etc.	-
Total		225.167

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

Sr. No.	Description	Amount
1	Outlays Audited (Items 2 Table 3)	2,789.451
2	Expenditure on Audit	0.231
3	Recoveries realized at the instance of Audit	1.539
4	Cost-Benefit Ratio	6.662

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

CHAPTER 1

1.1 District Government Pakpattan

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

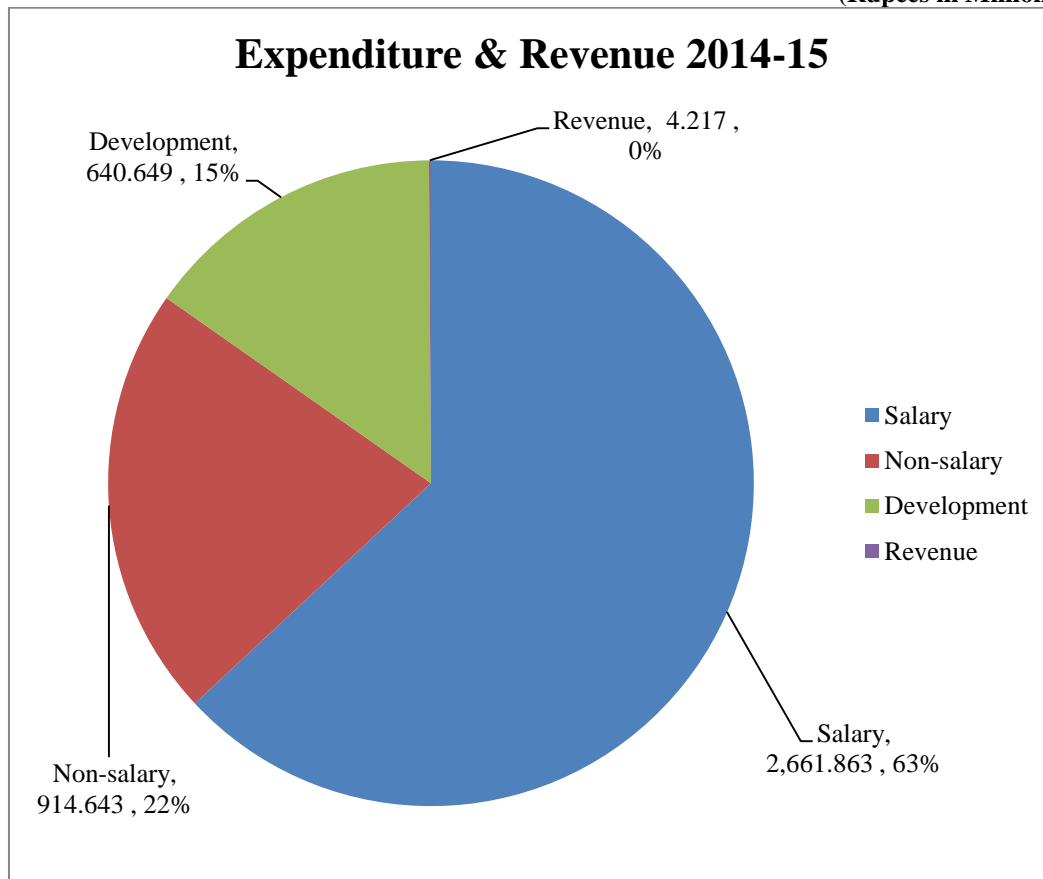
1.1.2 Comments on Budget and Accounts

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

(Rupees in Million)

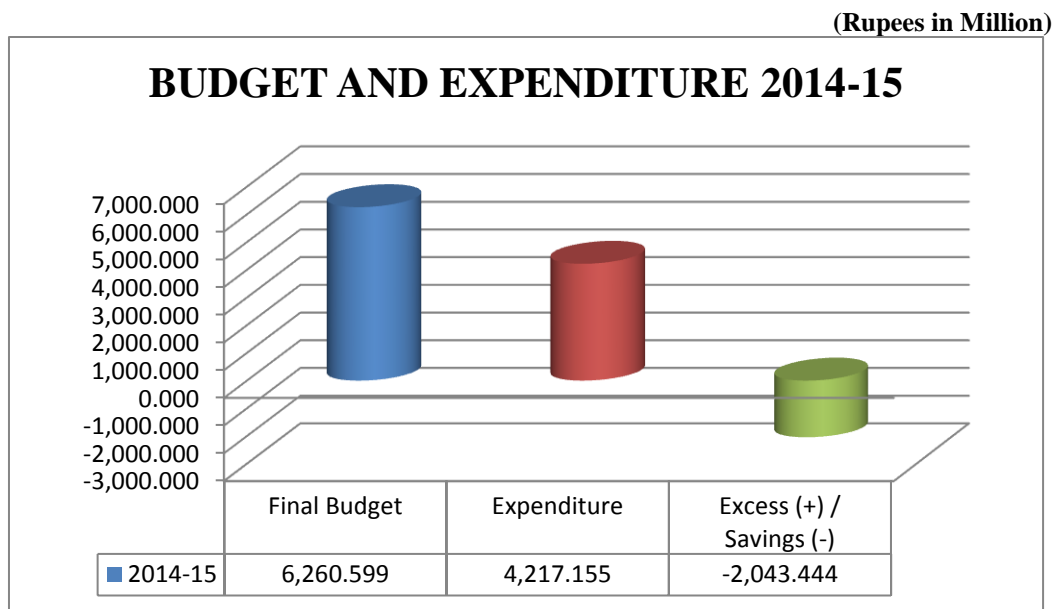
2014-15	Budget	Actual	Saving (-) Excess(+)	(%) Saving
Salary	3,476.688	2,661.863	(-)814.825	23%
Non-salary	924.182	914.643	(-)9.539	1%
Development	1,859.728	640.649	(-)1,219.079	66%
Sub Total	6,260.598	4,217.155	(-)2,043.442	46%
Receipts	5.629	4.217	1.412	25%

(Rupees in Million)



As per the Appropriation Account for financial year 2014-15 of District Government Pakpattan, total original budget (Development and Non-Development) was Rs 5,464.696 million, supplementary grant was Rs 795.903 million was provided and the final budget was Rs 6,260.599 million. Against the final budget, total expenditure of Rs 4,217.155 million was incurred by District Government during financial year 2014-15. A saving of Rs 2,043.442 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



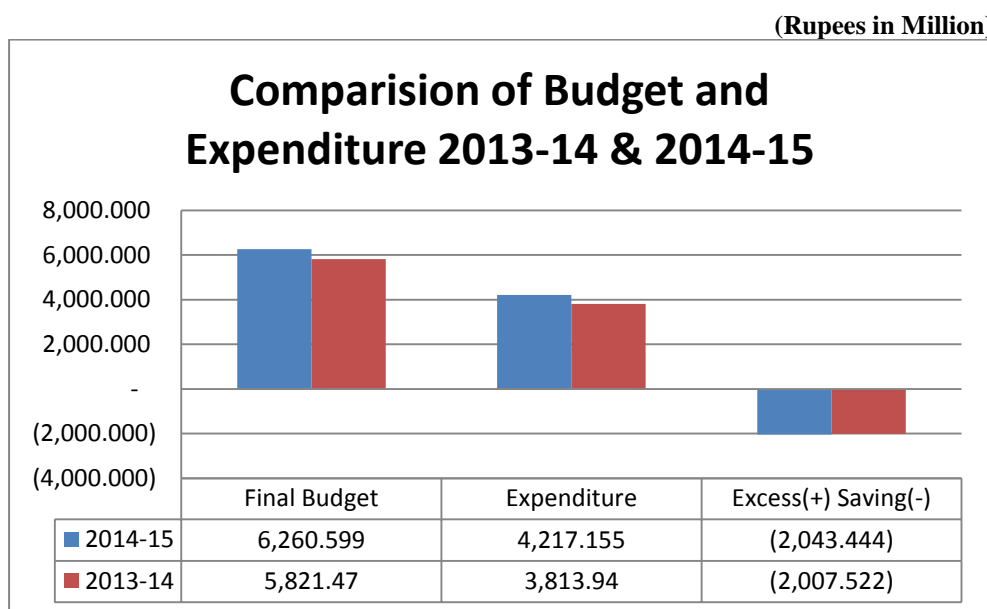
Due to inefficient financial management in release of budget by EDO (F&P), major portion of saving occurred as detailed below:

- In Education Department saving of Rs 442.030 million (15% 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 126.651 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.

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



There was 8% and 11% increase in budget allocation and expenditure incurred respectively, while there were overall savings Rs 2,043.444 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 (Part-I of Annex-A) 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	19	PAC not constituted
2	2003-04	08	PAC not constituted
3	2004-05	17	PAC not constituted
4	*July, 2005 to March, 2008 Special Audit Report	94	PAC not constituted
5	2009-10	29	PAC not constituted
6	2010-11	29	PAC not constituted
7	2011-12	23	PAC not constituted
8	2012-13	16	PAC not constituted
9	2013-14	34	PAC not constituted
10	2014-15	11	PAC not constituted

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

1.2 AUDIT PARAS

1.2.1 Non-Production of Record

1.2.1.1 Non-production of record – Rs 119.481 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 requests for information in as complete a form as possible and with all reasonable expedition”.

Following DDOs of District Pakpattan did not produce the record involving Rs 119.481 million for the financial year 2014-15 for Audit scrutiny despite various repeated written and verbal requests. (**Annex-C**)

(Rupees in million)

Sr. No	Drawing and Disbursing Officer	Amount
1	DO (OFWM) Pakpattan	110.251
2	Dy. DO (Health) Arifwala	8.037
3	Dy. DEO (EE-M) Arifwala	1.193
Total		119.481

Audit is of the view that due to poor maintenance of record or intentional concealment, the record was not produced.

Non-production of record of Rs 119.481 million created doubt on legitimacy of expenditure / record.

The matter was reported to the DCO and concerned DDOs in July 2015. The DO (OFWM) did not submit any reply, Dy. DO (Health) Arifwala replied that the period of audit was long and the record was not available at one place and Dy. District Education Officer (EE-M) Arifwala replied that explanations had been given to all the concerned schools for non-production of record. The reply

was not tenable as the record was not produced to Audit. DAC, in its meeting, held in September, 2015, directed the DDOs to produce the record for verification. No further progress was intimated till the finalization of Report.

Audit recommends that responsibility be fixed and appropriate disciplinary action taken against the concerned DDOs for non-production of record of Rs 119.481 million.

[AIR Para: 1, 2, 10]

1.2.2 Irregularities and Non-Compliance

1.2.2.1 Uneconomical local purchase of medicines and X-Ray films – Rs 8.099 million

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

Medical Superintendent THQ Hospital Arifwala purchased bulk medicine of Rs 5.341 million and X-Ray films of Rs 2.758 million without advertisement on PPRA's website as well as in other print media or newspapers having wide circulation. The expenditure was also split to avoid the tendering process and sanction of the competent authority. **(Annex-D)**

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

Uneconomical purchases of Rs 8.099 million resulted in loss to the Government and violation of the Government instruction.

The matter was reported to the DCO and the concerned DDO in July 2015. MS THQ Hospital replied that all the medicines were purchased for the benefit of needy patients as per time to time demands of various sections of the hospital. The reply was not acceptable as purchases were made without open competition. DAC, in its meeting, held in September, 2015, directed the DDO to get the expenditure regularized from the Punjab Finance Department and no such heavy purchases to be made without open tendering process in future. No further progress was intimated till the finalization of Report.

Audit recommends fixing of responsibility and disciplinary action against the responsible, besides regularization of expenditure of Rs 8.099 million from the Punjab Finance Department, under intimation to Audit.

[AIR Para: 4, 20]

1.2.2.2 Unauthorized withdrawal of 30% Social Security Benefit – Rs 3.263 million

According to the terms and conditions of notification for regularization of contract employees of the Health Department Pakpattan vide EDO (Health) Notification No.8671-81 dated 28.04.2014, the Social Security Benefit @ 30% of pay was not permissible to the contract employees being regularized w.e.f. 01.03.2013.

The EDO (Health) Pakpattan regularized the services of various staff appointed on contract basis but did not observe the continuous withdrawal of Social Security Benefit by such employees. The EDO (Health) and his allied DDOs withdrew Rs 3.263 million up to 31.07.2015 on account of 30% Social Security Benefit for the employees regularized w.e.f. 01.03.2013.

Audit is of the view that due to weak internal control over payment of pay and allowances, Social Security Benefit was paid without entitlement.

Unauthorized payment of Social Security Benefit to the regular employees resulted in loss to the Government amounting to Rs 3.263 million.

The matter was reported to the DCO and the concerned DDO in July 2015. The EDO (Health) replied that all the DDOs had been directed to start the recovery, in installments from each employee's salary. DAC, in its meeting, held in September, 2015, kept the para pending till complete recovery and directed the DDOs to submit quarterly report to Audit. No further progress was intimated till the finalization of Report.

Audit recommends action against the concerned, besides recovery of Rs 3.263 million, under intimation to Audit.

[AIR Para: 1]

1.2.3 Performance

1.2.3.1 Unclaimed securities not credited to the Government account – Rs 1.800 million

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

The District Officer (Roads) Pakpattan did not credit unclaimed security deposits of Rs 1.800 million into the Government account during financial year 2014-15 despite the fact that the same had been lying unclaimed for long.

Audit is of the view that due to financial indiscipline of the department, unclaimed securities were not credited to the Government account.

Unauthorized retention of securities resulted in violation of the Government rules involving an amount of Rs 1.800 million.

The matter was reported to the DCO and the concerned DDO in July 2015. The DO (Roads) replied that transfer entry to credit unclaimed balances was under preparation. The DDO reply was not tenable as the transfer entry was not shown to Audit. DAC, in its meeting, held in September, 2015, directed the DDO to transfer unclaimed security to the Government account. No further progress was intimated till the finalization of Report.

Audit recommends action against the concerned for non-transfer of unclaimed securities of Rs 1.800 million, besides transfer of the same into the Government treasury, under intimation to Audit.

[AIR Para: 9]

1.2.4 Internal Control Weaknesses

1.2.4.1 Doubtful payment of steel – Rs 79.408 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.

The District Office (Buildings) Pakpattan made payment of Rs 79.408 million during the financial year 2014-15 on account of use of steel in various works. Use of steel was held doubtful due to the fact that bar-binding schedule for use of steel was not available on record. Further, the same was not provided despite several requests. Also, there were no lab test reports verifying the weight, thickness, gauge etc of steel used in each case. In the absence of such record, the exact weight and thickness of steel used cannot be ascertained, and the payment made in each case would be considered doubtful. The detail is as under:

(Amount in Rupees)

Name of work	Nature of record	Amount of work	M.B No. and page	Vr. No. Date
GGES 55 / EB to secondary level	Bar- binding schedule for use of steel 8156 Kg	5,445,786	1522/2030 page no. 70-88	15/06.06.15
GHS Chak Azmat construction of 6 class room with veranda 5 room toilet block	Bar- binding schedule for use of steel 1917 Kg	4,533,568	1561/2419 Page 71-88	130/20.06.15
Construction of 2 class room in GP School buildings Mouza Jund	Bar- binding schedule for use of steel 2222 Kg	1,579,107	1262/1405 Page 163-187	116/28.03.15
GGMC High School at Ghalla Mandi Pakpattan const. of 6 class room	Bar- binding schedule for use of steel 6107 Kg	3,948,050	1477/348 Page 90-119	127/28.06.15
GPS 43/EB up-gradation of primary to elementary level	Bar- binding schedule for use of steel 1363 Kg	3,730,645	1503/2011 Page 54-75	115/28.06.15
Govt. Boys School Kartarpur const of 5 class room with Veranda	Bar- binding schedule for use of steel 1309 Kg	3,233,183	1545/2413 Page 108-129	116/28.06.15
Const. of Gymnasium at Pakpattan	Bar- binding schedule for use of steel 249,134 Kg	50,064,698	1482/4313 Page 20-37	104/23.12.2014
Const. of 3 class rooms, computer lab, library room, laboratory and science room at Govt. high school Khumhari Wala	Bar- binding schedule for use of steel 10800 Kg	6,873,159	1344/1227 page 117 to 153	70/20.06.15
Total		79,408,196		

Audit is of the view that due to weak internal controls, bar-binding schedule was not prepared / maintained.

Execution of works while using steel without preparation / maintenance of bar-binding schedule resulted in doubtful expenditure of Rs 79.408 million.

The matter was reported to the DCO and the concerned DDO in July 2015. The DO (Buildings) replied that quantity of steel paid was within the quantity of steel provided in technically sanctioned estimates. The reply was not tenable as the quantity of steel was paid either in excess of or less than technical sanctioned estimate and approved bar-binding schedule showing the actual steel used in the works was not shown to audit. DAC, in its meeting, held in September, 2015, directed the DDO to provide bar binding schedule for verification. No further progress was intimated till the finalization of Report.

Audit recommends disciplinary action against the concerned for execution of works of Rs 79.408 million while using steel without preparation / maintenance of bar-binding schedule, besides production of complete auditable record, under intimation to Audit.

[AIR Para: 7]

1.2.4.2 Loss to Government due to non-deposit of GST– Rs 5.544 million

According to the Government of the Punjab Finance Department letter No.S.O Tax 1-19/97 dated 04-08-2007, the department has to recover 1/5 (now 1/10) of the total Sale Tax. Remaining amount should be deposited by the suppliers and proof should be produced to Audit.

Various primary and middle schools working under the administrative control of Dy. DEO (EE-M) Arifwala and EDO (Education) paid Rs 5.544 million to suppliers as Sales Tax against purchases of different items during financial year 2014-15. The schools working under Dy. DEO (EE-M) Arifwala neither deducted 1/5th of total General Sales Tax (GST) nor collected proof of deposit of the same into the Government treasury. In addition, the EDO

(Education) did not collect the sales tax return cum payment challan along with supporting documents as proof of payment of Sales Tax from the supplier. The detail is given in **Annex-E**.

Audit is of the view that due to weak financial controls and improper monitoring of schools 1/5th of Sales Tax was not deducted and deposit of Sales Tax by the supplier was not gotten verified.

Non-deduction of 1/5th of sales tax of Rs 2.832 million and non-verification of deposit of GST of Rs 5.544 million resulted into violation of the Government instruction.

The matter was reported to the DCO and the concerned DDOs in July 2015. Deputy District Education Officer (EE-M) Arifwala replied that explanation regarding GST had been called from concerned AEOs with the direction to provide complete record. The EDO (Education) replied that letter had been served to the concerned firms. The replies were not tenable as no record was produced to Audit. DAC, in its meeting, held in September, 2015, directed the DDOs to provide Annex-C containing invoice wise break up verified by FBR authorities. No further progress was intimated till the finalization of Report.

Audit recommends provision of Annex-C containing invoice wise break up verified by FBR authorities, besides fixing of responsibility against the concerned for not obtaining the proof of deposit of Sales Tax amounting to Rs 5.544 million, under intimation to Audit.

[AIR Para No.1, 17]

1.2.4.3 Payment of unauthorized Conveyance Allowance - Rs 3.029 million

According to the Government of the Punjab, Education Department (School Wing) Notification No.SO(S-III)2-16/2007 dated 24-09-2007, Mobility Allowance is allowed to all the school teachers during active duty in schools or against administrative posts. The said allowance is not admissible during leave.

Further according to Rule 1.15 of TA Rules, no Conveyance Allowance is admissible during any kind of leave.

Deputy District Officer (EE-M) Pakpattan and Arifwala made excess payment on account of Conveyance Allowance amounting to Rs 3.029 million to the various school teachers during winter vacation from 19.12.2014 to 11.01.2015 (23 days) and summer vacation from 01.07.2014 to 15.08.2014 and 01.06.2015 to 30.06.2015. The necessary detail is as under:

(Amount in Rupees)

Nature of leave	Leave Period	Leave in days	Amount of Recovery	Drawing and Disbursing Officers
Winter Vacation	19.12.2014 to 12.01.2015	24	1,259,840	Dy. DEO (M) Pakpattan
Winter Vacation	19.12.2014 to 12.01.2015	24	1,603,958	Dy. DEO (M) Arifwala
Summer Vacation	01.07.2014 to 15.08.2014 01.06.2015 to 30.06.2015	75	165,255	Dy. DEO (M) Arifwala
Total			3,029,053	

Audit is of the view due to weak internal control, unauthorized payment was made on account of Conveyance Allowance during leave period.

Unauthorized payment of Rs 3.029 million on account of Conveyance Allowance during leave period resulted in loss to the Government.

The matter was reported to the DCO and the concerned DDOs in July 2015. The DDOs admitted the recovery for the said period. DAC, in its meeting, held in September, 2015, kept the para pending till complete recovery. No further progress was intimated till the finalization of Report.

Audit recommends recovery of Rs 3.029 million of overpayment of Conveyance Allowance during vacation, besides fixing of responsibility against the DDO as well as the DAO, under intimation to Audit.

[AIR Para: 1, 2]

1.2.4.4 Recovery of pay and allowances for the period of absence – Rs 2.942 million

According to Rule 2.31 of the PFR Vol-1, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriation.

The Medical Superintendent, THQ Hospital Arifwala allowed payment of Rs 2.942 million to a medical officer despite the fact that the concerned officer was absent from duty. According to report of Executive District Officer (Health) Pakpattan issued vide letter No. 7911-16/EDO dated 10.04.15, the Medical Officer having personal No. 30644931 remained absent from duty w.e.f 01.12.2012 to 19.02.2015. Audit scrutinized the pay and allowances of the concerned officer and observed that pay and allowances for the absent period were also withdrawn without any legal authority.

Audit is of the view that due to weak internal controls, pay and allowances were withdrawn for the period of absence.

Withdrawal of pay and allowances for the period of absence from duty resulted in loss to the Government amounting to Rs 2.942 million.

The matter was reported to the DCO and the concerned DDO in July 2015. The MS THQ Hospital replied that concerned officer had been asked for recovery which would be made after getting the reply. The reply was not tenable as the matter had already been inquired into by the EDO (Health) and no recovery was shown to Audit. DAC, in its meeting, held in September, 2015, directed the DDO to take up the case with Secretary Government of the Punjab Health Department Lahore through DCO for recovery of paid amount. Responsibility may be fixed by DCO against MS THQ and DAO Pakpattan for not stopping the payment for 03 years. No further progress was intimated till the finalization of Report.

Audit recommends action against the concerned for payment of pay and allowances during period of absence from duty, besides recovery of Rs 2.942 million of paid amount, under intimation to Audit.

[AIR Para: 2]

1.2.4.5 Unauthorized payment of items in excess of TS estimates – Rs 1.601 million

According to Secretary (C &W) Department Lahore vide letter No. SOR-I (C&W) 1-42 (MISC) dated 30.07.1997, “the work may be executed strictly according to the scope and provision of the technically sanctioned estimates. Items of work executed in violation of the provision of the sanctioned estimate will not be entertained.”

The District Officer (Buildings) made payment of quantities to the contractor in excess of the approved technically sanctioned estimates during financial year 2014-15 which resulted into overpayment of Rs 1.601 million. Mostly those items were paid which were not available in the TS estimate, hence the scope of the work was also affected.

Audit is of the view that due to weak internal controls excess quantities were recorded in the measurement books and paid to the contractor beyond the provision of TS estimate.

Payment of excess quantities of Rs 1.601 million resulted in loss to the Government.

The matter was reported to the DCO and the concerned DDO in July 2015. The DO (Buildings) replied that payment was made for actual work done at site for which provision exists in detailed estimate, technically sanctioned by the competent authority. Quantities of items paid were also within the quantities of such items approved by the competent authority while granting technical sanction. The reply was not tenable as the payments were made in excess of quantities available in the TS estimate. Further the excess quantities were covered

in revised TS estimate after making the payment. DAC, in its meeting, held in September, 2015, directed the DDO to get regularization from Finance Department for making payments before TS approval. No further progress was intimated till the finalization of Report.

Audit recommends action against the concerned, besides regularization of expenditure of Rs 1.601 million from Punjab Finance Department, under intimation to Audit.

[AIR Para: 8]

ANNEX

Annex-A
Part-I

**Memorandum for Departmental Accounts Committee paras pertaining
to current audit year 2015-16**

(Rupees in Million)

Formation	Sr. No.	Para No.	Subject	Amount
DCO	1	2	Doubtful difference between departmental expenditure statement and FI data maintained in district accounts office	0.243
	2	5	Unauthorized purchase of I phone	0.099
	3	6	Doubtful expenditure on account of repair of furniture and machinery & equipment	0.395
	4	10	Improper maintenance record of POL	0.567
	5	11	Irregular expenditure on account of repair of transport	0.249
	6	12	Un-authorized withdrawal of conveyance allowance despite using Government vehicle	0.06
	7	13	Un-authorized payment of TA / DA	0.184
	8	14	Doubtful expenditure on account of VVIPs visits	0.08
Dy.DEO (M-EE) Pakpattan	9	2	Recovery of conveyance allowance withdrawn during leave	0.051
	10	5	Shortage of assets pointed out during physical verification	0.051
	11	6	Bogus expenditure without any work executed / purchases made	0.506
	12	7	Non-implementation of recommendations of inquiry for misappropriation of sales proceeds of trees of the school against head teacher	0.425
	13	8	Non-finalization of inquiry for misappropriation of monies received by selling	
Dy.DEO (W-EE) Arifwala	14	1	Loss of government due to payment of conveyance during summer vacation	0.307
	15	2	Unauthorized payment of conveyance allowance during leave	0.532
	16	3	Irregular drawl of social security benefit	13.581
	17	4	Non-collection of proof of deposit of	0.037

Formation	Sr. No.	Para No.	Subject	Amount
			sales tax	
	18	5	Loss to govt. due to irregular payment of conveyance allowance during winter vacations	1.8
DO (Soil Fertility)	19	3	Unjustified drawl of conveyance allowance instead of stay in government residences within the premises of offices	0.441
	20	7	Non-collection of proof of deposit of sales tax	0.305
	21	8	Misclassification of expenses	0.067
	22	9	Unjustified expenditure on repair of machinery	0.15
DO (Labour)	23	1	Non-collection / deposit of receipt of petrol pumps	0.549
	24	4	Doubtful drawl of POL without any entry in the log book and verification	0.11
	25	6	Non-maintenance of proper record of receipt books	3.425
	26	8	Non-verification of tax deposit into government treasury	0.05
Dy.DEO(M-EE) Arifwala	27	6	Non-deduction of Punjab sales tax and income tax on services by the schools from suppliers	0.272
	28	11	Difference in figures of FI data and expenditure statement	0.174
	29	12	Recovery due to unauthorized withdrawal of social security benefit after regularization	0.087
DO (Health)	30	01	Unauthorized transfer of funds to PRSP	88.270
	31	7	Non-production of record	0.099
	32	9	Irregular / unjustified expenditure on repair of machinery & equipment's	0.069
	33	10	Unauthorized payment of NPA	0.065
	34	11	Unauthorized payment of conveyance allowance	0.048
	35	2	Unauthorized excess withdrawal of Adhoc Relief allowances	0.73
	36	3	Recovery of conveyance allowance from employee residing within work premises	0.615
	37	4	Non recovery of liquidated damages from the supplies who failed to supply the medicines within stipulated period	0.284

Formation	Sr. No.	Para No.	Subject	Amount
	38	5	Irregular expenditure on account of purchase of stationary items	0.288
	39	7	Irregular expenditure on account of repair of motor vehicle	0.225
	40	9	Non production of deposit proof of sales tax	0.105
	41	10	Non-forfeiture of security deposit due to non-supply of medicine	0.073
DHQ Hospital	42	2	Non-production of statement of accounts & completion certificate	2.967
	43	10	Misclassification of expenditures	0.726
	44	11	Non deduction of 30% SSB from the employees	0.563
	45	13	Non-deduction/ less deduction of income tax	0.416
	46	14	Irregular payment on purchase of generators and non -deduction of income tax	0.342
	47	17	Non-forfeiture of security deposit due to non-supply of medicine	0.177
	48	18	Un-authorized withdrawal of conveyance allowance &HPA during leave	0.163
	49	19	Non deduction of income tax	0.092
RHC Malka Hans	50	2	Non-deduction of 2% liquated damages on purchase of medicine	0.027
	51	12	Unauthorized payment of pay and allowance during leave /absent period	0.208
EDO (W&S)	52	1	Advertisement of works with fake estimation amount & dispatch number without approval competent authority	82.409
	53	5	Fake enhanced of works	
	54	7	Doubt full consumption of POL due to non maintenance of log books	0.459
	55	8	Excess payment to the contractor due to charging excess rate of non-schedule items.	0.742
	56	9	Non-verification of deposit of sales tax on purchases	0.048
DO (Buildings)	57	10	Doubtful execution of work in absence of standard test reports Rs3.200 million,	3.2
THQ Hospital Arifwala	58	3	Excess rate charges in purchase of LP medicine.	0.309

Formation	Sr. No.	Para No.	Subject	Amount
	59	5	Recovery on account of undue payment of pay and allowances during leave without pay or leave on half pay.	0.462
	60	6	Recovery due to payment of pay and allowances after resignation.	0.178
	61	7	Recovery on account of HSR allowance.	1.139
	62	8	Recovery due to unjustified payment of social security of benefit to employees who were regularized during 2014-15	0.764
	63	9	Irregular advance drawl of government without receipt of material / items.	0.879
	64	10	Fictitious expense of medicine due to wrong calculation of balances	0.104
	65	11	Misappropriation of hospital medicine due to excess / less consumption of medicine in daily expense book from items issued from stock book	0.222
	66	12	Recovery on account of liquidated damages from contractors due to late supply of medicines.	0.196
	67	13	Recovery on account of unjustified payment of conveyance allowance.	0.158
	68	14	Irregular consumption of medicine without DTL reports	0.252
	69	16	Recovery on account of unjustified payment of personal allowances.	0.457
	70	17	Recovery on account of undue payment of Health Sector Allowance / Health Professional Allowance to doctors during leave	0.283
	71	18	Non entry of pol in the log book and recovery	0.092
	72	19	Non deposit of government receipt	0.199
DO (Livestock)	73	1	Irregular drawl of Social Security Benefit	0.257
	74	3	Non-collection of proof of deposit of sales tax	0.181
	75	13	Non-execution of repair and maintenance despite release of funds	1.800
Dy.DO (Health) Arifwala	76	3	Excess expenditure from budget allocation	0.086
	77	4	Recovery due to unjustified payment of Social Security Benefit to employees who	0.034

Formation	Sr. No.	Para No.	Subject	Amount
			regularized during 2012-13	
	78	5	Recovery on account of undue payment of conveyance allowance to staff during leave	0.068
	79	6	Recovery on account of undue payment of Personal Allowance	0.053
	80	7	Non-deposit of sales tax	0.051
EDO (Education)	81	1	Unjustified purchase of registered computer software	2.121
	82	2	Purchase of different specifications & poor quality furniture due to fake physical verification involving purchase	0.81
	83	4	Loss to Government due to purchase of computer items on higher prices	2.928
	84	5	Expensive purchase of computers & furniture without negotiation	27.11
	85	8	Non maintenance of cash book of NSB / SDA account and development expenditure	29.17
	86	12	Misclassification of expenses	0.238
	87	16	Transfer of money of CCTV camera to self favored school without administrative approval	0.05
	88	18	Unjustified drawl of conveyance allowance, instead of vehicle used for personal home pick & drop	0.038
RHC 93/D Noorpur	89	2	Excess claim of bill of repair than the actual work at site	0.312
	90	5	Non-collection of security deposits	0.129
	91	6	Non-verification of general sales tax deposit into government treasury	0.11
	92	7	Difference between cash book & bank statement	1.66
	93	8	Unauthorized withdrawal of 30% Social Security Benefits despite regularization of service	0.137
	94	9	Unauthorized excess withdrawal of Adhoc Relief allowances	0.042
DO (Roads)	95	6	Unauthorized refund of securities deposits before prescribed period	2.195
	96	8	Misappropriation of tender fee	0.024

Formation	Sr. No.	Para No.	Subject	Amount
	97	10	Over payment to contractor due to non-deduction of price variation of bitumen	0.289
	98	11	Loss to government due to less deposit of tender fee	0.712
	99	12	Excess payment to contractor without deduction of price variation	0.318
Dy.DEO (W-EE) Pakpattan	100	1	Unauthorized payment on account of House Rent Allowance, Conveyance Allowance & electricity charges	0.231
	101	4	Non collection of proof of deposit of sales tax	0.083
	102	5	Doubtful purchase of stationary, printing without consumption record	0.179
	103	6	Non production of TA record	0.085
DO (Sports)	104	4	Unauthorized payment of pay and allowances during absence from duty	0.043
	105	7	Unauthorized payment of pay and allowances without sanctioned post of administrator	0.442

**Annex-A
Part-II**

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

(Rupees in million)

DDOs	Sr. No	Para No.	Subject	Amount
District Officer Building	1	1	Excess payment to the contractor	0.383
	2	2	Excess payment to the contractor by allowing excess quantities which were not available in the revised estimate	0.222
	3	4	Payment of quantity of steel million than the estimated provision	16.112
	4	7	Excess payment to the contractor due to charging excess rate of non-schedule items	0.742
	5	8	Excess payment due to payment of excess rate of precast roof slabs	0.168
	6	9	Excess payment to contractor	0.119
	7	10	Excess payment to contractor	0.346
MS DHQ Hospital	8	17	Unauthorized payment of conveyance allowance	0.171
	9	19	Recovery of un-authorized withdrawal of conveyance allowance during leave period	0.089
	10	20	Non deposit of different government revenues	0.042
DO(Roads)	11	17	Doubtful acceptance of renewal / enlistment of contractors without ensuring the deposit of professional tax	0.159
	12	19	Irregular release of performance securities prior to date of completion of work	0.51
Deputy District Officer (EE-M) Pakpattan	13	1	Irregular drawl of social security benefit	3.794
	14	2	Loss to government due to payment of conveyance allowance during leave	0.04
	15	3	Non-collection of proof of deposit of sales tax	0.06
	16	4	Loss to govt. due to irregular payment of conveyance allowance during winter vacations	0.543
	17	5	Unjustified heavy drawl of POL	0.16
	18	6	Doubtful Purchase of stationary	0.125
	19	7	Irregular retention of closing balances	4.922
District Officer (Excise)	20	1	Recovery due to non deduction of conveyance allowance having official designated conveyance	0.191
	21	2	Loss to government due to irregular payment of rent of office building without deduction of income tax, recovery thereof	0.637
	22	3	Irregular withdrawal and disbursement of pol in shape of cash instead of through cheques	0.625
Deputy District Officer (EE-	23	3	Recovery due to unauthorized withdrawal of Social Security Benefit after regularization	0.244
	24	4	Fraudulent withdrawal of pay and allowances due to	0.316

DDOs	Sr. No	Para No.	Subject	Amount
M) Arifwala			appointment on fake degrees and Recovery Thereof	
	25	7	Non auction of unserviceable trees and loss to government	0.15
	26	2	Recovery due to non deduction of conveyance allowance during leave period	0.055
Nursing School Pakpattan	27	4	Unjustified drawl of Social Security Benefit, Mess Allowance and Uniform Allowance	0.153
District Officer (OFWM)	28	1	Misappropriation of POL by using the two vehicles by the same person in same date & time	0.138
	29	2	Misappropriation of POL by using vehicles during Muharrum, Eid-ul-Azha, Eid-ul-Fitar & during gazetted holidays	0.086
	30	3	Unjustified drawl of pay & allowances during absent period recovery of pay and allowances	0.599
	31	4	Misappropriation of POL , recovery thereof	0.059
	32	5	Fradulent drawl of TA / DA during leave period Muharrum, Eidul-Azha, Eidul-Fitar & during gazetted holidays	0.024
	33	6	NON Recovery of ROP of District Jhang & Non deduction of House Rent Allowance & 5% Maintenance Charges	0.27
	34	7	Misappropriation of POL & repair expenditure of vehicle No. FDQ-5423	0.499
	35	8	Unjustified payment of TA/DA to Muhammad Aslam (WMO)	0.246
	36	9	Doubtful purchase of mobile oil & filters in advance in the absence of own work shop	0.393
	37	10	Un-justified payment in cash instead of cheque	0.468
	38	11	Un-authorized drawl of pay & allowances	1.46
	39	12	Doubtful transfer of government share & poor civil work of water course No.44483-L Mouza Wan Dal, 34 SP	1.943
	40	13	Unjustified release of funds to the water courses of additional lining	18.24
	41	14	Unjustified payment to the farmers in irrigation scheme	2.42
	42	15	Short deduction of income tax	0.228
	43	16	Loss to government due to receipt of less farmer masson share from water user associations	0.147
	44	17	Loss to government due to late completion of water courses, resulted into less execution of volume of work 1,337 cubic meter & bearing of hire material cost	0.638
	45	18	Non production of record	16.358
	46	19	Non deduction of General Sales Tax on water courses	0.67
	47	20	Poor financial discipline due to late release of funds after inspection report	19.54
48	21	Non-verification Of General Sales Tax deposit into	0.379	

DDOs	Sr. No	Para No.	Subject	Amount
			government treasury	
MS THQ Arifwala	49	4	Unjustified payment of Sales Tax recovery thereof	0.392
	50	5	Misclassification of expenses	0.488
	51	6	Short deduction of Income Tax	0.038
	52	19	Unjustified expenditure on repair of machinery	0.697
	53	21	Unjustified auction of canteen & cycle stand non deposit of indoor fee,	0.151
DO (Health)	54	2	Loss to Government due to withdrawal of SSB despite regularization of services of employees	0.446
	55	8	Unauthorized excess withdrawal of pay and allowances during leave period	0.159
EDO (Health)	56	6	Non-collection of proof of deposit of sales tax	0.151
	57	8	Unauthorized clearance of pending liabilities without sanction and allocation of funds	0.491
District Officer Coordination	58	1	Recovery on account of House Rent Allowance to Mr. Abdul Sattar DDO HRM Pakpattan & Mr. Shafique Ahmad District Officer Co-ordination Pakpattan	0.082
Executive District Officer (F&P)	59	12	Recovery on account of interest of investment (FDR-629-3) out of Pension Fund of Defunct Zila Council branch Pakpattan	1.375
Executive District Officer (Education)	60	4	Loss to government due to non/ less deduction of sales tax	0.117
	61	12	Non-collection of deposit proof of GST	1.796
RHC 163 EB	62	1	Unauthorized payment of conveyance allowance	0.42
	63	3	Unauthorized payment of Health Sector Reform Allowance	0.343
	64	7	Unauthorized payment of Special Allowance	0.061
	65	10	Unauthorized repair of X-Ray machine	0.339
	66	11	Unauthorized up gradation of paramedic staff working in RHC	-
	67	12	Unauthorized withdrawal of arrear bills of pay & allowances	0.985
	68	13	Non-collection of deposit proof of GST	0.159
District Officer (Secondary Education)	69	2	Recovery of un-authorized withdrawal of conveyance allowance	0.045
	70	5	Unjustified heavy drawl of POL	0.508
	71	6	Irregular purchases of furniture and equipments	6.3
	72	7	Non-recovery of liquidated damages due to late supply	0.136
GGHS Colony Area Pakpattan	73	1	Loss to government due to non recovery of Conveyance Allowances during leave	0.154
	74	2	Irregular drawl of Social Security Benefit	0.063
	75	3	Misappropriation of FTF recovery thereof	0.188
	76	5	Excess expenditure than sanctioned budget	1.785
RHCQaboola, Tehsil	77	1	Unauthorized overpayment of Social Security Benefit after regularization recovery thereof	0.356

DDOs	Sr. No	Para No.	Subject	Amount
ArifWala, District Pakpattan	78	2	Non deduction of House Rent Allowance (HRA) and Conveyance Allowance of the employees residing in designated residences within the premises of the RHC	0.309
	79	3	Recovery of overpayment on account of Health Sector Reforms Allowance (HSRA) during duty at health facilities where HSRA is not Admissible	0.119
	80	5	Non Verification of Sales Tax	0.162
	81	6	Unauthorized purchase of various items without advertisement on PPRA website and advertisement in newspaper	1.209
	82	7	Loss to Government due to non deduction / deposit of income tax on purchases made	0.075
	83	8	Irregular local purchase of medicines	0.3
	84	9	Unauthorized up gradation of paramedic staff working in RHC	-
RHCBunga Hayat, Tehsil & District Pakpattan	85	1	Unauthorized overpayment payment of Social Security Benefit after regularization recovery thereof	0.254
	86	2	Non deduction of House Rent Allowance (HRA) and Conveyance Allowance of the employees residing in designated residences within the premises of the RHC	0.083
	87	6	Recovery of overpayment on account of Conveyance Allowance and HSRA during leave	0.034
	88	7	Non condemnation / auction of the unserviceable ambulance valuing hundreds of thousands of rupees	-
	89	8	Non verification of Sales Tax	0.095
	90	10	Unjustified heavy expenditure on POL of generator over	0.69
	91	11	Unauthorized up gradation of paramedic staff working in RHC	
District Livestock Officer	92	4	Fake stock entries of herbs / desi medicine	1.085
	93	5	Irregular withdrawal of pay & allowances without pay fixation	0.675
	94	9	Unjustified verification of container in the absence of import documents	0.178
	95	12	Non deduction of Conveyance Allowance	0.135
	96	13	Non-availability of stock entry and proof of consumption of medicines	0.106
DCO	97	18	Irregular expenditure of prayer carpet without advertisement	0.104
	98	20	Doubtful expenditure on VVIPs visits	0.087
EDO(CD)	99	4	Non functioning of computer centre Government Boys Middle School Kot Diwan Pakpattan (Royal Citizen Community Board CCB)	2
District	100	4	Short imposition of penalty and extension of time limit	4.028

DDOs	Sr. No	Para No.	Subject	Amount
Officer (Roads)			recovery thereof	
	101	5	Irregular payment of excess quantities beyond revised ts estimate recovery & inquiry thereof	1.211
	102	9	Concealment of record regarding irregular award of tender of “widening / improvement of link road from Makki Masjid to Pir Karian”	12.674
	103	12	Non-reconciliation of Bitumen Account and Non-recovery of Overpaid Amount	0.547
	104	14	Securities deducted & retained since long but not credited to Account-IV	3.315
EDO (CD)	105	1	Misappropriation of Government Amounts (Al-MushtafaCCB)	0.605
	106	2	Misappropriation of CCB equipments and furniture (Qamar Citizen Community Board for running of Vocational Centre Chowk Sikandar Chak Alwardi Khan Pakpattan)	0.47
	107	3	Release of CCB funds without work done (Al-Yusuf CCB) for Construction of Middle School Near Baba Farid International University Chan vet.)	1.4
	108	5	Non-production of vouched account of CCB projects	28.144
	109	6	Unjustified change of project (construction of middle school near Baba Farid International University Chanwant Sahiwal Road Pakpattan.)	6.181
Deputy District Officer (EE-M) Ariwala	110	1	Recovery due to payment of unauthorized Conveyance Allowance to teachers during winter leaves	1.27
	111	2	Irregular drawl of Social Security Benefit	3.804
THQ Hospital Arifwala	112	9	Non-forfeiture of security deposit due to non-supply of medicine	1.57
District Officer (Health)	113	1	Recovery of House Rent Allowance and Conveyance Allowance from employee residing within work premises	3.412
	114	5	Unauthorized up-gradation of posts and withdrawal of pay & allowances	2.328
RHC Qaboola, Tehsil Arifwala	115	4	Misappropriation of funds on account of POL of generator	1.07
	116	10	Unauthorized up-gradation of posts and withdrawal of pay & allowances	2.138
MS DHQ	117	12	Unjustified withdrawal of 50% Adhoc Relief Allowance 2010	0.848
	118	13	Irregular expenditure on rented generators– Rs 0.803 million	0.803
	119	18	Non recovery of 10% additional rent of govt. residences of higher scale occupied by employees	0.122
DCO	120	1	Irregular expenditures on POL in violation of austerity	1.063

DDOs	Sr. No	Para No.	Subject	Amount
			measure	
	121	3	Irregular expenditure on POL and maintenance of vehicles	0
	122	8	Excessive expenditure on POL against austerity measures	0.426
GGHS Colony Area	123	4	Irregular expenditure	0.9
	124	2	Unauthorized purchase of store/medicine items	0.922
RHC 163/EB	125	5	Unauthorized withdrawal of HSRA during general duty and recovery thereof	0.695
	126	6	Unauthorized withdrawal of social security benefits after regularization and recovery thereof	0.292
	127	8	Unauthorized drawl of House Rent Allowance	0.219
DO (Livestock)	128	11	Non-recovery of misappropriated Governmental revenue	0.156
DO(Forest)	129	2	Non-recovery of loss of Government due to theft of trees	0.573
District Officer (Secondary Education)	130	1	Irregular drawl Of Social Security Benefit	5.788

Annex-B

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

(Amount in Rupees)

Grant No.	No. & Name of the Grant / Appropriation	Voted / Charged	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation
							(+) Excess
							(-) Saving
1	2	3	4	5	6	7	
NON-DEVELOPMENT							
3	Provincial Excise.	Voted	23,751,000	0	23,751,000	20,765,191	-2,985,809
5	Forests	Voted	17,789,000	0	17,789,000	15,694,894	-2,094,106
7	Charges on A/c of Motor V. Act.	Voted	2,793,000	0	2,793,000	1,149,365	-1,643,635
8	General Administration.	Voted	126,152,000	0	126,152,000	60,169,729	-65,982,271
10	Education.	Voted	2,834,786,000	89,766,192	2,924,552,192	2,482,521,804	-442,030,388
15	Health	Voted	820,355,000	21,700,104	842,055,104	715,403,912	-126,651,192
16	Public Health	Voted	3,837,000	-	3,837,000	3,620,470	-216,530
17	Agriculture	Voted	95,849,000	-	95,849,000	84,795,067	-11,053,933
18	Fisheries	Voted	2,533,000	-	2,533,000	2,114,599	-418,401
19	Veterinary.	Voted	69,235,000	21,742,204	90,977,204	80,956,686	-10,020,518
20	Co-operative	Voted	15,917,000	-	15,917,000	10,598,074	-5,318,926
21	Industries.	Voted	2,194,000	-	2,194,000	1,681,517	-512,483
22	Miscellaneous Departments.	Voted	2,349,000	-	2,349,000	1,679,450	-669,550
23	Civil Works.	Voted	39,554,000	4,125,000	43,679,000	30,084,833	-13,594,167
24	Communications.	Voted	148,229,000	0	148,229,000	43,970,209	-104,258,791
25	Miscellaneous.	Voted	22,240,000	0	22,240,000	16,393,176	-5,846,824
31	Civil Defence.	Voted	5,974,000	0	5,974,000	4,907,528	-1,066,472
32	Block Allocation(N-Dev.)	Voted	30,000,000	0	30,000,000	0	-30,000,000
Total Non-Development :			4,263,537,000	137,333,500	4,400,870,500	3,576,506,504	-824,363,996

Grant No.	No. & Name of the Grant / Appropriation	Voted / Charged	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation
							(+)
							Excess
DEVELOPMENT							
36	Development.	Voted	459,151,000	604,277,295	1,063,428,295	540,571,681	-522,856,614
41	Roads & Bridges(ADP)	Voted	27,952,000	54,292,000	82,244,000	63,737,760	-18,506,240
42	Government Buildings(ADP)	Voted	57,559,000	0	57,559,000	36,339,657	-21,219,343
	Block Allocation(Dev.)	Voted	656,497,000	0	656,497,000	0	-656,497,000
Total Development :					1,859,728,295	640,649,098	-1,219,079,197
Grand Total :					6,260,598,795	4,217,155,602	-2,043,443,193

Non-production of record – Rs 119.481 million**1. District Officer (OFWM) Pakpattan**

Name of Formation	Cost Center/DDO Code	Amount of Expenditure (Rs)
DO (OFWM)	PK-6011	8,120,467
-do-	PN-6011 (Dev. Approx.)	90,000,000
-do-	PK-6010	7,223,702
-do-	PK-6009	4,906,735
Total		110,250,904

2. Dy. District Officer (Health) Arifwala**a. Miscellaneous record of Rs 6.911 million**

Period	Nature of record not produced.	Approximate amount
01-07-02 to 31-05-2012	Copies of budget, expenditure statement, cash book, payment schedule, bills drawn during this period, stock register, log book of vehicle and personal files as per expenditure statement for 2009-10 (unsigned).	5,911,120
01-07-02 to 30-06-2015	Drug inspector record for Tehsil Arifwala, license issue registers, challans fees, record of renewal fees and inspection register	1,000,000
	Total	6,911,120

b. Withdrawals of Rs 1.126 million

Date	Nature of bill	Amount
13-06-12	A0 3807 P.O.L	126,624
25-06-13	A0 3807 P.O.L	17,118
28-06-13	A0 3807 P.O.L	21,672
25-06-13	A0 3201	5,000
25-06-13	A0 3202 T &T	33,990
25-06-13	A0 3805 TA	18,125
25-06-13	A0 3901 Office Stationary	248,700
25-06-13	A0 3902 Printing	9,860
25-06-13	A0 3942 COS	24,592
25-06-13	A0 3970 Others	16,312
25-06-13	A0 3202 T &T	34,070

Date	Nature of bill	Amount
25-06-13	A0 13001 Transport Repair	10,920
27-06-13	A0 3807 P.O.L	50,000
27-06-13	A0 3807 P.O.L	100,000
27-06-13	A0 3807 P.O.L	190,570
27-06-13	A0 3970 Others	20,158
27-06-13	A0 3970 Others	14,800
27-06-13	A0 3942 C.O.S	23,100
27-06-13	A0 13001 Transport Repair	9,200
27-06-13	A0 13101 Repair of Machinery	4,700
27-06-13	A0 13201 Repair of Furniture	8,600
27-06-13	A0 13201 Repair of Furniture	5,680
27-06-13	A0 3901 Office Stationary	14,000
27-06-13	A0 3901 Office Stationary	8,800
18-06-15	A0 3942 COS	15,360
18-06-15	A0 3901 Stationary	19,584
18-06-15	A0 3970 Others	13,440
18-06-15	A0 3970 Others	60,574
	Total	1,125,549

3. Dy. District Education Officer (EE-M) Arifwala

Name of school	Period	Nature of record not produced.	Amount
GMS Mohar Sing	01.06.2014 to 30.06.2015	Record regarding Non Salary Budget (NSB) record, service books, personal files.	308,659
GPS 61/A-EB			40,510
GPS 17 /EB			360,000
GPS 84/EB			83,000
GPS 86/EB			90,000
GMS 113/EB			311,270
Total			1,193,439
Grand Total			119,481,012

Annex-D**[Para1.2.2.1]****Uneconomical local purchase of medicine and X-Ray films Rs 8.099 million**

(Amount in Rupees)

Purchase of Medicine		
Date of purchase	Name of contractor	Amount of bill
02-08-14	NA & Sons Sahiwal	625,000
02-08-14	NA & Sons Sahiwal	130,000
02-08-14	NA & Sons Sahiwal	195,000
10-08-14	NA & Sons Sahiwal	97,000
10-08-14	NA & Sons Sahiwal	86,200
10-08-14	NA & Sons Sahiwal	170,500
10-08-14	NA & Sons Sahiwal	250,000
10-08-14	NA & Sons Sahiwal	210,000
10-08-14	NA & Sons Sahiwal	90,000
05-09-14	NA & Sons Sahiwal	195,000
05-09-14	NA & Sons Sahiwal	130,000
05-09-14	NA & Sons Sahiwal	195,000
05-09-14	NA & Sons Sahiwal	95,000
28-10-14	NA & Sons Sahiwal	198,000
28-10-14	NA & Sons Sahiwal	192,500
28-10-14	NA & Sons Sahiwal	195,000
28-10-14	NA & Sons Sahiwal	198,750
28-10-14	NA & Sons Sahiwal	198,750
02-12-14	NA & Sons Sahiwal	210,000
05-09-14	Qadir Medical Store	189,000
28-10-14	Qadir Medical Store	69,000
10-12-14	Qadir Medical Store	185,500
05-09-14	Sharif Medical Store	47,000
02-08-14	Shurgeel Medical Store	99,531
02-08-14	Shurgeel Medical Store	100,165
02-08-14	Shurgeel Medical Store	97,514
10-08-14	Shurgeel Medical Store	99,531
05-09-14	Shurgeel Medical Store	100,125
05-09-14	Shurgeel Medical Store	54,278
05-09-14	Shurgeel Medical Store	74,000
02-12-14	Shurgeel Medical Store	100,125
02-12-14	Shurgeel Medical Store	100,219
02-12-14	Shurgeel Medical Store	99,875
10-12-14	Shurgeel Medical Store	99,368

Purchase of Medicine		
Date of purchase	Name of contractor	Amount of bill
10-12-14	Shurgeel Medical Store	16,926
02-08-14	Al-RehmanMedical Store	53,635
02-08-14	Al-RehmanMedical Store	34,076
05-09-14	Al-RehmanMedical Store	59,700
Total		5,341,268

Purchase of X-Ray Films				
Token No/ Cheque No. and date	Name of contractors	Size of the film	Qty purchased	Amount paid
18460 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
18462 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
3034 dated 30-10-15	Sial Traders	12 X 15	700 No.	99,400
3032 dated 30-10-14	Sial Traders	12 X 15	700 No.	99,400
1830 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
13376 dated 26-05-15	Sial Traders	12 X 15	700 No.	99,400
18303 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
18302 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
18300 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
18305 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
18306 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
7798 dated 26-01-15	Sial Traders	12 X 15	700 No.	99,400
13380 dated 18-06-15	Sial Traders	12 X 15	700 No.	99,400
dated 26-05-15	Sial Traders	12 X15	700 No.	99,400
3033 date30-10-14	Sial Traders	12 X 15	700 No.	99,400
13377 dated 26-05-15	Sial Traders	12 X 15	700 No.	99,400
13375 dated 26-05-15	Sial Traders	12 X 15	700 No.	99,400
18461 dated 18-06-15	Sial Traders	10 X 12	1000 No.	96,000
3035dated 30-10-14	Sial Traders	10 X 12	1000 No.	96,000
13379 dated 26-05-14	Sial Traders	10 X 12	1000 No.	96,000
18313 dated 18-06-15	Sial Traders	10 X 12	1000 No.	96,000
3031 dated 30-10-14	Sial Traders	10 X 12	1000 No.	96,000
7799 dated 26-01-15	Sial Traders	10 X 12	1000 No.	96,000
13378 dated 30-10-14	Sial Traders	10 X 12	1000 No.	96,000
18307 dated 18-06-15	Sial Traders	10 X 12	1000 No.	96,000
11154 dated 07-04-15	Sial Traders	8 x 10 (developer & fixer)	1100 Nos	99,990
18298 dated 18-06-15	Sial Traders	8 x 10 (developer & fixer)	1100 Nos	99,990
18460 dated 18-06-15	Sial Traders	8 x 10 (developer & fixer)	1100 Nos	99,990
Total				2,757,770
Grand Total				8,099,038

Annex-E

[Para 1.2.4.2]

1.2.4.2 Loss to government due to non-deposit of GST- Rs 5.544 million

(Amount in Rupees)

Particular	Name Of Co.	Invoice # & Date	Token #	Date of Bill Pass	Amount	Sales Tax Deducted At Source	Total Sales Tax To be Paid	Remaining Sales Tax
Sales Tax of Development Expenditures								
Purchase of Computers	Computer Communication Technology LHR	31.12.2014	5,738	1/1/2015	5,976,470	81,438	814,375	732,937
Purchase of Computers	Computer Communication Technology LHR	Missing	5,730	1/1/2015	1,999,764	25,976	259,760	233,784
Purchase of Computers	Computer Communication Technology LHR	Missing	9,968	7/3/2015	6,003,228	829,541	872,264	42,723
Purchase of furniture	Royal Furniture Works Toba Tek Sing	4/6/2015	18,842	19-06-15	8,134,845	236,397	1,181,986	945,589
Purchase of furniture	Royal Furniture Works Toba Tek Sing	4/4/2015	11,663	17-04-15	4,999,331	72,639	726,392	653,753
Total								2,608,786
Sales Tax of Contingency								
Particular	Name Of Co.	Invoice # & Date	Token #	Date Of Bill Pass	Amount	Sales Tax Deducted At Source	Total Sales Tax To be Paid	Remaining Sales Tax
Steel Almirah	Kanwar Brothers	25-05-2015			24,570	714	3,570	2,856
Steel Almirah	Kanwar Brothers	28-10-2014			15,152	440	2,202	1,762
Revolving computer Chairs 2	Kanwar Brothers	6/6/2015	18689	19-06-15	10,000	296	1,479	1,183
Split AC (GREE)	Kanwar Brothers	15-08-2012	12484	8/5/15	44,000	1,279	6,393	5,114
UPS Homage 24/W	Kanwar Brothers	6/5/2015			25,974	755	3,775	3,020
Grass Cutter machine	Kanwar Brothers	6/5/2015						
Printer HP 1300	TK Computers	20-02-2015			8,900	1,513	7,565	6,052
Scanner HP	Kanwar Brothers	20-03-2015			7,137	207	1,037	830
Printer HP 2055	Kanwar Brothers	15-06-2015	D188678	19-06-15	19,656	571	2,856	2,285
Stationary	Kanwar Brothers	2/5/2015	B583	30-05-15	23,552	684	3,422	2,738
Stationary	Kanwar Brothers	30-04-2015	13582	30-05-15	17,492	508	2,542	2,034
Stationary	Kanwar Brothers	5/5/2015	D15455	10/6/15	10,350	313	1,564	1,251
Stationary	Kanwar Brothers	4/8/2014			13,186	383	1,916	1,533
Stationary	Kanwar Brothers	7/7/2014			12,823	373	1,863	1,490
Stationary	Kanwar Brothers	3/9/2014	1598	18-09-14	12,227	355	1,777	1,422
Stationary	Kanwar Brothers	1/10/2014	2161	2/10/14	13,549	394	1,969	1,575
Stationary	Kanwar Brothers	1/11/2014	3210	6/11/14	12,847	373	1,867	1,494
Stationary	Kanwar Brothers	2/1/2015			15,362	446	2,232	1,786
Stationary	Kanwar Brothers	4/2/2015			27,542	800	4,002	3,202

Particular	Name Of Co.	Invoice #& Date	Token #	Date of Bill Pass	Amount	Sales Tax Deducted At Source	Total Sales Tax To be Paid	Remaining Sales Tax
Stationary	Kanwar Brothers	5/7/2014	1600	18-09-14	9,729	283	1,414	1,131
Stationary	Kanwar Brothers		5309	19-12-14	15,298	445	2,223	1,778
Printer Cartridge	Kanwar Brothers	-	5310	19-12-14	14,040	408	2,040	1,632
Stationary	Kanwar Brothers	2/12/2015			21,785	633	3,165	2,532
Stationary	Kanwar Brothers	2/3/2015			20,218	588	2,938	2,350
Stationary	Kanwar Brothers	Missing			5,078	147	738	591
Stationary	Kanwar Brothers	2/6/2015			27,074	786	3,934	3,148
Printer Cartridge	Kanwar Brothers	25-10-2014			15,000	442	2,210	1,768
Printer Cartridge	Kanwar Brothers	10/6/2015			19,843	576	2,883	2,307
Printing of file covers	Kanwar Brothers	6/2/2015			7,020	204	1,020	816
Printing of file covers	Kanwar Brothers	10/3/2015	15458	15-06-15	21,528	626	3,128	2,502
Printing of file covers	Kanwar Brothers	4/6/2015	18646	19-06-15	18,299	532	2,659	2,127
Printing of file covers	Kanwar Brothers	12/8/2014	3648	26-08-14	7,020	204	1,020	816
Printing of file covers	Kanwar Brothers	2/10/2014			8,190	238	1,190	952
Printing of file covers	Kanwar Brothers	7/1/2015			9,009	262	1,309	1,047
Printing of file covers	Kanwar Brothers	7/2/2015			5,780	184	918	734
Two Batteries 27 Plats Phonex 12 volts	Kanwar Brothers	10/1/2015	135804	30-05-15	39,195	1,139	5,695	4,556
Two Batteries 27 Plats Exide	Kanwar Brothers	23-02-2015	13585	30-05-15	42,693	1,241	6,203	4,962
Sterilizers 12000 W	Kanwar Brothers	24-06-2015	18666	19-06-15	21,060	612	3,060	2,448
Iron Rack Two	Kanwar Brothers	24-06-2015	1866	19-06-15	44,390	1,290	6,450	5,160
Iron Rack Two	Kanwar Brothers	24-06-2015	18669	19-06-15	44,390	1,290	6,450	5,160
Filters					8,875			-
DSL			2170	2/10/14	8,070			-
Change over , circuit breakers etc	Kanwar Brothers	31-10-2014	3211	6/11/14	16,836	489	2,446	1,957
Folding Ladders	Kanwar Brothers	24-10-2014	2929	29-10-14	7,020	204	1,020	816
Wires	Kanwar Brothers	22-10-2014	2930	29-10-14	21,060	612	3,060	2,448
Cable 7/64 = 13000	Kanwar Brothers	24-06-2015	18665	19-06-15	16,380	476	2,380	1,904
Power plug = 4 @ 250								
Mirrors of tables	Kanwar Brothers	24-10-2014			11,934	346	1,734	1,388
Novel items					7,486			-
UPS Battery Phonix 27 Plats	Kanwar Brothers	4/6/2015	18686	19-06-15	20,475	595	2,975	2,380
Printer HP Laser Jet 2055	Kanwar Brothers	21-03-2015			19,656	571	2,856	2,285

Particular	Name Of Co.	Invoice #& Date	Token #	Date of Bill Pass	Amount	Sales Tax Deducted At Source	Total Sales Tax To be Paid	Remaining Sales Tax
Total								103,322
Grand Total								2,712,108
Amount of GST involved in case of various schools of Dy DEO (EE-M) Arifwala								2.832 million
Total GST involved								5.544 million