



**AUDIT REPORT
ON THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
DISTRICT BAHAWALNAGAR
AUDIT YEAR 2012-13**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Department Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PDG	Punjab District Governments
PLGO	Punjab Local Government Ordinance
POL	Petroleum Oil and Lubricants
RDA	Regional Directorate of Audit
TAC	Tehsil Accounts Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Municipal Regulations)

Preface

Articles 169 and 170 (2) 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 the audit of the receipts and expenditure of the Local Fund and Public Accounts of Tehsil/Town Municipal Administrations of the Districts.

The report is based on audit of the accounts of Tehsil Municipal Administrations of District Bahawalnagar for the financial year 2011-12. The Directorate General Audit, District Governments, Punjab (South), Multan, conducted audit during 2012-13 on test check basis with a view to reporting significant findings to 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 Annexure-I of the Audit Report. The audit observations listed in the Annexure-I 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 observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

Most of the observations included in this Report have been finalized in the light of written responses and discussion with the management.

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 PAC.

Islamabad
Dated:

(Muhammad Akhtar Buland Rana)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Punjab (South), Multan, a Field Audit Office of the Auditor General of Pakistan, is responsible to carry out the audit of all District Governments in Punjab (South) including Tehsil and Town Municipal Administrations. Regional Directorate of Audit Bahawalpur has audit jurisdiction of District Governments, TMAs and UAs of three Districts i.e. Bahawalpur, Bahawalnagar and Rahim Yar Khan.

The Regional Directorate has a human resource of 32 officers and staff, constituting 5,022 man days and the budget of about Rs13.867 million per financial year. It has the mandate 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 R.D.A Bahawalpur carried out audit of the accounts of four TMAs of District Bahawalnagar for the financial year 2011-12 and the findings included in the Audit Report.

Each Tehsil Municipal Administration in District Bahawalnagar is headed by a Tehsil Nazim / Administrator. He/she carries out operations as per Punjab Local Government Ordinance, 2001. Tehsil Municipal Officer is the Principal Accounting Officer (PAO) and acts as coordinating and administrative officer, responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and By-laws. The PLGO 2001 requires the establishment of Tehsil / Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil Nazim / Tehsil Council / Administrator in the form of Budgetary Grants.

The total Development Budget of four TMAs in the District Bahawalnagar mentioned above for the financial years 2011-12 was Rs467.867 million and expenditure incurred of Rs200.799 million showing savings of Rs267.068 million in this year. The total Non-development Budget for financial year 2011-2012 was Rs666.515million and expenditure was Rs665.170 million, showing savings of Rs1.346 million. The reasons for savings in Development and Non-development Budgets are required to be provided by TMO and PAO concerned.

Audit of TMAs of District Bahawalnagar was carried out with the view to ascertain that the expenditure was incurred with proper authorization, in conformity with laws/ rules /regulations, economical procurement of assets and hiring of services etc.

Audit of receipts/ revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules and that there was no leakage of revenue.

a. Audit Methodology

Audit was conducted after understanding the business processes of TMAs with respect to its functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity. Audit used desk audit techniques for analysis of compiled data and review of permanent files / record. Desk Audit greatly facilitated identification of high risk areas for substantive testing in the field.

b. Audit of Expenditure of Receipts

Audit of development expenditure of Rs118.969 million out of total expenditure of Rs200.799 million was carried out, and audit of non-development expenditure Rs640.926 million out of total expenditure of Rs665.170 million for the financial year 2011-2012 was conducted which is 59% & 79% of development and non-development expenditures respectively. Total overall expenditure of TMAs of District Bahawalnagar for the financial year 2011-12 was Rs865.969 million, out of which overall expenditure of Rs759.895 million was audited which, is 87.75% of total expenditure. Therefore, there was 100% achievement of the planned audit activities.

c. Recoveries at the Instance of Audit

Recoveries of Rs121.512 million were pointed out through various audit paras and no recovery was affected till compilation of this Report.

d. Desk Audit

Desk review helped auditors in understanding the systems, procedures, environment of entity and identification of high risk areas for additional compliance testing in the field. The Audit Command Language (ACL) was applied centrally on the Payroll part of appropriation account. As a result, certain irregularities and overpayments were identified, which were communicated to field audit officers for verification and follow-up action.

e. Key Audit Findings

- i. Non Production of record of Rs192.009 million was noted in four cases ¹
- ii. Irregularities of Rs14.054 million were noted in six cases ²
- iii. Performance issues involving an amount of Rs2.600 million were noted in one case ³.
- iv. Weaknesses of internal controls and loss of Rs117.850 million was noted in seventeen cases ⁴.

Audit paras on the accounts for financial years 2011-12 involving procedural violations including internal controls weaknesses, and irregularities which were not considered worth reporting to Provincial PAC, have been included in Memorandum For Departmental Accounts Committee (Annexure-A).

¹ Para: 1.2.1.1, 1.3.1.1, 1.4.1.1, 1.5.1.1

² Para: 1.2.2.1, 1.3.2.1, 1.4.2.1, 1.5.2.1 to 1.5.2.3

³ Para: 1.5.3.1

⁴ Para: 1.2.3.1 to 1.2.3.4, 1.3.4.1 to 1.3.4.4, 1.4.4.1 to 1.4.4.4, 1.5.4.1 to 1.5.4.5

f. Recommendations

Audit recommends that the PAO/Management of TMAs should ensure to resolve the following issues seriously:

- i. Strengthening of financial and managerial controls
- ii. Compliance of DAC directives and decisions in letter and spirit
- iii. Expediting recoveries pointed out by Audit as well as other recoveries in the notice of management
- iv. Compliance of relevant laws, rules, instructions and procedures, etc.
- v. Proper maintenance of accounts and record
- vi. Appropriate actions against officers/officials responsible for violation of rules and losses
- vii. Addressing systemic issues to prevent recurrence of various omissions and commissions.
- viii. Production of record to audit for verification
- ix. Hold investigations for wastage, fraud, misappropriation and losses, and disciplinary actions after fixing responsibilities.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rs. in million)

Sr. No.	Description	No.	Budget / Expenditure
1	Total Entities (PAOs) in Audit Jurisdiction	05	1,417.987
2	Total Formations in Audit Jurisdiction	05	1,417.987
3	Total Entities (PAOs)/ DDOs Audited	04	865.969
4	Audit & Inspection Reports	04	865.969
5	Special Audit Reports	Nil	Nil
6	Performance Audit Reports	Nil	Nil
7	Other Reports (Relating to TMA)	Nil	Nil

Table 2: Audit Observations

(Rs. in million)

Sr. No.	Description	Amount under audit observation
1	Asset management	2.060
2	Financial management	70.972
3	Internal controls	117.850
4	Violation of rules	14.054
5	Others	121.577
Total		326.513

Table 3: Outcome Statistics**Expenditure Outlay Audited (Rs. in million)**

Sr. No.	Description	Physical Assets	Civil Works	Receipt	Non-Salary	Total
1	Outlays audited	17.757	20.577	81.808	352.066	472.208*
2	Amount placed under audit observation / irregularities	2.120	-	72.795	251.598	326.513
3	Recoveries pointed out at the instance of Audit	-	-	72.795	48.717	121.512
4	Recoveries accepted / established at the instance of Audit	-	-	72.795	48.717	121.512
5	Recoveries realized at the instance of Audit	-	-	-	-	-

*The amount in serial No.1 column of “Total Current Year” is the sum of Expenditures and Receipts whereas the total expenditure for the current year was Rs390.400 million.

Table 4: Irregularities pointed out**(Rs. in million)**

Sr. No.	Description	Amount under Audit observation
1	Violation of rules and regulations and principle of propriety and probity.	-
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public funds.	-
3	Quantification of weaknesses of internal controls system.	-
4	Recoveries, overpayments, or unauthorized payments of public money. (Financial Controls).	121.512
5	Non-production of record to Audit	192.009
6	Others, including cases of accidents, negligence etc.	12.992
		326.513

Note: Quantification of weaknesses of internal control systems is combination of financial controls (recoverables) and managerial controls, which becomes Rs121.512 million.

CHAPTER-1

1. TEHSIL MUNICIPAL ADMINISTRATIONS, BAHAWALNAGAR

1.1 INTRODUCTION

Tehsil Municipal Administration (TMA) consists of Tehsil Nazim, Tehsil Naib Nazim and Tehsil Municipal Officer (TMO). Each TMA comprises five Drawing and Disbursing Officers i.e. TMO, TO (Finance), TO Infrastructure & Services (I&S), TO (Regulations), TO Planning & Coordination (P&C) and Tehsil Nazim and Tehsil Naib Nazim. The main functions of TMA's are as follows:

1. Prepare spatial plans for the Tehsil including plans for land use, zoning and functions for which TMA is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations;
3. Enforce all municipal laws, rules and bye-laws governing TMA's functioning;
4. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils;
5. Propose taxes, cesses, user fees, rates, rents, tolls, charges, surcharges, levies, fines and penalties under Part-III of the Second Schedule and notify the same;
6. Collect approved taxes, cess, user fees, rates, rents, tolls, charges, fines and penalties;
7. Manage properties, assets and funds vested in the Tehsil Municipal Administration;
8. Develop and manage schemes, including site development in collaboration with District Government and Union Administration;

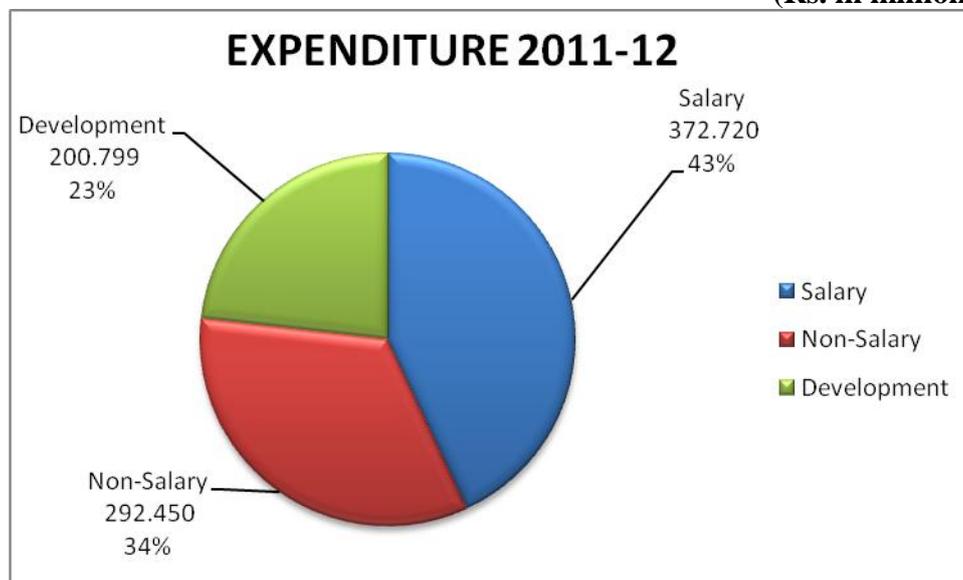
9. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice;
10. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction;
11. Maintain municipal records and archives.

1.1.1 Comments on Budget and Accounts (Variance Analysis)

(Rs. in million)

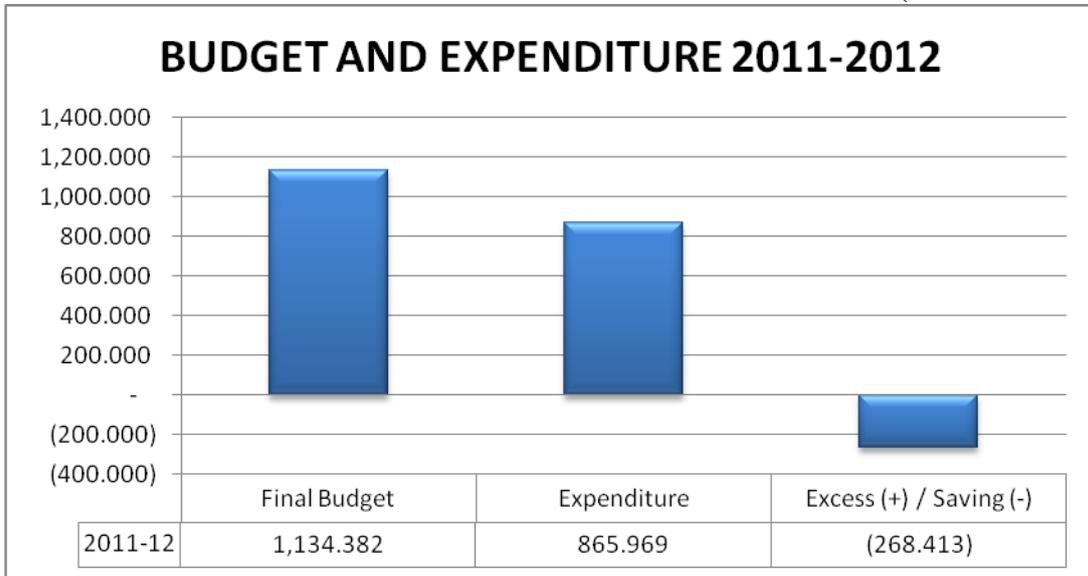
2011-12	Budget	Expenditure	Excess (+) / Savings (-)	% (Savings)
Salary	385.654	372.720	-12.934	3.35%
Non-salary	280.861	292.450	11.589	4.13%
Development	467.867	200.799	-267.068	57.08%
Revenue	-	-	-	-
Total	1,134.382	865.969	-268.413	23.66%

(Rs. in million)



As per the budget books the expenditure relating to TMAs in District Bahawalnagar was Rs 865.969 million against original budget of Rs1,134,382 million. There was a saving of Rs268.413 million for which the reasons should be explained by the PAO, Tehsil Nazims and management of TMAs.

(Rs. in million)



AUDIT PARAS

1.2 TMA Minchanabad

1.2.1 Non Production of Record

1.2.1.1 Non Production of Record – Rs166.263 million

As per clause 14(1) of the Auditor General's (Functions, Powers and Terms & 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 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.

TMO Minchin Abad did not produce record of expenditure incurred/ revenue earned amounting to Rs166.263 million during 2010-12, under different objects / codes of classification, in violation of above rule. The detail is given at Annexure – B.

Legitimacy of expenditure incurred / revenue earned could not be ensured due to non-production of record.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that all the mentioned record is available and ready for the purpose of audit. Reply of the TMO was not acceptable as the record was not shown to audit during DAC meeting. The DAC in its meeting held during February, 2012, directed to produce the record for verification in next regular audit.

No progress was intimated till finalization of this Report.

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

[AIR Para: 31, 26]

1.2.2 Irregularities / Non Compliance

1.2.2.1 Unauthorized Expenditure on Contingent Paid Staff – Rs1.321 million

According to the Austerity Measures for the years 2010-11 and 2011-12, issued by the Finance Department, Government of the Punjab, no contingent paid staff shall be appointed without obtaining prior approval from the Austerity Committee.

TMO Minchin Abad appointed 8 persons as contingent paid staff during 2010-12 without obtaining prior approval from the Finance Department, Government of the Punjab and the Austerity Committee, and incurred expenditure of Rs1.321 million on their wages, in violation of above rules. The detail is given below:

(Amount in Rupees)

Sr. No.	Name of Employee	Designation	Expenditure
1	Shahid Nadeem	Sweeper	165,192
2	Nadeem	Sweeper	165,192
3	Mohammad Amin	Sweeper	165,192
4	Mohammad Ejaz	Sweeper	165,192
5	Ferzana	Sweeper	165,192
6	Pervez	Sweeper	165,192
7	Farooq	Sweeper	165,192
8	Salma	Sweeper	165,192
Total			1,321,536

The irregularity occurred due to non-compliance of instructions of the government and violation of financial discipline.

Appointment of contingent paid staff without prior approval of the competent authority resulted in unauthorized expenditure of Rs1.321 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that appointments on daily wages were made due to shortage of staff and after fulfillment of codal requirements. Reply of the TMO was not correct as the Government of the Punjab imposed ban on appointment of contingent paid staff. The DAC in its meeting held during December, 2012, directed to recover the amount from the person(s) at fault.

No progress was intimated till finalization of this Report.

Audit recommends that the expenditure be got regularized from the competent authority besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 22-2010-12]

1.2.3 Internal Control Weaknesses

1.2.3.1 Loss due to Sale of Sludge Water at Lesser Rates – Rs35.040 million

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

TMO Minchin Abad incurred expenditure of Rs6.327 million approximately during 2010-12 on account of electricity and POL used for D-watering / disposal of sludge water. The disposal pumps were used for 70,040 hours during 2010-12. Instead of dumping the waste at proper places, TMO auctioned the sludge water for Rs25,500 for use in nearby fields for cultivation purposes. The contractors started selling the water to other farmers at hourly rate of Rs 300-500 per hour and earned Rs 21.024 million to Rs35.040 million approximately. Audit is of the opinion that TMA could have earned Rs17.520 million instead of Rs25,500 only by properly managing the facility which a common man with limited resources did.

The loss occurred due to ineffective financial controls of the management.

Government sustained a loss of Rs35.040 million due to improper management and undue favor to the contractors.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that auction was made under supervision of DCO after advertisement through press and the bids were high as compared to preceeding year's revenue. Reply of the TMO was not acceptable as TMA could earn more revenue by properly managing the facility. The DAC in its meeting held during February, 2012, directed to recover the amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends recovering due amount besides taking disciplinary action against the person(s) at fault, under intimation to Audit

[AIR Para: 8]

1.2.3.2 Loss due to Non /Less Realization of Revenue and Arrears –Rs10.853 million

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

TMO Minchin Abad did not make due efforts during 2010-12 to recover / realize revenue and arrears of revenue of Rs10.063 million on account of rent of shops, water rates and entertainment tax etc in violation of above rule. Moreover, recovery of Rs789,556 from 402 water connections was neither effected nor recognized as arrears. The detail is given at Annexure – C.

The loss occurred due to ineffective financial controls and laxity of the management.

TMA was facing financial hardships due to less realization of Government revenue worth Rs10.853 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that notices have been issued to defaulters for recovery of arrears and some amount has been recovered under various heads. Most of the connections of water supply have been disconnected and connections exist in record only. Efforts are being made to auction solid waste of the tehsil. Shops at old sabzi mandi are in poor condition, no circus or theater activity was performed in the tehsil, building of Chungi-I is in official custody of TMA, hall of TMA Minchin Abad is under construction, Dewatering set is not given on rent to public and building of TMA is in official use of sanitation staff. Replies of the department were not accepted as substantiating evidences were not produced in support of replies. The DAC in its meeting held during December, 2012, directed TO (I&S) to inquire into the matter regarding zero collection against water rate of Rs789,556 and recover remaining amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends early finalization of inquiry proceedings and recovery of Rs10.063 million, under intimation to Audit.

[AIR Paras: 15, 17, 6 & 9]

1.2.3.3 Loss due to Realization of Rent at Less than Prevailing Market Rates – Rs4.874 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.

TMO Minchin Abad realized rent from 30 shops located in different markets at abnormally low rates than the prevailing market rates of the locality which indicated that undue favor was extended to some persons and either those shops were allotted to concerned at abnormally low rates than the prevailing market rates or reserve price for auction of shops was not properly calculated at that time. Moreover, the lease agreements of these shops were not renewed and rent was not re-fixed keeping in view current market situations. As a result, government sustained a loss of Rs4.874 million during 2010-12.

(Amount in Rupees)

Sr. No.	Name of Market	No. of Shops	Avg. Rate Charged	Market Rates	Difference	Monthly Loss
01	Main Market Shops	08	3,964	15,000	11,036	88,288
02	Madni Chowk Shops	08	2,358	10,000	7,642	61,136
03	Jadeed Hospital Shops	07	2,260	7,000	4,740	33,180
04	Jadeed Hospital Cabins	03	821	4,000	3,179	9,537
05	Plot of DSP Office	01	1,036	5,000	3,964	3,964
06	Near Grid Station	01	585	3,000	2,415	2,415
07	Near Graveyard	01	585	3,000	2,415	2,415
08	Dhak Pattan Road	01	825	3,000	2,175	2,175
Totals		30				203,110
Annual Loss						2,437,320
Total Loss For 2010-11 & 2012						4,874,640

The loss occurred due to ineffective financial controls and undue favour to the tenants.

Realization of rent at less than prevailing market rates caused a loss of Rs4.874 million to the government.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that rent of shops depends upon size and location of the

shop and the rent being charged is greater than prevailing market rent. Reply of the TMO was not acceptable as no substantiating evidence regarding equality of rent with prevailing market rent was produced in support of reply. The DAC in its meeting held during February, 2012, directed to recover the loss at the earliest and re-fix rent of shops at prevailing market rates.

No progress was intimated till finalization of this Report.

Audit recommends to recover the loss at the earliest and to re-fix rent of shops at prevailing market rates, under intimation to Audit.

[AIR Para: 21]

1.2.3.4 Non Conducting of Survey of Commercial Entities

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

TMO Minchin Abad received and deposited Rs140,200 during 2011-12 on account of license and permit fee. The revenue generated by the TMA staff was abnormally low because,

- i. Only 691 business units were on record of the TMA and not a single penny was shown realized from grocessory shops, jewelers, cloth merchants, barbers, beauty parlors, garments shops, property dealers, shoes shops, hosiery shops, general stores, medical stores, pesticides dealers, spare parts dealers, furniture marts, book sellers etc which clearly indicated that demand and collection register was not properly maintained just to misappropriate revenue of substantial amount.
- ii. Fresh survey of the business units was not on record and persons of the area were habitual to carryout their business without obtaining license / permits from the TMA and the administration was silent on this situation

The loss occurred due to conducting of fresh surveys, incorrect maintenance of demand and collection registers and ineffective financial and managerial controls.

Due to non conducting of fresh surveys, incorrect maintenance of demand and collection registers government sustained substantial loss of revenue besides government's efforts to document the economy wasted.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that all business units are not under tax jurisdiction of TMA, therefore taxes cannot be collected from them. Reply of the TMO was not acceptable as fresh surveys were not carried out and many persons were doing business without obtaining license / permit from the TMA. Moreover, documenting / registering business units in the tehsil was responsibility of the TMA. The DAC in its meeting held during February, 2012, directed to recover the amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends to inquire the matter at an appropriate level besides recovery of misappropriated amount (if any), under intimation to Audit.

[AIR Para: 18]

ANNEXURE

Annexure – I**(Rs. in million)**

Sr. No.	Para No.	Subject	Amount (Rs)	Nature
1	4	Expenditure on works beyond function	1.348	Violation of rules
2	21	Loss due to charging less rates	4.875	Violation of rules
3	23	Loss due to doubtful purchase of fire brigade	2.500	Violation of rules
4	24	Loss due to non collection of sewerage tax	30.000	Violation of rules

List of MEFDAC Paras**(Rs. in million)**

Sr. No.	Para No.	Subject	Amount (Rs)
1	1	Loss due to illogical billing	0.278
2	2	Loss due to drawing fictitious repair bills	0.120
3	3	Loss due to showing unjustified fuel expenditure	0.120
4	5	Loss to govt. by non realization	0.109
5	7	Loss due to postponing the date of auction	0.116
6	10	Loss due to irregular drawal of conveyance allowance	0.085
7	11	Loss due to purchase of fuel at higher rate	0.088
8	12	Loss due to non recovery of professional tax	0.078
9	13	Loss due to unauthorized travelilng	0.100
10	16	Loss due to misappropriation of billing	0.110
11	19	loss due to less collection	0.188
12	20	Loss due to purchase at higher rate	0.316
13	25	Loss due to fictitious drawal of bill	0.130
14	26	Loss due to irregular drawal of bill	0.117
15	27	Loss due to missing of sports items	0.210
16	28	Loss due to unjustified drawal of pol	0.231
17	29	Loss due to irregular drawal of allowances	0.341

Non Production of Record

(Amount in Rupees)

Sr. No.	Detail of Record	Amount
1	Record of Revenue / Fee Heads i.e. Agriculture Land / Plots of TMA in Minchin Abad City & Non Head Quarter MSG, Rs 827,000, Miscellaneous Incomes Rs1,410,000, Application Fee (MND & MSG) Rs2,000, License Fee (Dangerous & Offensive Trades) Rs280,000, Sale of Solid Waste Rs16,500, Sale of Store & Material Rs60,000, Tender Fee Rs180,000, House Building Advance Rs 100,000, License Fee (Others) Rs440,000, Other (Land Revenue Arrears) Rs5,151,647, Grant from Provincial Govt. Rs131,256,000, Rent of Municipal Property-Chungi No. 04 & shops at MSG, Rs 992,040, Fee for Approval of Building/Construction Plan MSG Rs 70,000, Rent of Residential Plots at MSG Rs 430,000, Arrears MSG Rs4,744,679, Rent of Municipal Property-Chungi No. 1-2 Rs 186,000.	146,145,866
	Schedule of payment.	-
	Telephone Register, Photocopy Register, Assets Register & Attendance Register.	-
	Record of T.A, D.A of Officers.	-
	Quarter wise rates of material items.	-
	Log Books of Generators, Dewatering sets, peter engines and jeep.	-
	List of employees appointed and retired during the period of Audit.	-
	Details of disciplinary proceedings against any staff member.	-
	Statement of Transactions.	-
	Stock Registers and record of distribution & Dead Stock Register.	-
	Service Books of staff.	-
	Personal Files of Contract Staff.	-
	History Sheet Registers of Vehicles and generators etc.	-
	Expenditure Statements.	-
	Electricity Bills of all meters of 02 years.	-
2	Vouched account of electricity bills paid vide cheque No. 73482541 dated 08.10.11	117,135
	Total	166,263,001

Loss due to Non /Less Realization of Revenue and Arrears

(Amount in Rupees)

Sr. No.	Revenue head	Mode of Collection	Arrear Amount	Since
01	Water Rates MSG	Self Collection	744,575	2010-11
02	Rent of Shops	Self Collection	489,068	2010-11
03	Water Rates MND	Self Collection	215,012	2010-11
04	Water Rates MND	Self Collection	64,920	2011-12
05	Rent of Municipal Shops MSG	Self Collection	442,124	2010-11
06	Rent of Commercial Plots MSG	Self Collection	665,680	2010-11
07	Rent of Residential Plots MSG	Self Collection	827,046	2010-11
08	Arrears (Others)		865,150	2010-11
06	Other Land Revenue Arrears MND	Self Collection	1,410,283	2010-11
Totals			5,723,858	

(Amount in Rupees)

Sr. No.	Detail of Connections	Year	Type	No. of Connections	Monthly Rate	Recovery
01	Water Rates MSG	2010-11	Commercial	38	50	22,800
02	Water Rates MSG	2010-11	Household	62	30	22,320
03	Water Rates MSG	2011-12	Commercial	38	50	22,800
04	Water Rates MSG	2011-12	Household	62	30	22,320
05	Water Rates MND	Since 1997	Household	202	30	699,316
Totals				402		789,556

(Amount in Rupees)

Sr. No.	Head	Year	Status	Approximate Loss
1	Sale of solid waste present at Non Head Quarter (MSG)	2010-11	Remained Un-Collected	200,000
2	Sale of solid waste present at Non Head Quarter (MSG)	2011-12	Remained Un-Collected	200,000
Total				400,000

(Amount in Rupees)

Sr. No.	Head	Status	Approximate Rate	Since	Loss (Rs.)
01	04 Shops at Mandi Sadiq Ganj	Un-Collected	Rs. 5,000 per month	Last 02 years	480,000
02	Building of Chungi No. 01, Mandi Sadiq Ganj	Un-Collected	Rs. 15,000 per month	Last 02 years	360,000
03	Sabzi Mandi MND	Un-Collected	05% from each (Buyer & Seller)	Unidentified period	1,000,000
04	Cattle Pound MND	Un-Collected	Rs. 10 to Rs. 110	Unidentified period	200,000
05	Entertainment Tax of 07 different types (Circus etc.)	Un-Collected	Rs. 10 to Rs. 1,000	Unidentified period	200,000
06	Rent of Hall	Un-Collected	@ Rs. 500 per day	Unidentified period	200,000
07	Rent of Grassy Plot	Un-Collected	@ Rs. 500 per day	Unidentified period	200,000
08	Rent of Dewatering Set	Un-Collected	@ Rs. 200 per day	Unidentified period	200,000
09	Sabzi Mandi MSG	Un-Collected	05% from each (Buyer & Seller)	Unidentified period	500,000
10	Place of Old TMA Building	Un-Collected	25,000	Unidentified period	600,000
Total					3,940,000
Grand Total					10.853

1.3 TMA Chishtian

1.3.1 Non Production of Record

1.3.1.1 Non maintenance / provision of official record – Rs8.268 million

As per clause 14(1) of the Auditor General’s (Functions, Powers and Terms & 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 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.

TMO Chistian did not produce record of expenditure incurred/ revenue realized under different objects / codes of classification amounting to Rs8.268 million during 2010-12, in violation of above rule.

(Amount in Rupees)

Sr. No.	Description of record	Amount
1	Receipt books, tickets and other supporting record maintained by the contractors of collection rights.	8,268,000
2	Bank statements and detail of bank accounts, detail property and encroached property, list of staff regularized, list of employees promoted, detail of CCB schemes and related record, detail of new registered suppliers, detail of auction of shops, survey conducted, detail of disciplinary proceedings, log book of vehicles, performance security register, arrears demand and collection register, measurement books, record of professional tax, slaughtering fee, rent of property / shops etc.	-
Total		8,268,000

Non production of record may lead to doubts of misappropriation and fraud. Legitimacy of expenditure could not be ascertained due to non production of record

The matter was reported to the TMO and Administrator of the TMA during October, 2010. TMO replied that notice for production of record was served to the contractor; the record will be shown soon. The DAC in its meeting held during November, 2012, directed to get the record verified at the earliest.

No progress was intimated till finalization of this Report.

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

[AIR Paras: 11 & 41]

1.3.2 Irregularities / Non Compliance

1.3.2.1 Unauthorized Expenditure on Contingent Paid Staff – Rs4.287 million

As per Austerity Measures issued by the Finance Department, Government of the Punjab, “no contingent paid staff shall be appointed without obtaining prior approval from the Austerity Committee constituted for this purpose.

TMO Chistian appointed contingent paid staff during 2010-12 without obtaining prior approval from the Austerity Committee and incurred expenditure of Rs4.287 million on their wages, in violation of above rules.

The irregularity occurred due to non-compliance of instructions of the government and violation of financial discipline.

Appointment of contingent paid staff without obtaining prior approval from the competent authority resulted into unauthorized expenditure of Rs4.287 million.

The matter was reported to the TMO and Administrator of the TMA during the month of October, 2012. TMO replied that no staff has been appointed as work charge basis but the staff on daily wages has been appointed for 89 days against vacant post of sanitation. So, no need to obtain the prior approval from Finance Department. Reply of the department was not tenable as the Austerity Measures were communicated to the LG&CD Department for strict compliance under which Government of the Punjab imposed ban on appointment of contingent paid staff. The DAC in its meeting held during November, 2012, directed to recover stated amount and deposit into relevant head of account.

No progress was intimated till finalization of this Report.

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

[AIR Para: 7]

1.3.3 Internal Control Weaknesses

1.3.3.1 Loss due to Non / Less Realization of Revenue and Arrears – Rs2.922 million

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

TMO did not make due efforts during 2011-12 to recover / realize revenue of Rs2.922 million on account of rent of shops, license & permit fee, sale of sludge water, etc in violation of above rule. The detail is given at Annexure – B.

(Amount in Rupees)

Sr. No.	Particulars	Period	Recoverable Amount
1	Auction of Plots	2010-11	1,939,662
2	B.T.S Tower installation charges	-do-	450,471
3	Auction of Canteen	-do-	10,000
	Auction of Toilet	2011-12	18,159
	Auction of Sludge Water	-do-	65,000
	General Bus Stand Fee	-do-	32,000
4	License and permit fee	-do-	407,040
	Total		2,922,332

The loss occurred due to ineffective financial controls and laxity of the management.

TMA was facing financial hardships due to less realization of Government revenue worth Rs2.922 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. The TMO replied that all amount of auction of plots have been recovered and for BTS Towers notices have been served to the telecome companies. For other receipts notices have been served for recovery. The sale of sludge water was not made as no participant take part in the auction despite repeted advertisement for the sale of sludge water. The DAC in its meeting held during November, 2012, directed to recover stated amount at the earliest.

No progress was intimated till finalization of this report.

Audit recommends that amount of Rs2.922 million be recovered and deposited into relevant head of account besides taking disciplinary action against the persons at fault under intimation to audit.

[AIR Paras: 1, 2, 9, 17]

1.3.3.2 Loss due to Non Recovery of Penal Rent– Rs1.377 million

According to letter No. FD (M-1)1-15-82-P-I dated 15.01.2000 issued by the Finance department, Government of the Punjab, penal rent @ 60% of basic pay shall be recovered from the unauthorized occupants of government residences.

Five residences of TMA Chistian were occupied by unauthorized persons. TMO did not take action to get the residences vacated from illegal occupants. Moreover, penal rent amounting to Rs1.377 million was not recovered during 2010-12 from the unauthorized occupants, in violation of above rule.

The loss occurred due to ineffective financial and managerial controls.

Non-recovery penal rent resulted into loss of Rs1.377 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2010. TMO replied that notices have been served to the occupant of the quarters for vacation and recovery of penal rent. The DAC in its meeting held during November, 2012, directed to recover the stated amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that amount of Rs1.377 million be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 19]

1.3.3.3 Non-Registration of Private Housing Schemes

As per rule 4&38 of the Punjab Private Housing Schemes and Land Sub-division Rules 2010, the developer shall submit an application to the TMA, for seeking preliminary planning permission for a scheme before initiating any planning or development activity and shall pay the prescribed fee. Furthermore, rule 35(1) of said

Rules empower the TMO to monitor the development work of the schemes and ensure that there is no deviation from the sanctioned scheme plan

In jurisdiction of TMO Chishtian 41 private housing schemes carried out development and marketing activities without registration, approval of schemes, map design and specifications. These schemes did not apply for the registration and therefore did not pay the fee on account of registration and other prescribed requirements. Moreover, the TMO did not take appropriate action to stop unauthorized and unapproved development and marketing activities and did not carry out survey for compliance of Building Byelaws for these housing schemes, in contravention to above referred rules.

The loss occurred due to negligence of the department.

Audit holds that illegal and unauthorized activities are not checked by the TMA and huge loss of revenue is caused to the public exchequer due to not taking appropriate action and recovery by TMA.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that notices have been served to all these schemes and necessary action is also being taken under law. The DAC in its meeting held during November, 2012, directed for strict compliance of audit directives.

No progress was intimated till finalization of this Report.

Audit recommends that amount of loss be recovered from the owners of the housing schemes or the officers responsible for not getting the housing schemes registered and deposited into Public Fund besides taking disciplinary action against the officers, under intimation to Audit.

[AIR Para: 38]

1.3.3.4 Non Vacation of Encroached Property

According to rule 3(K) of the Punjab Local Govt. (Property) Rules, 2003, the manager / chairman shall be vigilant and check encroachments or wrongful occupants on property and in case there is any encroachment or wrongful occupation take necessary steps for the removal thereof.

TMO Chishtian did not take appropriate action during 2010-12 to get more than 532 kanals of its land vacated from the persons who unlawfully occupied the property valuing in millions.

The loss occurred due to improper control over assets and lack of due diligence on the part of the management.

Improper control over assets resulted into encroachment of valuable property and hence loss to the government.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. The TMO replied that efforts are being made to vacate the encroached property. The DAC in its meeting held during November, 2012, directed for strict compliance of audit directives ie getting the land vacated from unauthorized occupants.

No progress was intimated till finalization of this Report.

Audit recommends that getting the land vacated from illegal occupants at the earliest besides taking necessary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 39]

ANNEXURE

Annexure – I**(Rs. in Million)**

Sr. No.	Para No.	Subject	Amount (Rs)	Nature
1	5	Un-justified Expenditure on Construction of METaled Road, PCC Blocks & Sewerage Schem at Approved Katchi Abadi Near High School No. 2	0.175	Violation of Rules
2	18	Loss due to non realization of rent of Govrnment Dues	0	Violation of Rules
3	29	Un-justified expenditure on establishment of Ramazan Bazar and other Occasions	0.931	Violation of Rules
4	30	Irregular expenditure on repair of TMO Residence	0.071	Violation of Rules
5	31	Non obtaining of Performance Security	0.899	Violation of Rules
6	35	Un-justified expenditure on different occasions	0.306	Violation of Rules
7	40	Doubtful expenditure on construction of Genertor Room	0.068	Misappropriation

Annexure – A**LIST OF MEFDAC PARAS****(Rs. in Million)**

Sr. No.	Para No.	Subject	Amount (Rs)
1	4	Doubtful / Un-justified Expenditure on Repair of Drain, Cover Slab, PC Block, Manholes Covers etc.	1.110
2	15	Loss to Government due to Auction or Collectino Less Than Reserve Price	8.840

Annexure – B
[Para 1.3.3.1]

Non / Less Realization of Revenue

(Amount in Rupees)

Sr. No.	Particulars	Period	Amount Due	Amount Recoverd	Recoverable Amount
1	Auction of Plots	2010-11	2,468,974	529,312	1,939,662
2	B.T.S Tower Installation	-do-	450,471	0	450,471
3	Auction of Canteen	-do-	10,000	0	10,000
	Auction of Laterine	2011-12	18,159	0	18,159
	Auction of Sludge Water	-do-	65,000	0	65,000
	General Bus Stand Fee	-do-	32,000	0	32,000
4	Rent of Property and Assets	2010-12	300,000	0	300,000
5	Sale of Sludge water City Disposal	-do-	1,202,000	0	1,202,000
	Sale of Sludge water Settlite Town	-do-	1,202,000	0	1,202,000
	Sale of Sludge water Old Chishtian	-do-	1,202,000	0	1,202,000
6	POL & Electricity Charges	-do-			0
7	Rent of Shops	-do-			0
8	Professional Tax	-do-	0	0	407,040
Total					6,917,997

1.4 TMA Haroonabad

1.4.1 Non Production of Record

1.4.1.1 Non Production of Record – Rs4.996 million

As per clause 14(1) of the Auditor General’s (Functions, Powers and Terms & 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 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.

TMO Haroonabad awarded 8 contracts of collection rights etc for Rs4.996 million during 2010-12. The contractors were required to maintain complete record of revenue earned by them and submit the same to the TMA at end of each financial year, but the contractors violated the terms of agreement and neither submitted the record to TMA in violation of rule 19 of the Punjab Local Government’s (Auctioning of Collection Rights) Rules 2003 nor produced to audit for verification. The detail is given below:

(Amount in Rupees)

Sr. No.	Auction Head	Period	Amount
1	Slaughtering Fee	2011-12	192,600
2	Fee Cattle Mandi KhurdwaKalan	2010-12	2,396,819
3	Fee for Bones of Dead Animals	2010-12	540,020
4	Publicity Fee	2010-12	452,545
5	Mazbah Khana Fee	2011-12	44,940
6	Disposal Urban Area	2010-11	160,500
7	Bus Stand Fee	2010-11	1,128,750
8	Sullage Water	2010-11	80,250
Total			4,996,424

Legitimacy of revenue realized could not be ensured due to non-production of record.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that all collected receipt books from contractor are submitted into store. Reply of department was not tenable as the record was not got

verified from audit. The DAC in its meeting held during November, 2012, directed to get the record verified at next regular audit.

No progress was intimated till finalization of this Report.

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

[AIR Paras: 2]

1.4.2 Irregularities / Non Compliance

1.4.2.1 Unauthorized Expenditure on Contingent Paid Staff–Rs2.672 million

As per Finance Department letter No. F.D SO (G-I) 6-40-2009 dated 18.07.2009 and No. FD.SO (Goods) 44-4/2010 dated 09.08.2010 “No contingent paid staff shall be appointed without obtaining prior approval from the Austerity Committee.

TMO Haroonabad appointed 4 persons as contingent paid staff during 2010-12 without obtaining prior approval from the Finance Department, Government of the Punjab and the Austerity Committee, and incurred an expenditure of Rs2.672 on their wages, in violation of above rules.

The irregularity occurred due to non-compliance of instructions of the government and violation of financial discipline.

Appointment of contingent paid staff without obtaining prior approval from the competent authority resulted into unauthorized expenditure of Rs2.672 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that the as per instruction issued in 2009 by the Government the TMO can appoint employees on daily wages without approval of the Finance Department. Reply of the department was not tenable as the Austerity Measures were communicated to the LG&CD Department for strict compliance under which Government of the Punjab imposed ban on appointment of contingent paid staff. The DAC in its meeting held during November, 2012, directed to recover the amount within two weeks.

No progress was intimated till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority besides taking disciplinary action against the person held responsible under intimation to Audit.

[AIR Para: 4, 17]

1.4.3 Internal Control Weaknesses

1.4.3.1 Loss due to Non Renewal of Lease Agreement – Rs28.992 million

According to para 16 (a)(b) chapter-V of the Punjab Local Government (Property) Rules 2003, the immovable property shall be given on lease through competitive bidding and the period of such lease shall be allowed up to five years at a time. Moreover, as per Local Government notification No. S-III/2-11/80 dated 07.07.1982, after the expiry of five years, the terms and conditions of extension of lease may be resettled between the lessees and local council concerned by negotiation keeping in view the prevalent rent of such shops. If the conditions of negotiation is not acceptable to the lessees or parties concerned fail to arrive at any agreeable decision. The shops should be re-auctioned according to prescribed procedure.

TMO Haroon Abad allotted 604 shops to different persons for 01 year during 1983, but these shops were neither re-auctioned through competitive bidding nor were their rent re-fixed as per prevailing market rates, in violation of above rules, which resulted into loss of Rs28.992 million.

The loss occurred due to ineffective financial controls and negligence of the management.

Non renewal of lease agreements caused a loss of Rs28.992 million to the Government.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that the rent has been increased according to the market value. As far as the question of re-auctioning is concerned the same was not made because as and when the re-auctioning process started the said allottees filed cases in the court of law due to which re-auctioning of these shops had not been made up til now. Reply of the TMO was not tenable as the rent was less than prevailing market rates and efforts were not made to auction / re-fix lease rent as per terms of agreement. The DAC in its meeting held during November, 2012, directed that lease agreements be re-newed and rent fixed at prevailing market rates and loss of Rs28.992 million be recovered and deposited into relevant head of account.

No progress was intimated till finalization of this report.

Audit recommends that lease agreements be renewed and rent fixed at prevailing market rates and loss of Rs28.992 million be recovered and deposited into

relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 31, 18]

1.4.3.2 Loss due to Non /Less Realization of Revenue and Arrears – Rs9.692 million

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

TMO did not make due efforts during 2010-12 to recover / realize revenue of Rs9.692 million on account of rent of shops, sewerage tax, charges for installation of BTS towers etc in violation of above rule. The detail is given below:

(Amount in Rupees)

Sr. No.	Particulars	Less Realization
1	Sewerage Tax	5,816,400
2	Used Mobile Oil	175,490
3	BTS Tower Installation Fee	450,471
4	Arrears of shops, property etc	3250,000
	Total	9,692,361

The loss occurred due to ineffective financial controls and laxity of the management.

TMA was facing financial hardships due to less realization of Government revenue worth Rs9.692 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that sewerage tax is not imposed by the TMA and used mobile oil was adjusted as service charges for changing the oil. Notices have also been served to illegal BTS Towers for recovery. Replies of the TMO were not acceptable as government sustained loss due to non imposition of sewage tax. Moreover, no substantiating evidences were produced in support of the reply. The DAC in its meeting held during November, 2012, directed to recover the amount and deposit it in the relevant head of account.

No progress was intimated till finalization of this Report.

Audit recommends that stated amount be recovered and deposited into relevant head of account besides taking disciplinary action against the persons at fault under intimation to Audit.

[AIR Paras: 10, 27, 11]

1.4.3.3 Abnormal Delays in Completion of Work and Non-Imposition of Penalty – Rs1.401 million

As per clause 2 of agreement form, if the contractor fails to complete the work within the specified period, he shall be liable to pay penalty @ 1% or smaller amount of estimated work for every day the quantity of work remain incomplete but the entire amount of penalty shall not exceed 10% of the cost of works.

The contractors of TMA Haroon Abad did not work with the desired pace and abnormally delayed completion of 12 development projects during 2010-12. TMO did not take appropriate action to improve the pace of work. The contractors were also granted undue favor and penalty @ 10% of contract price was not imposed despite the fact that they were neither granted time extension nor their requests for the same were on record and in some cases the time extension was granted on unjustified reasons, which resulted into loss/over payment of Rs1.401 million. The detail is given at Annexure – B.

The loss occurred due to undue favour to the contractors and ineffective internal controls.

Undue favour to the contractors resulted in abnormal delays in completion of development projects and loss of Rs1.401 million due to non-imposition of penalty.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that it depends on the authority who grants extension in time limit to impose penalty or to leave him after giving warning. Reply of the TMO was not acceptable as in some cases time extension was not granted and in some cases it was granted on unjustified reasons. Moreover, no substantiating evidence was produced in support of the replies. The DAC in its meeting held during November, 2012, directed for strict compliance of audit directives i.e. to receive amount of penalty.

No progress was intimated till finalization of this Report.

Audit recommends that amount of penalty be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 39]

1.4.3.4 Unjustified Expenditure on Repair of Fire Brigade – Rs1.195 million

According to rule 2.31 of PFR Vol-I, drawer of bill for pay, allowance, contingent & other expenses will be held responsible for any over charges, frauds and misappropriations.

TMO Haroon Abad incurred expenditure of Rs1.195 million during 2010-12 on repair of Fire Brigade BN-9639. The expenditure was unjustified as the fire brigade was on road during the period of repair and consumed POL for fire fighting, running / warming of vehicle etc. the situation indicated that either consumption of POL or expenditure on repair of vehicle was incorrect and misleading.

The irregularity occurred due to non-compliance of financial discipline, which resulted in irregular expenditure of Rs1.195million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. The TMO replied that the repair of the vehicle was done after approval from the Executive Agricultural Engineering Field Work Shop Bahawalnagar and after fulfilling all codal formalities. Reply of the TMO was not acceptable as log book indicated that the vehicle was in good working condition during the period of repair consumed POL daily. The DAC in its meeting held during November, 2012, directed to recover the stted amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that recovery be effected and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 22]

ANNEXURE

Annexure – I**(Rs. in million)**

Sr. No.	Para No.	Subject	Amount (Rs)	Nature
1	3	Misappropriation of A/c and official record	4.996	Misappropriation
2	5	Non Recovery of POL & Electricity Charges	1.250	Violation of Rules
3	8	Irregular payment of holiday allow	2.237	Violation of Rules
4	12	Loss to govt. due to non achievement of targets	2.887	Violation of Rules
5	15	Intensively less fixation of target	2.006	Violation of Rules
6	16	Non Allocation of prescribed ratio of funds	5.451	Violation of Rules
7	29	Loss to govt. due to non collection of transfer fee	2.120	Violation of Rules
8	32	Non approval of housing scheme	5.125	Violation of Rules
9	33	Loss due to leased out of pump at lesser rate	5.883	Violation of Rules
10	42	Non imposing of penalty	1.401	Violation of Rules

List of MEFDAC Paras**(Rs. in million)**

Sr. No.	Para No.	Subject	Amount (Rs)
1	1	Non Obtaining /deposit of income tax	0.074
2	6	Irregular Expenditure for payment of Street lights	0.045
3	9	Loss to govt. due to irregular payment of conveyance allow	0.087
4	13	Loss to Govt. due to zero collection of revenne	0.345
5	14	Unjustified drawal of integrated allown	0.72
6	19	Loss due to payment of CA Allowance during leave	0.019
7	20	Unjustified payment of Honaria	0.019
8	21	Loss to Govt. due to allotment of residence	0.106
9	24	Doubtful expenditure of POL regarding traveling during holiday	0.056
10	25	Loss to Govt. due to fictitious billing	0.102
11	26	Misappropriation of funds	0.165
12	28	Misappropriation on account of mobil oil	0.175
13	34	Unjustified repair of tractor	0.145
14	35	Unjustified repair of tractor	0.159
15	37	Un authorized payment of HRA	0.432
16	38	Fradulant drawal of benefit	0.241
17	41	Irregular expenditure on sports	0.139

Annexure – B
[Para 1.4.3.3]

**NON IMPOSITION OF PENALTY DUE TO DELAY IN COPLETION OF
DEVELOPMENT WORK**

(Amount in Rupees)

Sr. No.	Name of Scheme	Cost	Due date of completion	Actual date of completion	Penalty
1	Tuff tile from carpatted road to Saddique Hotel Haroon Abad	7,000,000	01.06.2011	17.09.2011	700,000
2	Construction of Water Supply Scheme Chak No. 72/4R	1,800,000	12.06.2011	16.08.2012	180,000
3	Constructio of Mettled Road Chak No. 95/6R	1,500,000	12.06.2011	07.11.2011	150,000
4	Special Repair of TMO residence	335,000	12.04.2011	27.09.2011	33,500
5	Repair of quarter salahudin driver TMA Haroon Abad	450,000	28.05.2011	07.10.2011	45,000
6	Construction of Bath Room Office TO (P&C) TMA Haroon Abad	100,000	08.03.2011	02.07.2011	10,000
7	Re-surfacing Patch Work, Roads Cutts Inside City Haroon Abad	1,000,000	26.06.2012	20.07.2012	100,000
8	Construction of Metalled Road Chak No. 95/6R Remaining Work	400,000	30.03.2012	27.05.2012	40,000
9	Providing & lying RCC Swere Line ec. Haroon Abad	1,272,750	29.02.2012	15.04.2012	127,275
10	Repair of Water Course Water Suppply Scheme 123-6R Faqirwali Tahsil Haroon Abad	50,000	11.01.2012	30.01.2012	5,000
11	Desalting of Water Supply Diggri Madin Colony Faqir Wali Teshil Haroon Abad	50,000	30.01.2012	03.03.2012	5,000
12	Repair of Boundary Wall Non Head Quarter Faqir Wali Tehsil Haroon Abad	50,000	30.01.2012	05.03.2012	5,000
Total					1,400,775

1.5 TMA Fort Abbas

1.5.1 Non Production of Record

1.5.1.1 Non Provision of Record – Rs12.482 million

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

TMO did not produce record of expenditure incurred/ revenue realized under different objects / codes of classification amounting to Rs12.482 million during 2010-12, in violation of above rule.

(Amount in Rupees)

Sr. No.	Description of record	Amount
1	Receipt books, tickets and other supporting record maintained by the contractors of collection rights.	12,482,000
2	Detail property and encroached property, list of staff regularized, list of employees promoted, detail of CCB Schemes detail of new registered suppliers, detail of auction of shops, survey conducted, detail of disciplinary proceedings, log book of vehicles, performance security register, arrears demand and collection register ,etc.	-
Total		12,482,000

Non production of record may lead to doubts of misappropriation and fraud. Legitimacy of expenditure could not be ascertained due to non production of record.

The matter was reported to the TMO and Administrator of the TMA during October, 2010. TMO replied that record relating to accounts of income such as receipt books was not provided to the contractors. Now this practice has been stopped and receipt books are being provided to the contractors. Furthermore, the TMA record is available in TMA and will be shown to next audit party. The DAC in its meeting held during November, 2012, directed to get the record verified from audit.

No progress was intimated till finalization of this Report.

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

[Paras: 12 & 44]

1.5.2 Irregularities / Non Compliance

1.5.2.1 Irregular Expenditure due to Non-Compliance of PPRA Rules – Rs2.120 million

According to Rule 9 and 12(1) of the Punjab Procurement Rules 2009, procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's web site. Procurement opportunities over Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

TMO Fort Abbas incurred expenditure of Rs2.120 million during 2010-12 on purchase of tractor, motor cycle rikshaw and fog machines. The expenditure was held irregular as the he procurement opportunities were not advertised on the website of PPRA and fair tendering process was avoided. Furthermore, purchase committee was not constituted for verification of rates and quality etc. and insufficient response time was allowed to bidders.

(Amount in Rupees)

Sr. No.	Particulars	Voucher No.	Date	Amount
1	Purchase of Tractor	991	27.02.12	1,280,000
2	Purchase of Motorcycle Rikshaw	890	01.04.11	600,000
3	Purchase of Fog Machine	-	-	240,000
Total				2,120,000

The irregularities occurred due to non-compliance of procurement rules and violation of financial discipline.

Non-compliance of procurement rules resulted in undue favour to the venders of own choice and benefits of competitive bidding were not achieved

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that quotations were called after getting the estimate technically sanctioned by the Chief Engineer Lahore and directions regarding PPRA rules were received very late. Reply of the TMO was not tenable as procurement rules were violated just to give benefit to the suppliers of own choice. The DAC in its meeting held during November, 2012, directed get the irregularities condoned from the competent authority.

No progress was intimated till finalization of this Report.

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

[AIR Para: 31 & 32]

1.5.2.2 Unauthorized Expenditure on Contingent Paid Staff – Rs2.08 million

According to the Austerity Measures 2009-10, 2010-11 and 2011-12 issued by the Finance Department, Government of the Punjab, no contingent paid staff shall be appointed without obtaining prior approval from the Austerity Committee constituted for this purpose.

TMO appointed contingent paid staff during 2009-12 without obtaining prior approval from the Austerity Committee and incurred expenditure of Rs2.08 million on their wages, in violation of above rules.

The irregularity occurred due to non-compliance of instructions of the government and violation of financial discipline.

Appointment of contingent paid staff without obtaining prior approval from the competent authority resulted into unauthorized expenditure of Rs2.08 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. The TMO replied that TMA is an independent Local Government Institution as constituted under the Punjab Local Government Ordinance, 2001. The budgeting and financing of the TMA is therefore regulated by itself under the relevant financial rules. Therefore, there is no need to obtain prior approval of the Austerity Committee. Reply of the department was not tenable as the Austerity Measures were communicated to the LG&CD Department for strict compliance under which Government of the Punjab imposed ban on appointment of contingent paid staff. The DAC in its meeting held during November, 2012, directed to get the expenditure regularized from the competent authority.

No progress was intimated till finalization of this Report.

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

[AIR Para: - 06]

1.5.2.3 Loss due to Non Recovery of Penal Rent – Rs1.574 million

According to letter No. FD (M.1)1-15/82-P-1 dated 15.01.2000 issued by the Finance Department, Government of the Punjab and House Allotment Policy at District level, penal rent @ 60% of basic pay shall be charged from unauthorized and illegal occupants of government residences.

Four (04) residences of TMA Fort Abbas were occupied by a Civil Judge, DSP, Major (FUI) and an army official who were not authorized to occupy residences of the TMA. The TMO did not take action to get the residences vacated and making allotment to the staff for which they were meant. Moreover, penal rent amounting to Rs1.574 million was not recovered from illegal occupants, in violation of above rules. The detail is given below:

(Amount in Rupees)

Sr. No.	B. Pay	60% (penal Rent)	Period	No. of residences	Amount
1	24,650	14,790	07/10 to 06/11	3	532,440
	40,000	24,000	07/11 to 06/12	3	864,000
2	9,230	5,538	07/10 to 06/11	1	66,456
	15,400	9,240	07/11 to 06/12	1	110,880
Total					1,573,776

The loss occurred due to ineffective financial and managerial controls.

Allotment of residences to unauthorized persons and non recovery of penal rent and M&R charges resulted into loss of Rs1.574 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that notices have been served to all the officers / officials. The DAC in its meeting held during November, 2012, directed to recover the stated amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that amount of Rs1.574 million be recovered and deposited into relevant head of account besides getting the residences vacated from unauthorized

occupants and taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 41]

1.5.3 Performance

1.5.3.4 Non-achievement of Targets of Revenue – Rs2.600 million

According to Rule 76 of the Punjab District Governments & TMA (Budget) Rules, 2003, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Government Fund.

TMO Fort Abbas fixed revenue targets of Rs25.303 million during 2011-12 on account of different heads of receipts, but relevant staff did not make due efforts to achieve targets of revenue. As a result, revenue targets amounting to Rs2.60 million could not be achieved during 2011-12 as detailed below.

(Amount in Rupees)

Sr. No.	Name of Head	Target	Amount received	Difference
1	Tax on Transfer of Immoveable property	15,858,233	15,352,958	505,275
2	Fee for approval of building plan	1,596,853	1,566,771	30,082
3	Liscence Fee / Professional and Trade Tax	110,900	105,300	5,600
4	NOC Fee	23,693	0	23,693
5	Sludge Waste Water Disposal	1,995,000	1,176,132	818,868
6	Rent of Shops	2,900,000	2,886,778	13,222
7	Land Rent Temporary & Permanent	510,000	472,856	37,144
8	Lease of Agricultural Land	798,760	0	798,760
9	Registration Fee Contract / Renewal of Contract	515,250	275,250	240,000
10	Arrear Rent of Shops	936,758	867,377	69,381
11	Arrear Agriculture Land	58,000	0	58,000
Total		25,303,447	22,703,422	2,600,025

The loss occurred due to poor performance of the staff and lack of due diligence by the management.

Poor performance of the staff deputed for recovery resulted into loss of Rs2.60 million to the TMA.

The matter was reported to the TMO and Administrator of the TMA during October, 2010. TMO replied that income of agricultural land and NOC fee has already been deposited into TMA fund. The Tax on transfer of immoveable property was fixed keeping the budget of last year. But income is fetched on actual registries of

immoveable property. The income of other heads such as water rate, building fee, commerciliazation charges, sanitation fee, licence fee, etc. cannot be leased out as per Government instructions. Next time the budget will be fixed keeping in view the actual income fetched by self collection. But no documentary evidence was provided in support of reply. The DAC in its meeting held during November, 2012, directed to get the irregularity condoned from competent authority.

No progress was intimated till finalization of this Report.

Audit recommends that the loss written off from the competent authority besides taking necessary action against the person(s) at fault, under intimation to Audit.

[Paras: 7]

1.5.4 Internal Control Weaknesses

1.5.4.1 Loss due to Non / Less Realization of Revenue–Rs6.539 million

According to rule 76 of the Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, “the collecting officer shall ensure that all revenue due is claimed realized and credited immediately into the Local Government Fund.

TMO Fort Abbas did not make due efforts during 2010-12 to recover / realize revenue of Rs6.539 million on account of rent of shops, water rates, license and permit fee, sale of sludge water, sewerage tax etc in violation of above rule. The detail is given below:

(Amount in Rupees)					
Sr. No.	Particulars	Period	Amount Due	Amount Recoverd	Recoverable Amount
1	Non recovery of outstanding balances from the contractors	2010-12	2,952,000	2,282,722	669,278
2	Rent of Shops		2,135,514	0	2,135,514
3	Water Rates		3,814,613	869,953	2,944,660
4	Sewerage Tax		293,900	0	293,900
5	License and Permit Fee		0	0	175,900
6	Professional / Trade Tax		245,000	0	245,000
7	Sale of used mobil oil		75,520	0	75,520
Total					6,539,772

The above loss occurred due to ineffective financial controls and laxity of the management

Above action of the management resulted in short collection of revenue amounting to Rs6.539 million.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. The TMO replied that all possible efforts are being made to recover the defiling amount. Notices have been served to all defaulters. The DAC in its meeting held during November, 2012, directed to recover the stated amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that amount of Rs6.539 million be recovered and deposited into relevant head of account besides taking disciplinary action against the persons at fault, under intimation to audit.

[AIR Paras: 1, 10, 15, 16, 21, 22, & 26]

1.5.4.2 Abnormal Delays in Completion of Work and Non-Imposition of Penalty – Rs4.534 million

As per clause 2 of agreement form, if the contractor fails to complete the work within the specified period, he shall be liable to pay penalty @ 1% or smaller amount of estimated work for every day the quantity of work remain incomplete but the entire amount of penalty shall not exceed 10% of the cost of works.

The contractors of TMA Fort Abbas did not work with the desired pace and abnormally delayed completion of 75 development projects during 2010-12. TMO did not take appropriate action to improve the pace of work. The contractors were also granted undue favor and penalty @ 10% of contract price was not imposed despite the fact that they were neither granted time extension nor their requests for the same were on record and in some cases the time extension was granted on unjustified reasons, which resulted into loss/over payment of Rs4.534 million. The detail is given at Annexure – B.

The loss occurred due to undue favour to the contractors and ineffective internal controls.

Undue favour to the contractors resulted in abnormal delays in completion of development projects and loss of Rs4.534 million due to non-imposition of penalty.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that it depends on the authority who grants extension in time limit to impose penalty or to leave him after giving warning. Reply of the TMO was not acceptable as in some cases time extension was not granted and in some cases it was granted on unjustified reasons. Moreover, no substantiating evidence was produced in support of the replies. The DAC in its meeting held during November, 2012, directed for strict compliance of audit observation.

No progress was intimated till finalization of this Report.

Audit recommends that amount of penalty be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 39]

1.5.4.3 Loss due to Expenditure on Property Not Owned by the TMA – Rs3.051 million

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

TMO Fort Abbas incurred expenditure of Rs3.051 million during 2010-12 on repair and maintenance of roads / streets of nine (09) housing schemes developed by private persons. Development work in these private housing schemes was not responsibility of TMA as the schemes were not registered with TMA and development charges and other prescribed fee was not paid by the developers. The detail is given below:

(Amount in Rupees)

Sr. No.	Name of Scheme	Cost	Exp.
1	Construction and Repair of Mattel Road Street No. 5 Umar Farooq Town.	150,000	67,976
2	Construction and Repair of Metalled Road Street No. 14 Usman Town.	150,000	149,727
3	Construction of Sewerline Hussain Colony.	125,000	96,104
4	Construction of Soling Walhar Town Mumtaz Bhati Chak No. 260.	600,000	599,820
5	Construction of metalled road Gali No. 1/B Muslim Town	200,000	200,000
6	construction of metalled road faisal colony to 187/7R	1,500,000	1,325,051
7	Constrection of PCC Street 11/A Usman Town.	250,000	160,835
8	Construction of sewerline gali Rizwan Amir Bajwa Hussain Town.	200,000	229,334
9	Construction of sewerline Haddir Colony / Zaman Colony.	200,000	221,876
Total		3,375,000	3,050,723

The loss occurred due to ineffective financial controls and negligence of the management.

Incurrence of expenditure on unapproved private housing schemes caused loss of Rs3.051 million

The matter was reported to the TMO and Administrator of the TMA during October 2012. TMO replied that city Fort Abbas consists of two Union Councils UC 61 & 62 and old names of these Union Councils are Diggi Mohalla and Mohalla Line Paar. Due to the expansion of these mohallas and for the convenience of the public the TMA divided these large mohallas into small towns. Thus these towns are not private housing schemes. Reply of the TMO was not correct and misleading because in reply to audit observation regarding non registration of private housing schemes, he replied that notices have been issued to developers and all these schemes were included in that para. The DAC in its meeting held during November 2012 directed to get the expenditure condoned from competent authority.

No progress was intimated till finalization of this Report.

Audit recommends that the expenditure be got regularized from the competent authority besides initiating disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 40]

1.5.4.4 Loss due to Non-Registration of Private Housing Schemes – Rs2.327 million

As per rule 4&38 of the Punjab Private Housing Schemes and Land Sub-division Rules 2010, the developer shall submit an application to the TMA, for seeking preliminary planning permission for a scheme before initiating any planning or development activity and shall pay the prescribed fee. Furthermore, rule 35(1) of said Rules empower the TMO to monitor the development work of the schemes and ensure that there is no deviation from the sanctioned scheme plan

In jurisdiction of TMO Fort Abbas 17 private housing schemes carried out development and marketing activities without registration, approval of schemes, map design and specifications. These schemes did not apply for the registration and therefore did not pay the fee on account of registration and other prescribed

requirements amounting to Rs2.327 million. Moreover, the TMO did not take appropriate action to stop unauthorized and unapproved development and marketing activities and did not carry out survey for compliance of Building Byelaws for these housing schemes, in contravention to above referred rules. The detail is given at Annexure – C.

The loss occurred due to negligence of the management.

Audit holds that illegal and unauthorized activities are not checked by the TMA and huge loss of revenue is caused to the public exchequer due to not taking appropriate action and recovery by TMA.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that notices have been served to all these schemes and necessary action is also being taken under law. The DAC in its meeting held during November, 2012, directed to recover the stated amount from said private housing schemes and deposited into relevant head of account at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that amount of loss be recovered from the owners of the housing schemes or the officers responsible for not getting the housing schemes registered and deposited into Public Fund besides taking disciplinary action against the officers, under intimation to Audit.

[AIR Para: 17]

1.5.4.5 Loss due to Misuse of Fire Brigade and POL – Rs1.057 million

As per Gazette Notification of TMA dated 18.05.2006, fire brigade should not be used for any purpose other than to defuse fire.

TMO Fort Abbas purchased 10,778 liters POL during 2008-09 for utilization on fire fighting through the fire brigade, out of which only 213 liters were utilized for fire fighting and remaining 10,565 liters were utilized for other activities not specified for fire brigade. This resulted in misuse of fire brigade and POL worth Rs1.057 million.

The loss occurred due to misuse of public resources and ineffective financial and managerial controls.

Misuse of fire brigade and expenditure thereof caused a loss of Rs1.057 million to the government.

The matter was reported to the TMO and Administrator of the TMA during October, 2012. TMO replied that the fire brigade was used for supply of drinking water due to heavy load shedding during summer season. Reply of the TMO was not tenable as the fire brigade was misused. The DAC in its meeting held during November, 2012, directed to recover the amount at the earliest.

No progress was intimated till finalization of this Report.

Audit recommends that the loss of Rs1.057 million be recovered and deposited into relevant head of account besides taking disciplinary action against the person(s) at fault, under intimation to Audit.

[AIR Para: 30]

ANNEXURE

Annexure – I**(Rs. in Million)**

Sr. No.	Para No.	Subject	Amount (Rs)	Nature
1	6	Irregular payment to work charge employee	2.080	Violation of Rules
2	12	Non maintenance of accounts and official record	12.482	Violation of Rules
3	13	Non recovery of pay pension contribution	2.033	Violation of Rules

List of MEFDAC Paras**(Rs. in Million)**

Sr. No.	Para No.	Subject	Amount (Rs)
1	2	Loss to govt. due to non recovery of income tax	0.179
2	4	Excessive Expenditure on Holiday Allowance –	1.062
3	8	Doubtful expenditure on purchase of tyres for fire brigade	0.145
4	9	Irrgular expenditure	0.09
5	11	Non collection of rent propery and assets	0.204
6	14	Misappropriation in sale of sluge water	.547
7	18	Loss to govt. due to non deduction of HRA	0.335
8	19	Loss to govt. due to non deduction of flood surcharge	0.197
9	20	Loss to TMA fund due to non recovery of electricity charges	0.181
10	23	Doubtful expenditure on sports	0.482
11	24	Loss to govt due to fictitious billing	0.150
12	25	Loss to govt. due to non recovery of advances	0.049
13	27	Loss to govt. due to purchase of POL at higher rates	0.175
14	28	Loss to Govt. due to bogus billing	0.112

Annexure – B
[Para 1.5.4.2]

Non imposition of Panalty @ 10%

(Amount in Rupees)

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
2011-12									
1	2	Construction of Metalled Road Khaloon Colony Katchi Wala	800,000	16-01-2012	16-05-2012	12/6/2012	798,472	16-05-12	80,000
2	3	Construction and Repair of Mettaled Road Street No. 5 Umar Farooq Town	150,000	16-01-2012	16-04-2012		67,976	No. Extension	15,000
3	6	Construction of Metalled Road 310/HR Dera Allah Yar to Abadi	500,000	16-01-2012	16-06-2012	25-06-2012	498,500	No. Extension	50,000
4	7	Construction and repair of Metalled Road Street Asharf Ghabru & Malik Shair Muhammad	575,000	16-01-2012	16-05-2012	18-06-2012	567,896	17-05-12	57,500
5	9	Construction of metalled Road Hafiz Mahmood Wali Gali Katchi Wala	1,000,000	16-01-2012	16-05-2012	12/6/2012	971,928	16-05-12	100,000
6	14	Construction of RCC Pipe 181/7R East	350,000	16-01-2012	16-04-2012		282,757	No. Extension	35,000
7	23	Construction and repair Metalled Road 270/HR East	500,000	16-01-2012	16-05-2012		473,475	No. Extension	50,000
8	29	Construction and Repair water Diggi 288/HR	200,000	16-01-2012	16-03-2012	16-04-2012	211,002	16-03-12	20,000
9	30	Construction of Soling Primary School House Shakil Ahmad	150,000	16-01-2012	16-03-2012	28-05-2012	127,976	28-05-12	15,000
10	33	Construction and Repair of TMA, Office	300,000	16-01-2012	16-04-2012		286,478	No. Extension	30,000

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
11	34	Construction and Repair Disposal No. 1 to 4	200,000	16-01-2012	16-04-12	17-07-12	198,738	23-08-12	20,000
12	35	Main hole Cover TMA, Fort Abbas	300,000	16-01-2012	16-04-2012	27-06-2012	292,343	No. Extension	30,000
13	46	Construction of Metalled Road 237/9R Abdul Razaq Malkera	600,000	16-01-2012	16-05-2012	30-07-2012	598,386	27-07-12	60,000
14	47	Construction of Metalled Road Madrasa Sirajal uloom Bati Araina	500,000	16-01-2012	16-05-2012	20-05-2012	573,834	17-05-12	50,000
15	53	Water Supply Hodi Dhakan 185/7R – 232/9R	100,000	16-01-2012	16-03-2012	7/5/2012	99,544	16-03-12	10,000
16	54	Construction of Sewer Line and metalled Road Maroot	1,050,000	16-01-2012	16-06-2012	25-08-2012	999,959	23-08-12	105,000
17	57	Over sizing Sewerage lari Ada to Disposal No 1	700,000	16-01-2012	16-06-2012	18-06-2012	542,500	No. Extension	70,000
18	60	Construction of metalled road haider colony near house M Aslam	300,000	16-01-2012	16-04-2012		300,000	No. Extension	30,000
19	65	Construction and Repair of Metalled Aziz Bhati Shaheed Road	800,000	16-01-12	16-05-12		72,463	No. Extension	80,000
20	66	Patch Work near Raamy Chowk Fort Abbas	216,753	16-01-2012	16-05-2012	25-05-2012	213,428	17-05-12	21,675
Sub Total			9,291,753				8,177,655		929,175
2011-12									
21		Construction of Soling Chak No. 233/9R UC. 70	200,000	17-02-2009	17-04-2009	5/1/2010	199,837	No. Extension	20,000
22		Construction of Cattle Pound Chak No. 305/HR	350,000	17-02-2009	17-06-2009	29-07-2010	343,225	No. Extension	35,000
23		Construction of Cattle Pound Chak No. 207/9R	300,000	17-02-2009	17-05-2009	2/8/2010	300,000	No. Extension	30,000

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
24		Construction of Soling Chak No. 234/9R	300,000	13-11-2007	13-02-2008	2/6/2008	256,139	No. Extension	30,000
Sub Total			1,150,000				1,099,201		115,000
2010-11									
25	3	Renovation of General Bus Stand FTS	3,000,000	23-03-11	23-06-11	24-03-12	2,833,966	24-06-11	300,000
26	6	Construction and repair of mattle road Imam Bargah Road FTS	1,000,000	19-03-11	19-06-11	28-05-12	964,620	28-05-12	100,000
27	14	Construction of mattle Road Chak # 208/R Sharqi	800,000	23-03-11	23-06-11	6/8/2012	778,973	23-06-11	80,000
Sub Total			4,800,000				4,577,559		480,000
2010-11									
28	1	Construction of minin stadium near water supply scheme No. 1	5,000,000	19-03-11	19-09-11		4,646,129	14-09-11	500,000
29	2	Construction of Soling Eid Gha Fort Abbas	1,650,000	23-3-2011	23-06-2011	29-08-2011	1,495,427	No. extension	165,000
30	4	Construction of Mattled Road Chaman Bazar	1,500,000	23-03-2011	23-06-2011	29-08-2011	1,476,141	23-06-2011	150,000
31	5	Construction and Repair Mattled Road Footh path Near TMA Fort abbas	1,300,000	23-03-2011	23-06-2011	20-12-2011	863,173	29-06-11	130,000
32	7	Construction of Mattled Road Street No.7/B	500,000	21-03-2011	21-06-2011	4/8/2011	497,329	21-06-2011	50,000
33	8	constructiona and repair metallad bangla road chak no. 272/HR	1,000,000	23-03-2011	23-06-2011	29-09-2011	892,026	23-06-2011	100,000
34	9	construction and Repair Mattled Road UC 61 Fowara Chowk Gali No. 4	1,000,000	21-03-2011	21-06-2011	22-07-2011	932,170	21-06-2011	100,000

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
35	10	construction of metalled road Gali No. 1/B Muslim Town	200,000	21-03-2011	21-06-2011	27-09-2011	200,000	20-06-11	20,000
36	11	Construction and repair metalled Road Gali Jamia Masjid Fort Abbas	300,000	21-03-2011	21-06-2011	24-09-2011	300,000	20-06-11	30,000
37	12	Construction and repair metalled Road near baby park	600,000	21-03-2011	21-06-2011	15-07-2011	690,000	21-06-2011	60,000
38	15	construction of metalled road near primary school khoja basi	250,000	21-03-2011	21-06-2011	24-09-2011	249,107	21-06-2011	25,000
39	16	construction of metalled road near ghla godone kitchiwala	1,000,000	21-03-2011	21-06-2011	29-08-2011	899,684	20-06-11	100,000
40	17	construction of metalled road masjid ahlehadis to railway rest house	1,000,000	21-03-2011	21-06-2011	29-09-2011	999,256	21-06-2011	100,000
41	18	construction of metalled road gali ahab petroleum wali	500,000	23-03-2011	23-06-2011	28-09-2011	494,665	23-06-2011	50,000
42	20	Construction of metalled road shell Pump to Madni Colony	900,000	23-03-11	23-06-11	28-09-11	899,862	23-06-11	90,000
43	21	construction of metalled road 5/C Diggi mohala	300,000	21-03-2011	21-06-2011	29-09-2011	297,600	20-06-11	30,000
44	23	Construction and repair metalled Road Phoolra road	1,900,000	21-03-2011	21-06-2011	28-07-2011	1793,563	20-06-11	190,000
45	27	construction of PCC Gali No. 19 Near court UC 61	150,000	19-03-2011	19-06-2011	15-07-2011	172,447	21-06-11	15,000
46	29	construction of Soling 272/HR	250,000	21-03-2011	21-06-2011	3/11/2011	287,500	3/11/2011	25,000
47	32	Construction of Soling Chak No. 270/HR Pakka Muraba	250,000	19-03-2011	19-06-2011	22-07-2011	287,500	18-06-11	25,000

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
48	36	Construction of Soling Chak No. 178/7R	400,000	21-03-2011	21-06-2011	2/10/2011	381,471	20-06-11	40,000
49	37	Construction of Soling Chak No. 262/HR	1,000,000	23-03-2011	23-06-2011	20-11-2011	910,479	24-06-11	100,000
50	38	Construction of Soling Chak No. 299/HR	500,000	23-03-2011	23-06-2011	5/7/2011	489,091	29-06-11	50,000
51	39	Construction of Soling Chak No. 182/7R	500,000	23-03-2011	23-06-2011	20-10-2011	427,978	23-06-11	50,000
52	44	Construction of Soling Chak No. 181/7R (E)	1,000,000	23-03-2011	23-06-2011	15-07-2011	902,317	20-06-11	100,000
53	49	Construction of Soling Chak No. 316/HR maroot	300,000	21-03-2011	21-06-2011	20-08-11	298,552	21-06-2011	30,000
54	50	Construction of Soling Chak No. 232/9R	200,000	21-03-2011	21-06-2011	6/9/2011	193,418	20-06-11	20,000
55	52	construction of sewerline gali Rizwan Amir Bajwa Hussain Town	200,000	23-03-2011	23-06-2011	5/7/2011	229,334	24-06-11	20,000
56	54	construction of sewerline Masjid AhleHadis 270/HR	250,000	23-03-2011	23-06-2011	4/10/2011	190,268	5/8/2011	25,000
57	55	construction of sewerline Haddir Colony / Zaman Colony	200,000	23-03-2011	23-06-2011	27-07-2011	221,876	22-06-11	20,000
58	56	construction of sewerline Chak No. 274/HR	150,000	19-03-2011	19-06-2011	27-07-2011	150,000	18-06-11	15,000
59	58	construction of sewerline street No. 6 UC 61	200,000	23-03-2011	23-06-2011	20-08-2011	166,480	20-06-11	20,000
60	59	construction of sewerline Bangla road to Masjid Ahlehadis	200,000	23-03-2011	23-06-2011	25-07-2011	155,616	22-06-11	20,000
61	60	construction of sewerline Near Primary School near graveyard	300,000	23-03-2011	23-06-2011	23-07-2011	231,801	24-06-11	30,000

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
62	62	construction of sewerline Primary scholl darsgha / House pervaz basti ikhlaq	200,000	23-03-2011	23-06-2011	26-07-2011	153,797	23-06-11	20,000
63	63	construction of sewerline near Masjid Bilal to Darsgha Molvi Umar	150,000	23-03-2011	23-06-2011	23-07-2011	135,308	24-06-11	15,000
64	64	construction of sewerline Chak No. 288/HR	1,000,000	21-03-2011	21-06-2011	2/7/2011	866,154	22-06-11	100,000
65	65	construction of sewerline Near House of Aqil Ahmad Basti Ikhlaq	250,000	21-03-2011	21-06-2011	15-08-2011	191,970	20-06-11	25,000
66	66	construction of sewerline near Sultan House ward No. 13	200,000	23-03-2011	23-06-2011	24-07-2011	161,767	24-06-11	20,000
67	67	construction of sewerline Chistian Colony House of Shabbir Ahmad	200,000	23-03-2011	23-06-2011	24-08-2011	217,252	24-06-11	20,000
68	70	construction of sewerline House of Javed Iqbal Chatha Basti	100,000	19-03-2011	19-06-2011	20-07-2011	93,750	20-06-11	10,000
69	71	construction of RCC Pipe Chak No. 294/HR	200,000	23-03-2011	23-06-2011	24-07-2011	180,659	24-06-11	20,000
70	74	construction and repair of Pump house with machinery Disposal Works Pakka muraba	300,000	19-03-2011	19-06-2011	26-09-2011	255,423	28-06-11	30,000
71	75	Construction and Repair of Pump House Disposal Works Basti Akhlaq Ahmed	300,000	19-03-11	19-06-11	27-06-12	233,441	16-04-12	30,000
72	76	Construction and Repair Disposal No. 1-2 Christian Colony	250,000	23-03-2011	23-06-2011	4/8/2011	250,000	23-06-11	25,000
73	77	Construction of Boundary Wall Graveyar 270/HR	500,000	21-03-2011	21-06-2011	2/7/2011	473,693	21-06-11	50,000

Sr. No.	Work Order No.	Name of Scheme	Cost	Date of work order	Due date of completion	Actual date of completion	Expenditure	Date of extension	Penalty 10%
74	78	Construction of Boundary Wall Graveyar Baba Kifiat Ullah Sha	625,000	23-03-2011	23-06-2011	5/7/2011	603,238	24-06-11	62,500
75	79	Construction of Boundary Wall Graveyar ward No. 13 UC 62	875,000	23-03-2011	23-06-2011	18-07-2011	799,962	19-07-11	87,500
Sub Total			30,100,000				27,938,674		3,010,000
Grand Total			45,341,753				41,793,089		4,534,175

Annexure – C
[Para 1.5.4.4]

Loss due to Non Registration of Private Housing Schemes

(Amount in Rupees)

Sr. No.	Name of Scheme	Location	Approximate Area (Kanal)	Scrutiny Fee	Planning Permission Fee	Sanction Fee	Approval of design and specifications for water supply, sewerage	Approval of design and specifications for road, bridge and footpath	Approval of design and specifications for electricity and street light at the rate fixed by WAPDA or other agency responsible for electricity supply	Conversion Fee @ 1%
1	Ghulam Rasool Town	Bangla Road	81	1000	5,000	81,000	40,500	40,500	Fixed by the Authority As per Valuation Table	
2	Chishtia Colony	Maroot Road	80	1000	5,000	80,000	40,000	40,000		
3	Hussain Town	Pholra Road	100	1000	500	100,000	50,000	50,000		
4	Iqbal Town	Maroot Road	36	1000	500	36,000	18,000	18,000		
5	Lala Nazir Town	Bangla Road	48	1000	5,000	48,000	24,000	24,000		
6	Model Town	Near Canal Rest House	75	1000	5,000	75,000	37,500	37,500		
7	Dawood Land Housing	Khichi Wala 188/7R	64	1000	5,000	64,000	32,000	32,000		
8	Model Town Canal View	Maroot Road	104	1000	5,000	104,000	52,000	52,000		
9	Model Town	Maroot 319/HR	147	1000	5,000	147,000	73,500	73,500		
10	Mustafa Town	Bangla Road	54	1000	5,000	54,000	27,000	27,000		
11	Farooq Town	Bangla Road	32	1000	5,000	32,000	16,000	16,000		
12	Abdullah Housing	Near Disposal No. 4	32	1000	5,000	32,000	16,000	16,000		
13	Rehman Town	Mohallah Line Par	8	1000	5,000	8,000	4,000	4,000		

Sr. No.	Name of Scheme	Location	Approximate Area (Kanal)	Scrutiny Fee	Planning Permission Fee	Sanction Fee	Approval of design and specifications for water supply, sewerage	Approval of design and specifications for road, bridge and footpath	Approval of design and specifications for electricity and street light at the rate fixed by WAPDA or other agency responsible for electricity supply	Conversion Fee @ 1%
14	Rehman Garden	Near Nawab Colony	52	1000	5,000	52,000	26,000	26,000	Fixed by the Authority As per Valuation Table	
15	Ahsan Town	Maroot Road	34	1000	5,000	34,000	17,000	17,000		
16	Al-Khair Housing	Bangla Road	60	1000	5,000	60,000	30,000	30,000		
17	Muhammad Hussain Colony	Maroot Road	80	1000	5,000	80,000	40,000	100,000		
	Tota			17000	76,000	1,087,000	543,500	603,500		
Grand Total								2,327,000		