



**AUDIT REPORT
ON
THE ACCOUNTS OF
05 MUNICIPAL CORPORATIONS
OF PUNJAB (SOUTH)**

AUDIT YEAR 2018-19

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
ACL	Audit Command Language
ADP	Annual Development Programme
AIR	Audit and Inspection Report
APS	Additional Performance Security
B&R	Building and Road
C&W	Communication and Works
CCTV	Close Circuit Television
CDGF	City District Government Faisalabad
CEO	Chief Executive Officer
Cft	Cubic Feet
CO	Chief Officer
CSR	Composite Schedule Rates
DAC	Departmental Accounts Committee
DDO	Drawing and Disbursing Officer
DGA	Director General Audit
DO	District Officer
DO (I&S)	District Officer (Infrastructure & Services)
DO (P)	District Officer (Planning)
FWMC	Faisalabad Waste Management Company
GCU	Government College University
GST	General Sales Tax
HQ	Headquarters
INTOSAI	International Organization of Supreme Auditing Institutions
IPSAS	International Public Sector Accounting Standard
JMF	Job Mix Formula
LED	Light Emitting Diodes
LG&CD	Local Government & Community Development
L-Section	Longitude Section
MB	Measurement Book
MCF	Municipal Corporation Faisalabad
MFDAC	Memorandum for Departmental Accounts
MO	Municipal Officer
MO (I&S)	Municipal Officer (Infrastructure & Services)
MO (P)	Municipal Officer (Planning)
MoU	Memorandum of Understanding
MRS	Market Rate System
NAM	New Accounting Model

NIT	Notice Inviting Tenders
NSL	Natural Surface Level
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Cement Concrete
PEC	Pakistan Engineering Council
PED	Pakistan Engineering Department
PEEDA	Punjab Employees Efficiency and Disciplinary Act
PFR	Punjab Financial Rules
PLG	Punjab Local Government
PLGA	Punjab Local Government Act
PLGB	Punjab Local Government Board
POL	Petroleum, Oil and Lubricants
PPRA	Punjab Procurement Regulatory Authority
PSI	Pounds Per Square Inch
PST	Punjab Sales Tax
RDA	Regional Director Audit
Rft	Running Feet
RR&MTI	Road Research and Material Testing Institute
S&GAD	Services and General Administration Department
Sft	Square Feet
SMD	Speed Monitoring Display
SNGPL	Sui Northern Gas Pipelines Limited
TMA	Tehsil/Town Municipal Administration
TMO	Tehsil/Town Municipal Officer
TSE	Technically Sanctioned Estimate
TST	Triple Surface Treatment
TTIP	Tax on Transfer of Immovable Property
WASA	Water and Sanitation Agency
WIP	Work-in-Progress
X-Section	Cross Section

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 8 & 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001 and Section 108 of the Punjab Local Government Act, 2013 require the Auditor General of Pakistan to audit the accounts of the Federation or a Province and the accounts of any authority or body established by or under the control of the Federation or a Province. Accordingly, the audit of District Councils is the responsibility of the Auditor General of Pakistan.

The report is based on audit of the accounts of 05 Municipal Corporations of the South Punjab for the Financial Years 2016-18 (January, 2017 to June, 2018). The Directorate General of Audit, District Governments, Punjab (South), Multan, conducted audit during Audit Year 2018-19 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1 million or more. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The Audit observations listed in the Annexure-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The report has been finalized in the light of the written responses of management concerned. However, DAC meetings were not convened till finalization of this report.

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 108 of the Punjab Local Government Act, 2013, for causing it to be laid before the Provincial Assembly.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Punjab (South), Multan is responsible for carrying out the audit of Local Governments comprising District Health and Education Authorities, 05 Municipal Corporations, Municipal Committees, District Councils and Union Councils of 17 Districts of Punjab (South) namely Bahawalnagar, Bahawalpur, Chiniot, Dera Ghazi Khan, Faisalabad, Jhang, Khanewal, Layyah, Lodhran, Multan, Muzaffargarh, Pakpattan, Rahim Yar Khan, Rajanpur, Sahiwal, Toba Tek Singh & Vehari and eight companies of the Department of Local Government and Community Development i.e. 05 Cattle Market Management Companies and 03 Waste Management Companies.

The Directorate General Audit has a human resource of 103 officers and staff, constituting 24,912 mandays and budget amounting to Rs 123.474 million was allocated in Audit Year 2018-19. Director General Audit, District Governments Punjab (South) carried out audit of the accounts of 05 Municipal Corporations viz Bahawalpur, Dera Ghazi Khan, Faisalabad, Multan and Sahiwal for the Financial Years 2016-18 (January, 2017 to June, 2018).

Municipal Corporations were established w.e.f. 01.01.2017 and conduct operations under Punjab Local Government Act, 2013. The Mayor is the Executive Head of the Municipal Corporation and carries out functions of the Municipal Corporation through Municipal Offices as notified in Punjab Local Government Act (PLGA), 2013 and Chief Officer is the Principal Accounting Officer (PAO) of the Municipal Corporation. According to the Act, the Municipal Corporation Fund comprises District Local Fund and Public Account. The Mayor and the Chief Officer are personally responsible to ensure that the business of the Municipal Corporation is conducted proficiently, in accordance with law and to promote the objectives of the Municipal Corporation as set forth in Sections 86 to 91 of PLGA, 2013.

Audit Objectives

Audit was conducted with the objectives to ensure that:

1. Money shown as expenditure in the accounts was authorized for the purpose for which it was spent.
2. Expenditure was incurred in conformity with the laws, rules and regulations framed to regulate the procedure for expending of public money as laid down in the Punjab Local Governments Act, 2013 and Punjab Local Governments Accounts Rules, 2017.
3. Every item of expenditure was incurred with the approval of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment, collection and accountal of revenue was made in accordance with the prescribed laws, rules and regulations and accounted for in the books of accounts of the Municipal Corporations.

a) Scope of Audit

Out of total expenditure of the 05 Municipal Corporations for the financial years 2016-18, auditable expenditure under the jurisdiction of DG Audit District Governments Punjab (South) Multan was Rs 7,532.210 million covering five PAOs. Out of this, DG Audit, District Governments Punjab (South), Multan audited an expenditure of Rs 1,725.967 million which, in terms of percentage, is 23% of total auditable expenditure.

Total receipts for the financial years 2016-18 were Rs 6,480.564 million. DG Audit District Governments Punjab (South) Multan audited receipts of Rs 3,029.459 million which, in terms of percentage, were 47% of total receipts.

b) Recoveries at the Instance of Audit

Recoveries of Rs 3,390.885 million were pointed out by Audit which was not in the notice of the management before audit. No recovery has been verified during the year 2018-19, till the time of compilation of Report.

However against the total recovery amount of Rs 3,260.876 million pertaining to Paras (over one million) drafted in this report, no amount of recovery has been made by the management till the time of finalization of this report.

c) Audit Methodology

Audit was carried out in the light of standards of financial governance provided under various provisions of the Punjab Local Government Act, 2013, PFR Vol-I, II, Delegation of Financial Powers and other relevant laws, which govern the propriety of utilization of the financial resources of the Municipal Corporation in accordance with the regularity framework provided by the relevant laws. On the spot examination and verification of record was also carried out in accordance with the applicable laws / rules. International Standards for Supreme Audit Institutions (ISSAI) were followed in letter and spirit.

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

d) Audit Impact

A number of improvements in record maintenance and procedures have been initiated by the Municipal Corporation concerned; however audit impact in shape of change in rules is not relevant being the first audit of the Municipal Corporations.

e) Comments on Internal Control and Internal Audit Department

Internal controls and internal audit mechanisms of Municipal Corporations were not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like unauthorized / irregular withdrawal of public funds for government

employees against their entitlement, misappropriation and non-production of audit. Negligence on the part of Municipal Corporations may be captioned as one of the important reasons for weak Internal Controls.

f) The Key Audit Findings of the Report

- i. Fraud / Misappropriation involving an amount of Rs 389.280 million was reported in one case¹
- ii. Non-Production of record involving an amount of Rs 64.425 million was reported in five case²
- iii. Irregularities and non-compliance involving an amount of Rs 1,142.079 million were noticed in 59 cases³
- iv. Performance issues involving Rs 1,906.445 million were noticed in 40 case⁴
- v. Internal Control Weaknesses involving an amount of Rs 1,396.985 million were noticed in 36 cases⁵

Audit paras involving procedural violations including internal control weaknesses and other irregularities not considered worth reporting to the Public Accounts Committee have been included in Memorandum of Departmental Accounts Committee (MFDAC) Annexure-A.

¹Para No. 1.2.1.1

²Para No. 1.2.2.1, 2.2.1.1, 4.2.1.1, 5.2.1.1

³Para No. 1.2.3.1 to 1.2.3.7, 2.2.2.1,2.2.2.2,2.2.2.3,2.2.2.4,2.2.2.5,2.2.2.6,2.2.2.7,2.2.2.8,2.2.2.9, 2.2.2.10,2.2.2.11, 2.2.2.12, 2.2.2.13, 2.2.2.14, 3.2.1.1 to 3.2.1.14, 4.2.2.1 to 4.2.2.16, 5.2.2.1 to 5.2.2.9

⁴Para No. 1.2.4.1 to 1.2.4.2, 3.2.2.1 to 3.2.2.16, 4.2.3.1 to 4.2.3.14, 5.2.3.1 to 5.2.3.8

⁵Para No. 1.2.5.1 to 1.2.5.15, 3.2.3.1 to 3.2.3.5, 4.2.4.1 to 4.2.4.16.

g) Recommendations

PAOs of Municipal Corporations are required to:

- i. Hold Inquiries and fixing responsibility for fraud, misappropriation, losses and wasteful expenditure.
- ii. Produce the record, requisitioned by Audit and take action against the persons responsible for non-production of record.
- iii. Comply with the Punjab Public Procurement Rules for economical and rational purchases of goods and services.
- iv. Make efforts for expediting the realization of various Government receipts.
- v. Ensure establishment of internal control system and proper implementation of the monitoring system.
- vi. Rationalize budget with respect to utilization.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rupees in millions)

Sr. No.	Description	No.	Budget		Actual		Total Actual
			Expenditure	Receipt	Expenditure	Receipts	
1	Total PAOs in audit jurisdiction	5	11,323.942	8,091.003	7,532.210	6,480.564	14,012.774
2	Total formations in audit jurisdiction	5	11,323.942	8,091.003	7,532.210	6,480.564	14,012.774
3	Total entities (PAOs) audited	5	11,323.942	8,091.003	1,725.967	3,029.459	4,755.426
4	Total formations audited	5	11,323.942	8,091.003	1,725.967	3,029.459	4,755.426
5	Audit & Inspection Reports	5	11,323.942	8,091.003	1,725.967	3,029.459	4,755.426

Table 2: Audit Observations Classified by Category

(Rupees in millions)

Sr. No.	Description	Amount Placed under Audit Observation
1	Asset management	46.399
2	Financial management	2,882.891
3	Internal controls	1,395.865
4	Others	574.059
	Total	4,899.214

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

Sr. No.	Description	Expenditure on Physical Assets	Salary	Non-Salary	Civil Works	Receipts	Total Current Year	Total Last Year
1	Total Financial Outlay	50.442	2,692.933	2,472.703	2,316.132	6,480.564	14,012.774	-
2	Outlays Audited	38.185	562.204	490.979	634.599	3,029.459	4,755.426	-
3	Amount Placed under Audit Observations/ Irregularities Pointed Out	156.792	14.906	276.681	520.046	3,930.789	4,899.214	-
4	Recoveries Pointed Out at the Instance of Audit	1.120	13.390	17.691	11.999	3,216.676	3,260.876	-
5	Recoveries Accepted / Established at the Instance of Audit							-
6	Recoveries Realized at the Instance of Audit							-

*The amount mentioned against Sr. No.2 in column of "Total" is the sum of expenditure and receipt, whereas, the total expenditure was Rs 1725.967 million

Table 4: Irregularities pointed out**(Rupees in millions)**

Sr. No.	Description	Amount under Audit Observation
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	1,462.401
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	390.400
3	Accounting Errors (accounting policy departure from IPSAS ⁶ , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	0
4	Quantification of weaknesses of internal control systems.	796.444
5	Recoverable and overpayments, representing cases of established overpayments or misappropriations of public monies.	2,185.544
6	Non-production of record.	64.425
7	Others, including cases of accidents, negligence, etc.	0
Total		4,899.214

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

Sr. No.	Description	Amount
1	Outlays Audited (Items 2 Table 3)	4,755.426
2	Expenditure on Audit	0.535
3	Recoveries realized at the instance of Audit	-
4	Cost-Benefit Ratio	-

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

CHAPTER 1

1.1 Municipal Corporation, Bahawalpur

1.1.1 Introduction

Municipal Corporation, Bahawalpur was established on 01.01.2017 under Punjab Local Government Act, 2013. Municipal Corporation, Bahawalpur is a body having perpetual succession and a common seal, with power to acquire/hold property and enter into any contract and may sue and be sued in its name.

The functions of Municipal Corporation, Bahawalpur as described in the Punjab Local Government Act, 2013 are as under:

- Approve bye-laws and taxes
- Approve annual budget of the Municipal Corporation including supplementary budgetary proposals and long term and short term development plans
- Review the performance of all offices working for the Municipal Corporation
- Review the performance report presented by the Mayor
- Promote social counseling to inculcate civic and community spirit and motivate and galvanize the general public for compliance with municipal laws, rules and bye-laws
- Prevention and removal of encroachment on public ways, streets and properties
- Prevention of nuisance in public ways, streets and properties
- Regulation of dangerous and offensive articles and trades mentioned in Second Schedule
- Regulation or prohibition of the excavation of earth, sand, stones or other material
- Regulation or prohibition of the establishment of brick kilns, potteries and other kilns
- To organize cattle fairs and cattle markets and regulation of sale of cattle and other animals
- Celebration of public festivals

- Assistance in provision of relief in the event of any fire, flood, hailstorm, earthquake, epidemic or other natural calamity and assisting relevant authorities in relief activities;
- Provision of relief for the widows, orphans, poor, persons in distress and children and persons with disabilities
- Promotion of sports including sports for persons with disabilities. Provision, improvement and maintenance of public ways and streets, public open spaces, graveyards, public gardens, playgrounds and farm to market roads
- Assisting Union Councils in provision and maintenance of rural water supply schemes and public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water
- Construction of culverts, bridges and public buildings
- Control over land use, spatial planning, land subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations
- Enforce all municipal laws, rules and bye-laws regulating its functioning
- Promote animal husbandry and dairy development
- Hold fairs and shows, promotion of public games and sports, celebration of national occasions and
- Undertake other development activities

The Chief Officer is the PAO of Municipal Corporation and he/she manages functions of the Municipal Corporation through five offices i.e. Planning, Finance, Regulation, Infrastructure and Services.

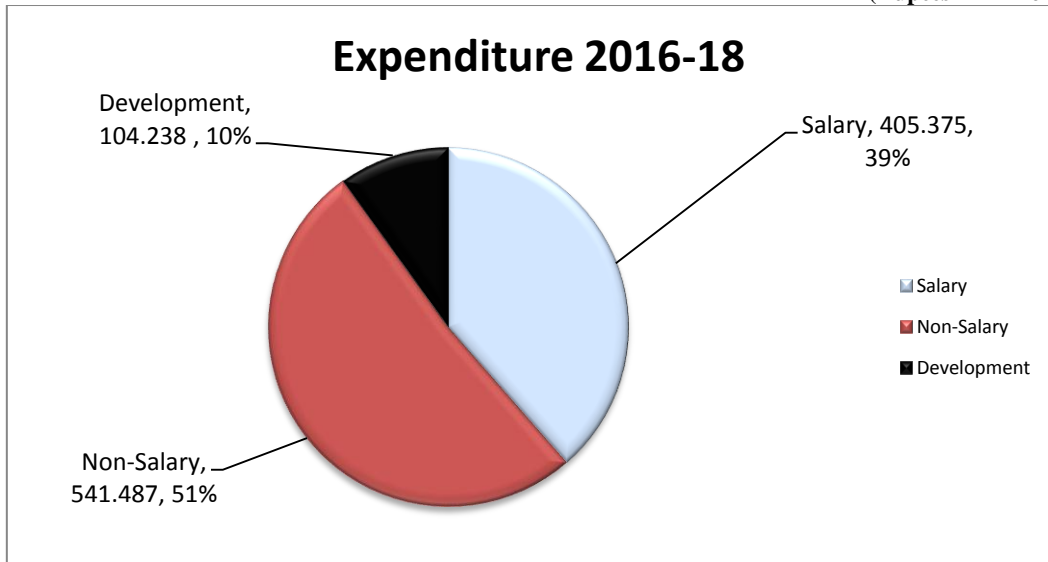
1.1.2 Comments on Budget and Accounts

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

(Rupees in million)

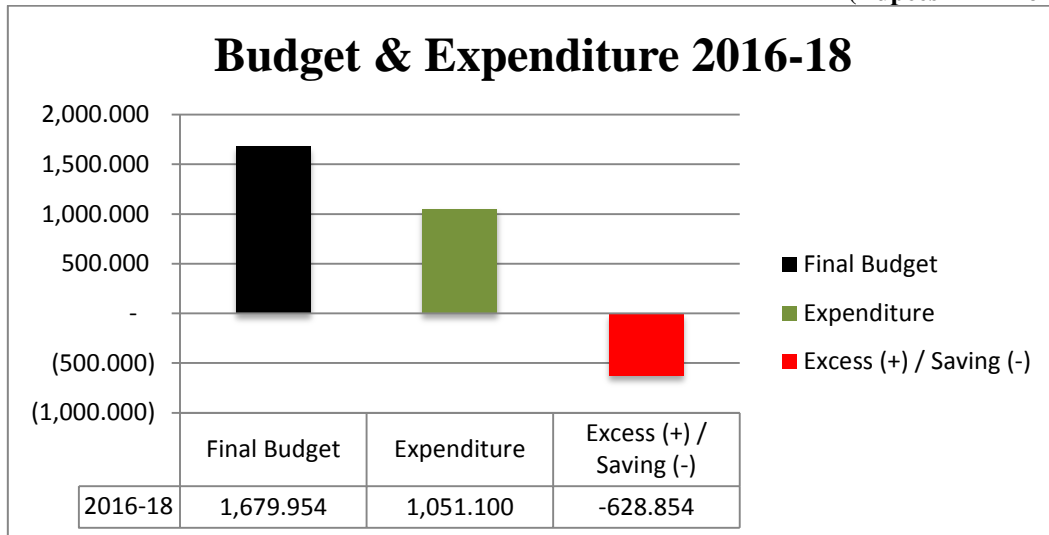
2016-18	Budget	Actual	Excess (+)	% (Lapse)
			/ Lapse (-)	
Salary	595.128	405.375	-189.753	-31.88%
Non-Salary	844.569	541.487	-303.082	-35.88%
Development	240.257	104.238	-136.019	-56.61%
Total	1,679.954	1,051.100	-628.854	37.43%
Receipts	1,552.859	1,465.014	87.845	5.65 %

(Rupees in million)



As per Financial Statements of the Municipal Corporation Bahawalpur for the period 2016-18, total budget (Development & Non-Development) was Rs 1,679.954 million. Against the final budget, total expenditure of Rs 1,051.100 million was incurred by the Municipal Corporation. A lapse of Rs 628.854 million came to the notice of Audit. No plausible explanation was provided by the PAO and management of Municipal Corporation (Annexure-B). The comparison of budget and expenditure for FY 2016-18 showing huge lapse is as under:

(Rupees in million)



1.1.3 Brief Comments on the Status of Compliance with PAC Directives

This is the 1st Audit Report on the accounts of Municipal Corporation, Bahawalpur. No Audit Report pertaining to the preceding years was submitted to the Governor of Punjab to be laid before the legislature.

1.2 AUDIT PARAS

1.2.1 Fraud / Misappropriation

1.2.1.1 Loss due to illegal establishment of private housing schemes / land sub divisions – Rs 389.280 million

According to Rule 41 (1)(a) and 42(e) of Punjab Private Housing Schemes and Land Sub Division Rules 2010, A TMA or Development Authority shall, after verification of ownership documents, shall entertain application of sub division of a plot, subject to the condition that the developer is the owner of the plot and he does not own additional land in continuation of the land proposed for sub division.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management allowed establishment of thirty (30) private housing schemes / land sub divisions during 2016-18. Review of relevant record revealed that:

1. The schemes comprised area of 16 - 178 kanals out of which only 02-08 kanals were owned by relevant developers. Municipal Officer (Planning) approved the maps of total areas illegally as major portion of the land was not the property of developers.
2. Partnership deed, NTN certificate of Association of Persons and copy of bank statement of the firms was not on record which clearly indicated that the persons having remaining portion of land were not partners / developers. Even if the developers entered into sale /purchase agreement (satha) with the owners of remaining land, MOP was not authorized to approve the Map because it was a conditional contract and ownership could not be finalized till total payment by the developer.
3. Municipal Officer (Planning) betrayed revenue authorities by sending “Fard-e-milkiat” of owners of remaining land for ownership verification instead of questioning that the developer was owner of total land to be developed or not? Staff of TMA/MC facilitated the developers to establish housing schemes and sell plots on that land which was not owned by them.
4. Establishment of housing scheme without getting the land transferred in the name of developer and illegal approval of maps also facilitated the developers to avoid Government revenue amounting to Rs 389.280

million on account of stamp duty (05 %), tax on transfer of immovable property (01 %), withholding tax (filer 02 % Non filer 04 %), capital gain etc.

5. Public passages of nearby towns, villages were blocked by constructing boundary walls to show a gated community or developing plots at ends of their streets. In cases of emergency, ambulance, fire brigade, sucker machines etc. may not reach adjacent towns / villages due to construction of boundary walls and blockage of public passages in those towns.

Detail is given in **Annexure-C/BWP**

Due to weak internal controls, undue benefit was granted to developers.

Grant of undue benefit to developers resulted in loss of Rs 389.280 million (approx.).

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 8, 30]

1.2.2 Non Production of Record

1.2.2.1 Non production of record – Rs 8.897 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.

Various DDOs working under the administrative control of Chief Officer Municipal Corporation Bahawalpur did not produce record of expenditure incurred/ revenue earned amounting to Rs 8.897 million during 2016-18, under different objects / codes of classification, in violation of above rule. Detail is given in **Annexure-D/BWP**.

Non-production of record reflected irresponsible attitude on the part of management.

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

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends getting the record verified besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 1]

1.2.3 Irregularities & Non Compliance

1.2.3.1 Irregular expenditure due to splitting of works – Rs 29.170 million

According to Para 2.77 of PWD code, work cannot be split into groups, if urgency so demands then the sanction of the Chief Engineer is must and the acceptance of tender rest with the authority who is competent to accept the tender of the scheme as a whole in case of each group also. It is further added that two groups of one estimate cannot be allotted to one and the same contractor even if the contractor was lowest in both cases.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 29.170 million, during 2016-18, by splitting the scheme in four parts as Tehsil Development Committee (TDC) was not competent enough to accord administrative approval of the scheme valuing Rs 30 million. Moreover, two parts of the scheme were allotted to the same contractor in violation of above rule. Detail is given below:

(Rupees in million)

Sr. No.	Name of Work	T.S	A.A by	Contractor	Time limit up to	Total Expenditure
1	Construction of wall for katcha sludge carrier from Majeed Abad Moor to Railway line (Part -I) 2 nd portion	13.350 by Chief Engineer PLGB	13.350 by TDC vide letter No.3646 dated 18.08.15	Liaqat Ali 1545 RFT	06 months from to 01.10.2015 to 30.04.2016 (completed on 15.04.2016)	13.018
2	Construction of Sulluge Carraier from Bindra Minor to Majeed Abad MOOR (PART – I) 1 st portion	11.500 by Chief Engineer PLGB	11.500 by TDC vide letter No.3646 dated 18.08.15	M.Waqas 1335 RFT	18 months up to 30.06.2017 (completed on 30.06.2017)	11.445
3	Construction of pakka sullage carrier from Bindra minor Disposal works Majeed Abad Mouza Bindra (Part-II) 1 st portion	3.250 by TO (I&S)	3.250 by TDC vide No.1471 dated 01.09.2016	Imran Yasin 360 RFT	12 months up to 09.01.2017 (completed on 30.06.2017)	2.882
4	Construction of pakka sullage carrier Majeed Abad to More Mouza Bindra (Part – II) 2 nd portion	2.000	2.0 by TDC vide No.1471 dated 01.09.2016	Imran Yasin 230 RFT	08 months up to 09.06.2017 (completed on 09.06.2017)	1.825
Total						29.170

Due to malafide intention and weak managerial controls, works were split.

Splitting of works resulted in irregular expenditure of Rs29.170 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 36]

1.2.3.2 Misprocurement of goods and services – Rs 13.482 million

According to Rule 4 of PPRA Rules 2014, procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. According to letter No.5-28/2016 dated 25.05.2016 issued by PPRA to the Administrator of TMA Bahawalpur (City), tender notice published on PPRA's website on 21.05.2016 showed infringements of Rules 25(1), 27 and 35 of PPRA Rules 2014 and the Administrator was advised to remove discrepancies.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 13.482 million for procurement of goods and services for different events during 2016-17. Expenditure was subject to following observations:

- 1 Tender notice was published on PPRA website on 21.05.2016. PPRA observed infringements of rules 25(1), 27 and 35 PPRA Rules 2014 and issued letter No.5-28/2016 dated 25.05.2016 to the Administrator with an advice to follow PPRA Rules 2014 in letter and spirit. Instead of removing discrepancies and re-publishing the advertisement, management processed tenders and issued supply orders of Rs 13.482 million. Moreover, procurement opportunities were not published in at least two newspapers

(one in English and one in Urdu) in violation of Rule 12 (2) of PPRA Rules 2014.

- 2 The advertisement depicted tenders opening dates as 14.05.2016, 21.05.2016, 04.06.2016, 25.06.2016 and 30.07.2016. No response time was available for tenders dated 14.05.2016 and 21.05.2016 and procurements of Rs 1.048 million were made in violation of Rule 14 (3) of PPRA Rules, 2014. Moreover, Specifications and value of goods / services to be procured were not given in the advertisement in violation of Rule 12(4) of PPRA Rules 2014.
- 3 In violation of Rule 30 (2) of PPRA Rules 2014, bids were not opened publically in presence of bidders or their representatives as their attendance sheets were not on record.

Detail is given in **Annexure-E/BWP**.

Due to weak internal controls, compliance of procurement rules was not ensured.

Non-compliance of procurement rules resulted in irregular expenditure of Rs 13.482 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 18]

1.2.3.3 Irregular tendering of works valuing - Rs 11.433 million

According to Rule 14 (3) of PPRA Rules 2014, response time of at least 15 days (w.e.f date of uploading on PPRA website or advertisement in press whichever is later) is essential.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that tenders for works valuing Rs 11.433 million were advertised through press and

website of PPRA but insufficient response time was provided to bidders in violation of above rule. Detail is given below:

(Rupees in million)

Sr. No.	Newspaper	PPRA	Date of Bid Opening	Response time	No. of schemes	Value
1	12.09.2016 (daily Khabrain)	10.09.2016	24.09.2016	12 days	12	5.3
2	01.09.2017 (daily Khabrain)	10.09.2017	16.09.2017	06 days	17	6.133
Total					29	11.433

Due to weak managerial controls, insufficient response time was provided to the bidders.

Tender opening with insufficient response time resulted in irregular procurements valuing Rs 11.433 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 35]

1.2.3.4 Irregular payment for purchase of vehicle – Rs 5.277 million

According to Government of the Punjab, Finance Department's letter No.FD(FR)VI-9/2000(P) dated 14.05.2005, the concerned DDO shall be responsible for rendering vouched accounts, in the prescribed manner, in respect of the entire expenditure, including the expenditure against the amounts drawn in advance, duly certified by the Coordination committee, for the purpose of final adjustment by the Accountant General Punjab, DAOs concerned and the DDO shall also maintained complete record, as prescribed, and retain the vouched accounts for audit scrutiny.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management made payment of Rs 5.277 million for purchase of vehicle “Toyota Fortuner” during 2016-17 which was subject to following observations:

1. Funds of Rs 5.109 million for purchase of vehicle were received on 07.02.2017 whereas advance payment of Rs 5.277 million was made to the supplier on 24.02.2017 without obtaining prior approval from the Finance Department. Moreover, payment of Rs 168,000 was made in excess of budget / funds provided.
2. Advance payment was not adjusted despite lapse of considerable period of time.
3. Supply order, delivery challan, inspection reports and other related record was not produced to ensure deductions of income tax and LD charges (if any).

Due to weak internal controls, vehicle was purchased without ensuring compliance of financial discipline.

Non-compliance of financial discipline resulted in irregular payment of Rs 5.277 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 23]

1.2.3.5 Irregular expenditure due to non-compliance of PPRA Rules – Rs 2.973 million

According to Rule 9 and 12(1) of the Punjab Procurement Rules 2014, 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.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 2.973 million on account of purchase of stationery, machinery, furniture and store items during 2016-18. The expenditure was held irregular as annual requirement of procurement opportunities was neither determined nor advertised on the website of PPRA, fair tendering process was avoided and purchases were made from local market through splitting the indents despite the fact that annual expenditure exceeded Rs 100,000 per annum in each case. Detail is given below:

(Amount in Rupees)

Sr. No.	DDO	Period	Account Head	No. of bills	Amount
1	TMO	01.07.2016 to 31.12.2016	Purchase of furniture and fixture	12	438,323
			Stationery	23	144,142
2	Chief Officer	01.01.2017 to 30.06.2017	Purchase of furniture and fixture	09	208,781
			Stationery	18	213,041
3	TO (I&S)	01.07.2016 to 31.12.2016	Medicine for filtration of water	03	291,245
			Purchase of electric goods	31	690,592
			Rent of machines	02	477,900
4	MO (Infrastructure)	01.01.2017 to 30.06.2017	Purchase of machinery and equipments	13	265,648
			Purchase of electric goods	17	243,424
Total					2,973,096

Due to financial indiscipline, compliance of PPRA Rules was not ensured.

Non-compliance of PPRA Rules resulted in irregular expenditure of Rs 2.973 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 17]

1.2.3.6 Irregular expenditure on repair of fire brigade – Rs 2.896 million

According to Rule 27 (1) of Punjab Local Governments (Accounts) Rules 2017, the DDO, sanctioning authority, head of finance office and accounts officer shall ensure implementation of PPRA Rules 2014 in letter and spirit.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 2.896 million on repair of fire brigade during 2016-17. Expenditure was subject to following observations:

1. Book value of vehicle was not got assessed. History sheet was not available to ensure how many times it was got repaired. Neither need for repair nor inspection after repair was made by technical experts. Moreover, name of manufacturer, specifications of spare parts to be purchased / used were not on record.
2. Procurement opportunity was not advertised on website of PPRA. Furthermore, advertisement was made in only one newspaper the daily “Express” dated 14.10.2016 despite the fact that it was to be advertised in at least 02 newspapers (one in English and one in Urdu).
3. Advertisement in press was made well before according administrative approval by TMO on 09.11.2016.
4. Time limit of one month (22.11.2016 to 21.12.2016) was given in the work order issued vide No.383 dated 22.11.2016 whereas the repaired fire brigade was received on 18.05.2017 (delay 05 months). Liquidated damages of Rs 289,600 were not recovered.
5. Scrap, old parts were neither on record nor it was auctioned.

Due to weak internal controls, vehicle was got repaired without ensuring compliance of financial discipline.

Non-compliance of financial discipline resulted in irregular expenditure of Rs 2.896 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 22]

1.2.3.7 Irregular expenditure on making arrangements during Muharm-ul-Haram etc. – Rs 1.076 million

According to Rule 4 of PPRA Rules 2014, procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. Response time of at least 15 days (w.e.f date of uploading on PPRA website or advertisement in press whichever is later) was essential as Rule 14 (3) of PPRA Rules 2014.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 1,076,600 for rent of generator, rickshaw, flood lights etc. for making arrangements for Muharam-ul-Haram and Chehlum Imam Husain during 2017-18. Expenditure was subject to following observations:

1. Detail of total sites where arrangements were to be made, requirements of each site and approved lists of items to be procured / taken on rent were not available.
2. 51 flood lights were also taken on rent despite the fact that neither it was specified in advertisement nor its approval from competent authority was on record.
3. The Chief Officer issued letter No.19 dated 22.08.2017 to the Director Public Relations for publication of advertisement through press. The letter was acknowledged by staff of DPR on 30.08.2017. Last date for submission of bids was 16.09.2017. Copy of advertisement attached with the bills did not indicate name and date of newspaper to ascertain whether sufficient response time was allowed to bidders or not?

4. Procurement opportunity was not displayed on website of PPRA as any documentary evidence was not available to confirm that the procurement opportunity was published on PPRA website as well.

Detail is given in **Annexure-F/BWP**.

Due to weak internal controls, procurements were made without ensuring compliance of financial discipline.

Non-compliance of financial discipline resulted in irregular expenditure of Rs 1.076 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 24]

1.2.4 Performance

1.2.4.1 Non-achievement of targets of revenue – Rs 248.422 million

According to Rule 11 (2) (C) of Punjab Local Governments (Accounts) Rules 2017, Chief Officer shall ensure that any sums due to local government are promptly realized and credited into local fund.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management fixed revenue targets of Rs 391.955 million on account of rent of shops, water rates, license & permit fee, advertisement and publicity charges, sewerage tax etc. during 2016-18. Relevant staff did not make due efforts to recover / realize revenues. As a result revenue targets of 63 % amounting to Rs 248.422 million could not be achieved. Detail is given in **Annexure-G/BWP**.

Due to weak internal controls and poor performance of relevant staff, targets of revenue were not achieved.

Poor performance of the staff deputed for recovery resulted in less collection of revenue of Rs 248.422 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of amount due besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 03]

1.2.4.2 Non recovery of arrears of revenue – Rs 55.225 million

According to Rule 11 (2) (C) of Punjab Local Governments (Accounts) Rules 2017, Chief Officer shall ensure that any sums due to local government are promptly realized and credited into local fund.

As per schedule of arrears (form BDR-4) shown in budget books of Municipal Committee Bahawalpur for the year 2016-18, arrears of Rs 55.225 million were recoverable on 30.06.2018 but due efforts were not made to recover

those amounts despite the fact that arrears of Rs 14.800 million were already declared as arrears of land revenue prior to 30.06.2016. Detail is given in **Annexure-H/BWP**.

Due to weak internal controls and poor performance of relevant staff, arrears of revenue were not recovered.

Non recovery of arrears resulted into loss of Rs 55.225 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of amount due besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 04]

1.2.5 Internal Control Weaknesses

1.2.5.1 Less recovery of sewerage tax – Rs 280.581 million

According to gazette Notification No.162 dated 29.05.2013 of TMA Bahawalpur (City), sewerage tax at prescribed rates shall be recovered from occupants of residential, commercial and industrial buildings including restaurants, beauty parlours, petrol pumps, SNG stations, service stations, tea stalls, marriage halls, private schools, hospitals etc. having wash basins, or pipes of sewerage / drainage.

Scrutiny of record of Municipal Corporation Bahawalpur and its comparison with the data received from MEPCO revealed that MEPCO installed 197,678 electric meters in Bahawalpur city and was collecting electricity bills from its users whereas the staff of Municipal Corporation collected sewerage tax from owners of 4,465 houses / commercial units only. Management did not make due efforts to register 193,213 houses / commercial entities and sustained loss of Rs 280.581 million. Moreover, efforts were not made to recover sewerage tax through electricity bills. Detail is given below:

(Amount in rupees)

Sr. No.	Description	Domestic	Commercial	Industrial	T/Well	Total
1	As per Record of MEPCO	171,249	24,205	1,156	1,068	197,678
2	As per record of MC	4013	439	13	0	4465
3	Difference	167236	23,766	1143	1068	193213
4	Minimum Rate of Sewerage Tax (Rs / annum)	600	1200	10000	-	-
5	Loss (2016-17)	100,341,600	28,519,200	11,430,000	0	140,290,800
6	Loss (2017-18)					140,290,800
Total						280,581,600

Due to weak internal controls, due efforts were not made to recover sewerage tax from all users.

Short recovery of sewerage tax resulted in loss amounting to Rs 280.581 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 10]

1.2.5.2 Encroachment of valuable property of 29 kanals – Rs 138 million

According to Rule 4(1)(l) of the Punjab Local Govt. (Property) Rules 2018, the manager shall be vigilant about the encroachments on, or wrongful occupation of the property and in case of encroachment or wrongful occupation, take necessary steps for the removal thereof.

Valuable land of 29 kanals of Municipal Corporation Bahawalpur was encroached / illegally occupied by the public. Management did not take action to get the land vacated valuing Rs 138.0 million or recovering the amount from illegal occupants. Detail is given below:

(Rupees in million)

Sr. No.	Location	Total Area (K – M)	Encroached Area (K – M)	Approx. Value in area	Approx. Value of encroached property
1	Mauza Bindra, Ganda Taalab	174 - 00	26 - 00	Rs 3,000,000 / Kanal	78
2	Compound Fire Brigade	06 - 00	03 - 00	Rs 1,000,000 / per marla	60
Total			29		138

Due to ineffective controls over assets and negligence of the management, valuable property was not got vacated from illegal occupants.

Encroachment of valuable property caused loss of Rs 138 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends vacation of encroached property besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 05]

1.2.5.3 Less recovery of Map fee – Rs 111.150 million

According to gazette Notification No.2782 dated 25.07.2015 of TMA Bahawalpur (City), map fee @ Rs 5 and Rs 40 per sq.ft shall be recovered for approval of maps of residential and commercial buildings respectively.

Scrutiny of record of Municipal Corporation Bahawalpur and its comparison with the data received from MEPCO revealed that MEPCO installed 15,670 new electric meters in Bahawalpur City whereas MC realized map fee from 852 newly built houses / shops during 2016-18. Situation indicated that:

1. Almost 14,818 houses / commercial units were constructed without approval of their Maps and payment of map fee amounting to Rs 111.150 million (approx). Detail is given in **Annexure-I/BWP**.
2. Management did not take appropriate action against owners of illegally constructed buildings to fetch revenue of Rs 111.150 million.
3. During physical verification/site inspections on 20.12.2018, it was observed that 114 houses and 95 shops (in Rafi Qamar road and adjacent areas) were constructed without approved maps. Owners of some under construction buildings stated that they constructed buildings without approved maps with collaboration of management of MC which indicated that management did not recover map fee amounting to Rs 2.156 million (approx) from owners of those buildings.
4. Management did not request / coordinate MEPCO authorities to give new connections only to those buildings who submit copy of approved maps along with their applications, in order to avoid leakage of revenue.

Due to weak internal controls, efforts were not made to recover map fee.

Short recovery of map fee resulted in loss amounting to Rs 111.150 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 09]

1.2.5.4 Loss due to Illegal establishment of cycle stands and non-action against relevant persons – Rs 103.200 million

According to Rule 14 (d) of Punjab Local Governments (Accounts) Rules 2017, the collecting officer shall collect the receipts of local government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Scrutiny of record of Municipal Corporation Bahawalpur and site inspections during audit revealed that fourteen cycle stands / parking sheds were established by private persons since 2014. Due efforts were not made to safeguard public interest, avoid illegal establishment cycle stands by private persons and fetch Government revenue amounting to Rs 103.200 million (approx) through auction of those parking places. Situation also indicated that:

1. The management was silently helping the delinquent persons by just sending a few notices or lodging FIRs without pursuing the matter properly.
2. Some cycle stands were situated outside of renowned commercial banks and business units (MCB, HBL etc.). Management issued incorrect notices to the managers of relevant offices by stating that they could not take parking fee (as if they were taking parking fee) as it was right of TMA/MC only. The notices in it-self were incorrect and doubtful as private persons had established those cycle stands and not the managers of banks or renowned business entities. Moreover, the notices were not got received / acknowledged from managers of relevant offices. Furthermore, the matter was not taken up with higher authorities of relevant banks if the managers were involved in such illegal actions.

Detail is given in **Annexure-J/BWP**.

Due to weak internal controls, efforts were not made to remove illegally established cycle stands and fetching government revenue from auctioning those points.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 12]

1.2.5.5 Loss due to realization of rent at less than prevailing market rates – Rs 64.737 million

According to Rule 11 (2) (C) of Punjab Local Governments (Property) Rules 2018, the manager shall ensure that rented property fetches maximum rent. According to Rule 27 (3) (a) of Punjab Local Governments (Accounts) Rules 2017, 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.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management realized rent from 04 petrol pumps and 467 shops located in different markets at abnormally low rates than the prevailing market rates of the locality which indicated that undue favour was extended to some persons past, either those shops were allotted at abnormally low rates than the prevailing market rates or reserve price for auction of shops was not properly calculated at that time. Furthermore,

1. Lease agreements of these shops were not renewed and rent was not re-fixed keeping in view current market situations in violation of Punjab Local Government Property Rules 2003.
2. Chief Officer of MC Bahawalpur issued letter No.3839 dated 16.10.2018 to the Deputy Commissioner and to call a meeting of District Price

Assessment Committee (DPAC) for assessment of rent in compliance of PLG (Property) Rules 2018.

3. Abnormal delays in re-fixing of rent and realization of rent at less than prevailing market rates resulted in loss of Rs 64.737 million (approx) during 2016-18.
4. The matter was pointed out many times through different audit paras since 2010-11. Abnormal delays in re-fixing of rent indicated criminal negligence on the part of management.

Due to weak internal controls, lease rent was not re-fixed and rent was realized at less than prevailing market prices.

Realization of rent at less than prevailing market rates caused a loss of Rs 64.737 million to the government. Detail is given in **Annexure-K/BWP**.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 13]

1.2.5.6 Loss due to non-registration of private housing schemes – Rs 21.221 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 empowers 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 Municipal Corporation Bahawalpur, eleven private housing schemes / land sub divisions carried out development and marketing activities without registration, approval of schemes, map design and specifications. Owners of most of the schemes did not apply for the registration

and therefore did not pay the fee on account of registration and other prescribed requirements amounting to Rs 21.221 million. Chief Officer 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 of the government. Detail is given in **Annexure-L/BWP**.

Due to weak managerial controls, illegal and unauthorized activities were not checked by the staff of Municipal Committee.

Non registration of housing schemes resulted in loss of Rs 21.221 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends registration of private housing schemes and action against persons involved in illegal establishment and marketing of unapproved housing schemes besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 06]

1.2.5.7 Doubtful quality of works due to biased sampling for lab testing – Rs 11.059 million

According to Rule 27 (3) (a) of Punjab Local Governments (Accounts) Rules 2017, sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 11.059 million on provision of tuff tiles, construction of sludge carrier during 2016-18. Quality of material used was doubtful as relevant lab test reports indicated that the sample was biased as it was provided by field staff concerned instead of taking samples by lab staff. Detail is given in **Annexure-M/BWP**.

Due to weak internal controls, quality of work was not ensured.

Public money was put at risk due to doubtful quality of works.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 37]

1.2.5.8 Loss due to non-recovery of commercialization charges – Rs 8.785 million

According to Rule 9(1) of Punjab Local Government (Commercialization) Rules 2004, commercialization charges @ 20 % shall be received;

- (a) For the urban commercial land, on the basis of valuation tables prepared under Stamp Act 1899, and
- (b) For the areas in respect of which such valuation tables are not applicable, on the average sale price of preceding 12 months of adjacent properties of area.

Scrutiny of record of Municipal Corporation Bahawalpur and physical verification/site inspections on 20.12.2018 revealed that 95 shops (in Rafi Qamar road and adjacent areas) were constructed without approved maps. Municipal Officer (Planning), Building Inspectors and other related staff allowed illegal construction of shops without payment of commercialization charges amounting to Rs 8.785 million (approx.). Moreover, the shops were constructed without leaving parking/setback area of 10-20 feet. Detail is given in **Annexure-N/BWP**.

Due to weak internal controls, due efforts were not made to recover commercialization fee.

Short recovery of commercialization charges resulted in loss amounting to Rs 8.785 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 11]

1.2.5.9 Unjustified expenditure on civil works in unapproved private housing schemes/ property not owned by the TMA/MC – Rs 2.986 million

According to Rule 27 (3) (a) of Punjab Local Governments (Accounts) Rules 2017, sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 2.986 million on construction of metalled roads, provision of sewerage, tuff tiles etc. in unapproved private housing schemes whose developers neither pay government dues nor transferred area of relevant streets, parks etc. in the name of TMA. Incurring expenditure on property not owned by TMA/MC was not justified.

(Rupees in million)

Sr. No.	UC No.	Name of Scheme	Approved Cost	Expenditure
1	UC No.10-Bahawalpur City	Construction of Tuff Tiles Street Bindhar Advocate Wali (Bashir Town). Ahsan Awan Block	0.650	0.502
2	UC No.10-Bahawalpur City	Provision of sewerage & tuff tiles street Niazi Wali UC No: 10 (Sajid Awan Colony)	0.750	0.589
3	UC No.10-Bahawalpur City	Repairing of metal road Sajid Awan colony UC 10	0.900	0.780
4	UC No.10-Bahawalpur City	Construction of M/ road street No.25 remaining portion to house Mehmood Warraich U.C.no.10. (Bashir Town)	0.900	0.780
5	UC No. 02 - Bahawalpur City	Construction of tuff tiles from Khatraan House to Malik Abdul Wadood (Cheema Town Phase – II)	0.350	0.335
Total				2.986

Due to weak internal controls, development activities were carried out in unapproved housing schemes.

Incurring expenditure on property not owned by the TMA resulted into loss of Rs 2.986 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

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

[AIR Para No. 38]

1.2.5.10 Loss due to realization of General Bus Stand fee through self collection – Rs 2.162 million

According to Rule 14 (d) of Punjab Local Governments (Accounts) Rules 2017, the collecting officer shall collect the receipts of local government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that contract for collection of General Bus Stand Fee was granted in 2016-17 which realized revenue of Rs 13.679 million but in 2017-18 instead of increasing revenue because of increase in population, transportation etc., self-collection was made and revenue of Rs 11.517 million was realized which resulted in shortfall of income worth Rs 2.162 (excluding income tax) as detailed below:

(Amount in rupees)

Description	Revenue	Salary of staff	Total
Revenue realized from grant of contract during 2016-17	13,000,000	679,774	13,679,774
Revenue realized from self collection during 2017-18			11,517,220
Shortage from last year's income			2,162,574

Due to weak internal controls, collection rights for general bus stand fee were not auctioned.

Non auction of collection rights and less efforts staff deputed on self collection resulted in loss of Rs 2.162 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No.15]

1.2.5.11 Loss due to receipt of lesser discount on rent of tentage – Rs 1.985 million

According to Rule 27 (3) (a) of Punjab Local Governments (Accounts) Rules 2017, sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 5.103 million on account of rent of tentage items during 2016-18. Management obtained discount @ 60 % below price list from M/S A.R Enterprises on 19.09.2016 when healthy completion was held and in remaining cases lesser discount was received from supplier. Due efforts were not made to save public money worth Rs 1.985 million by obtaining discount of 60 % or more. Detail is given below:

(Amount in rupees)

Event	Token No. / Date	Inv.No. / Date	Supplier	Amount	Discount Received	Loss
Eid-ul-Azha	946 / 26.09.2016	275 / 19.09.2016	A.R Enterprises	324,863	60 % below	-
Eid-ul-Fitr	07 / 09.07.2016	-- / 09.07.2016	Sial Traders	416,918	15 % below	187,613
Muharam-ul-Haram	1383 / 14.11.2016	--- / 11.10.2016	SS Traders	597,402	15 % below	268,831
Eid-Milad-Un Nabi	1692 / 19.12.2016	... / 14.12.2016	SS Traders	294,238	15 % below	132,407
Eid-ul-Fitr	403 / 22.08.2017	937 / 07.08.2017	A.R Enterprises	449,830	39 % below	94,464
Jashan-e-Azadi	530 /	970 /	A.R	464,821	12 % below	223,114

Event	Token No. / Date	Inv.No. / Date	Supplier	Amount	Discount Received	Loss
2017	29.08.2017	22.08.2017	Enterprises			
Establishment of temporary cattle markets / sale points	807/ 02.10.2017	--/ 25.09.2017	SS Traders	1,157,622	5% below	636,692
Muharam-ul-Haram	950/ 12.10.2017	519/ 10.10.2017	A.R Enterprises	653,655	40 % below	130,731
Eid-ul-Azha	1388/ 19.12.2017	--/ 08.09.2017	Abdullah Associates	538,500	25 % below	188,475
School Olympics Sports Gala	1462/ 28.12.2017	--/ 05.12.2017	Samco contractors & G.order upplier	204,775	0 % below	122,865
Total				5,102,624		1,985,192

Due to weak internal controls, lesser discount was received on account of rent of tentage items.

Expenditure with lesser discount resulted in loss of Rs 1.985 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 19]

1.2.5.12 Unjustified expenditure on purchase of polythene bags – Rs 1.632 million

According to Rule 27 (3) (a) of Punjab Local Governments (Accounts) Rules 2017, sanctioning authority shall exercise the same vigilance in the expenditure from the local fund as a person of ordinary prudence may exercise in respect of his own money.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that management incurred expenditure of Rs 1.632 million on purchase of shopping bags for sale of subsidized sugar during 2016-17. Expenditure was not justified due to following reasons:

1. TMA / MC did not purchase sugar or other saleable items, it just arranged different stalls. Purchase / supply of shopping bags had no justification as it was to be arranged by sellers themselves.
2. Sugar and other saleable items were supplied in Ramzan Bazars at Rs 1-2 below market prices whereas cost of each shopping bag was about Rs 04 which had no justification.
3. TMA/MC did not maintain any record regarding total sales and subsidy provided to public in Ramzan Bazars. Hence, legitimacy of expenditure could not be ensured.
4. Stock register and consumption record was not shown to audit.

Due to weak internal controls, public money was not spent in judicious manner.

Unjustified expenditure on purchase of polythene bags resulted in loss of Rs 1.632 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 32]

1.2.5.13 Excessive expenditure on rent of tentage items – Rs 1.370 million

According to Rule 27 (3) (b) of Punjab Local Governments (Accounts) Rules 2017, sanctioning authority shall not sanction any expenditure which is more than the occasion demands.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 1.730 million on rent of tentage items during celebrations of Eid-ul-Fitr and Eid-ul-Azha. Expenditure of Rs 1.370 was not justified due to following reasons:

1. Eid prayers were offered early in the morning (around 6:30 AM) and there was no need of fixing Shaminas in Eid Gah. Expenditure on fixing shamianas was doubtful.
2. Total area of Eid Gah was about 01 acre (43,520 sft) and required only 125 Shamianas to cover it fully whereas shamians of 350-450 were shown acquired on different events which indicated excessive expenditure of Rs 467,300
3. Total area of Eid Gah was about 01 acre and required only 435 “Dari” to cover it fully whereas 2,200 Dari on each event were shown acquired which indicated excessive expenditure of Rs 279,531
4. Dari and white cloth was already spread and there was no need of 500 – 600 carpets. Moreover, only 360 carpets (20x6) could easily be spread to cover the whole floor of Eid Gah. Situation indicated misuse of funds worth Rs 603,750
5. Sufficient quantity of Qanat, wooden tables and water tanki were already purchased by TMA in preceding years and were physically available in stock. Hence, rent of Rs 19,141 paid for those items were not justified.

Due to weak internal controls, excessive expenditure was incurred than the occasion demanded.

Excessive expenditure resulted in loss of Rs 1.370 million. **Annexure-O/BWP.**

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 20]

1.2.5.14 Unjustified utilization of public money for personal benefits of Chairman UC-10 – Rs 1.244 million

According to Rule 27 (3)(d) of Punjab Local Governments (Accounts) Rules 2017, the sanctioning authority shall not incur any expenditure for the benefit of a particular person or class of persons.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 1.244 million on construction of metalled roads, provision of sewerage during 2016-18. Expenditure was subject to following observations:

1. Asif Town, Khalid Town and Hassan Town are private housing schemes/land sub divisions owned and developed by Chairman Union Council No.10. First two schemes were not approved from the TMA.
2. Chairman of the Union Council No.10 used his political influence and got approval of two development projects for his union council from the funds available for ADP, LGDP.
3. Scheme at Sr.No.1 was the main road of Asif Town which ended at /connected the Hassan Town. Public money was spent in unapproved private housing scheme by incorrectly recording the name of area as Basti Kanju.
4. Scheme at Sr. No.02 was located behind Khalid Town and it was laid down to connect sewerage line/ provide sewerage facility to the residents of Khalid Town, which is an unapproved private housing scheme owned by the Chairman of Union Council No.10.
5. Sewerage schemes and metalled roads in Asif Town and Khalid Town were also got approved / executed from Public Health Engineering and Provincial Highway Departments irregularly.
6. At the time of execution, management clearly knew that public money was being utilized for personal benefits of the owners of unapproved housing schemes.

(Rupees in million)

Sr. No.	UC No.	Name of Scheme	Source of Funding	Approved Cost	Expenditure
1	UC No.10- Bahawalpur City	Construction / Repair Metalled Road Masjid Haji Zahoor Ahmad Awan To Shop Rohi Property Dealer Basti Kanjo (Asif Town)	LGDP	1.100	0.706
2	UC No.10- Bahawalpur City	Construction Extent/Improvement of Sewerage Line Basti Samlaan UC No.10 (Behind Khalid Town)	ADP	0.900	0.538
Total				2.000	1.244

Due to weak internal controls, public money was spent for personal benefits of a political person.

Utilization of public money for personal benefits of a political person indicated misuse of authority and public resources.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR ParaNo. 33]

1.2.5.15 Unjustified expenditure on rent of rikshaw, generators and flood lights – Rs 1.046 million

According to Rule 4 of PPRA Rules 2014, procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. According to Rule 27 (3) (b) of Punjab Local Governments (Accounts) Rules 2017, sanctioning authority shall not sanction any expenditure which is more than the occasion demands.

Scrutiny of record of Municipal Corporation Bahawalpur revealed that the management incurred expenditure of Rs 1.046 million for rent of generator, rickshaw, flood lights etc. for making arrangements during Muharam-ul-Haram and Chehlum Imam Husain during 2017-18. Expenditure was not justified as rent paid for each item was almost equal to the cost of those items. Efforts were not made to purchase those items and save public money as they were of durable nature and usable for other events as well. Furthermore,

1. 51 flood lights taken on rent during Muharam-ul-Haram were neither specified in advertisement nor was its approval from competent authority on record.
2. Detail of Total sites where arrangements were to be made, requirements of each site and approved lists of items to be procured / taken on rent were not available.
3. Labour charges to handle generators were also not justified as TMA had sufficient number of electricians and allied staff to handle such equipments.
4. Efforts were not made to purchase those items and donate to the managers of relevant Imam Bargh to avoid recurring expenditure on rent of such items. **Annexure-P/BWP**

Due to weak internal controls, excessive expenditure was incurred than the occasion demanded.

Excessive expenditure resulted in loss of Rs 1.370 million.

The matter was reported to the PAO during January, 2019. The management did not submit reply.

Despite many efforts, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry at appropriate level and recovery of loss besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 21]

CHAPTER 2

2.1 Municipal Corporation, Dera Ghazi Khan

2.1.1 Introduction

As per the Punjab Local Government Act, 2013, the Municipal Corporation established under the Act shall function within the Provincial framework and adhere to the Federal and Provincial Laws. In performance of the functions, Local Governments carried out the functions devolved by the Provincial Government to the District Council.

The Municipal Corporation is headed by Mayor. The Municipal shall approve bye-laws and taxes, establish, approve annual budget of the Municipal Corporation including supplementary budgetary proposals and long term and short term development plans, promote social counseling to inculcate civic and community spirit and motivate and galvanize the general public for compliance with municipal laws, rules and bye-laws, prevention and removal of encroachment on public ways, streets and properties, regulation or prohibition of the excavation of earth, sand, stones or other material, to organize cattle fairs and cattle markets and regulation of sale of cattle and other animals, provision of relief for the widows, orphans, poor, persons in distress and children and persons with disabilities, construction of culverts, bridges and public buildings, assisting Union Councils in provision and maintenance of rural water supply schemes and public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water, construction of culverts, bridges and public buildings.

The Mayor is the Principal Accounting Officer of the Municipal Corporation and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the Municipal Corporation is carried out in accordance with the laws and to coordinate the activities of the groups of offices for coherent planning, development, effective and efficient functioning of Municipal Corporation.

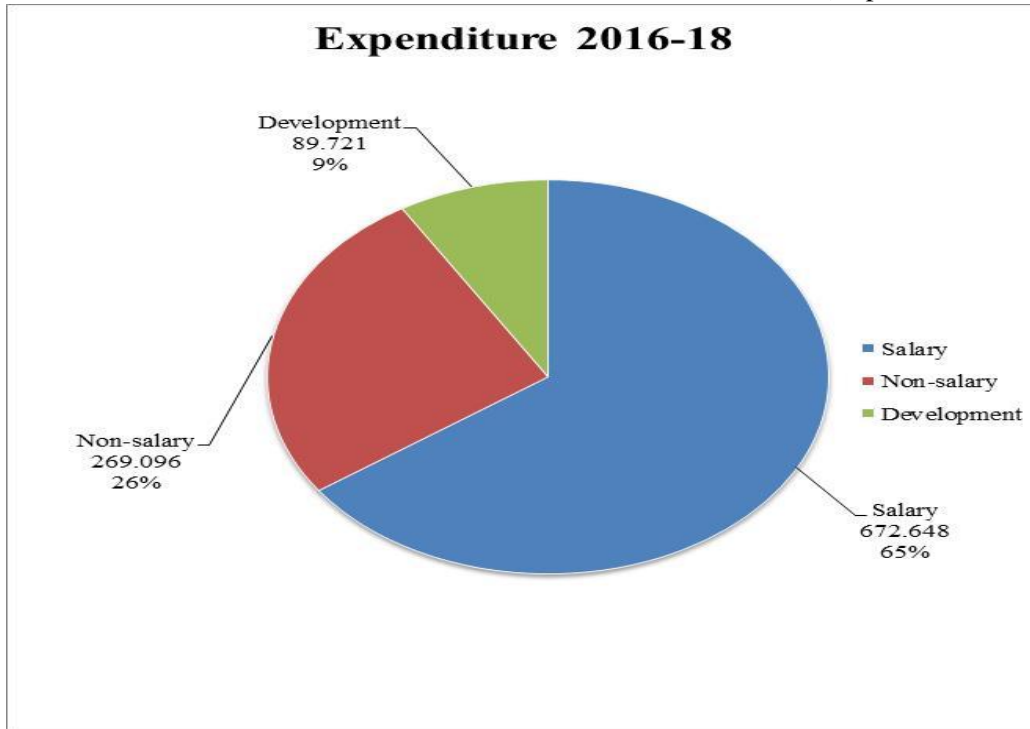
2.1.2 Comments on Budget and Accounts

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

(Rupees in million)

Municipal Corporation D.G.Khan				
2016-18	Budget	Actual	Excess / Savings	%
Salary	793.185	672.648	120.537	15.197
Non-Salary	352.695	269.096	83.599	23.703
Development	121.14	89.721	31.419	25.936
Total	1,267.02	1,031.465	235.555	18.591
Receipts	1,327.409	1,209.490	117.919	8.883

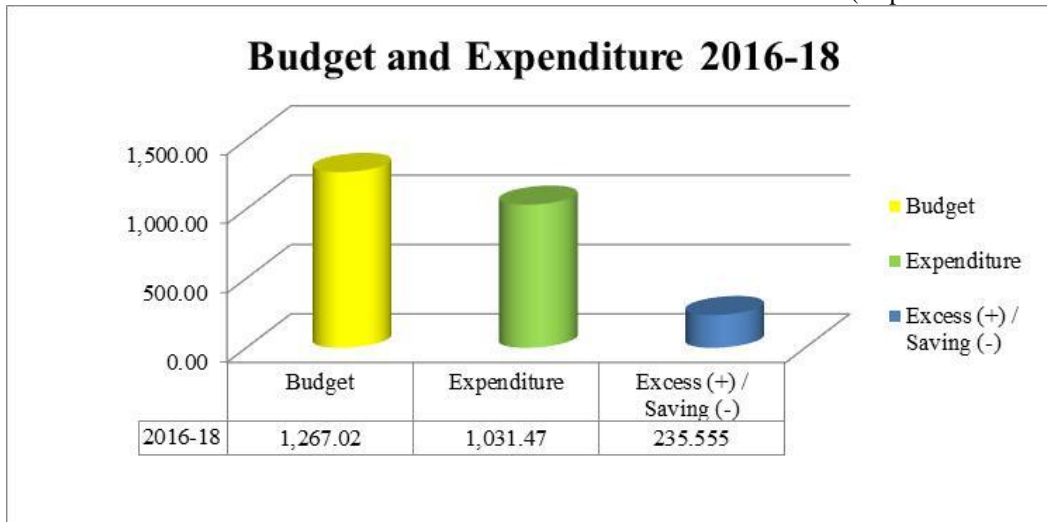
(Rupees in million)



As per the Appropriation Accounts 2016-18 of the Municipal Corporation, Dera Ghazi Khan, total original budget (Development and Non-Development) was Rs 1,267.020 million. Against the budget, total expenditure of Rs 1,031.465 million was incurred by the Municipal Corporation during 2016-18. Lapse of funds amounting to Rs 235.555 million came to the notice of

audit due to inefficient financial management in release of budget by Deputy Director (Finance). No plausible explanation was provided by PAO and management of the Municipal Corporation, Dera Ghazi Khan. (Annexure-B)

(Rupees in million)



Due to inefficient financial management in release of budget by Deputy Director (Finance), major portion of funds lapsed occurred as detailed below:

- (i) Excessive budget was blocked by allocating heavy amounts in non-development portion which resulted in lapse of Rs 204.136 million (18 percent).
- (ii) An amount of Rs 31.419 million (26 percent) remained unutilized under “Development” due to less development activities.

2.1.3 Brief Comments on the Status of Compliance of MFDAC Audit paras

As during the Audit year 2017-18, 1st Audit of Municipal Corporation, D.G.Khan was conducted and the Audit Paras which would not be attended by the DDO/PAO will be reported in next year Audit Report.

2.1.4 Brief Comments on the Status of Compliance with PAC Directives

As it is 1st Audit of District Council, no Audit Report has been previously laid before the Public Account Committee.

2.2 AUDIT PARAS

2.2.1 Non-Production of Record

2.2.1.1 Non-production of record – Rs 15.754 million

According to Clause 14 (1) (b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, the Auditor General shall in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts.

Chief Officer Municipal Corporation paid an of Rs 15.754 million to MEPCO on account of electricity charges during 2016-18 but vouched accounts of electricity bill was not produced for audit scrutiny.

Due to weak financial management, the record was not produced for audit verification.

Non production of record created doubt regarding legitimacy of the expenditure amounting to Rs 15.754 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends to inquire the matter, fixing responsibility and strict disciplinary action against the person(s) at fault for non-production of record, and to ensure that the record is produced to Audit for scrutiny.

[AIR Paras:24]

2.2.2 Irregularities & Non-Compliance

2.2.2.1 Non/ less recovery of various fees/taxes – Rs 273.503 million

According to Rule 47 of Punjab Local Government (Budget) Rules 2017, the collecting officer shall ensure that all the revenue due is claimed, realized and credited to the Local Fund. Further to this “it is the duty of the departmental authorities to see that all Govt. dues/revenues which have to be brought to account are correctly and promptly assessed, realized and credited to Govt. account. Further According to Rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Chief Officer Municipal Corporation failed to recover / less recovered rent of shops, various fees and taxes amounting to Rs 273.503 million under various heads during 2016-18. The detail is given below:

(Rupees in million)

Sr. No.	Nature of Receipt	Amount
1	PST on services	0.441
2	Tender fee	0.098
3	Professional Tax	0.194
4	GST	0.336
5	Rent of Ghazi Park	1.003
6	Conversion fee, map fee	34.357
7	Sewerage, water supply, road design fee	5.508
8	Water rate charges	18.242
9	Cost of land of Kachhi Abbadi	2.061
10	Advertisement fee	0.420
11	Dalla stand fee	1.317
12	Arrear of rent of shop	202.257
13	Commercial building fee	2.899
14	Urban immovable property tax	4.370
Total		273.503

Due to weak financial control, revenue was not realized.

Non realization of revenue resulted in loss of Rs 273.503 million to the Local Government.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends recovery of Rs 273.503 million besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR paras: 14,15,20,29,50,52,53,54,55,57,58,60,61,62]

2.2.2.2 Irregular expenditure due to defective tendering process– Rs 180.425 million

According to Finance Department letter No. RO (TECH) FD–1–2/83/-VI dated 29.03.2005, the particulars of technical sanction i.e. amount, number and date of orders of technical sanction be mentioned in the tender inviting notice.

Contrary to the above, Chief Officer Municipal Corporation invited tenders for 50 development schemes valuing Rs 180.425 million, during 2016-18, through advertisement in single Urdu newspaper. No particulars of technical sanction i.e. TS number and date of orders of Technical Sanctions were laid down in the advertisement. (Annexure-C/DGK)

Due to weak financial controls, tenders were advertised without technical sanction number and date.

Noncompliance of rules resulted in irregular expenditure of Rs 180.425 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para: 8]

2.2.2.3 Non-recovery of arrears – Rs 93.012 million

According to Rule 7 of Punjab Local Governments (Budget) Rules 2017, The Collecting officer is responsible to ensure timely recovery against each demand.

Chief Officer Municipal Corporation did not recover outstanding arrears amounting to Rs 93.012 million from the various contractors against various leases. No serious efforts were made to recover the outstanding revenues. (Annexure-D/DGK)

Due to weak financial controls, attentions were not paid towards recovery of arrears.

Non recovery of pending arrears resulted in loss of revenue Rs 93.012 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility against the person(s) at fault besides recovery of Rs 93.012 million, under intimation to Audit.

[AIR Para: 3,25]

2.2.2.4 Non achievement of receipt targets - Rs 69.992 million

According to Rule 47 of Punjab Local Governments (Budget) Rules 2017, the Collection Officer shall ensure that all revenue due is claimed, realized and credit immediately in Local Government Account and entered in the proper receipt head.

Chief Officer Municipal Corporation estimated various receipts during 2017-18 on the basis of last year collection under various heads. However, recovery remained short of Rs 69.992 million of the targets for the year. The detail is given below:

(Amount in rupees)

Source of leases	Budgeted Income	Revised Budget	Actual Income	Excepted loss
License fee	2,000,000	2,000,000	0	2,000,000
General bus stand fee	17,509,000	-	10,191,610	7,317,390
Fee for change in land use	80,000,000	60,000,000	9,759,777	50,240,223
Fine for encroachment	500,000	-	271,200	228,800
Sale of residential water	10,000,000	10,000,000	4,109,110	5,890,890
Arrears of leases	4,315,181		0	4,315,181
Total				69,992,484

(Data Source: Budget Book)

Due to weak financial management, receipts targets were not achieved.

Non achievement of receipt target resulted in loss to MC amounting to Rs 69.992 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends inquiry, fixing responsibility and appropriate action against the person(s) at fault, under intimation to Audit.

[AIR Para: 27]

2.2.2.5 Irregular payment of work charged establishment–Rs 47.712 million

According to Sr. No. 2 of Schedule of Wage Rates, 2017, appointment to a post included in this schedule may be made by the competent authority under delegation of financial powers rules 2016 subject to the following conditions:

- a) The post(s) shall be advertised properly in the leading newspapers.
- b) The recruitment to all the posts in the schedule shall be made on the basis of merit specified for regular establishment vide para 11 of the Recruitment Policy issued by S&GAD
- c) Terms and conditions of employment shall be governed under Rules 7.12 to 7.14 & 7.37 to 7.41 of DFR, Vol-III.
- e) The appointment may be made up to the end of the financial year or the duration of the project, which is earlier.

Chief Officer Municipal Corporation recruited 254 work charged employees. An amount of Rs 47.712 million was paid on account of salaries to those employees during 2016-18. The recruitment process was conducted without observing the codal formalities i.e. advertisement of the posts, detail of the candidates applied, minutes of recruitment committee, offer letters and joining reports etc. The detail is given below:

(Amount in rupees)

Branch	No. of Employees	Rate Paid	Period	Amount
Water Supply Urban	11	14,511	2016-18	3,830,904
Water Supply Rural(TMA Period)	156	14,511		13,582,296
Disposal Works	1	14,511		348,264
Street Lights	2	14,511		696,528
Sewer Men	10	14,511		3,482,640
CO Unit	74	14,511		25,771,536
Total	254			47,712,168

Due to weak financial control, work charged employees were recruited and salaries were paid without observing codal formalities.

Non observance of codal formalities resulted in irregular expenditure of Rs 47.712 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends regularization besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para 36]

2.2.2.6 Irregular expenditure without advertisement on PPRA website – Rs 42.128 million

According to Rule 9 of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of the procurement so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

Chief Officer Municipal Corporation incurred an expenditure of Rs 42.128 million for purchase of various items without advertisement on PPRA website and two daily national newspaper i.e. one in English and one in Urdu. Further bills were split up to avoid tender process. The detail is given below:

(Rupees in million)

Sr. No.	Nature of expenditure	Amount
1	Contingent expenditure	11.789
2	Construction of Tuff Tile Pavers In City D.G.Khan	26.021
3	Tentage for Ramzan Bazar	4.318
Total		42.128

Due to weak financial controls, procurement was made without advertisement on PPRA website.

Non-compliance of the procurement rules resulted in irregular expenses of Rs 42.128 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure, under intimation to Audit.

[AIR Para:7,17,11]

2.2.2.7 Unjustified expenditure on POL - Rs 12.877 million

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

Chief Officer Municipal Corporation incurred an expenditure of Rs 12.877 million on account of POL. Scrutiny of record revealed that vehicles and generators have been remained on working throughout the year without availability / installing of kilometer / hour meter. The entries in the logbooks were recorded on assumption basis instead of actual readings. The authenticity of expenditure could not be verified. The detail is given below:

(Amount in rupees)

DDOs	Vehicles	Amount of POL
TMO	LZJ 7616 Car	524,184
	Generator office	314,182
TO(R)	Tractor encroachment /loader, jeep, car	296,896
I&S	Car, tractor blade + liabilities	768,856
	Fire brigade (Fire Chief 1,2,3 &4)	365,628
	Generators at urban disposal works at Gadai Shumali, Masoomabad, Khayaban-e-Serwer, Norangabad, Sabzimandi, Waqar Canteen, Shamsabad +liabilities	2,996,997
	Sucker machines (S1, S2, S3 & S4 and J1, J2,J3) + liabilities	5,147,313
	Dewatering sets/ peters 40 numbers	2,463,906
Total		12,877,962

Due to weak internal controls, expenditure was incurred without installing of kilometer / hour meter.

Non installation of meters resulted in unjustified expenditure of Rs 12.877 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure, under intimation to Audit.

[AIR Para:28]

2.2.2.8 Unauthorized collection without Gazette Notification of levies - Rs 11.465 million

According to Rule 19 of Punjab Local Government (Accounts) Rules 2017, no tax, fee, toll, cesses, charge, rate, or any other levy shall be given effect before the same is notified in the official Gazzet.

Contrary to above, Chief Officer Municipal Corporation collected receipts of Rs. 11.465 million for the financial year 2017-18 against following heads without any notification in official Gazette. The detail is given below:

(Amount in rupees)		
Name of levee / tax/fee	Period	Amount
Latrine fee	2017-18	307,100
Bus adda fee		11,158,100
Total		11,465,200

Due to weak financial controls, fees were collected without notification in official gazette.

Non observance of rules resulted in irregular collection of fess Rs 11.465 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility on person(s) at fault besides to inquire the matter and regularization of receipt, under intimation to Audit.

[AIR Para:49]

2.2.2.9 Unauthorized purchase of vehicle – Rs 5.280 million

According to Rule 12 of PPRA 2014, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations. The procurement exceeding two million rupees shall be advertised on the website of the Authority, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu. Furthermore, according to Rule 31(f) of Budget Rules 2017, a prior sanction of the Government for advance payment shall be required and must be accompanied by a certificate that payment in advance is necessary and unavoidable because of the nature or terms and conditions of the contract for supply of the goods or services and in such cases , following additional procedures must be followed;

- (i) Claim voucher must be prominently stamped “PAID IN ADVANCE”;
and

Furthermore, according to Government of Pakistan (Revenue Division) CBR (Sales Tax and Federal Excise Wing) letter No. 4/2-STB/207)PT) dated 13-8-2007, Government / Department making purchase of goods liable to sales tax, shall withhold 1/5th sales tax while remaining 4/5th of the sales tax shall be paid to supplier and withheld amount will be deposited by the government organization/ department itself.

Chief Officer Municipal Corporation incurred an expenditure of Rs 5.280 million on account of purchase of vehicle during 2016-18. Scrutiny of relevant record revealed that purchase was made through quotation instead of open tender. The payment was in advance to the supplier. Further GST and Income Tax was not deducted at source. The detail is given below:

(Amount in rupees)

Token No	Date	Vehicle	Paid to	Amount	GST	1/5 GST	I.tax
114	23.02.2017	TOYOTA FORTUNER (Black)	Indus Motors	5,281,500	767,250	153,450	200,000

Due to weak financial controls, the procurements were made without observing the rules.

Non observance of rules resulted in unauthorized expenditure of Rs 5.280 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of expenditure, under intimation to Audit.

[AIR Para:5]

2.2.2.10 Doubtful expenditure on street light materials – Rs 2.955 million

According to Rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as a case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers.

Chief Officer Municipal Corporation incurred an expenditure of Rs 2.955 million on account of purchase of street light material for different union councils during 2016-18 without site plan and consumption record. The detail is given below:

(Amount in rupees)

T.No	Date	Supplier	Description	Amount
292	21.10.17	Sardar Ghulam	Electricity street light materials	1,003,839
24	07.12.17	Muhammd Langrana	Street light materials	184,136
198	06.05.17	Ghulam Murtaza Pitrafi	Bill of supply street light	269,259
166	16.06.17		Providing & fixing street lights	825,121
319	21.06.17	Ghulam Muhammad Langha	Providing & fixing led lights sewer bulb	672,617
Total				2,954,972

Due to weak internal controls, expenditure was incurred without observing codal formalities.

Non observance of codal formalities resulted in unauthorized expenditure of Rs 2.955 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure, under intimation to Audit.

[AIR Para:34]

2.2.2.11 Loss on account of conveyance allowance – Rs 2.612 million

According to instruction issued by the Government of the Punjab Finance Department letter No.FD.PC-2-1/2008 dated 11-07-2008 a Government servant availing the facility of Government vehicle/pick & drop will not be allowed conveyance allowance. Furthermore, according to Government of the Punjab Finance Department letter No.FD.SR.19-4(P) (PR) dated 21.04.14 Clarification issued that the officers who are availing Govt. Vehicles including Bikes (Sanctioned/Pool) are not entitled to the facility of Conveyance Allowance. This Department's instructions, whereby conveyance allowance was allowed on a certificate of not using vehicle from house to office and vice a versa are withdrawn accordingly.

Chief Officer Municipal Corporation paid an amount of Rs 2.612 million on account of conveyance allowance and house rent allowance to employees during 2016-18, un-authorizedly because Government vehicles in shape of motor cycle/car was also allotted to them and cost of POL / repair and maintenance was also paid to them from the Government account against performing duties. Furthermore, house rent allowance was not deducted from the employees to whom Government residences were given.

Due to weak financial controls, inadmissible conveyance and house rent allowances were paid.

Payment of inadmissible allowances resulted in loss to the Government amounting to Rs 2.612 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends recovery of Rs 2.612 million besides fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para:33,42]

2.2.2.12 Unauthorized grant of TS from irrelevant authority – Rs 1.675 million

According to LG & CD department letter No. SOR(LG)38-3/2017 dated 30.06.2017, an engineer in BS-11 working as independent engineer incharge in a Local Government shall have the powers to accord technical sanction up to rupees one million. Furthermore, as per Chief Engineer letter No.CE(HQ)PLGB-6/2008 dated 13.05.2008, the scheme beyond the competency of Tehsil Officer (I&S) was required to be forwarded to the Chief Engineer for technical sanction.

Chief Officer Municipal Corporation executed the scheme “P/L RCC Sewer Line from Manka Canal to Masjid Leghari Floor Mills Quetta Road UC 14” having value of Rs 1.675 million but the schemes were technically sanctioned by Senior Engineer (PHED) instead of approval from the concerned Chief Engineer Local Government Lahore.

Due to weak financial controls, technical sanction was obtained from irrelevant authority.

Granting of TS by irrelevant authority resulted in irregular expenditure of Rs 1.675 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends fixing responsibility on the person(s) at fault besides regularization of the expenditure, under intimation to Audit.

[AIR Para:39]

2.2.2.13 Loss due to non-reduction of cost of bricks - Rs 1.640 million

According to Market Rate System issued by the Government of Punjab Finance Department, the composite rate is to be reduced by 7% and 14%, if 2nd or 3rd class bricks are used.

Chief Officer Municipal Corporation awarded the work of ten schemes to contractors during 2016-18. Scrutiny of record reveal that neither the lab test of brick from prominent laboratory for assessing the 1st, 2nd or 3rd class brick was available nor the rate of bricks amounting to Rs 1.640 million was reduced from contractor bills. (Annexure-E/DGK)

Due to weak financial control, payment was made without proof of 1st class brick.

Non reducing of brick rate resulted in loss of Rs 1.640 million.

The matter was reported to the Chief Officer in January, 2019. DDO did not submit replies.

Audit recommends that documentary proof of lab test may be provided to prove the utilization of 1st class bricks otherwise matter may please be investigated for fixing responsibility against the person(s) at fault, under intimation to Audit.

[AIR Para:43]

CHAPTER 3

3.1 Municipal Corporation, Faisalabad

3.1.1 Introduction

Municipal Corporation, Faisalabad was established on 02.01.2017 under Punjab Local Government Act, 2013. MCF shall each be a body corporate having perpetual succession and a common seal with power to acquire and hold property and enter into any contract and may sue and be sued in its name.

The Major functions of Municipal Corporation, Faisalabad as described in the Punjab Local Government Act, 2013 are as under:

- Implement rules and bye-laws governing land use, housing, markets, zoning, environment, roads, tax, infrastructure and public utilities;
- Approved development schemes for beautification of urban areas;
- Exercise control over land use, land sub-division, land development and zoning by public and private sectors for any purpose including for Agriculture, Industrial, Commerce Market, Shopping and other employment center, residential, parks, entertainment, passenger and transport freight, and transit stations;
- Enforce all Municipal Laws, rules and bye-laws governing its functioning;
- Prevent and remove encroachment
- Prepare revise budget and annual and long-term Municipal Development Programmes,
- Approve taxes and fee's
- Regulate dangerous and offensive articles and trade mentioned in second schedule;
- Collect approved taxes, fees, rates, rents, tolls, charges, fines and penalties;
- To regulate the market's and service and issue licenses, permits, grant permission and impose penalties for violation thereof as and where applicable;
- To manage the properties, assets and funds vested in the Local Government;

- Prepare financial statements and present them for internal and external audit in the manner as may be prescribed;

The Chief Officer is the PAO of Municipal Corporation and he/she manages functions of the Municipal Corporation through four offices i.e. Planning, Finance, Regulation and Infrastructure & Services.

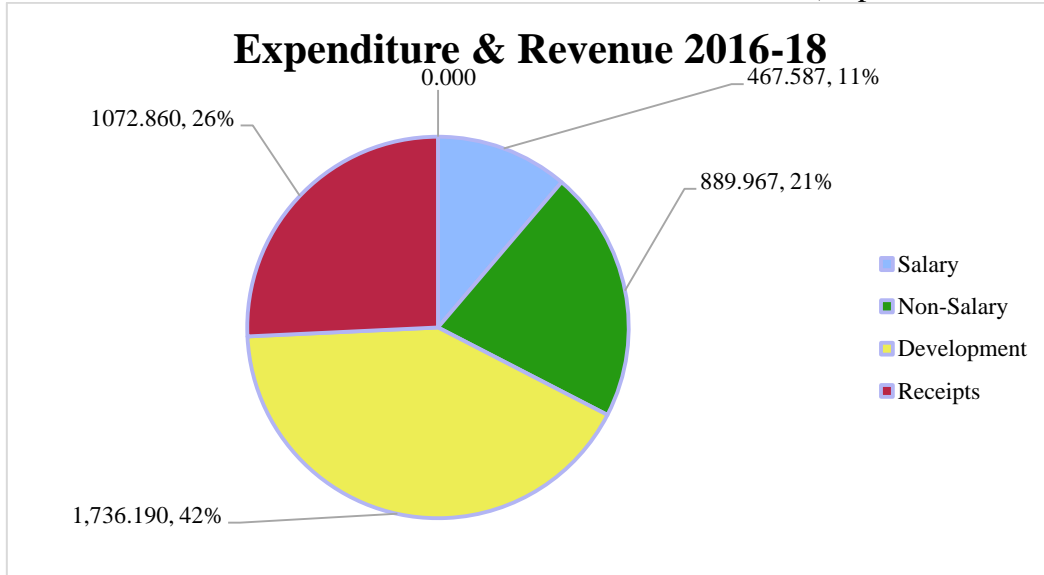
3.1.2 Comments on Budget and Accounts

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

(Rupees in million)

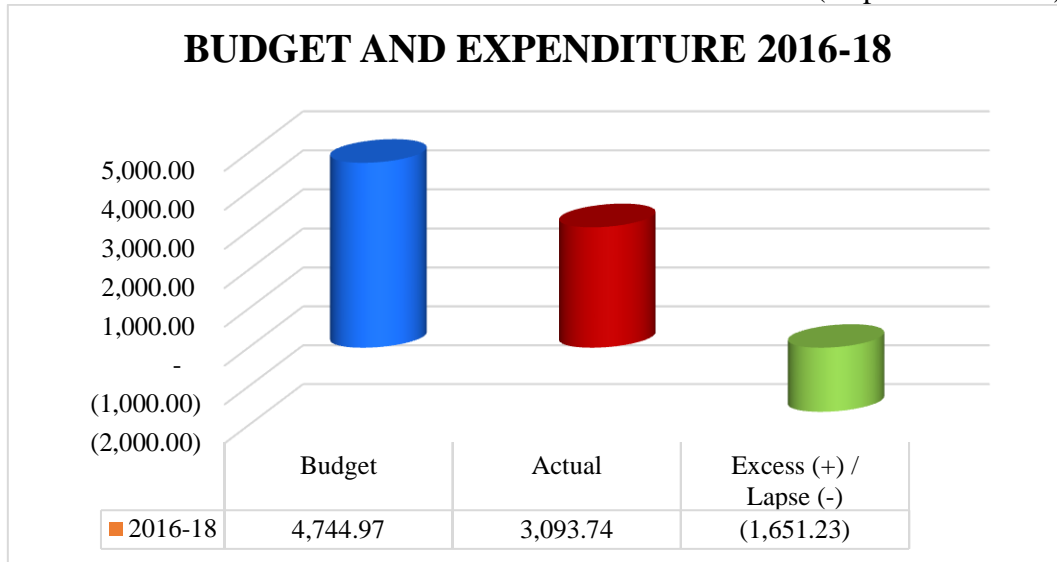
2017-18	Budget	Actual	Excess (+)/	%
			Lapse (-)	(Lapse)
Salary	467.674	467.587	-0.087	0.02%
Non-Salary	890.189	889.967	-0.222	0.02%
Development	3,387.111	1736.190	-1,650.921	48.74%
Total	4,744.974	3,093.744	-1,651.23	0.4878
Receipts	1,072.860	1,072.860	0.000	

(Rupees in million)



As per Appropriation Accounts of Municipal Corporation, Faisalabad for the Year 2016-18, total final budget (Development & Non-Development) was Rs 4,744.974 million. Against the final budget, total expenditure of Rs 3,093.744 million was incurred by the Municipal Corporation during 2016-18. A budget lapse of Rs 1651.230 million came to the notice of Audit due to inefficient financial management in release of budget by Administration of Municipal Corporation. No plausible explanation was provided by the PAO and management of Municipal Corporation (**Annexure-B**). The comparison of budget and expenditure for FY 2016-18 showing lapse is given below:

(Rupees in million)



3.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2017-18

The Municipal Corporation was established on 02.01.2017 under Punjab Local Government Act, 2013 and audit of its accounts was conducted for the first time, this may be treated as NIL.

3.1.4 Brief Comments on the Status of Compliance with PAC Directives

This is the first Audit Report on the account of Municipal Corporation, Faisalabad established in January, 2017. No Audit Report pertaining to the preceding years was submitted to the Governor of Punjab to be laid before the legislature.

3.2 AUDIT PARAS

3.2.1 Irregularities and Non-Compliance

3.2.1.1 Execution of work without approved Job Mix Formula – Rs 13.321 million

According to Government of the Punjab, C&W Department letter No.PA/Secy.(C&W)26-5/2009 dated 25.05.2009, Job Mix Formula (JMF) for asphalt base course and asphalt wearing course must invariably be approved from Road Research & Material Testing Institute (RR&MTI). After its approval, it must be strictly followed at site and no deviation be allowed under any circumstances. Further, according to Government of the Punjab, Finance Department Notification No.RO.(Tech)FD.2-3/2004 dated 02.08.2004, the rate of item of carpeting shall be fixed by the Chief Engineer on the basis of different percentages of bitumen i.e. 3% to 6%. However, payment will be made to contractor as per JMF or bitumen used in the work.

Administration of Municipal Corporation, Faisalabad awarded eight development works to various contractors for execution of construction/improvement of roads. The contractors executed item of work “Providing / laying pre-mix” amounting to Rs 13.321 million complete in all respect, 2” thick with 4% percentage density as provided in T.S Estimate. The payments were made without obtaining Job Mix Formula to determine the actual density Vis- a-Vis use of bitumen in the work. **(Annexure-C/FSD)**

Due to weak internal controls, carpeted roads were not constructed with approval of Job Mix Formula from RR & MTI.

Non-approval of Job Mix Formula and payment without assurance of quality resulted in un-authorized payment of Rs 13.321 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s).

[AIR Para: 24]

3.2.1.2 Unauthorized expenditure on visit of VVIPs – Rs 7.978 million

According to the Government of the Punjab, Finance Department letter No.FD(FR) VI/2000(p) dated 15.07.2000, policy for incurrence of expenditure in connection with the visits /public meeting of VVIPs. Point No. (VII) & (XIV), the expenditure shall be vetted by the Co-ordination Committee. Maximum expenditure incurred on each visit will not be more than Rs 1 million.

Administration of Municipal Corporation, Faisalabad incurred expenditure amounting to Rs 7.978 million on the visit of Chief Minister of Punjab for inauguration of various provincial mega projects in Faisalabad. The expenditure was incurred beyond the competency and without vetting by the Coordination Committee, which resulted in unauthorized expenditure. The detail is as under:

Rupees in million)

Head of Account	Bill No.	Date	Name of Contractor	Description	Amount
A03918-B	54	05.06.17	Muhammad Riaz	SMD Screen and Complete Sound System on rent basis	0.955
A03918-B	55	05.06.17	Muhammad Riaz	Purchase of Edible Items Nestle Mineral Water, cold Drink, Flag, Tea etc.	1.055
A03918-B	-	-	Muhammad Riaz	2 No AC Chiller on rent basis	0.99
A03918-B	77	09.06.17	Muhammad Nadeem	Printing of Flexes	1.685
A03918-B	78	09.06.17	Muhammad Nadeem	Printing of Flexes	1.895
A03918-B	79	09.06.17	Sikandar Baig Balam	Flexes, Invitation Cards, Flags etc.	0.645
A03918-B	80	09.06.17	Sikandar Baig Balam	Flexes, Invitation Cards, Flags etc.	0.753
Total					7.978

Due to financial mismanagement, funds were utilized on visit of Chief Minister Punjab beyond the competency and without vetting from Co-ordination Committee.

Utilization of funds beyond competency and without vetting from Coordination Committee resulted in unauthorized expenditure amounting to Rs 7.978 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on persons at fault.

[AIR Para: 7]

3.2.1.3 Loss due to non-realization of fine – Rs 6.171 million

According to Section 132 and 134 read with fifth schedule of the Punjab Local Government Act, 2013, the enforcement inspector shall submit the scroll on daily basis for proceedings of court and will follow up the receipt.

Administration of Municipal Corporation, Faisalabad failed to realize fine imposed on encroachers amounting to Rs 7.334 million. An amount of Rs 1.157 million was deposited by the encroachers and remaining amount of Rs 6.171 million was required to be recovered by Special Judicial Magistrate of MC. However, no progress on recovery was provided to audit. **(Annexure-D/FSD)**

Due to negligence of the administration of Municipal Corporation, enforcement ticketing fine could not be realized.

Non-realization of enforcement ticketing fine resulted in loss to Municipal Corporation amounting to Rs 6.171 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to realize the recovery of enforcement fine and reconcile with court of Special Judicial Magistrate amounting to Rs 6.171 million.

[AIR Para: 3]

3.2.1.4 Doubtful expenditure on printing of flexes etc. – Rs 4.969 million

According to Rule 2.31(a) of Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations.

Administration of Municipal Corporation, Faisalabad incurred an expenditure amounting to Rs 4.969 million on printing of flexes, invitation cards and flags, etc. on visit of Chief Minister of Punjab for inaugurations of various provincial mega projects of other departments. Neither any record of affixing

flexes etc. was maintained nor any places of visit was shown in any record, which resulted in doubtful expenditure. The detail is as under:

(Rupees in million)

Head of Account	Voucher No.	Date	Name of Contractor	Description	Amount
A03918-B	77	09.06.17	Muhammad Nadeem	Flexes, Invitation Cards, Flags	1.684
A03918-B	78	09.06.17	Muhammad Nadeem	Flexes, Invitation Cards, Flags	1.894
A03918-B	79	09.06.17	Sikandar Baig Balan	Flexes, Invitation Cards, Flags	0.641
A03918-B	80	09.06.17	Sikandar Baig Balan	Flexes, Invitation Cards, Flags	0.75
Total					4.969

Due to financial mismanagement wasteful expenditure was incurred on printing of flexes, invitation cards and flags etc. on visit of Chief Minister Punjab.

Expenditure on flexes, invitation cards and flags etc. resulted in wastage of public resources amounting to Rs 4.969 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to inquire the matter at appropriate level and effect recovery besides fixing responsibility on person(s) at fault.

[AIR Para: 9]

3.2.1.5 Irregular payment for execution of earth work – Rs 4.708 million

According to condition No.3 of technical sanction estimates approved by the Chief Engineer (HQ), Punjab Local Government Board, Lahore. The exact quantity of earth work in order to avoid possibility of any wrong payment besides preparation of lead chart of earth work showing borrowing area specifying exact Khasra and Khatooni number and payment will be made as per actual work done and according to X-Section / L-Section. Further responsibility of lead lies with Municipal Officer (Infrastructure), MCF.

Administration of Municipal Corporation, Faisalabad made payment of Rs 4.708 million for earth work of soiling, drain etc. The said item was provided in estimate and paid to contractors without preparation of lead

charts specifying exact borrowing area / location. Without lead charts, the payment of earthwork could not be ascertained. (**Annexure-E/FSD**)

Due to weak internal controls, payment was made without calculation of actual quantity and preparation of lead charts.

Execution of earth work without calculating actual quantity and maintenance of proper record resulted in irregular payment of Rs 4.708 Million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s) at fault.

[AIR Para: 20]

3.2.1.6 Irregular expenditure on POL – Rs 3.532 million

According to Government of the Punjab, Services & General Administration Department (Transport Pool) letter No.MTO(S&GAD)AT-II/2-9/2006 dated 26.12.2008, it has been decided to make necessary arrangements for sealing of speedometer / milometer of all the vehicles under use in Government offices to minimize the chances of pilferage / misappropriation of fuel.

Municipal Corporation, Faisalabad incurred an expenditure of Rs 3.532 million on account of POL for different vehicles (**Annexure-F/FSD**). Following shortcomings were noticed:

- 1) Meter reading were not mentioned in log books.
- 2) Speedometers of vehicles were not sealed.
- 3) Speedometers were out of order and also not installed in some vehicles.
- 4) Log books were not signed by the users and drivers.
- 5) Log books were not signed by the Transport In charge.
- 6) POL was drawn without approved daily work plan / duty slips by the Competent Authority.

Due to weak internal controls expenditure on POL was incurred without observing codal formalities.

Non-observing of codal formalities resulted in irregular expenditure on POL amounting to Rs 3.532 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s), at fault.

[AIR Para: 46]

3.2.1.7 Irregular payment of earth filling – Rs 3.323 million

According to Chief Engineer Punjab North High Way Department, Lahore letter No. 11.PST/77/1890/1940/P(2) dated 19.11.1984, that no payment should be made to any contractor on account of earth work unless and until the Natural Surface Levels (NSLs) are recorded in the measurement book duly checked and signed by the Sub-Engineer / Sub-Divisional Officer and Contractor.

Chief Officer Municipal Corporation, Faisalabad made payment of Rs 3.323 million to various contractors on account of different earth work items i.e. Plain Cement Concrete (PCC) of earth filling, leveling, dressing etc. contrary to the instructions of Chief Engineer, the compaction lead upto five miles was measured without recording NSLs in the measurement books which resulted in irregular payment. **(Annexure-G/FSD)**

Due to weak internal controls, payment of earth filling without recording measurement of Natural Surface Levels (NSLs).

Non-recording of NSLs in the measurement books resulted in irregular payment of Rs. 3.323 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s) at fault.

[AIR Para: 22]

3.2.1.8 Hiring/purchase of equipment at exorbitant rate – Rs 2.658 million

According to Rule 2.31(a) of Punjab Financial Rules, Volume-I, a drawer of bill for pay, allowances, contingent and other expenses will be held responsible for any overcharges, frauds and misappropriations.

Administration of Municipal Corporation, Faisalabad incurred expenditure on hiring of two Air Conditioners Chiller, SMD screen and sound system on visits of Chief Minister. The equipment were hired and purchased at an exorbitant rate without any rate analysis and without proper justification. The detail is as under:

(Rupees in million)

Sr. No.	Voucher No.	Dated	Description	Supplier	Amount
1	56	05.06.2017	Hiring of two AC chiller	M. Riaz	0.990
2	54	05.06.2017	Hiring of SMD Screen and Sound System	M. Riaz	0.955
3	55, 57, 59, 280	05.08.2017	Purchase of four Air Conditioners	Virk, AM and M&Z contractor	0.713
Total					2.658

Due to financial mismanagement, purchase of Air Conditioners and hiring of other items was made without rate analysis and specification.

Hiring of A.C chillers and purchase of Air Conditioners without rate analysis resulted in irregular expenditure amounting to Rs 2.658 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends investigation of the matter besides fixing responsibility on persons at fault.

[AIR Para: 8]

3.2.1.9 Award of contract to unregistered contractor – Rs 2.355 million

According to Clause 2.2(1) of Pakistan Engineering Council (PEC) standard guide lines for Bid evaluation provides that the bidder holds a valid license from Pakistan Engineering Department (PED) and fall within the category allowed to participate for the size of the project and clause 3,4(f)(xvi) provides that a bid was likely not to be considered if “the bidder was not valid license holder of PEC”.

Administration of Municipal Corporation, Faisalabad awarded the contract to unregistered contractor for construction of PCC streets amounting to Rs 2.355 million who have not registered with Pakistan Engineering Council (PEC). The detail is as under:

(Rupees in million)

Name of Work	Name of Contractor	Category	Work order No. & Date	Amount
Const. of PCC Street Sarfraz Colony, Faisalabad Saeedabad CC No.4	M/S Butt Const. Co.	“C”	65 31.01.18	2.355

Due to non-compliance of guidelines the work was awarded irregularly to the unregistered contractor.

Award of work to unregistered contractor resulted in irregular execution of work amounting to Rs 2.355 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s) at fault.

[AIR Para: 19]

3.2.1.10 Utilization of bricks without ensuring standard Quality – Rs 1.427 million

According to the Composite Schedule Rates (CSR), standard ensuring strength for 1st class bricks is 2000 pounds per square inch (PSI). Further, according to Superintending Engineer Provincial Building Circle Faisalabad letter No. 3054-58/CO dated 23.06.1999, the bricks kiln owners mix 1st Class bricks

with inferior quality bricks and supply the same to contractors who accept the same being in their benefit. Therefore, quality of bricks be got tested to ensure specified crushing strength of 2000 PSI.

Administration of Municipal Corporation, Faisalabad got executed seven development works for construction of road edging during 2016-17 and 2017-18. Bricks amounting to Rs 1.427 million were used in these works but no methodology was adopted to measure strength, standard and specification of the bricks utilized. Therefore, in the absence of proper testing of bricks at the time of execution, the authenticity of utilization of first class bricks could not be ascertained. **(Annexure-H/FSD)**

Due to weak internal controls, works were executed without ensuring specification, standard and testing of bricks.

Utilization of bricks amounting to Rs 1.427 million without ensuring required strength quality and standard of bricks resulted in execution of sub-standard work.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends carrying out test besides fixing responsibility on the person(s) at fault.

[AIR Para: 32]

3.2.1.11 Overpayment of Shrinkage & Non-recovery of Professional Tax – Rs 1.184 million

According to Para 2 of Chapter 3 earth work (Excavation and embankment of MRS), shrinkage @ 10% was to be deducted from the loose earth work quantity. Further, according to PAC directive dated 11.08.2004, the department should deduct the Professional tax at source in future from the contractors who render services or make supplies or undertake construction / repair work each year at the rates according to their Class or Category as per Punjab Finance Act, 1977.

Administration of Municipal Corporation, Faisalabad did not deduct the shrinkage allowance from the quantity of earth brought from outsider borrow

pit and overpayment amounting to Rs 0.534 million was made to the contractors. Further, the Professional tax amounting to Rs 0.650 million was also not deducted from the contractors at the time of their enlistment / renewal. The detail is as under:

(Rupees in million)

Sr. No.	Subject	Amount
1	Overpayment of Shrinkage	0.534
2	Non-recovery of Professional Tax	0.650
Total		1.184

Due to negligence on part of management, overpayment of shrinkage allowance was made and due to weak financial management professional tax could not be deducted.

Overpayment of shrinkage and Non-deduction of Professional tax amounting to Rs 1.184 million resulted in loss of Corporation.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery of shrinkage allowance and Professional tax amounting to Rs 1.184 million from the contractors besides fixing responsibility on the person(s) at fault.

[AIR Paras: 26, 30]

3.2.1.12 Non-imposition of penalty for delay in completion of works – Rs 1.152 million

According to Clause 2 of the conditions of contract, the time limit for carrying out the work as entered in the tender shall be strictly observed by the contractor. The contractor shall pay as compensation an amount equal to one percent of the amount of contract subject a maximum of 10% or such smaller amount as Municipal Committee (whose decision in writing shall be final) may decide, for every day to that the work remains un-commenced or unfinished after the proper date.

Administration of Municipal Corporation, Faisalabad awarded four works amounting to Rs 15.918 million for construction of tuff tile, carpet road and RCC slab etc. during 2017-18. However, contractor failed to complete the

works within stipulated period provided in the agreement. Any request of contractor for extension of time period was not available in the record. An amount of Rs 1.591 million was not imposed as penalty for delay in completion of works, as detailed below:

(Rupees in million)

Sr. No.	Name of Work / Scheme	Work Order No. & Date	Stipulated date completion	Amount of Work	Penalty @ 10%
1	Providing & Fixing Tuff tile Awan Wali Street No. 03 Khalsa College Road etc. CC # 70	104 31.10.18	30.04.2018	2.412	0.241
2	Construction of Carpet Road Main Bazar Karam Din Abadi CC # 07	144 02.02.18	02.06.2018	5.730	0.573
3	Construction of PCC Slab Ganda Nala Dhera Saim Graveyard	186 02.02.18	02.06.2018	3.377	0.337
4	Construction of Road St No 06 Niamat Colony	247 20.02.18	15.06.2018	4.399	0.440
Total				15.918	1.591

Due to weak internal controls and poor monitoring mechanism penalty was not imposed for delay in completion of work.

Non-imposition of penalty resulted in loss of Rs 1.591 million to the Government exchequer.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to impose penalty and recovered from concerned contractor, besides fixing responsibility on person(s).

[AIR Paras: 33, 55]

3.2.1.13 Loss due to non-recovery of fine on encroachment – Rs 1.078 million

According to Schedule 5th, offence No.2 A&B of Punjab Local Government Act, 2013, fine was fixed @ Rs 2,000 for offence Category 2-A and Rs 400 for offence 2-B and no body / authority is permitted to impose fine of his own will.

Administration of Municipal Corporation, Faisalabad failed to recover the fine on encroachment at prescribed rate. Municipal Officer Regulation

imposed less fine on encroachers than prescribed rate, which resulted in loss amounting to Rs 1.078 million. The detail is as under:

(Rupees in million)

Sr. No.	Name of Store	Total No of offences of Category 2-A registered	Rate required to be applicable per offence of category-2-A	Rate Applied	Difference	Net loss
1	Store No. 03 Near Goal Masjid Ghulam Muhammad Abad	190	2000	600	1400	0.266
2	Store No. 02 Rajbah Road Near Food Office	400	2000	600	1400	0.560
3	Store No. 01 Rajbah Road Beroon Karkhana Bazar	180	2000	600	1400	0.252
Total Recovery						1.078

Note: Store Register of store No. 01 was not provided to Audit. The items were calculated as per list of auction able items.

Due to weak administration of MCF, fine of encroachment was not recovered at prescribed rate.

Non-recovery of fine of encroachment at prescribed rate resulted in loss to corporation amounting to Rs 1.078 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to inquire the matter at appropriate level and effect recovery besides fixing responsibility on person(s) at fault.

[AIR Para: 15]

3.2.1.14 Irregular payment due to non-conducting of Lab Test – Rs 1.019 million

As per Clause of contract agreement, the contractor shall execute the whole and every part of work in the most rule statistical and work man like manner both on regards material and otherwise in every respect in strict accordance with the specification.

Administration of Municipal Corporation, Faisalabad made payment amounting to Rs 1.019 million to M/s Husnain Construction Company for execution of “providing / fixing of tuff tile 60 mm” on both sides of road

complete in all respect without obtaining test of crushing strength 7000 PSI from the authorized Laboratory. The detail is as under:

(Rupees in million)

Name of Work	Name of Contractor	Work Order No. & Date	Item of Work	Quantity	Rate	Amount
P/L tuff tile both sides of road Faizane-Ghousia House to Sheikh Colony market, Gulfishan Market to Sheikh Colony	M/s Husnain Const. Co.	275 23.03.18	P/L Tuff Tile 60 mm	10702 Sft	95.25 Per Sft	1.019
Total						1.019

Due to weak internal control, payment was made to contractor without lab tests.

Payment was made to contractor without lab tests resulted in irregular expenditure on construction of work amounting to Rs 1.019 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s) at fault.

[AIR Para: 21]

3.2.2 Performance

3.2.2.1 Loss to corporation due to non-recovery of license fee from stalls of weekly bazars – Rs 583.848 million

According to Bye Laws of Municipal Corporation, Faisalabad vide Notification No.GB/CO/408/MCF dated 20.03.2017, for commencement of the private weekly bazars under jurisdiction of MCF. Further, according to Notification No.GB/MR/260/MCF dated 29.11.2017, item No.132, license fee will be recovered from each stall.

Administration of Municipal Corporation, Faisalabad failed to recover license fee amounting to Rs 583.848 million from the owners of stalls of each weekly bazar causing a big loss to corporation. As per Rule-5 of by-laws of weekly private bazars 2017, license fee shall be collected from every stall of each bazar according to the approved rates notified by corporation. As per Notification No. TMA-J/FSD/383/TMO dated 30.06.2006 the rate for every stall was fixed @ Rs 20 per square feet. The matter is serious in nature as the possibility of misappropriation could not be ruled out as no free stall policy was made public or any such public announcement was produced to Audit. The detail is as under:

(Rupees in million)

Measurement of Per stall Sft (9*9)	Minimum stalls as per Category-C of each Bazar	Total No. of Bazars	Total No. of Weeks	Rate per Sft	Amount Recoverable
81	100	53	68	20	583.848

Due to weak administration of MCF, license fee from the owners of stalls could not be recovered.

Non-recovery of license fee from the owners of stalls of each bazar resulted in loss of corporation amounting to Rs 583.848 million

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to inquire the matter at appropriate level and effect recovery amounting to Rs 583.848 million besides fixing responsibility on person(s) at fault.

[AIR Para: 12]

3.2.2.2 Loss to corporation due to non-recovery of rent of shops and darra-jaat – Rs 168.476 million

According to Rule 14(d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Administration of Municipal Corporation, Faisalabad did not recover the arrears of rent amounting to Rs 168.476 million from the tenants of shops, darra-jaat from business individuals which was required to be recovered, causing loss to corporation. The detail is as under:

(Rupees in million)

Sr. No.	Description	Number of shops and Dara-jaat	Amount
1	Rent of Shops GTS Chowk	07	167.093
2	Dara-jaat Jhall Khanouana	08	0.041
3	VIP Market under Pass Narwala Road	14	1.341
Total			168.476

Due to weak administration and poor financial management, rent of shops/darra-jaat was not recovered from business individuals.

Non-recovery of rent of shops / darra-jaat resulted in less collection of revenue of Municipal Corporation amounting to Rs 168.476 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery amounting to Rs 168.476 million from the concerned at the earliest besides fixing responsibility on person(s) at fault.

[AIR Para: 4]

3.2.2.3 Loss to corporation due to non-recovery of conversion fee for commercialization – Rs 142.341 million

According to Rule 60 of Punjab Land Use Rules 2009 by Government of the Punjab, fee for conversion of land use, a city District Government or a Tehsil

Municipal Administration shall levy fee for conversion of land use. Further, according to Rule, 14 (d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Administration of Municipal Corporation, Faisalabad failed to recover the conversion fee for use of declared commercialized roads from the owner of the business amounting to Rs 142.341 million which was required to be recovered. The detail is as under:

(Rupees in million)

Sr. No.	Name of Owner	Name of Business Running	Area of Land K-M-S	Rate per Marla as per Valuation Table	Recoverable
1	Raza Nasrallah	Alhilar Travels Sargodha Road	10-18-00	1,081,250	47.142
2	Muhammad Imran	Daewoo Bus Stand Daewoo Road	8-00-00	220,000	7.04
3	Muhammad Naeem	Pear Continental Hotel Canal Road	13-00-00	237,500	12.5
4	Bashir Nazeeran	Sitara Plaza Factory Area	06-00-00	625,000	15
5	Ajaz Verk	United Hospital 208 Chak Road	0	-	4
6	Ahmad Saeed Khan	Zoom Marky Canal Road	16-00-00	-	18.192
7	Mian Munawar	Marriage Hall Susan Road	06-00-00	1,500,000	35
8	Ajaz Ahmad	Commercial Market	01-15-00	493,750	3.467
Total					142.341

Due to weak Administration of MCF, conversion fee for commercialization did not recover from the owner of the business.

Non-recovery of conversion/commercialization fee from the owner of business resulted in loss of corporation amounting to Rs 142.341 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery amounting to Rs 142.341 million at the earliest besides fixing responsibility on person(s) at fault.

3.2.2.4 Irregular revision of budget – Rs 59.788 million

According to Rule 10(2)(C)(D)&(E) of Punjab Local Government (Budget Rules), 2017, all items of income and expenditure shall be specific in programs and activities and no lump-sum allowed. This facilitates proper scrutiny at all levels and help all concerned parties to monitor the budget and exercise budgetary control. Underestimation and overestimation shall be serious budgetary irregularities. The budgetary provisions shall not be more or less but shall be subject to variations resulting from unforeseen developments or circumstances. Head of institution shall be expected to be vigilant on both receipts and expenditure side. There should be continuous assessment of program and financial performance to encourage progress toward achieving goals.

Administration of Municipal Corporation, Faisalabad revised the budget under different heads of receipt during Financial Year 2016-18 from Rs 126.660 million to Rs 66.812 million without disclosing the reasons which resulted in loss of corporation amounting to Rs 59.788 million. (**Annexure-I/FSD**)

Due to weak budgetary controls, corporation sustained a loss of Rs 59.788 million under different heads of Receipt.

Non-vigilance regarding collection of receipt of corporation resulted in loss of Rs 59.788 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends investigation of the matter at an appropriate level besides regularization of matter from the Competent Authority.

3.2.2.5 Loss to Corporation due to non-recovery of arears of Defunct TMAs – Rs 41.837 million

According to Rule 3 (b) of Punjab Local Government Act, 2013, a Municipal Corporation shall succeed the rights assets and liabilities of the City District Government and Town/Tehsil Municipal Administration, which fall

within the area of the District Council, Municipal Corporation or Municipal Committee. Further, according to Rule, 14 (d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Administration of Municipal Corporation, Faisalabad failed to recover the arears of Defunct TMAs amounting to Rs 41.837 million despite the lapse of two years. The detail is as under:

(Rupees in million)

Sr. No.	Name of TMA	Heads of Receipt	Year of Arears	Total
1	TMA Jinnah Town	Cattle Mandi Sargodha Road	2005-06	10.305
2	TMA Jinnah Town	Public Latrine	2007-08	0.077
3	TMA Jinnah Town	Sale of Big Animals for Slaughtering	2009-10	0.131
4	TMA Jinnah Town	Cattle Mandi Chak No 67 JB Sadar	2013-14	30.217
5	TMA Medina Town	License Fee	0	0.8
6	TMA Medina Town	Contract of Parking Stand Regency Plaza	2011-12	0.307
Total				41.837

Due to negligence of the administration of MCF, arrears of Defunct TMAs were not recovered from concerned quarters.

Non-recovery of arears of Defunct TMAs resulted in loss to Corporation amounting to Rs 41.837 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery of arears amounting to Rs 41.837 million besides fixing responsibility on person(s) at fault.

[AIR Para: 6]

3.2.2.6 Weak asset management due to illegal occupation/ non-realization of rent of corporation property – Rs 28.684 million

According to Rule 4 (1) and (2) (b)(c)(d)(e) and (l) of Punjab Local Government (Property) Rules, 20016, administer the property as a trust for the optimum benefit to the public. Take steps to ensure that the property meant for use of the public is actually used for that purpose in the best possible manner.

Ensure that the rented property fetched the maximum rent. Prevent the impairment of the value and utility of the rented property. Be vigilant about encroachments on or wrongful occupation of the property and in case of encroachment or wrongful occupation, take necessary steps for the removal thereof.

Administration of Municipal Corporation, Faisalabad failed to vacate the corporation land and could not recover the rent. During physical verification of encroached land of corporation, Audit pointed out the following observations.

1. Land consisting 32 Kanal of Municipal Corporation, Faisalabad was occupied by the G.C University, Faisalabad. Further, seven Nos of shops were also occupied by illegal occupants.
2. The administration of GC University has also rented out the building constructed on Municipal land to Bank of Punjab and rent amounting to Rs 23.095 million was collected by the GC University.

The detail is given in the following table:

(Rupees in million)

Sr. No.	Name of Property	Area M--S	Measurement in SFT	Rate	Months	Rent Recoverable
1	Seven shops	03-7	1035	300	18	5.589
2	Bank of Punjab GCU	15-6	4277	300	18	23.095
Total						28.684

Due to weak asset management, neither land of MCF vacated nor rent of shops recovered from illegal occupants.

Non-vacation / recovery of rent from illegal occupants of land resulted in loss amounting to Rs 28.684 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to vacate the land and effect recovery of rent from illegal occupants besides fixing responsibility on person(s) at fault.

[AIR Para: 17]

3.2.2.7 Non-deduction of social security contribution – Rs 14.81 million

According to Section 20(1)&(9) of the Provincial employees Social Security Ordinance, 1965, the competent public authority shall before final settlement of the claims of the contractors or licensee shall require the production of a certificate from the institution showing that the necessary contribution have been paid and in default of such certificate, it shall be dealt from the amount otherwise payable in settlement of such claim @ 6% and pay such amount directly to the institution.

Administration of Municipal Corporation, Faisalabad executed various civil works through 131 and 123 contractors during 2016-17 & 2017-18 but payment was made without obtaining certificates regarding payment of Social Security Contribution of workers employed by the contractors. Municipal Officer (Infrastructure) did not make efforts to deduct the Social Security Contribution amounting to Rs 14.81 million from the claims of the contractors before making payments. The detail is given in the following table:

(Rupees in million)

Year	No. of Contractors	No. of Employees	Average annual wage Rate	Total Wages	Amount @ 6%
2016-17	131	1572	0.081	127.33	7.64
2017-18	123	1476	0.081	119.50	7.17
Total					14.81

Note: Amount was calculated on the basis of average 12 employees per contractor.

Due to weak internal controls, Social Security Contribution was not deducted.

Non-deduction of Social Security Contribution resulted in excess payment of Rs 14.81 million to the contractors.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery of Social Security Contribution amounting to Rs 14.81 million from the concerned contractor.

[AIR Para: 25]

3.2.2.8 Less recovery from private operators of weekly bazaars – Rs 12.603 million

According to Rule, 14 (d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise. Further, according to approved Bye Laws of MCF vide Notification No.GB/CO/408/MCF dated 20.03.2017 for commencement of the private weekly bazaars under jurisdiction of MCF.

Administration of Municipal Corporation, Faisalabad failed to recover the license fee from the 46 license holders of private weekly bazaars amounting to Rs 12.603 million which was required to be recovered at prescribed rates. The detail is given in the following table:

(Rupees in million)

Fee collected from bazaars	Recoverable Amount	Amount Recovered	Net Loss
46	15.765	3.161	12.603

Due to negligence of administration of MCF, less fee was recovered from the holders of private weekly bazaars.

Less recovery from the license holders of private weekly bazaars resulted in loss to corporation amounting to Rs 12.603 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to inquire the matter at appropriate level and effect recovery besides fixing responsibility on person(s) at fault.

[AIR Para: 14]

3.2.2.9 Non-recovery of restoration of road cut charges – Rs 9.439 million

According to Rule 4(k)(2) of the Punjab Local Government (Property) Rules, 2018, the Manager shall be responsible to the Local Government, for any loss destruction or deterioration of the property, if such a loss, destruction or deterioration occurs as a result of his fault or negligence in discharge of his responsibility.

Nine road cuts were made by Water and Sanitation Agency (WASA) Faisalabad, Sui Northern Gas Pipelines Ltd (SNGPL) and Askari

Lagoon Marriage Hall, Faisalabad on different roads and street under the jurisdiction of Municipal Corporation, Faisalabad. However, administration of Municipal Corporation, Faisalabad did not receive restoration charges of the road cuts amounting to Rs 9.439 million from the departments concerned. (**Annexure-J/FSD**)

Due to weak internal controls, restoration cost of road cuts was not recovered from WASA, SNGPL and owner of the Marriage Hall.

Non-recovery of restoration cost of road cuts amounting to Rs 9.439 million resulted in loss to Municipal Corporation, Faisalabad.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery on account of Road Cut charges from concerned departments.

[AIR Para: 35]

3.2.2.10 Loss to Corporation due to non-auction of darra-jaat – Rs 7.680 million

According to Rule, 14 (d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Administration of Municipal Corporation, Faisalabad failed to auction of twelve darra-jaat and five Sahulat bazaars at different places under administrative control of MCF during January, 2017 to June, 2018 which resulted in loss to the corporation amounting to Rs 7.680 million. The detail is as under:

(Rupees in million)

Sr. No.	Name of Location	No of Darra Jaat	Rate of Per Dara	Period	Amount
1	Jhall Khanuana under Pull	10	20,000	12	2.4
2	Tariq Ababad under Pull	2	20,000	12	0.48
3	Sahulat Bazar	5	80,000	12	4.8
Total					7.68

Due to weak internal controls, darra-jaat and Sahulat bazaars could not auctioned

Non-auction of darra-jaat and Sahulat bazaars resulted in loss to Corporation amounting to Rs 7.068 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to auction the darra-jaat and effect recovery amounting to Rs 7.680 million besides fixing responsibility on persons at fault.

[AIR Para: 5]

3.2.2.11 Non-disposal of unserviceable vehicles – Rs 4.200 million

According to Rule 13 (1)(2) (3) of Punjab Local Government (Property) Rules, 2017, the Mayor or the Chairman may, after recording reasons, declare any movable property, including furniture and fixture and utensils, vesting in the Local Government, as unserviceable but the vehicles or machinery shall be declared unserviceable on the recommendation of the engineer concerned. The moveable property, declared as unserviceable, shall be disposed of by the concerned local government through public auction in the manner and to the extent mentioned in Schedule-II.

Administration of Municipal Corporation, Faisalabad failed to auction unserviceable vehicles which were received from defunct TMAs. The moveable property neither declared unserviceable nor auctioned despite the lapse of two years. The said vehicles are further deteriorating which resulted in loss amounting to Rs 4.200 million of local government due to non-declaration/ auction of off-road vehicles. Audit observed that two vehicles were also burnt due to negligence of the administration as no proper safe guarding were observed to save the assets of corporation. **(Annexure-K/FSD)**

Due to negligence of administration, unserviceable vehicles did not auction.

Non-disposal of moveable property resulted in loss to local government/corporation amounting to Rs 4.200 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to disposal of off-road vehicles besides fixing responsibility on person(s) at fault.

[AIR Para: 40]

3.2.2.12 Non-recovery of fee from weekly bazaars – Rs 2.856 million

According to approved Bye Laws of MCF vide Notification No GB/CO/408/MCF dated 20.03.2017 for commencement of the private weekly bazars under jurisdiction of MCF. Further, according to letter No.GB/CO/1492/MCF/ dated 11.12.18 of Chief Officer, matter regarding current status of weekly bazars forwarded to the Section Officer (Estate) LG&CD Department, Government of the Punjab, Lahore.

Municipal Officer Finance of Municipal Corporation Faisalabad failed to recover fee from the licensee of private/weekly bazars. Scrutiny of the revenue collection record of weekly bazar revealed that 53 weekly bazars were operating in Faisalabad, but fee was collected from 46 weekly bazars. The collection fee of seven bazars amounting to Rs 2.856 million were not collected, as detailed below:

(Rupees in million)

Total No. of Weeks	No. of Bazars	Applicable Rate of Category-A Bazar	Net Loss
68	07	6000	2.856

Due to negligence of administration MCF, fee from the licensee of private weekly bazars could not recovered.

Non-recovery of fee from the license holder of private weekly bazars resulted in loss of corporation amounting to Rs 2.856 million

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to inquire the matter at appropriate level and effect recovery besides fixing responsibility on person(s) at fault.

[AIR Para: 13]

3.2.2.13 Drawl of pay and allowances without performing duty – Rs 1.516 million

According to Section 132 (6) of Punjab Local Government Act, 2013, the fine imposed by a Court for an offence specified in fifth Schedule shall on collection be deposited in the Public Account of the local government. Further, according to Rule, 14 (d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise.

Administration of Municipal Corporation, Faisalabad incurred expenditure amounting to Rs 1.516 million on the pay and allowance of Municipal Magistrate Faisalabad. The officials of corporation imposed fine amounting to Rs 7.295 million on account of encroachment ticketing and license fee and forwarded the cases to the Judicial Court for effect the recovery but the same was not realized by the court which was required to be recovered and deposited into Public Account of the local government. Non-effectiveness of municipal magistrate resulted in wasteful expenditure on pay and allowances of relevant officials.

Due to weak administration of MCF, payment of pay and allowances were allowed to the Municipal Magistrate without performing duties.

Payment of pay and allowances amounting to Rs 1.516 million resulted in unauthorized drawl of pay and allowance without performing duties.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to ensure the enforcement of municipal laws through necessary legislation besides recovery of fines.

[AIR Para: 34]

3.2.2.14 Loss to corporation due to non-recovery of building and compromise fee – Rs 1.414 million

According to Rule, 14 (d) of Punjab Local Government (Accounts) Rules, 2017, the collecting officer shall collect the receipt of local Government in a transparent manner beyond any doubt of misappropriation, fraud, embezzlement or compromise. Further, according to the Model Building & Zoning bye-laws of Municipal Corporation, Faisalabad vide Notification No.MO(P)-MC/GB/MR/15/MCF dated 11.03.2017, the rates of building and compromise fee will be charged at prescribed rates.

Administration of Municipal Corporation, Faisalabad failed to recover the building and compromising fee from the owners of commercial and residential buildings amounting to Rs 1.414 million. Further, the schedule of taxes/fees for building was not revised despite the lapse of one year and same was not got approved from government resulting in less recovery as compared to prevailing rates. **(Annexure-L/FSD)**

Due to negligence/weak internal control, recovery from building owner was not made.

Non-recovery of building and compromising fee resulted in loss of corporation amounting to Rs 1.414 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to inquire the matter at appropriate level and effect recovery besides fixing responsibility on person(s) at fault.

[AIR Para: 11]

3.2.2.15 Loss to MCF due to non-auction of flower shops Rs 1.224 million

According to Government of the Punjab Notification No. MCF/260/MR/GB dated 29.11.2017, at Sr. No. 5, rent of Municipal Property D-Ground shall be charged @ Rs 300 per Sft per month.

Municipal Officer (Finance) Municipal Corporation Faisalabad did not auction four (4) numbers flower shops existed in the area of D-Ground Peoples Colony No. 1, Faisalabad which was required to be auctioned after construction of flower shops. Despite the lapse of one year the shops could not auctioned, which

resulted in loss of Corporation amounting to Rs 1.224 million. The detail is as under:

(Rupees in million)

Total No. of Shops	Area of Shop	Measurement	Rate per Sft	Period in months	Amount
4	10x8.5=85Sft	340 Sft	300 per Sft	12	1.224

Due to weak administrative and financial controls, shops were not auctioned.

Non-auction of flower shops resulted in loss of Rs 1.224 million of Municipal Corporation Faisalabad.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery besides fixing besides responsibility on person(s) at fault.

[AIR Para: 41]

3.2.2.16 Loss due to non-realization of license fee – Rs 1.125 million

According to Section 132 and 134 read with fifth schedule of the Punjab Local Government Act, 2013, the enforcement inspector shall submit the scroll on daily basis for proceeding of court and will follow up the receipt.

Administration of Municipal Corporation, Faisalabad failed to realize the license fee amounting to Rs 1.125 million. The cases regarding non-recovery of license fee has been forwarded to the Judicial Court for recovery of Rs 1.125 million on account of license fee but no follow up was shown to Audit.

Due to negligence of the Administration of MCF, license fee did not realize/deposit into Public Account from the owner of business.

Non-realization/reconciliation of license fee resulted in loss of MCF amounting to Rs 1.125 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to realize the recovery of license fee and reconcile with court amounting to Rs 1.125 million besides fixing responsibility on person(s) at fault.

[AIR Para: 18]

3.2.3 Internal Control Weaknesses

3.2.3.1 Non-reconciliation of Tax on Transfer of Immovable Property – Rs 364.376 million

According to Government of the Punjab, Local Government & Community Development Department letter No.SOTAX(LG)2-46/08(PI) dated 20.02.2011, the guideline to make the recovery / collection of Tax on Transfer of Immovable Property (TTIP) more effective and to avoid chances of misappropriation / embezzlement. (i)A-V receipts which had already been repealed shall not be used in any form by the staff for the recovery of TTIP. (ii) The only mode for recovery of TTIP shall be through Bank Challan. (iii)The maintenance of daily recovery register by the TMA staff shall be ensured. (iv) Recovery of TTIP shall be reconciled with the revenue staff preferable on a daily basis. (v) Any departure from these directions shall be interpreted as “misconduct” and “corrupt practice” in terms of PEEDA Act, 2006.

Administration of Municipal Corporation, Faisalabad collected Tax on Transfer of Immoveable Property amounting to Rs 364.376 million during January, 2017 to June, 2018 but same was not got reconciled with Revenue Department. The detail is as under:

(Rupees in million)

Year	Receipt Head Description	Amount
January, 2017 to June, 2017	Tax on Transfer of Immoveable Property	117.332
July, 2017 to June, 2018	Tax on Transfer of Immoveable Property	247.044
Total		364.376

Due to weak internal controls, TTIP receipt was not got reconciled with Revenue Department.

Non-reconciliation of TTIP receipt amounting to Rs 364.376 million with Revenue Department resulted in violation of instruction and chances of misappropriation / embezzlement could not be over ruled.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends reconciliation of TTIP receipts with Revenue Department besides fixing responsibility on person(s) at fault.

[AIR Para: 42]

3.2.3.2 Irregular execution of works without maintaining record – Rs 61.836 million

According to Para 2.36 and 2.6 of Buildings & Road (B&R) Department Code, project for roads when submitted for sanction should be accompanied by report detailing history design, scope, rates, specification, references, cost, mode of execution etc. Further, according to Rule 5 of Punjab Local Government (Works) Rules, 2017, a draft scheme shall prepare the detail history of the scheme including nature, location, particulars of the works to be executed, estimated cost, benefits and return from the scheme.

Administration of Municipal Corporation, Faisalabad incurred an expenditure of Rs 61.836 million on twenty schemes for construction/improvement of roads during 2016-18. Following record was not maintained before approval and execution of works: -

- i) Register of public roads and streets detailing the roads / streets falling under the jurisdiction of Municipal Corporation, Faisalabad.
- ii) Road and Streets maintenance register showing previous repair, maintenance period, projected life, schedule of next repair etc.
- iii) Rough cost estimates showing detail history, requirement, feasibility, sustainability and projected life of schemes. **(Annexure-M/FSD)**

Due to weak internal controls, schemes were executed without maintaining record of previous history of schemes.

Execution of schemes without maintaining previous record and history resulted in irregular expenditure amounting to Rs 61.836 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to regularize the matter from Competent Authority besides fixing responsibility on person(s) at fault.

[AIR Para: 23]

3.2.3.3 Undue financial burden on Corporation due to non-recovery of share from FWMC – Rs 34.161 million

According to Rule 3(b) of Punjab Local Government Act, 2013, a Municipal Corporation shall succeed the rights assets and liabilities of the City District Government and Town/Tehsil Municipal Administration, which fall within the area of the District Council, Municipal Corporation or Municipal Committee. Further, according to the Government of the Punjab, Local Government & Community Development Department letter dated 13.01.2017, agreements executed by local governments created under PLGO, 2001 has been saved and the same will be succeeded by the successor local governments created under PLGA, 2013.

Administration of Municipal Corporation, Faisalabad made payment amounting to Rs 34.161 to the employees working in FWMC under head of account Financial Assistance and Leave encashment. MCF has paid the amount to the employees working in Faisalabad Waste Management Company (FWMC) on account of financial Assistance and leave encashment without receiving the share of Government grant causing extra burden to corporation. The solid waste management function has been shifted to FWMC and there is no logical reason available to pay the employees of company.

Due to weak financial control, share on account of payment of financial assistance and leave encashment was not recovered from FWMC.

Non-recovery of share of Government grant from FWMC amounting to 34.161 million resulted undue burden on the budget of Municipal Corporation Faisalabad.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect recovery of share of Government grant from FWMC, Faisalabad.

[AIR Para: 2]

3.2.3.4 Loss to corporation due to non-recovery of parking share from Faisalabad Parking Company – Rs 30 million

According to clause 4.1 of Memorandum of Understanding (MOU) between TMA, Madina Town, Lyallpur Town, Iqbal Town Jinnah Town and Faisalabad Parking Company Limited (FPCL), 2nd party shall pay to 1st party on a quarterly basis 75% of revenue generated by 2nd party through management and administration of the Parking Zones, Parking Areas, Parking Bay(s) and provision of Parking Facilities and services. Further, according to Rule 3(b) of Punjab Local Government Act, 2013, Municipal Corporation shall succeed the rights, assets and liabilities of the City District Government and Town/Tehsil Municipal Administration which fall within the area of the Municipal Corporation.

Administration of Municipal Corporation, Faisalabad did not recover the parking share of car motor cycle bicycles from Faisalabad parking Company from 02.01.2017 to 30.06.18 amounting to Rs 30 million, which was required to be recovered from parking company as share of Town Municipal Administration, Iqbal Town, Madina Town, Lyallpur Town causing loss to Municipal Corporation Faisalabad.

Due to weak internal financial control, parking share could not be recovered from Faisalabad Parking Company.

Non-recovery of parking share from Faisalabad parking Company resulted in loss of Municipal Corporation Faisalabad amounting to Rs 30 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to effect the recovery of parking share from Faisalabad Parking Company.

[AIR Para: 1]

3.2.3.5 Non-auction of encroachment material and empty tar drums – Rs 1 million

According to Section 4(c) of Bye Laws of Municipal Corporation, Faisalabad, the encroachment material should be auctioned after every three months. Further, according to Para No.4.35(3) of B&R Departmental Code, stores

which are completely unserviceable either be written off or sold through auction after obtaining sanction of survey report.

Administration of Municipal Corporation, Faisalabad failed to auction the encroachment material and empty tar drums of amounting to Rs 1 million. Non-disposal/auction of encroachment material and empty tar drums resulted in less realization of revenues.

Due to weak internal control, encroachment material and empty tar drums could not auction despite the lapse of eighteen months.

Non-auction of encroachment material and empty tar drums resulted in loss to corporation amounting to Rs 1 million.

The matter was reported to the Chief Officer in January, 2019. No DAC meeting was convened despite repeated requests by Audit.

Audit recommends to auction the encroachment material and empty tar drums at the earliest besides fixing responsibility on person(s) at fault.

[AIR Paras: 16, 58]

CHAPTER 4

4.1 Municipal Corporation, Multan

4.1.1 Introduction

Municipal Corporation, Multan was established on 01.01.2017 under Punjab Local Government Act, 2013. Municipal Corporation, Multan is a body corporate having perpetual succession and a common seal, with power to acquire/hold property and enter into any contract and may sue and be sued in its name.

The functions Municipal Corporation, Multan as described in the Punjab Local Government Act, 2013 are as under:

- Approve bye-laws and taxes;
- Approve annual budget of the Municipal Corporation including supplementary budgetary proposals and long term and short term development plans;
- Review the performance of all offices working for the Municipal Corporation ;
- Review the performance report presented by the Chairman;
- Promote social counseling to inculcate civic and community spirit and motivate and galvanize the general public for compliance with municipal laws, rules and bye-laws;
- Prevention and removal of encroachment on public ways, streets and properties;
- Prevention of nuisance in public ways, streets and properties;
- Regulation of dangerous and offensive articles and trades mentioned in Second Schedule;
- Regulation or prohibition of the excavation of earth, sand, stones or other material;
- Regulation or prohibition of the establishment of brick kilns, potteries and other kilns;
- To organize cattle fairs and cattle markets and regulation of sale of cattle and other animals;

- Celebration of public festivals;
- Assistance in provision of relief in the event of any fire, flood, hailstorm, earthquake, epidemic or other natural calamity and assisting relevant authorities in relief activities;
- Provision of relief for the widows, orphans, poor, persons in distress and children and persons with disabilities;
- Promotion of sports including sports for persons with disabilities. provision, improvement and maintenance of public ways and streets, public open spaces, graveyards, public gardens, playgrounds and farm to market roads;
- Assisting Union Councils in provision and maintenance of rural water supply schemes and public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water;
- Construction of culverts, bridges and public buildings;
- control over land use, spatial planning, land subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations;
- Enforce all municipal laws, rules and bye-laws regulating its functioning;
- Promote animal husbandry and dairy development;
- Hold fairs and shows, promotion of public games and sports, celebration of national occasions; and
- Undertake other development activities.

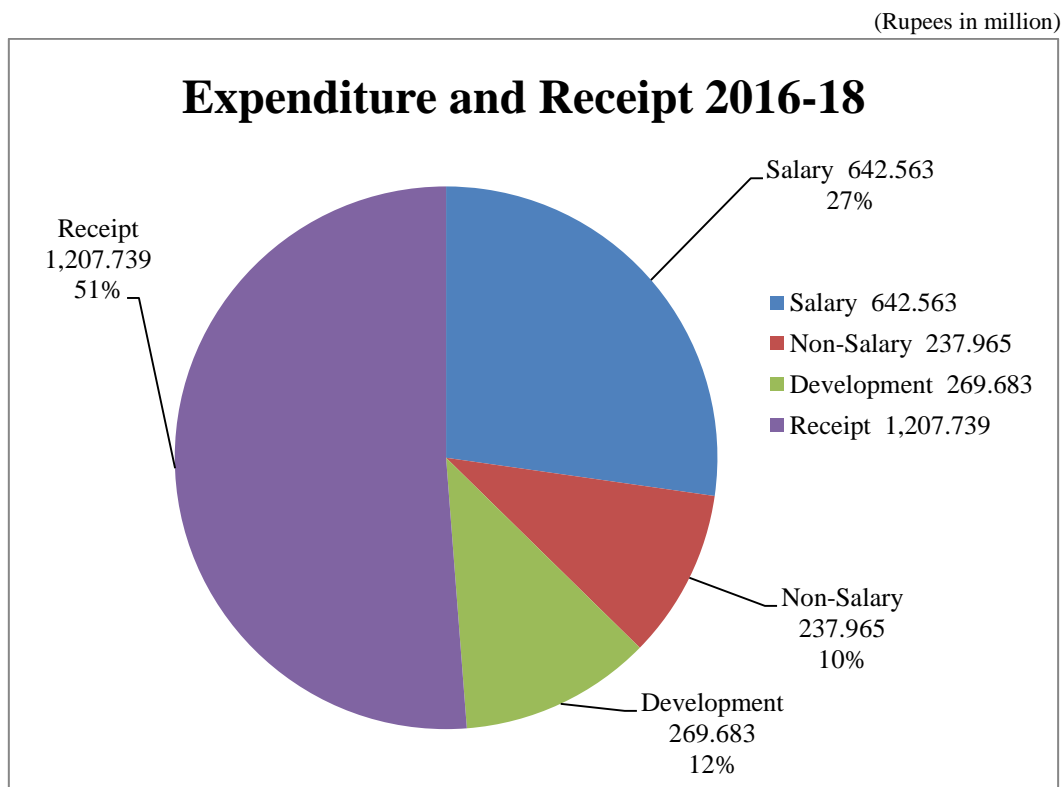
The Chief Officer is the PAO of Municipal Corporation and he/she manages functions of the Municipal Corporation through five offices i.e. Planning, Finance, Regulation, Infrastructure and Services.

4.1.2 Comments on Budget and Accounts

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

(Rupees in million)

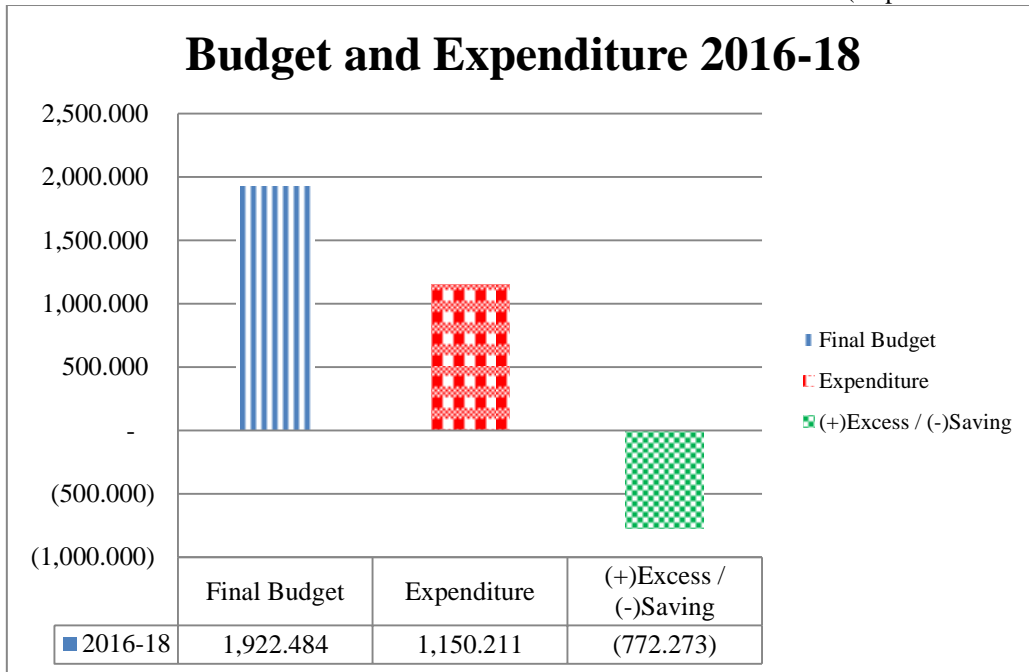
2016-18	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	809.300	642.563	(166.737)	-21%
Non salary	369.338	237.965	(131.373)	-36%
Development	743.846	269.683	(474.163)	-64%
Sub Total	1,922.484	1,150.211	(772.273)	-40%
Receipts	1,705.674	1207.739	(497.935)	-29%



As per Accounts 2016-18 of the Municipal Corporation, Multan, total budget (Development & Non development) was Rs 1,922.484 million. Against the final budget, total expenditure of Rs 1,150.211 million was incurred by the Municipal Corporation during January, 2017 to June, 2018. A lapse of Rs 772.273

million came to the notice of Audit due to inefficient financial management in release of budget by Authorities. No plausible explanation was provided by the PAO and management of Municipal Corporation (Annexure-B). The comparison of budget and expenditure for FY 2016-18 showing huge lapse is as under:

(Rupees in million)



4.1.3 Brief Comments on the Status of Compliance with PAC Directives

This is the 1st Audit Report on the account of Municipal Corporation, Multan established in January, 2017. No Audit Report pertaining to the preceding years was submitted to the Governor of Punjab to be laid before the legislature.

4.2 AUDIT PARAS

4.2.1 Non Production of Record

4.2.1.1 Non production of record – Rs 33.413 million

According to clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “The Auditor General shall in connection with performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of Province or of District including Treasuries and such offices responsible for keeping of initial and subsidiary accounts”. Further, 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 with all reasonable expedition”.

The following DDOs of Municipal Corporation Multan did not produce the record of receipt and expenditures valuing Rs 33.413 million for Audit verification despite repeated verbal and written requests. The details are given as under:

(Rupees in million)

Description	DDOs	Sanctioned Budget	Amount
C03555- Parking fee	MO R	3000000	3.552
C0388042 - Fee of slaughtering of Animals	MO S	6000000	5.424
C0388042- salary employees of slaughter house received from contractor	MO S	4000000	3.294
C 0388085-other rents (residences)	MO R	200000	0.418
C 0388087- copying fee	CO	100000	0.113
C0388090- sale of stock & other stores	MO F	1000000	0.167
C 0388091-others Miscellaneous fee	CO	2000000	3.746
C 0388035-fine for encroachments through ticketing lands br. (Law enforcement)	MO R	1000000	1.268
Pending Liabilities of Defunct TMA	CO	24.331	15.431
Total			33.413

Due to weak internal controls, record was not properly maintained and produced for audit scrutiny.

Non production of record of Rs 33.413 million created doubts regarding legitimacy of expenditure / income.

The matter was reported to the CO of Municipal Corporation Multan and the DDOs concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

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

[AIR Para No.16, 18]

4.2.2 Irregularities and non-compliance

4.2.2.1 Irregular approval of revised building plan- Rs 110 million

According to rule 10.11.1(a) of Punjab Model Building by Laws, conversion of an approved parking area into any other use of approved building plan shall be non-compoundable. Further as per rule 10.6 of Punjab Model Building by Laws, where ever High Level Design Committee is functioning all the building plans along the notified roads shall also be scrutinized by the HLDC before sanction of building plan. As per letter No.G-I/II/DO(SP&C)/MN/47/015 dated 30.6.2015 the owner will be bound to provide the Cinema or Projection Theatre with at least one third sitting capacity of existing Cinema in the new building.

MO (Planning), Municipal Corporation Multan approved the revised building plan vide No.879 dated 22.12.2017 of triple stories building for commercial shops situated at Nawan Sheher Chowk Multan. The original building plan was approved at the demolished place of Zenith Cinema, which also includes the 20% place of new cinema at the place of old cinema and front of all area was left for open place for parking. The open area left for parking was reused for commercial shops and sold for Rs 110 million which were non compoundable offence. MO (Planning) did not get approval of revised building plan from HLDC by violating all rules. Eleven shops were newly constructed at the place of parking of motorcycles. Place where elevator shown in the revised plan also sold as shop by the owner. Basement plan given in revised plan also not exist at site. Further cinema was shown at third floor in original and revised plan but the same was not constructed which was mandatory by law.

Due to weak internal controls, map was approved by violating building by laws without the approval of HLDC.

Unauthorised revised approval of building plan resulted in violation of non-compoundable offence and undue benefit to owner of Rs 110.00 million.

The matter was reported to the CO of Municipal Corporation Multan and DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends demolition of illegal constructions of buildings besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.02]

4.2.2.2 Non recovery of salaries of deployed employees from contractor - Rs 10.778 million

According to contract agreement signed by the contractor, contractor shall collect the receipt through MC employees and deposit the salaries, pension contribution, medical expenditures, and leave salaries on 20th of each month.

Municipal Officer (Services), Municipal Corporation Multan did not recover the salaries of employees deputed on collection of receipts for contractor amounting Rs 10.778 million during 2017-18 in violation of contract agreement for collection of terminal fee, bath room fees etc.

Due to weak internal controls, salaries were not collected from the contractor.

Non recovery of salaries from the contractor resulted in loss of Rs 10.778 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 10.778 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.20]

4.2.2.3 Irregular splitting of works to avoid tenders - Rs 10.563 million

According to rule 12 (1) of PPR, 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time.

MO (Infrastructure) Municipal Corporation Multan executed works amounting Rs 10.563 million by splitting to avoid the open tenders. The works

were executed on the name of Moharram Routs but more than 90 % works did not pertain to Moharram Routs.

Due to weak internal controls, works were awarded by splitting the schemes to avoid open tenders.

Splitting of works resulted in irregular award of works costing Rs 10.563 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from the competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.21]

4.2.2.4 Irregular award of contract of electric material - Rs 8.907 million

According to the Finance Department notification No.RO (Tech) FD-18-29/2004, dated 03.03.2005, plant and machinery and other store items like generators, lifts, air-conditioners and air-conditioning equipment, electric motors, turbines, PABX, Audio Video system, street lights, furnishing items should not be purchased through the contractors by allowing 20% profits and over heads, but these store items are required to be purchased as per the procedure prescribed in the Purchase Manual / PPRA Rules.

MO (Infrastructure) of Municipal Corporation Multan awarded the contracts amounting Rs 8.907 million for the purchase of electric items by violating rules. It was revealed that no technical bid was received and evaluated as required in the bid documents. Financial bids were not opened in the presence of purchase committee as no minutes of purchase committee meeting was recorded. The purchase was made from the unregistered sales tax supplier. bid security 5% of the value of contract was not provided by any bidder. In TS estimate input rates were taken excess than the input rates of FD resulting overpayment of Rs 628,700. Rates of some items were reduced by the Chief

Engineer at the time of approval of TS but the rates were not reduced in the comparative statement which revealed that the comparative statement was prepared before the approval of TS estimate. Sales Tax was short deducted amounting Rs 1.309 million.

Due to weak internal controls, tender was awarded by violating PPRA rules.

Violating of rules resulted in irregular award of contract of Rs 8.907 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization from the Finance Department besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.25]

4.2.2.5 Purchase through fake competition - Rs 4.938 million

According to advertised daily newspaper dated 29.04.2017, quotations from registered sales tax and income tax suppliers were required for purchase of store items for fire brigade department. As per rule 36 of PPRA Rules 2014, the following procedure shall be permissible for open competitive bidding, (1) single stage – one envelope procedure, (2) single stage, two envelope procedure.

Municipal Officer (Services), Municipal Corporation Multan paid Rs 4.938 million for purchase of items of fire brigade department during 2017-18 through fake competitions. Four firms participated in the bidding process and all were unregistered sales tax suppliers. Khan engineering quoted two quotations and one was rejected by purchase committee and other having tempered rates were accepted. No estimation and specification was approved before start of the purchase process. Neither technical scrutiny committee nor was tender opening committee constituted before purchase process. Further the contract was awarded on higher rates by tempering the bid of lowest bidder which resulted in award of contract at higher rates. Further stock register revealed that the items were

received from contractor Khuram Ibrar Lodhi against the work awarded to Khan Engineering.

Due to weak internal controls, purchase was made from the unregistered firm through fake competition at exorbitant rates.

Purchase from self-favoured contract through tempered quotations resulted in unauthorized purchase of Rs 4.938 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry into the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.26]

4.2.2.6 Non recovery of advance income tax – Rs 4.841 million

According to condition No.9 of Auction of contracts of income of Municipal Corporation Multan, the successful contractor will deposit 10% advance income tax as per government rules at the award of contract.

Municipal Officer (Services), Municipal Corporation Multan auctioned the contracts of terminal and bath rooms fee of bus terminal amounting Rs 48.41 million without recovery of 10 % advance income tax amounting Rs 4.841 million as detailed below:-

(Rupees in million)

Sr. No.	Name of contractor	Name of Contract	Contract amount	Advance Tax 10%
01	Rana Muhammad Asghar	Terminal Fee	43.550	4.355
02	Javaid s/o Khuda Buksh	Bath Room old stand	3.900	0.390
03	Sajjad Aslam s/o M. Aslam	Bath room new terminal	0.960	0.096
Total			48.410	4.841

Due to weak internal controls, advance income tax was not recovered.

Non recovery of advance tax resulted in loss of Rs 4.841 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this report.

Audit recommends recovery of Rs 4.841 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.29]

4.2.2.7 Loss due to purchases from unregistered person - Rs 3.990 million

According to rule 31 (b)(ii), the drawing and disbursing Officer shall complete the claim voucher with the name of the supplier or firm with CNIC, National Tax Number, Sales Tax registration number, bank account number, full postal address and registration title.

Chief Officer and the DDOs of Municipal Corporation Multan made the purchases amounting Rs 237.965 million during 2017-18 from unregistered sales tax suppliers. Municipal Corporation sustained a loss of Rs 3.990 million due to payment of 2% extra sales tax. The detail is as under:

(Rupees in million)				
Year	Total Non-salary Budget	Sales Tax 19%	Sales Tax 17%	Excess 2% Sales Tax paid
2017-2018	237.965	37.990	33.990	3.990

Due to weak internal controls, unauthorized purchase was made from unregistered sales tax suppliers and excess payment of GST was made.

Violation of rules resulted in loss due to excess payment of Rs 3.990 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDOs concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO, despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

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

[AIR Para No.10]

4.2.2.8 Unauthorized purchase of furniture on quotations – Rs 3.896 million

According to rule 12 (1) of PPR, 12 Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. According to rule 2.33 of the PFR Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part.

Chief Municipal Officer, Municipal Corporation Multan withdrew Rs 3.896 million during 2016-18 on account of purchase of furniture and accessories for Mayer and Deputy Mayer office without the sanction of competent authority. All the purchase was made by preparing one hand written quotations without observing rules. No specification and design of furniture purchased were available nor was any physical verification committee constituted to verify the furniture supplied. No stock taking of furniture of defunct TMAs was available on record.

Due to weak internal controls, huge expenditure was incurred and payment was made by calling simple quotation.

Violation of rules resulted in irregular purchase of furniture amounting Rs 3.896 million.

The matter was reported to the CO of Municipal Corporation Multan in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure from competent authority besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.32]

4.2.2.9 **Illegal approval of map without obtaining conversion fee – Rs 3.209 million**

According to rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:

Value of land as per valuation table	Conversion fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

MO (Planning), Municipal Corporation Multan approved the building plan No.459 dated 09.10.2017, situated on non-commercial road as per approved master plan but the map was got approved even from the HLDC by showing the commercial road. Illegal approval of map without receipt of conversion fee resulted in loss of Rs 3.209 million as detailed below:

(Rupees in million)				
Name of site	Area	Rate	Total Value	20% Conversion Fee
Show room triple storey situated at Ward # 08 Gujjar Khuda Altamash Road Multan	4896 square feet	Rs 0.885	16.048	3.209

Due to weak internal controls, map was approved without the receipt of conversion fee.

Non receipt of conversion fee resulted in loss of Rs 3.209 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.209 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.35]

4.2.2.10 Fake technical sanction after approval and award letters - Rs 2.366 million

According to rule 5(5) (i) Punjab Local Government Works Rules 2017, an estimate on the basis of which a work is to be undertaken shall to be subject to technical sanction by the competent authority in the prescribed manner.

Municipal Officer (Infrastructure), Municipal Corporation Multan changed the original technical sanction estimates approved by the predecessor at the time of award of works valuing Rs 2.366 million. At the time of making the final payments original estimate was replaced with new estimates in the files with the signatures of new MO (I) who joined after award, approval and execution of works. **Annexure-C/MLN**

Due to weak internal controls, huge amount was allowed to be paid on the basis of fake estimations.

Payment on the basis of fake estimation resulted in unjustified payment of Rs 2.366 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry of the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.55, 46]

4.2.2.11 Unauthorized approval by splitting of building plan without payment of conversion fee - Rs 2.250 million

According to Rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:

Value of land as per valuation table	Conversion fee
Less than one million rupees	5%

From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Municipal Officer (Planning), Municipal Corporation Multan got approved the three maps of one building from the High Level Design Committee showing non-commercial road as commercial without the recovery of commercialization fee. Furthermore, three maps were approved to keep the area less than 10 marlas to avoid the mandatory open space i-e 7 feet rear space and 5 feet side spaces on both sides. This resulted in loss of Rs 2.250 million and illegal benefit to owner to cover mandatory open space area of 5 marlas. The detail is given below:

Building Plan Number	Particular	Name of Owner	Property Number
818/12.12.2017	Commercial Hall double Storey	Muhammad Riaz S/o Muhammad Buksh etc	414-1/8M Altamash Road, Gujjar Khuda Multan
817/12.12.2017	Commercial Hall double Storey	Muhammad Riaz S/o Muhammad Buksh etc	
816/12.12.2017	Commercial Hall double Storey	Muhammad Riaz S/o Muhammad Buksh etc	

Due to weak internal controls, non-commercial area was declared as commercial and map was approved without receipt of conversion fee.

Irregular approval of three maps by splitting without recovery of fee resulted in loss of Rs 2.250 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 2.250 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.3]

4.2.2.12 Irregular purchases on the eve of Independence Day - Rs 2.098 million

According to Rule 12 (1) of PPRA, 12 Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on

the PPRA's website in the manner and format specified by regulation by the PPRA from time to time.

Municipal Officer (Services), Municipal Corporation Multan paid Rs 2.098 million on the eve of Independence Day by preparing quotations, by violating PP Rules 2014. No verification was carried out regarding the affixing of flags and arrangements on the eve of 14th August. Five vehicles were arranged having ten Echo Sound system revealed the excess claim of Rs 240,000 as installation of two sound systems on one vehicle is not justified. 40 litter petrol was shown purchased for each vehicle which shows that each vehicle travelled minimum 320 km which is beyond justification. Minimum Rs 40,000 was excess claimed. Huge numbers of generators are available in stock hiring of generator on rent of Rs 40,000 is not justified. Flags were hired at the rate of Rs 800 each costing Rs 32,000 for vehicles, despite of the fact that Rs 0.90 million already drawn on name of flags. Bill of sound system was drawn from the budget of Chief Officer whereas the sanction was accorded by the MO (Infrastructure) without any justification.

(Rupees in million)

Date of drawl	Name of Item	Sanction No. & Date	Amount
21.10.2017	Flags on the eve of 14th August 2017	227-MOS-MCM dt 20.8.2017	0.911
26.4.2018	Arrangement of vehicles with sound system with generator, POL for four days	No sanction number and date mentioned on the sanction	1.187
Grand Total			2.098

Due to weak internal controls irregular payments were made.

Violation of rules resulted in irregular expenditures of Rs 2.098 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.42]

4.2.2.13 Irregular excess revision of development schemes than permissible limit - Rs 2.060 million

According to rule 15 of Works Rules 2017, “During the execution of work cost of work shall not be allowed to exceed 10% of the approved cost on account of change in design, scope or rate”.

Municipal Officer (Infrastructure), Municipal Corporation Multan revised the technical sanctions beyond the limit of 10% without the revised administrative approval of development committee. This resulted in unauthorized excess revision amounting Rs 2.060 million and excess payment to the contractor. The detail is given as under:

(Rupees in million)

Sr. No	Name of Development Scheme	Date of Award	Original TS	Revised TS	Permissible 10%	Excess than permissible limit
45	Renovation of Office Building Municipal Corporation, Mumtazabad Multan	4-MO(I)/MCM 22.5.2017	1.500	2.20	1.650	0.700
17	Const. of earth filling, soling, metalling, drain, raising of manhole, concrete, sullage carrier, iron-cross, carpeting, PCC pavers, Basti Masoom Shah, Qadirabad, Ahmad Abad, Sultan Nagar, Changrah Colony, Jattu Wala, Kashif Colony, Khawaja Ghraib Nawaz Fahad Town, Churri Garh, street UC-No.53	8-MO(I) 18.5.2017	0.400	0.64	0.440	0.200
19	Const. of carpeting, street Mian Muhammad Wali opposite High Court Altaf Town UC-33	218-MO(I)/ MCM dated 2.11.2017	0.825	1.30	0.907	0.390
31	Repair of different streets in UC-44-45-46 (p-- Revised Estimate)	186-MO(I) 24.10.2017	1.600	2.220	1.760	0.460
49	Const. of tuff tile, Gali Shafeeq Ahmed wali basti Khuda Bakhsh UC-53	196-MO(I) 24.10.17	0.600	0.855	0.660	0.195
61	Const. of metalled road, carpeting, bosan Road Sadat Colony AL-Ata Colony (Deposit Work)	337- MO(I)/MCM dated 11.4.2018	1.999	2.315	2.199	0.115
Illegal revision of estimate beyond rules						2.060

Due to weak internal controls, revised technical sanction estimates were accorded beyond permissible.

Revision of works beyond rules resulted in irregular excess revision of Rs 2.060 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However,

DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of development schemes besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.44]

4.2.2.14 Irregular execution of development work – Rs 2 million

According to rule 5(17) of PLG Works Rules 2017, “In case the site of work, nomenclature is changed, fresh administrative approval shall be obtained, from the respective development committee”

Municipal Officer (I&S), Municipal Corporation Multan sanctioned the TS estimate costing Rs 4.200 million which includes three schemes. TS estimate of third scheme costing Rs 2 million were changed by changing the scope of work without the revised administrative approval in violation of rules by the new MO (I) after execution of work.

Due to weak internal controls, new estimate was irregularly included in original estimate after execution of work resulted in irregular award of work.

Unauthorized inclusion of estimate in original estimate resulted in irregular technical sanction of estimate amounting Rs 2 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.45]

4.2.2.15 Irregular payment by splitting the value of indents – Rs 1.184 million

According to rule 12 (1) of PPR, 12 Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on

the PPRA's website in the manner and format specified by regulation by the PPRA from time to time.

Chief Officer, Municipal Corporation Multan paid Rs 1.184 million on different occasions by splitting the value of indents to keep the value below one hundred thousand rupees. Most of the bills were paid without any justification and quotations and note sheets were prepared in same hand writing. The bills paid on the opening ceremony of Orange Train held at Lahore required the recovery from the concerned. In some cases the pre-audit authorities allowed the payments without the sanctions of the competent authorities. The necessary detail is given below:-

(Rupees in million)

Date of drawl	Particular	Sanction #	date	Rate	QTY	Amount
567/21-2-18	refreshment for opening ceremony orange line train Lahore	No sanction attached with the bill		62350	1	0.062
	refreshment for opening ceremony orange line train Lahore	701 MO IMCM	13-12-17	87400	1	0.087
224/03-02-18	Arrangements video link opening ceremony orange line ceremony	703 MO IMCM	13-12-17	72500	1	0.072
319/05-4-18	Arrangements for inauguration of LNG based thermal power plant	142 CO MCM	24-5-17	89600	1	0.089
	printing pana flax for inauguration of LNG based thermal power plant	143 MO IMCM	24-5-17	96208	1	0.096
457/12-4-18	printing pana flax with fitting	135 CO MCM	12-06-17	99936	1	0.099,9
473/12-4-18	Supply sports items for Body Building Competition 2017-18			289360	1	0.0289
	Arrangements tentage etc. for sports matches Ajmeer Colony	557 CO MCM	28-5-18	98900	1	0.098,9
	Supply nestle Water, cold drinks, etc Volleyball match Ajmeer Colony	559 CO MCM	28-5-18	93650	1	0.094
216/18-12-17	refreshment charges on account of including cold drinks and mineral water for news editors on 250 persons 10.11.2017	No sanction attached with the bill		380	250	0.095
219/18-12-17	refreshment charges on account of lunch for news editor 250 Nos on 10.11.2017	No sanction attached with the bill		398	250	0.099
Grand Total						1.184

Due to weak internal controls, huge amounts were paid by preparing doubtful bills by splitting the value of indents.

Drawn of amount by violating rules resulted in illegal drawl of Rs 1.184 million.

The matter was reported to the CO of Municipal Corporation Multan in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry of the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.50]

4.2.2.16 Illegal auctions of goods forwarding agencies shops, vacant plots at General Bus Stand

Deputy Commissioner Multan vide order No.74-PA-DC dated 11.05.2017, exercised the powers under Section 17 of the Punjab Civil Administration Act, 2017 read along with The Punjab Autonomous Bodies Immoveable Property (Ejectment of unauthorized occupants ordinance, 1965 and The Punjab Government Land and Buildings (Recovery of Possession) Ordinance, 1966 cancel the auction proceedings fixed for 12.05.2017 with the further intimation that in future, procedure and rules must be followed in letter and spirit.

Mayer Municipal Corporation Multan approved the auctions proceedings of goods forwarding agencies shops, vacant plots etc. at General Bus Stand advertised in daily newspaper dated 28.04.2017 despite the cancellation of auction proceedings fixed for 12.05.2017 as the auction price was not assessed by the District Price Assessment Committee, the public notice did not reflect the Khasra Number of the property to avoid any complication and plots reserved for green belts in master plan were offered for auction.

Due to weak internal controls, illegal auction was approved despite the rejection from the Deputy Commissioner.

Approval of rejected auction resulted in illegal auction of government property.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of auction besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.68]

4.2.3 Performance

4.2.3.1 Non recovery of rent shops from tenants - Rs 240.435 million

According to rule 47(1)(2) (3) of Punjab Local Government (Budget) Rules 2017, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Fund. The head of the offices shall monitor, control and supervise the collecting officers and take corrective measures. The revised targets of receipts, if any, shall be communicated by the head of finance office to the collecting officers and head of offices.

Chief Officer Municipal Corporation, Multan did not collect rent amount from the tenants of shops situated at bus stand and truck stand, which resulted into the short collection of rent amounting Rs 240.435 million. The detail is given as under:

(Rupees in million)

Sr no	Particulars	Total shops	Block No	Rent amount 2017-18	Rent Received	Amount of Rent recoverable
1	Truck Stand Multan	150	A, B, 10*20, 14-10x22, 14x22, 14x28, 12.1/2x24, 24x25, Service station, G.F.A	36025373	14060203	21.965
2	General Bus Stand Multan	644	B, C, D, F, G,H, I, J, K, L, O, Petrol Pump, Hotel/Motel Work shop	129328294	75058126	54.270
3	Court Case General Bus Stand	59	A, B, D, E, J	46453108	0	46.453
4	Court Case Truck Stand Multan	53	10x20, 14x22, G.F.A	117746684	0	117.747
Total						240.435

Due to weak internal controls, rent amounts of shops were not collected from the tenants.

Non recovery of rent amount resulted in loss to MC amounting Rs 240.435 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 240.435 besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.11]

4.2.3.2 Unauthorized constructions due to delay in approval of maps - Rs 63.265 million

According to rule 10.4 of Punjab Model Building by Laws, within 45 receipts of notice along with required building plans and documents and payment of scrutiny fee for permission to carryout of building plans pass orders granting or refusing permission to carry-out such building works and in case of refusal specify the provisions of building by laws.

Municipal Officer (Planning) did not approve the building plans after the receipts of notices along-with required building plans and map fee resulted in illegal construction at sites and non-recovery of government fee amounting Rs 63.265 million. Furthermore maps of de-notified road of list “A” were accepted illegally.

Due to mal-administration, unauthorized constructions were allowed at sites without raising any objections to favour the owners of buildings.

Non approval of building plans in time resulted unauthorized construction at sites and non-recovery of dues amounting Rs 63.265 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDOs concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends approval or rejectio of plans and recovery government amounting Rs 63.265 million besides fixing responsibility on preson(s) at fault, under intimation to Audit.

[AIR Para No.12]

4.2.3.3 Non submission of cases to high level design committee - Rs 30.905 million

According to rule 10.6 of Punjab Model Building By Laws 2014, wherever HLDC is functioning all the building plans along the notified roads

shall also be scrutinized by HLDC before sanction of building plans. Furthermore, as per letter No.G-1/III/DO(SP&C)/MN/58/016 dated 20.10.2016, District Planning, Design Committee approved permanent conversion of property measuring 04 Kanal & 02 Marlas and on payment of conversion fee amounting Rs 16.502 million for change of use of property for establishment of Commercial Office is hereby allowed subject to leaving of 30 feet set back, clearance from HLDC as per building regulations, fulfilling the requirements of parking and mandatory open spaces.

Municipal Officer (Planning) approved the commercial building plans without the approval from High Level Design Committee. The plans were approved directly in order to favour the owners due to illegal extra construction and non-fulfilment of required set back area and rare space area at sites involved government fee amounting Rs 30.905 million. Non submission of maps to HLDC resulted in illegal approval of maps. The detail is given as under:

Building Plan No. and Date	Location	Total Area Plot	Fee Paid
503 dated 17.10.2017	Triple story commercial shops situated at Hassan Parwana Road	1519 sft	0.12
1708 dated 16.5.2018	Commercial double story building situated at Mouza Rangeel Pura Multan	97200 sft	2.81
100/25.7.2017	Mst. Nighat Naseem W/o Mian Naseem Ahmed Sheikh	41463 sft	30.905
Total			33.835

Due to weak internal controls, maps were got approved without the approval of HLDC to favour the owner of the commercial buildings.

Approval of maps without the approval resulted in irregular approval of maps involved Rs 33.835 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends resubmission of cases to HLDC for approval besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.15, 37]

4.2.3.4 Non maintenance of stock registers of assets - Rs 20.928 million

According to rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as a case may be when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorised person.

Chief Officer (Municipal Corporation) Multan did not maintain the stock register of permanent assets of the Municipal Corporation Multan. Amount of Rs 20.928 million was paid from the Municipal Corporation on account of purchase of fixed assets during 2017-18. Furthermore, assets received from the defunct TMA's were not recorded in the concerned registers. Annual stock verification was also not carried out at the end of each financial year.

(Rupees in million)		
Object Head	Budget	Expenditures
A09201 – Hardware	1.100	0.115
A09701 - Purchase of furniture and fixture	5.000	1.071
A09802 - purchase of other assets	27.700	19.742
total		20.928

Due to weak financial controls fixed assets were not entered in relevant stock registers.

Non maintenance of registers of assets of Municipal Corporation might result in embezzlement of property amounting Rs 20.928 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However,

DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.17]

4.2.3.5 Non recovery of conversion fee of excess area - Rs 19.995 million

According to rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:

Value of land as per valuation table	Conversion fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

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

MO (Planning) and building inspectors of Municipal Corporation neither reported nor taken into account the payment of conversion fee by “Dubai Marriage Club” having total area of 08 kanals. Furthermore, map of “Dubai Filling Station” submitted by owner but neither map approved nor conversion fee was received from the owners of the building who started construction at site without approval of map. Government sustained as loss of Rs 19.995 million due to non-receipt of conversion fee from the owner of buildings. The detail is given as under:

(Rupees in million)

Name of Marriage Club	Total Area of Land	Rate per Marla	Total Value of Land	20% Commercial Fee
Dubai Marriage Club	08 kanal	465,000	74.400	14.880
Dubai Filling Station	2 kanal 15 Marla	465,000	25.575	5.115
Grand Total				19.995

Due to weak internal controls, commercial activity is allowed to be carried out without the payment conversion fee and map fee.

Non recovery of dues resulted in loss amounting Rs 19.995 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 19.995 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.19, 27]

4.2.3.6 Short assessment of fee of commercial plaza – Rs 10.107 million

According to rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:

Value of land as per valuation table	Conversion fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Municipal Officer (Planning) Multan, got approved the Commercial Plaza situated at Mouza Qutabpur Old Shujabad Road Multan vide building plan number 380 dated 29.9.2017, having area of 04 kanal & 19 marlas. As per MDA Master Plaza 1987, the said road is commercial road except Glass Factory south side. The said plaza is situated at the place of demolished old glass factory area which is non-commercial road as per MDA plan. Whereas per noting on file stated that the said proposed plaza is situated at commercial road and fee is applicable after 150 feet from the centre of road which is 120 feet wide. MO (Planning) collected commercialization fee amounting Rs 0.585 million only on account of change of use of property which is much less than the applicable rate and fee chargeable to the said building after deducting the area of 150 feet from the centre of road. Total area of plot to be got converted after paying conversion fee will be of area 26 marlas and rate of said old Shujabad Road is 540000 per

marla (Sr. No.1426 2017-18) and 20% commercialization fee will be Rs 2.808 million if road is declared commercial. This resulted in short collection of conversion fee amounting Rs 2.808 million. It is to be worth mention here that area calculated for payment of commercialization fee is doubtful and required the investigation.

If the road is declared non-commercial than the total conversion fee will be charged on the total area of plot which is 4 kanal and 19 marlas and per marla rates is Rs 540,000 per marla and total cost of plot will be Rs 53.460 million and 20% conversion fee will be Rs 10.692 million whereas only fee collected is Rs 0.585 million and resulted in short collection of conversion fee amounting Rs 10.107 million

Due to weak internal controls, conversion fee was short collected in order to favour the owner of building at the cost of government dues.

Short collection of conversion fee resulted in loss amounting Rs 2.425 million if the road is declared commercial and Rs 10.107 million if the road is declared non-commercial.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 2.425 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.22]

4.2.3.7 Non recovery of rent of third floor from KK Mart - Rs 9.814 million

According to rule 47(1)(2) (3) of Punjab Local Government (Budget) Rules 2017, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Fund. The head of the offices shall monitor, control and supervise the collecting officers and take corrective measures. The revised targets of receipts, if any, shall be communicated by the head of finance office to the collecting officers and head of offices.

Municipal Corporation Multan did not collect the rent of third floor's store having size 2x18x90 constructed on 09.9.2009 by the tenant on the Municipal Corporation owned plaza "KK Mart". Rent assessed by Town Officer Finance Shah Ruk-ne-Alam Town amounting Rs 5.888 million vide number SRAT/TMA/TOF/610 dated 07.4.2014. Rent of third floor amounting Rs 9.814 million was not collected from the lessee.

(Rupees in million)

Rent of third floor up to 2014	Rent of third floor from 2014 to 2018	Total rent of third floor due up to 2018
5.889	3.926	9.814

Due to weak internal controls, rent of third floor was not collected from the tenant of K.K. Mart owned by Municipal Corporation Multan.

Non recovery of rent of third floor resulted in loss amounting Rs 9.814 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of amounting Rs 9.814 million besides fixing responsibility on the person(s) at fault under intimation to audit.

[AIR Para No.23]

4.2.3.8 Non receipt of income tax on the lease of petrol pumps - Rs5.853 million

According to rule 236A of Income Tax Ordinance 2001, any person making sale or lease of property by public auction or auction by tender, of any property to any person shall collect advance income tax at the rate of 10% of sale price.

Mayer Municipal Corporation Multan auctioned the lease of petrol pumps through public auction during the year 2016-17 but the advance income tax was not collected at the time of lease of property. Scrutiny of record revealed that Petrol Pumps are being leased since long but no advance income tax was

collected from the lessee which resulted in loss to the government amounting Rs 5.853 million during the period 2001-2018.

Due to weak internal controls, advance tax was not collected from the lessee in violation of Income Tax Ordinance 2001 to give the undue advantage to contractors.

Non receipt of advance income tax resulted in loss amounting Rs 5.853 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of income tax from the lessee amounting Rs 5.853 million besides fixing responsibility on person(s) at fault, under intimation to Audit.

[AIR Para No.7]

4.2.3.9 Unjustified payment of closed day allowance - Rs 4.028 million

According to letter No.RD(A&A)MC/Multan 168 dated 24.04.2017, Municipal Corporation Multan is making huge expense on the payment of Holiday / Double Duty / Over time allowance to its employees regularly on month to month basis which is huge /extra burden on the budget, it is therefore requested to avoid this extravagant expenditure. In this connection it is suggested that those employees who perform duty during Sunday or any other gazetted holidays they may be given substitute holidays on any other working day instead of double duty allowance in the best interest of Municipal Corporation. Having much more employees in every cadre Municipal Administration can easily accommodate this staff working on holidays through relievers. There is only issue of duty adjustment by the DDOs

Municipal Officer (Services) paid Rs 4.028 during 2017-18 on account of holiday allowance of fire brigade staff of five fire brigades working under the control of MC Multan. The holiday allowance was irregularly paid to the staff instead of adjusting the duty roster of the staff. Furthermore, sanction was not accorded to draw the amount by any competent authority.

Due to weak internal controls huge amount were paid from MC account instead of adjusting duty roster of staff.

Unauthorized payment resulted in loss amounting Rs 4.028 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends the stoppage of the payment and adjustment of duty roster of staff, under intimation to Audit.

[AIR Para No.31]

4.2.3.10 Less recovery of rent of shops – Rs 3.514 million

According to rule 47(1)(2) (3) of Punjab Local Government (Budget) Rules 2017, the Collecting Officers shall ensure that all revenue due is claimed, realized and credited immediately into the Local Fund. The head of the offices shall monitor, control and supervise the collecting officers and take corrective measures. The revised targets of receipts, if any, shall be communicated by the head of finance office to the collecting officers and head of offices.

Municipal Corporation Multan did not recover dues of Rs 3.514 million on account of rent of shops during 2017-18, from the tenants of shops.

(Rupees in million)

Head of Income	Total Rent Collected during 2017-18	Total Rent Due 2017-18	Balance amount
Rent of Shops	24.277	31.707	3.514

Due to weak performance, TMA dues were less collected.

Less collection of TMA dues resulted in loss of Rs 3.514 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.514 million and as well as arrear of previous years, besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.34]

4.2.3.11 Short collection of conversion fee – Rs 3.063 million

According to rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:

Value of land as per valuation table	Conversion fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Municipal Officer (Planning) approved map baring number 844 dated 13.12.2017 of market situated at Nishter Road despite the fact that the owner of the building paid the less conversion fee. The fee was short assessed which resulted in the loss to the Municipal Corporation Multan Rs 3.063 million. The detail is given as under:

Particular	Calculations
Middle of Road	36 feet
Total Length of map	197 feet
Total Length	233 feet
Less permissible	150 feet
Width of map	105.25 feet
Area for commercialization	8735.75 square feet
Side area	42.25 feet
Width	38 feet
Total	1605.5 square feet
Grand total area for commercialization fee calculation	10341.25 square feet
Per marla square feet	270 feet
Total Marlas to be commercialized	38.30 Marlas
Area commercialized by MO (P)	26 Marlas
Less area commercialized by MO (P)	12.3 Marlas
Per Marla Rate	1.245 million per marla
Total cost of land not commercialized	Rs 15.313 million
20% Commercialization Fee	Rs 3.063 million

Due to weak internal controls conversion fee was short assessed and recovered from the owner.

Short collection of conversion fee resulted in loss amounting Rs 3.063 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends fixing of responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.36]

4.2.3.12 Non recovery of rent of double and triple storeys of shops - Rs 2.858 million

According to Chapter –IV Rule 4.7(1) of Punjab Financial Rules, Vol-I, it is primarily the responsibility of the departmental authorities to see all revenue or other debts due to Government, which have to be brought to account, are correctly and properly assessed, realized and credited to Government account.

Municipal Officer (Regulation) allowed construction of additional stores in the rented out property of Municipal Corporation without charging the additional rent of first & 2nd floor of shops. Non recovery of rent of additional storeys resulted in loss amounting Rs 2.858 million. **Annexure-D/MLN**

Due to weak internal controls, rent of additional storeys were not assessed, realized and credited in bank account.

Non collection of rent of additional construction resulted in loss of Rs 2.858 million.

The matter was reported to the CO of Municipal Corporation Multan and DDOs concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends of recovery of rent of additional storeys Rs 2.858 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.43]

4.2.3.13 Non recovery of fee of parking stands - Rs 2.136 million

According to rule 20 of Punjab Local Governments (Auctioning of Collection Rights) Rules, the contractor shall be responsible for deposit of salary, all allowances etc. of employees attached with him for collection of receipt and will pay all taxes leviable. Furthermore, as per Rule 25 (e) all collection shall be carried out by contractor through the staff of local government concerned assigned to him for this purpose.

Chief Officer Municipal Corporation Multan advertised in daily newspapers regarding the auction of 07 Nos parking stands within the jurisdiction of Multan during the Financial Year 2017-18. Out of seven only auction proceedings of one stand were shown which were auctioned for Rs 1.600 million and contractor deposited Rs 1.265 million and remaining amount Rs 0.335 million not yet recovered. Further recovery of employee's salaries was not made from the contractor. The remaining cycle stands are running at site but neither auction proceedings were shown nor any amount deposited into the government accounts. This resulted in loss amounting Rs 2.136 million. The detail is given as under:-

(Rupees in million)

Sr. No	Name of Work	Period of Contract	Amount of contract	Amount of Challans Shown	Amount not shown
1	Parking Fees contract of Parking stand Qila Qohna Qasim Bagh toward upward Ghanta Ghur	2017-18 (Bid Price)	0.180	No auction procedure shown nor any court orders produced.	0.180
2	Parking Stand Passport Office Madni Chowk	2017-18 (Bid Price)	0.431		0.431
3	Parking Fee Mehfil Cenima	2017-18 (Bid Price)	0.500		0.500
4	Parking fee Crown Cenima	2017-18 (Bid Price)	0.400		0.400
5	Parking Fee Sui Northern Gas Peerain Gaib	2017-18 (Bid Price)	0.425		0.425
6	Parking fee under fly over Near Food Festival	2017-18 (Bid Price)	0.200		0.200
Grand Total					2.136

Due to weak internal controls, auction amount and salaries of staff was not collected and record of proceedings of auctions not shown to Audit.

Non recovery of government receipts resulted in loss of Rs 2.136 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs. 2.136 besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.8]

4.2.3.14 Non deposit of auction amount of slaughter house - Rs 1.518 million

According to contract agreement signed by the contractor, contractor shall collect the receipt through MC employees and deposit the salaries, pension contribution, medical expenditures, and leave salaries on 20th of each month.

Municipal Officer Services auctioned collection rights of slaughter house including salaries of 14 Nos staff for Rs 11.686 million, whereas per MO (Finance) total receipt collected against the amount of contract is only Rs10.167 million from the contractor, which resulted in short deposit of Rs 1.518 million as detailed below:-

(Rupees in million)

Total value of Contract	12 Months Salaries of 14 Staff	Total Amount due from Contractor	Amount Deposited	Amount Not deposited into the government account
5.650	6.036	11.686	10.167	1.518

Due to weak internal controls, auction amount was not deposited.

Non deposit of dues resulted in loss of Rs1.518 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.518 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.49]

4.2.4 Internal Controls Weaknesses

4.2.4.1 Illegal construction of Fatima Tower - Rs 38.697 million

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

Municipal Officer (Planning) did not take action against the illegal construction of Fatima Tower situated neither on Nishter Road nor on Old Bahawalpur Road. The map was approved without the receipt of conversion fee and the owner of the building violated the approved plan but no action was taken and recovery of government fee was not made. The owner has changed the nature of building from shops to hotel which required the submission of revised plan. The government sustained loss amounting Rs 38.697 million. The detail is given as under:

Map Number and Date	Particular	Amount
1289 dated 12.02.2006	Conversion Fee	35.00
	Extra Height than permissible limit of 48 feet	3.667
	Penalty of extra shades constructed at site	0.030
Grand Total		38.697

Due to weak internal controls, building was allowed to be constructed without receipt of dues.

Building approved without the receipt of dues and beyond rules resulted in loss amounting Rs 38.697 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 38.697 million besides regularization and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.9]

4.2.4.2 Loss due to placing of deposits in ordinary saving account – Rs 32.391 million

According to rule 2.33 of PFR Vol-I, every Govt. servant should realize fully and clearly that he will be held personally responsible for any loss sustained to Government through fraud or negligence on his part. As per Finance Department letter No.FD (W&M)1-1/70 (VI) dated 18.12.2008, placement of TMA funds should be placed after solicited interest rate from various commercial banks to achieve maximum return on their deposits.

During audit of Municipal Corporation Multan, it was observed that huge amount of company funds were placed in ordinary saving bank account at a very low interest rate of 3.75% during financial years 2017-2018 as detailed below. The company could have made an agreement at much higher interest rate 10% if solicitation was sought from different commercial banks in compliance with aforementioned letter of Finance Department, Government of the Punjab dated 18.12.2008. Furthermore, the company could have conducted careful budgeting to ascertain surplus funds which should have been invested in short term certificates or as fixed term deposit for a maximum possible term to fetch maximum possible revenue at higher interest rates of 10% to 12%. Audit calculated amount of interest by applying a conservative interest rate of Rs 10% and found that the Government sustained a loss of estimated Rs 25.992 million. Details of are given below:

(Rupees in million)

Sr. No.	Name of bank	Year	Closing balance	Amount	Rate of Interest received in %	Amount of Interest @ 3.75% (A)	Least Rate of Interest which should have been applied %	Amount of Interest @ 10% (B)	Amount of Interest less received (B-A)
1.000	Bank of Punjab(clock tower 0711)	2,018	June	452.060	3.750	16.952	10.000	45.206	28.254
2.000	Bank of Punjab(Mumtazabad 0721)	2,018	June	2.792	3.750	0.105	10.000	0.279	0.175
3.000	Bank of Punjab(Kutchery 0729)	2,018	June	31.651	3.750	1.187	10.000	3.165	1.978
4.000	Bank of Punjab(clock tower 0711)	2,018	June	31.759	3.750	1.191	10.000	3.176	1.985
Total									32.391

Due to weak internal controls, funds were placed at ordinary saving account at very low interest rate.

Placement of funds at lower interest rate saving account resulted in loss of Rs 32.391 million in terms of interest.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry of the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.14]

4.2.4.3 Improper / non-maintenance of stock registers of electric material - Rs 19.822 million

According to rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as a case may be, when delivery is taken and they should be kept in charge of a responsible Government servant. The receiving Government servant should also be required to give a certificate that he has actually received the materials and recorded them in his appropriate stock registers. When materials are issued a written acknowledgement should be obtained from the person to whom they are ordered to be delivered or dispatched and when materials are issued from stock for departmental use, manufacture or sale, etc., the Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

Municipal Officer (Infrastructure) purchase electricity worth Rs 14.90 million through tenders and quotations. Scrutiny of consumption record register produced by electrician revealed the following short falls:

- i. Electric material costing Rs 14.90 million was consumed with one pen stroke and without recording the date of issuance of material.
- ii. Huge quantity of wire were issued on different occasions costing in million but how much wire used and remaining wire not handed over to the store room.
- iii. Repeated expenditures were shown on each Moharram occasion which is not actually required at Moharam.

- iv. Point register not maintained to verify the actual usage and consumption of electric material at site.
- v. Huge quantity was issued to private persons without any authority.
- vi. Electric material costing Rs 4.983 were purchased on quotations without any tender enquiry but neither entered on any stock register not consumption available on record.

Due to weak internal controls, quantity of material in millions were fake consumed and amounts were drawn for the purchase of electric store items without maintenance of stock register and consumption record..

Fake consumption and drawl of amount without the maintenance of stock entries resulted in non-compliance of rules.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.05, 28]

4.2.4.4 Tempering in original agreement to increase the cost of construction – Rs 10 million

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

Town Officer Shah Ruk-ne-alam executed the agreement with the M/S Saeed Ahmed to construct the plaza at TMA place situated at Hussain Agahi Bazar. The Plaza cost of construction of plaza was written in the agreement amounting Rs 5.400 million which was tempered on later stage and increased up to Rs 15.400 million as evident from agreement resulting increase of Rs. 10 million.

Due to weak internal controls tempering in cost of plaza was made to give the benefit to the lessee.

Increase in cost of construction resulted in loss of Rs. 10 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends matter should be referred to investigation agencies to investigate the matter, under intimation to Audit.

[AIR Para No.4]

4.2.4.5 Unauthorized payment of pending liabilities – Rs 8.913 million

According to delegation power 2006, pending contingent expenditures more than three years required the approval of Finance Department.

Chief Officer, Municipal Corporation Multan accorded the sanction to make the payment of liability of payments of defunct City District Government Multan for the period of 2013 to 2016 without the approval of Finance Department to make the pending payments of more than three years amounting Rs 8.913 million. Director Local Fund Audit did not raised any objection and made the payments on the photo copies of bills. Even the photo copies of letter of FD attached in the files also does not reflects the eligibility of payments of pending liabilities of more than three years. As per letter No.165/PA/ADC dated 8.01.2015, the share of TMA for provision of payment of printed bags was Rs173,394 but the payment of Rs 1.087 million was paid on account of packing charges for supply of sugar without any verification of quantity of sugar supplied in Ramzan Bazar. Similarly rent of two walk through gates were paid amounting Rs 621,000 whereas the same was available in the market for Rs 35,000 each. Chief Officer (Municipal Corporation) declares the bill as genuine despite of the fact that even supply orders were not issued to the suppliers and said chief Officer was not available at the time expenditures incurred. Further no proof of payment of 10% income tax amounting Rs 0.89 million was obtained nor deducted at source by pre-audit department to favour the contracts.

(Rupees in million)

Sr. No.	Particular	Amount
1	Payment of sugar packing for Ramzan Bazar Bosan Town 2016	1.088
2	Payment of sugar packing for Ramzan Bazar Shah Rukn-e-alam Town	0.85
3	Payment of sugar packing and transportation charges according to approved rates of grocery items in Ramzan Bazar 2015 (Whole District)	1.50
4	Payment of printed shopper one kg and two kg for sugar supply in Ramzan Bazar 2015 (Whole District)	1.800
5	Payments of wastage of sugar during packing in Ramzan Bazar 2015 (1.5 kg in 50 kg each bag of sugar)	0.900
6	Payment of sugar packing and transportation charges in Ramzan Bazar 2014 (Whole District)	0.895
7	Payment of printed & simple shopper one kg and two kg in Ramzan Bazar 2014 (whole district)	0.582
8	Payment of sugar packing Ramzan Bazar 2013 (Whole District) according to approved by the committee constituted by DCO Multan	0.677
9	Payment of walk through gates (Payment of Rs690000 after deduction of services tax 10% remaining payable amount Rs621,000) two Nos in Ramzan Bazar Shah Rukn-e-Alam Town, Multan	0.621
Grand Total		8.913

Due to weak internal controls, pending liabilities of City District Government were paid out of the Municipal Corporation.

Payment of pending liabilities of District Government out of the MC resulted in unauthorized payment of Rs 8.913 million.

The matter was reported to the CO of Municipal Corporation Multan in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry of the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.24]

4.2.4.6. Illegal running of cycle stands in the jurisdiction of Municipal Corporation - Rs 8.80 million

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

Municipal Corporation Multan allowed the illegal running of parking of cycle stands on the government owned property. Head Clerk of Regulation branch was assigned the duty to visit the sites and report to Audit. The said official visited the sites and reported that huge amount are being collected unofficially by the employees of regulation branch of MC on the monthly basis but the places were not taken into account at the time of auction of few parking stands for whom record not produced. Most of the cycle stands are running by big Mafia and they are collecting extortion receipt from the public without the approval of government. **Annexure-E/MLN**

Due to weak internal controls, huge amount were being collected privately without the deposit into the government account.

Non auction of cycle stands resulted in loss of Rs 8.80 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.53]

4.2.4.7 Non collection of amount of auction and salaries of staff - Rs 6.491 million

According to rule 20 of Punjab Local Governments (Auctioning of Collection Rights) Rules, the contractor shall be responsible for deposit of salary, all allowances etc. of employees attached with him for collection of receipt and will pay all taxes leviable. Furthermore as per rule 25 (e) all collection shall be carried out by contractor through the staff of local government concerned assigned to him for this purpose.

Municipal Corporation Multan auctioned the collection rights of “Dam Dama” entry fee for Rs4.810 million vide order bearing number MCM MO(R)-24 dated 11.10.2017 for the period starting from 01.7.2017 to 30.6.2018. The contract price was reduced without with the signature of superintendent regulation who signed the reduced contractor for Rs 3.716 million against the

award letter issued by MO (Regulation) of Rs4.810 million on the plea that the charge of contract could be taken from previous contractor on the order of the court whereas no such order of the court is available in record. Further new contract was also awarded to previous contractor who submitted bid for the period of contract starting from 01.7.2017 to 30.6.2018. Contract was not signed by the Mayer Multan who was the competent authority. Furthermore the clause of salaries of employees deputed for collection also not inserted in the unsigned illegal agreement. No demand and collection register of receipt prepared by the concerned officials to verify the actual receipt made against the total auction amount.

(Rupees in million)

Sr. No	Name of Work	Period of Contract	Amount of contract	Amount of Challans Shown	Amount not shown
1	Collection rights of "Dam Dama" entry fee	2017-18	4.81 Million	No	4.81
2	Income Tax		0.481 million	Nil	0.481
3	Salaries of Staff (Minimum 4 persons) 50000 per month		1.20 million	Nil	1.20
Grand Total					6.491

Due to weak internal controls, collection of receipt against the auction amount not shown and salaries of staff was not collected.

Non collection of auction amount, income tax and salaries of staff resulted in loss amounting Rs 6.491 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.40]

4.2.4.8 Short receipt of conversion fee and extra height charges - Rs 6.658 million

According to working paper signed by the Chief Officer and Municipal Officer (Planning) revealed that the height of building permissible is 38 feet whereas proposed building is 40 feet.

MO (Planning), Municipal Corporation Multan approved the map bearing number 846 dated 13.12.2017, of hotel and restaurant situated at Tariq Road Multan. Total value of plot was Rs 52.307 million and conversion fee amounting Rs 10.461 million was liable. MO (Planning) issued permanent conversion of site certificate and assessed conversion fee amounting Rs 4.528 million. This resulted into short receipt of conversion fee amounting Rs 5.933 million. Furthermore, as per working paper of HLDC the permissible limit of height of building is 38 feet whereas the height of building is 40 feet without the three feet height of mummy but the map was got approved from HLDC without charging extra height charges in violation of his own report.

(Rupees in million)

Total Area of Land	Registry Rate	Total Value of Land	20% Conversion Fee	Fee Deposited and approved	Less conversion fee taken
52 Marla 83 square feet	1,000,000	52.307	10.461	4.528	5.933

Due to weak internal controls map was approved beyond permissible limit without charging the extra height fee.

Approval of map beyond permissible height without charging extra height charges resulted in loss amounting Rs 6.658 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends charging of extra height fee besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.70]

4.2.4.9 Unauthorized award of tender – Rs 4.185 million

According to rule 4 of the Punjab Procurement Rules 2014, a procuring agency, while making any procurement, shall ensure that the procurement is made in a fair and transparent manner, the object of procurement brings value for money to the procuring agency and the procurement process is efficient and economical. According to PPRA rules 2009, as amended 2014 vide Para 12(1) (2) and Para 14(1) a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper. Any procurement exceeding two million rupees shall be advertised on the website of the Authority, the website of the procuring agency, if any, and in at least two national daily newspapers of wide circulation, one in English and one in Urdu. In no circumstances, the response time shall be less than fifteen days for national competitive bidding and thirty days for international competitive bidding from the date of publication of advertisement or notice.

MO (Infrastructure) incurred expenditure of Rs 6.900 million without advertisement in the leading new papers as required by PPRA rules. Further the following observations were also noted.

- i. The requisite CDRs of 5% of contract value were not submitted by all contractors who submitted quotations.
- ii. Bidding documents were neither prepared nor cost of bidding documents were recovered from the contractors in violation of Rule 25(7) of the PP Rules 2014.
- iii. Date less supply order was issued to the Chief Officer without mentioning the detail of items, specification, rate, quantity and date of completion thereof. It is worth to be mention that the sanction on comparative statement was sought from Mayer on 17.01.2018, five months later after completion of event. Later on the same date was tempered on the pointation of internal auditors of local fund audit without the attestation of Mayer.

- iv. Performance security as required under Rule 56 of the PP Rules 2014 was not provided by the successful bidder. The agreement deed was executed on 7.12.2017 which was signed by then MO(Services). The stamp duty in the shape of stamp paper for Rs500 was obtained instead of Rs2000.
- v. Income Tax 10% instead of at the rate of 17.5% on services as there is no evidence was available that the contractor is filer.
- vi. All the quotations shown received from three contractors were written with the same handwriting which revealed that the fake quotations process was executed.
- vii. Quantity, quality and rates were not got verified from verification committee constituted with for this purpose.
- viii. The bill costing Rs 4.185 million was passed by the Resident Director Audit & Accounts despite the fact the tenders were floated by ignoring rules and regulations and quotations were of one hand writing.
- ix. No stock entry of items installed and where installed not mentioned. In the absence of stock entry and installation proof all the payment is doubtful and required investigation through investigation agencies.

Due to weak internal controls contract was awarded through fake tendering process on higher rates.

Award of contract by ignoring all rules resulted in irregular award of contract amounting Rs. 4.185 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends that the matter should be referred to investigation agencies for inquiry and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.30]

4.2.4.10 Illegal construction of building without payment of conversion fee - Rs 3.750 million

According to rule 60 (1) (a) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009, the conversion fee for the conversion of a residential, industrial, peri-urban area or intercity service area to commercial use shall be as under:

Value of land as per valuation table	Conversion fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Municipal Officer (Planning), of Municipal Corporation Multan, received the maps after payments of map fee and did not take any action and allowed to construct the illegal buildings without receipt of conversion fee and approval from HLDC and DP&DC. Furthermore, map fee of area was short converted into commercial area than the actual area of marriage hall which resulted in non-receipt of conversion fee amounting Rs 3.750 million and illegal construction of building at site. The detail is given as under:

(Rupees in million)

Application No & Date	Name of Building	Remarks	Map Fee Collected	Conversion Fee
1521/17.04.2018	Shops property No.2260 Ward No.9 Sub Unit 001 Pul Shawala Multan	Allowed to construct the building on the property of Evacuation Property Board without any authority	27715	0.147
345/21.09.2017	Existing plan of shops at timber market Multan	Building was allowed to be constructed on denotified road having area of 23 Marla and 70 SFT Road	122100	0.837
1026/11.01.2018	Shops on property kehwat No.891/830 at Excise office road	No action was taken despite the receipt of application on January 2018	96545	0.612
296 dated 13.9.2017	B.J. Marriage Hall	Map of 04 kanal area was approved whereas the actual area at site is of marriage hall is 5 Kanal and three Marlas. This resulted into short receipt of conversion fee		1.641
vide number 345 dated 21.9.2017	Shops situated at Mouza Alamdi Sura Ghous ul Azam Road Multan owned by Ahmad Yar S/o Allah Diwaya	Commercialization fee charged rate of chowk Pull Wasil whereas the site is situated at Ghous ul Azam Road and rate charged is much less than the rate applicable.		0.513

Total	3.750
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Due to weak internal controls, building was illegally constructed without receipt of fee and approval of HLDC.

Illegal constructions resulted in loss amounting Rs 3.750 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 46, 47,57]

4.2.4.11 Unjustified consumption of POL of fire brigade - Rs 3.657 million

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

Municipal Officer (Services) drawn Rs 3.657 million out of the Municipal Corporation Account during the period January 2017 to June 2018 on account of POL. Meter of two vehicles were out of order despite the expenditures of Rs1.494 million on account of repair of vehicles. Scrutiny of log books revealed that the almost everyday fire was caught in the city, whereas such incidents were neither reported on print or electronic media. Audit compared the all log books of vehicles used by fire brigade departments and found fake incidents of fire in the log books as evident from following example:-

Name of Vehicle	Date	Remarks	Distance Travelled	POL Consumed
Isuzu NPR EURO-1 Fire Unit Diesel Engine	26.5.2018	Fire at Chungi No.7 Ameer Abad four vehicles	72 km	12 litter
Hino No.2 Fire Brigade	26.5.2018	Shujabad Road interchange by pass inauguration four vehicles	60 km	24 litter
Hino No.1 Fire Brigade	26.5.2018	Fire at Allah Wasaya Mills Vehari Road	80 km	32 litter
Vehicle No. 4182	26.5.2018	Fire at People Colony Tughlaq	72 km	18 litter

		Road 8 Vehicles		
Bed Ford No.1	26.5.2018	Fire at Khan Factory Peoples Colony. 8 vehicles	64 km	17.92 litter
Fire Truck 1422	26.5.2018	No incident reported	0	0

Due to weak internal controls funds were paid for POL by showing doubtful entries in the log books.

Fake entries in the log books resulted in the doubtful payment of POL amounting Rs 3.657 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends matter should be referred to the investigation agencies for further probe into the matter and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.33]

4.2.4.12 Excess payment due to charging of excess rates - Rs 3.367 million

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

Municipal Officer (Infrastructure), Municipal Corporation Multan prepared the TS estimates and got approved from Chief Engineer Punjab Local Government Board in three development schemes costing Rs 149.00 million. Scrutiny of rates of three schemes revealed that excess rates were charged than the input rates of the Government of Punjab Finance Department. Further rates of same items were charged differently in all three schemes as per input rates of FD choke for 125 watt with mercury lam 125 watt and 250 watt was Rs 773 and Rs 1,494 respectively. Whereas in the estimates rates of chokes and mercury vapour lamp was charged differently costing Rs 2765 and Rs 4,690 each. This resulted into overpayment 3.338 million in three schemes of Rs 9.0 million, Rs 3.00

million and Rs 2.90 million each. 25 Safety belts and safety shoes were purchased for eight electricians of Municipal Corporations.

(Rupees in million)

Name of Item	Rate Approved	Rate as per MRS	Difference	Qty	Excess Payment
Supply of street light pole bracket 30 mm etc. MRS P# 151 Item # 63	804.45	758.8	45.65	150	0.007
Supply of Choke for 125 watt Murcury lamp complete in all respect	2400 +365 = 2765	773 input rate with mercury vapour lamp	1992	330	0.657
Supply of Choke for 250 watt Murcury lamp complete in all respect	4000+690 = 4690	1494 input rate with mercury vapour lamp	3196	140	0.447
Supply of mercury vapour lamp 125 watt	365	350	15	2000	0.030
Supply of mercury vapour lamp 250 watt	690	500	190	250	0.048
Supply of savour saver 42 watt	680	1150	470	2400	1.128
Supply of savour saver 24 watt	290	295	5	2500	0.013
Supply of Choke for 125 watt Murcury lamp complete in all respect	1800 +350=2150	773 input rate with mercury vapour lamp	1373	150	0.206
Supply of Choke for 250 watt Murcury lamp complete in all respect	3000+500=3500	1494 input rate with mercury vapour lamp	2006	400	0.802
Supply of safety belt wapda standard	3600	2550	1050	10	0.011
Supply of safety shoes	3000	4250	1250	15	0.019
Grand Total					3.367

Due to weak internal controls, excess rates were approved than the input rates of FD.

Approval of excess rates resulted in loss of Rs 3.367 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 3.367 besides fixing responsibility on the person(s) at fault, under intimation o Audit.

[AIR Para No.01]

4.2.4.13 Short receipt of rent of bus terminal - Rs 2.907 million

According to auction dated 12.05.2017 and approval of Mayer dated 22.5.2017 auction of following shops with the condition of annual increase of 10%. Further rent shall be deposited upto 5th of each month and in case not deposited than the 200 per day fine shall be charged.

Municipal Officer (Services) of Municipal Corporation Multan handed over the possession after the six months of approval and agreement with the lessee without any cogent reasons. Whereas the most of the places auctioned were already under the use of Faisal Movers, Skyways and Kohistan services. This resulted in short collection of revenue amounting Rs 2.907 million as detailed below:-

(Rupees in million)

Particular	Date of Auction	Rent Per Month	Rent due twelve months	Rent obtained	Less
Workshop No.1	12.5.2017	0.070	0.834	0.417	0.417
Workshop No.2	12.5.2017	0.070	0.840	0.420	0.420
Workshop No.3	12.5.2017	0.069	0.828	0.414	0.414
Workshop No.4 Kohistan	12.5.2017	0.068	0.816	-	0.816
Workshop No.5	12.5.2017	0.070	0.834	0.417	0.417
Hotel No.4 Skyways	1.6.2016 to 30.6.18	0.009	0.222	-	0.222
Hotel Motel No.5 Rest Room	1.6.2016 to 30.6.18	0.008	0.202	-	0.202
Grand Total					2.907

Due to weak internal controls fee was short collected from the tenant of bus terminal.

Short receipt by making fake documents resulted in loss amounting Rs 2.907 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends inquiry in the matter besides fixing responsibility on the person(s) at fault, under intimation to Audit

[AIR Para No.38]

4.2.4.14 Unjustified expenditures on advertisement - Rs 2.900 million

According to Section 16(a) of the Punjab Local Government Act 2017, “the Local Government Engineers and his subordinate shall be responsible for ensuring that the work is executed in best interest of Local Government.

The CO of Municipal Corporation incurred expenditure of Rs 2.900 million on account of preparation of panaflexes / plates of names of Al-mighty Allah for display on various routes of city. Audit observed that three schemes were approved on different occasions but awarded to same contactor which revealed that self favoured contractor was obliged. Tampering in the bids was evident from record. Photographs attached in the files revealed that the same type of plate were affixed at different spots by charging different rates which resulted in overpayment of Rs 0.849 million. Further rate analysis attached in estimate did not have copies of quotations collected from the market to support the rate of non-schedule items.

Due to weak internal controls, rules were violated to while incurring expenditures.

Violation of rules resulted in unauthorized award of work at higher rates amounting Rs 2.900 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 0.849 million besides regularization and fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No.39]

4.2.4.15 Excess payments due to payment of excess rate of tuff tiles – Rs 1.448 million

According to MRS Schedule Rates for the period 2nd Quarter 2017, Providing and laying Tuff pavers, having 7000 PSI, crushing strength of approved manufacturer, over 2" to 3" sand cushion i/c grouting with sand in joints i/c finishing to require slope . Complete in all respect. (50% Grey / 50%

Coloured). As per input rates given on Finance Department website the difference of rates of coloured and grey tiles are Rs2.00 per sft.

MO (Infrastructure) paid the contractor rate of 50% Grey / 50% Coloured tuff tiles, whereas the photo attached in the files revealed that the contractor affixed at site only grey tuff tiles which was Rs 2 per sft cheaper than the coloured tiles as per input rates given on the website of Finance Department. This resulted in excess payment of Rs 1.448 million to the contractors.

Due to weak internal controls, excess rates were paid to the contractor which resulted in excess payments to the contractors.

Excess payment to the contractor resulted in loss amounting Rs 1.448 million.

The matter was reported to the CO of Municipal Corporation Multan and the DDO concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends recovery of Rs 1.448 million besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No.6]

4.2.4.16 Theft of Road Roller – Rs 1.120 million

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

Municipal Officer (Infrastructure) parked the road roller on road in front of Municipal Office Mumtazabad which was stolen by unknown person on 6.5.2017 costing Rs 1.120 million as per FIR bearing number 680/18 dated 07.5.2018. Further Suzuki Car bearing number MNT-906 under the use of TMA Sher Shah Town caught fire due to negligence of officials, but no action taken against responsible.

Due to weak internal controls and negligence of department no action was taken against the responsible for theft of road roller and burning of Suzuki Car.

Non-safeguarding of assets resulted in loss amounting Rs 1.120 million.

The matter was reported to the CO of Municipal Corporation and the DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this report.

Audit recommends recovery of Rs 1.120 million from the concerned besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 51]

CHAPTER 5

5.1 Municipal Corporation, Sahiwal

5.1.1 Introduction

Municipal Corporation, Sahiwal was established on 01.01.2017 under Punjab Local Government Act, 2013. Municipal Corporation, Sahiwal is a body corporate having perpetual succession and a common seal, with power to acquire/hold property and enter into any contract and may sue and be sued in its name.

The functions of Municipal Corporation, Sahiwal as described in the Punjab Local Government Act, 2013 are as under:

- Approve bye-laws and taxes;
- Approve annual budget of the Municipal Corporation including supplementary budgetary proposals and long term and short term development plans;
- Review the performance of all offices working for the Municipal Corporation;
- Review the performance report presented by the Chairman;
- Promote social counseling to inculcate civic and community spirit and motivate and galvanize the general public for compliance with municipal laws, rules and bye-laws;
- Prevention and removal of encroachment on public ways, streets and properties;
- Prevention of nuisance in public ways, streets and properties;
- Regulation of dangerous and offensive articles and trades mentioned in Second Schedule;
- Regulation or prohibition of the excavation of earth, sand, stones or other material;
- Regulation or prohibition of the establishment of brick kilns, potteries and other kilns;
- To organize cattle fairs and cattle markets and regulation of sale of cattle and other animals;

- Celebration of public festivals;
- Assistance in provision of relief in the event of any fire, flood, hailstorm, earthquake, epidemic or other natural calamity and assisting relevant authorities in relief activities;
- Provision of relief for the widows, orphans, poor, persons in distress and children and persons with disabilities;
- Promotion of sports including sports for persons with disabilities. provision, improvement and maintenance of public ways and streets, public open spaces, graveyards, public gardens, playgrounds and farm to market roads;
- Assisting Union Councils in provision and maintenance of rural water supply schemes and public sources of drinking water, including wells, water pumps, tanks, ponds and other works for the supply of water;
- Construction of culverts, bridges and public buildings;
- control over land use, spatial planning, land subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations;
- Enforce all municipal laws, rules and bye-laws regulating its functioning;
- Promote animal husbandry and dairy development;
- Hold fairs and shows, promotion of public games and sports, celebration of national occasions; and
- Undertake other development activities.

The Chief Officer is the PAO of Municipal Corporation and he/she manages functions of the Municipal Corporation through five offices i.e. Planning, Finance, Regulation, Infrastructure and Services.

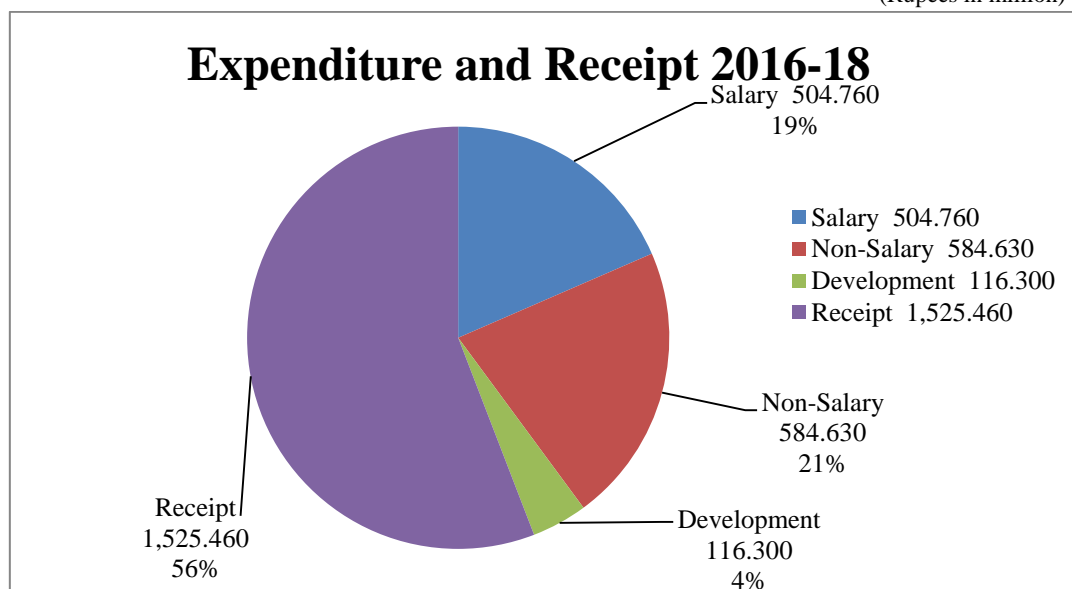
5.1.2 Comments on Budget and Accounts

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

(Rupees in million)

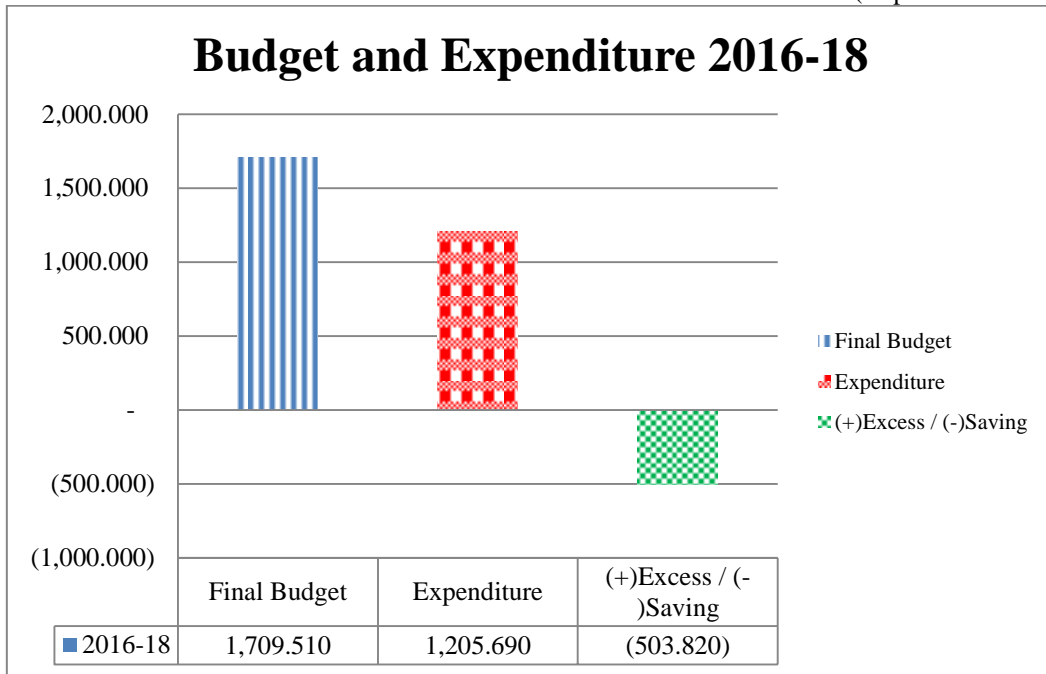
2016-18	Budget	Actual	Excess (+) / Saving (-)	(%) Saving
Salary	664.33	504.760	(159.570)	-24%
Non salary	846.46	584.630	(261.830)	-31%
Development	198.72	116.300	(82.420)	-41%
Sub Total	1,709.510	1,205.690	(503.820)	-29%
Receipts	2,432.200	1,525.460	(906.740)	-37%

(Rupees in million)



As per Accounts 2016-18 of the Municipal Corporation, Sahiwal, total budget (Development & Non development) was Rs 1,709.510 million. Against the final budget, total expenditure of Rs 1,205.690 million was incurred by the Municipal Corporation during January, 2017 to June, 2018. A lapse of Rs 503.820 million came to the notice of Audit due to inefficient financial management in release of budget by Authorities. No plausible explanation was provided by the PAO and management of Municipal Corporation (Annexure-B). The comparison of budget and expenditure for FY 2016-18 showing huge lapse is as under:

(Rupees in million)



5.1.3 Brief Comments on the Status of Compliance with PAC Directives

This is the 1st Audit Report on the account of Municipal Corporation, Sahiwal established in January, 2017. No Audit Report pertaining to the preceding years was submitted to the Governor of Punjab to be laid before the legislature.

5.2 AUDIT PARAS

5.2.1 Non Production of Record

5.2.1.1 Non production of record of receipts – Rs 6.361 million

According to Clause 14 (1) (b) of the Auditor General’s (Functions, Powers and Terms and Conditions of Service) Ordinance 2001, “The Auditor General shall, in connection with the performance of his duties under this Ordinance, have authority to inspect any office of accounts, under the control of Federation or of the Province or of District including Treasuries and such offices responsible for the keeping of initial and subsidiary accounts”.

MO (Finance) of MC Sahiwal did not produce the record of revenue collected of Rs 6.361 million during 2016-18 despite repeated requests. The detail is as under:

(Rupees in million)

Name	Period	Name of Income Head	Amount
MC Sahiwal	July-2016 to Dec-2016	Copy fee Birth & Death	0.062
		Road Cuts Charges	2.202
Kameer	July-2016 to Dec-2016	Sewerage Tax	0.038
		Copy fee Birth & Death Kameer	0.004
		Parking fee Car (Kameer)	0.033
		Slaughter House (N.T.H.Q. Kameer)	0.014
		Motor cycle Rickshaw Stand Kameer	0.032
		Rent of Shops (Kameer)	0.195
		Rent for Land (Kameer)	0.012
MC Sahiwal	Jan-2017 to June-2018	Copy fee Birth & Death	0.050
		Cattle Pond	0.010
MC Sahiwal	2017-18	Copy fee Birth & Death	0.109
		Auction Scrab of MC SWL	3.600
Total			6.361

Following record was also not produced.

- i. Property register of the Municipal Corporation was not produced.
- ii. Property register / stock register of stock available against the purchases of Ramzan Bazar was not produced.
- iii. Service books of the staff working in MO Regulation branch were not produced.

Due to weak internal controls, record was not properly maintained and produced for audit scrutiny.

Non production of record of Rs 6.361 million created doubts regarding legitimacy of expenditure / income.

The matter was reported to the CO of Municipal Corporation Multan and the DDOs concerned in January, 2019, but no reply was submitted. However, DAC meeting was not convened by the PAO despite repeated efforts made by Audit. No progress was intimated till finalization of this Report.

Audit recommends production of record besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 02]

5.2.2 Irregularities & Non Compliance

5.2.2.1 Irregular executions of development schemes without making PC-1- Rs 69.800 million

According to rule No.4(3) (4) of Works Rules 2017, the work costing rupees 1.5 million or above shall be prepared on the PC-1 Prescribed by the government and approved in the manner prescribed for approval of PC-I. Furthermore, According to Rule No.4(5) (2) for the preparation of rough cost estimates the engineering staff shall inspect the site and work out the feasibility of the work through images or photographs of the site, Rough cost estimates, detailed estimates and PC-I shall be approved by the authority competent to do so.

The Chief Officer of Municipal Corporation Sahiwal executed schemes of Rs 69.800 million during 2017-18 without preparation and approval of schemes on PC-1 despite the value of each scheme was more than Rs 1.5 million.
Annexure-F/SWL

Due to weak management detailed PC-1 & estimates were not prepared.

Non-compliance of works rules resulted in irregular execution of schemes amounting Rs. 69.800 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 17]

5.2.2.2 Irregular expenditure without recording of measurements - Rs 9.400 million

According to rule No. 18(3) of Works Rules 2017, any payment either for the work done or procurement made for more than rupees fifty thousand shall be entered in the measurement book.

The Chief Officer of Municipal Corporation Sahiwal made the expenditure of Rs 9.400 million without ensuring the entry in measurement book during 2017-18. Amount of each bill was Rs 0.05 million. No entry of material purchased / received was made in the measurement book. Due to non-availability of entry in measurement book, expenses on purchase of goods were doubtful.

Due to weak management irregular and doubtful expenditures were made without making entries in MB.

Non-compliance of Government instructions resulted in irregular and doubtful expenditure of Rs 9.400 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 04]

5.2.2.3 Irregular purchase of store items - Rs 8.499 million

According to Finance Department letter No.RO(TECH) FD.18-23/2004 dated 21.09.2004, all the store items are required to be purchased as per rules laid in purchase manual and no contractor profit and overhead charges is allowed to the contractor.

The Chief Officer of Municipal Corporation Sahiwal purchased the different items i.e. furniture, photo state machine, fax machine, multimedia etc. of Rs 8.499 million during 2016-18 from the contractors. while these items were of store item and there was no need to purchase these items from the contractor, These items would be purchased from the General order supplier or from the direct market due to this Government had to pay extra cost of 10% contractor profit, less deduction of income tax, less deduction of security of Rs 0.838 million. **Annexure-G/SWL**

Due to weak management irregular purchase were made from contractors.

Non-compliance of rules resulted in irregular purchase of Rs 8.499 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure and recovery of overpaid amount besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 19, 20]

5.2.2.4 Irregular expenditure on civil works without advertisement - Rs 8.005 million

According to Rule 9 of Punjab Procurement Rules, 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website as well as on the website of the procuring agency in case the procuring agency has its own website. Subject to Rules 13, any procurement exceeding two million rupees shall be advertised on the website, the website of the procuring agency, if any at least two national daily newspapers of wide circulation, one in English and one in Urdu.

The Chief Officer of Municipal Corporation Sahiwal advertised the development schemes on PPRA web site instead in newspapers. Schemes of Rs 8.005 million were splited in order to avoid the advertisement in the newspaper. Administrative approvals of the schemes were of same date and work orders were also given on the same date. **Annexure H/SWL**

Due to weak management schemes were awarded without advertisement in newspaper.

Non-compliance of rules resulted in irregular and uneconomical expenditure of Rs 8.005 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 21]

5.2.2.5 Irregular sanction of financial assistance beyond delegated financial powers – Rs 2.200 million

According to Second Schedule vide Sr. No. 12 of Punjab District Authorities (Delegation of Financial Powers) Rules 2017 published vide gazette Notification No. SOR(LG)38-9/2017 dated 26.04.2017 to sanction expenditure of Grant in Aids in accordance with rules chief executive officer can sanction up to Rs 0.100 million. Moreover, Grant in aid where admissible under the Rules exceeding the powers of CEO shall be sanctioned by the Administrative Department.

MO (Regulation) of Municipal Corporation Sahiwal allowed payment of financial assistance amounting Rs 2.200 million during 2017-18 by giving irregular sanction. Payment was made on the sanction of MO Regulation beyond the delegated financial powers and without prior approval of Administrative Department.

Due to weak financial controls irregular sanction beyond delegated financial power was given.

Sanctioning of claims beyond delegated financial powers resulted in irregular incurring of expenditure amounting Rs 2.200 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault under intimation to audit.

[AIR Para No. 05]

5.2.2.6 Irregular execution of schemes without revised administrative approval - Rs 2 million

According to rule No. 17 of Work Rules 2017, in case the site of the work or nomenclature is changed fresh administrative approval shall be obtained from the respective Development Committee.

The Chief Officer of Municipal Corporation Sahiwal executed schemes of Rs 2 million without taking the revised administrative approval despite the scope of work was changed during 2017-18 as detail below.

(Rupees in million)

Name of Scheme	Estimated Cost Million	Remarks
Construction of Metaled Road , PCC & Sewer line Church Road to Ehatta Badian MC Sahiwal UC No. 10 estimated cost	1	scope of the work was change and metal road was not executed when the scope of the work changed then the nomenclature of the Work was changed
Providing and laying of tuff tiles, paver sewer line street light etc androon Ahata Badian & scheme No. 02, farid town Gali professor Amin Wali UC No. 10 Lady councillor	1	scope of the work was change and tuff tile was not executed when the scope of the work changed then the nomenclature of the Work was changed
Total	2	

Due to weak financial management payment was made without revised administrative approval.

Non-compliance of rules resulted in irregular execution of schemes of Rs 2 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 15]

5.2.2.7 Non taking of time extension and non-imposition of penalty - Rs 1.578 million

According to Rule 14 (4) of Works Rules 2017, If due to any unavoidable circumstances, the work could not be completed within the period specified in the contract, an extension of such period may be allowed as per contract conditions , the house will give the extension if the period of extension is likely to exceed six months.

The Chief Officer of Municipal Corporation Sahiwal did not impose the penalty of Rs 1.578 million on contractor due to late completion of schemes. Neither the approval of time extension was taken from the house nor was penalty imposed. **Annexure-I/SWL**

Due to weak management penalty for late completion of the work was not imposed.

Non-compliance of rules resulted in delay of completion of works and loss of Rs 1.578 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 1.578 million besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 16]

5.2.2.8 Unjustified payment of earth without recording of cross section area - Rs. 1.059 million

According to plan No. 4.7 (3) of B&R code, in all cases where payments of earth work are to made from the longitudinal and cross section prepared before the work is started, the levels of such works should be recorded in a special level book. The level on which the sections are plotted should be entered in ink and the quantities should be calculated from the above mentioned levels.

The Chief Officer of Municipal Corporation Sahiwal made payment of earth work amounting Rs 1.059 million during 2016-18 without recording the natural surface level and cross section area in the different development works. In absence of natural surface level and cross section area the payment of earth work was unjustified. **Annexure-J/SWL**

Due to weak internal controls payments were made without recording of natural surface level and cross sections.

Payment without natural surface level and cross section resulted in irregular expenditure on earth work amounting Rs 1.059 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 18]

5.2.2.9 Irregular approval of map of commercial building instead of providing less parking area

According to Chapter No. 06, Para No. 34, of By Laws of TMA Sahiwal, Parking in commercial Shops, Stories, for every 1500 sft covered area one car parking be mandatory for each covered 500 sft one motorcycle parking is mandatory. Furthermore, according to Chapter No. 04, Para No.2, of By Laws of TMA Sahiwal, Where ever basement / cellar is constructed it may be subject to the fulfilment of the conditions that the owner / applicant has to furnish NOC (s) from the owners / occupiers of the adjoining buildings / properties. However, if the basement is to be constructed at a distance of more than 5 feet from the adjoining building, the NOC may be exempted.

MO (Planning) of Municipal Corporation Sahiwal , irregularly approved the Map of Mall of Sahiwal during Financial year 2017-18, instead there was less space left for parking, Moreover building was not constructed at a distance of

more than 5 feet from the adjoining building but no NOC was taken from the authority.

Name of Plaza	Description	Total Covered Area Sft	Rate of Car Parking per CAR in SFT	No. of Car Parking To Be made	Car parking in Approved Map	Less Parking
Mall Of Sahiwal	Car	52345	1500	35	21	14
	Motorcycle	52345	500	105	55	50

Due to weak management irregular sanction / approval of Building map was made.

Negligence of the planning staff resulted in wrong approval of the building Map.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of the building map besides fixing responsibility on the person(s) at fault, under intimation to Audit.

[AIR Para No. 08]

5.2.3 Performance

5.2.3.1 Illegal construction of commercial buildings without approval of maps - Rs 37.770 million.

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

MO (Planning) of MC Sahiwal did not recover fee of Rs 37.770 million during 2017-18 from the owners of illegal marriage and commercial halls constructed without approved building maps. Furthermore, concerned staff had not given notices to the owners of the such illegal constructions. **Annexure-K/SWL**

Due to weak financial controls marriage halls were constructed without approval of building map and recovery of fee.

Construction of buildings without approval of map and payment fee resulted in loss of Rs 37.770 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 37.770 million besides fixing responsibility on the persons(s) at fault, under intimation to audit.

[AIR Para No. 10,11,12,13]

5.2.3.2 Doubtful consumption of POL in absence of meter reading - Rs 21.172 million

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

Municipal Administration of MC Sahiwal, made the expenditure of Rs 21.172 million on the POL of generators of disposals and sanitary vehicles during 2017-18. Expenditure of POL and repair were being incurred continuously

despite speedo meters of generators and vehicles were not working. The expenditures were doubtful because the log books were written without mentioning the opening and closing readings. **Annexure-L/SWL**

Due to weak management bogus consumption of POL was recorded.

Consumption of POL without meter reading resulted in doubtful consumption of POL of Rs 21.172 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 23, 24]

5.2.3.3 Illegal establishment of land sub divisions - Rs 18.957 million

According to rule 38(2)(a,b,c) & 39 of Punjab Private Housing Schemes and Land Sub Division Rules, 2010 the developer shall deposit, fee for sanction of a scheme/LSD @ Rs 1,000 per kanal, approval of design and specification for water supply, sewerage and drainage @ Rs 500 per kanal, approval of design and specification for road, bridge and footpath of a scheme # Rs 500 per kanal followed by a scrutiny fee of Rs 1,000 and Rs 5,000 for a LSD and a Scheme respectively. Moreover, according to Rule 60 (1)(c) of Punjab Land Use (Classification, Reclassification and Redevelopment) Rules, 2009 fee for conversion of peri-urban area to scheme use/ land sub division use at the rate of one percent of the value of the land as per valuation table or one percent of the average sale price of preceding twelve months of residential land in the vicinity, if valuation table is not available.

MO (Planning) of Municipal Corporation Sahiwal allowed the illegal establishment of housing colonies (Land Sub Divisions/Housing Schemes) without approval and recovery of prescribed dues of Rs 18.957 million on account of conversion fee, sanction fee, approval of design and specification fee. Furthermore, no action was taken by the Municipal Officers despite the owners were running their business. **Annexure-M/SWL**

Due to weak management illegal housing colonies were established without approval of maps and payment of fees.

Non-compliance of rules resulted in irregular establishment of colonies and paying fees of Rs 18.957 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends legal action against concerned, besides regularization and recovery of dues, under intimation to Audit.

[AIR Para No. 06]

5.2.3.4 Less recovery of conversion fee of daewoo bus stand - Rs 9.04 million

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

MO (Planning) of Municipal Corporation Sahiwal did not recover fees of Rs 9.044 million from the owners of D class buss stand. The bus stands were being run without approved building map. Furthermore, concerned staff neither takes steps to stop illegal construction nor to receive the outstanding fees.

(Rupees in million)

Description	Area	Total outstanding amount	Received amount	Remaining
Dawoo Bus Stand GT Road	4 Kanal	14.044	5.00	9.044

Due to weak management illegal construction was made without approval of maps and payment of fees.

Less recovery of fee resulted in loss of Rs 9.044 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting

was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of the amount of Rs 9.044 million from the concerned besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 09]

5.2.3.5 Illegally establishment of residential colony without paying fees - Rs 8.909 million.

According to rule 60 (c) of Punjab Land use rules 2009, the conversion fee for the conversion of pre-urban area or intercity service area to residential use shall be one percent of the value of the commercial land as per valuation table or one percent of the average sale price of preceding twelve months of commercial land in the vicinity. Further, according to Notification No. TMA/ LD/ P& C /555/02/2011 dated 15-10-2011, Map fee of Land sub Division was Rs.500 Per Kanal. Further, according to Notification No. TMA/ LD/ P& C /555/02/2011 dated 15-10-2011, Map fee of Land sub Division was Rs.500 Per Kanal.

MO (Planning) of MC Sahiwal did not recovers map fee and conversion fee of Rs 8.909 million from the owners of following residential colonies. Furthermore, neither steps has been taken to recover the amount not any legal action taken against them. The detail is given below.

(Rupees in million)

Name of Scheme	Total Area	Average Sale Price	1% Conversion Fee	Land Sub Division Fee	Total
Gold Inclave Chak No. 82/6R	1158	0.400	4.63	0.6369	5.269
Supreme Housing Block 85/6-R	800	0.400	3.20	0.440	3.640
Total					8.909

Due to weak management recovery of fee was not made.

Non recovery of Government fee resulted in loss of Rs 8.909 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting

was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 8.909 million besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 07]

5.2.3.6 Non recovery of rent of shops - Rs 2.83 million

According to Chapter –IV Rule 4.7(1) of Punjab Financial Rules, Vol-I, it is primarily the responsibility of the departmental authorities to see all revenue or other debts due to Government, which have to be brought to account, are correctly and properly assessed, realized and credited to Government account.

The Chief Officer of Municipal Corporation Sahiwal had not recovered rent of shops amounting Rs 2.83 million from the tenants during 2016-18 as detail below.

(Rupees in million)				
Rent of Shop	Period	Demand	Received	Arrear
		2017-18	12500000	9829581
Total				2.670
Rent of Land	Period	Demand	Received	Arrear
	2016-17	4300000	4217772	0.082
	2017-18	4382228	4302356	0.0798
Total				0.162
Grand Total				2.83

Due to weak financial controls less recovery of rent fee was made.

Less recovery of rent resulted in of Rs 2.83 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 2.83 million besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 03]

5.2.3.7 Non recovery of water rates and blockage of revenue - Rs 2.474 million

According to Chapter –IV Rule 4.7(1) of Punjab Financial Rules, Vol-I, it is primarily the responsibility of the departmental authorities to see all revenue or other debts due to Government, which have to be brought to account, are correctly and properly assessed, realized and credited to Government account.

The Chief Officer of Municipal Corporation Sahiwal had not recovered Rs 2.474 million against the water rates during 2017-18. Furthermore, no legal proceedings were initiated for recovery of the amount from the defaulters.

(Rupees in million)

Period				Demand			Recovery			Balance
	Domestic	Commercial	Total	Arrear	New	Total	Arrear	Demand	Total	
					Demand	Demand				
2016-17	7,650	110	7,760	0.469	3.000	3.469	0.330	2.046	2.376	1.093
2017-18	7,030	110	7,140	1.094	2.500	3.594	0.407	1.806	2.213	1.38
Total	14,680	220	14,900	1.563	5.500	7.063	0.737	3.852	4.589	2.474

Due to weak management less recovery of water rates was made.

Less recovery of water rates resulted in loss of Rs 2.474 million

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends recovery of Rs 2.474 million besides fixing responsibility on the person(s) at fault, under intimation to audit.

[AIR Para No. 01]

5.2.3.8 Irregular repair of transformer - Rs 1.386 million

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

The Chief Officer of Municipal Corporation Sahiwal carried out repair of transformers of Rs 1.386 million from the local market and from the un-

registered firms during 2017-18. Lump sum bills without mentioning faults were paid. No NOCs were taken from the WAPDA for getting repair work from market. No history sheets were maintained and expenditure was incurred without assessing the book value of the machine. No certificate of satisfactory completion of work was on the record. Overpayment amount was made due to non-deduction of cost of old material / wire. The expenditure on repair of transformer from the private firms without the NOC of WAPDA was quite unjustified. **Annexure-N/SWL**

Due to weak management, repair of transformer was made from unauthorized contactors.

Uneconomical repair work from the private contractors resulted in irregular expenditure of Rs 1.386 million.

The matter was reported to the CO of Municipal Corporation and DDOs concerned in January 2019, but no reply was submitted. However, DAC meeting was not convened by PAO, despite repeated efforts made by Audit. No progress was intimated till the finalization of this Report.

Audit recommends regularization of expenditure besides fixing responsibility on person (s) at fault, under intimation to Audit.

[AIR Para No. 22]

ANNEXURES

Annexure-A**Memorandum for Departmental Accounts Committee Paras
Pertaining to Current Audit Year 2018-19****Municipal Corporation Bahawalpur****(Rupees in million)**

Sr. No	Para No.	Subject	Amount
1	1	Non preparation / non-provision of DDO wise expenditure statements	1,375.373
2	2	Incorrect reporting of financial information	72.859
3	7	Loss due to non-collection of sub division fee / less collection of sanction fee	0.238
4	14	Less recovery from contractors of collection rights	0.585
5	16	Loss due to purchase of POL at higher rates than the rates fixed by OGRA	0.384
6	25	Unjustified expenditure on making arrangements for School Olympics Sports Gala	0.777
7	26	Unjustified expenditure on establishment of cattle markets	1.157
8	27	Overpayment on account of rent of tentage items	0.058
9	28	Excessive expenditure on provision of electricity to office premises	1.636
10	29	Loss due to unauthorized use of air conditioners	0.42
11	31	Less deposit of receipts	0.286
12	34	Abnormal delays in completion of work and non-imposition of penalty	0.126
13	39	Incorrect reporting of arrears and non-recovery thereof	19.976
14	40	Non maintenance of record of assets	0
15	41	Non verification of stores and property by the Local Government	0
16	42	Unauthorized absence from duty	0

Municipal Corporation Dera Ghazi Khan**(Rupees in million)**

Name of Formations	Sr. No.	Para No.	Subject	Amount
Municipal Corporation Dera Ghazi Khan	1	1	Irregular and unjustified allocation of development budget	65.000
	2	2	Loss in adda fee through self collection inspite of 50% increase in rates/fees.	6.351
	3	4	Loss due to utilization of development funds for political benefits	103.192
	4	6	Unjustified auction of leases resulting loss	1.518

Name of Formations	Sr. No.	Para No.	Subject	Amount
	5	9	Collection of taxes & revenues without reconciliation	219.554
	6	10	Unjustified overpayment by showing repair of manhole in new scheme	0.037
	7	12	Un authorized clearance of outstanding liabilities	0.808
	8	13	Overpayment on account of contractor profit and overhead charges against excavation of sewers	0.188
	9	16	Irregular expenditure on repair of vehicles	2.026
	10	18	Overpayment due to payment of higher rates of pol than notified by OGRA	0.532
	11	19	Loss due to non-opening of “corporate premium account” or “profit bearing account”	4.159
	12	21	Loss due to non-deposit of sale proceed of used mobil	0.238
	13	22	Receipt of “transfer of immovable property” without backup record	62.165
	14	23	Unjustified payment of manhole covers without manholes in scheme	0.128
	15	26	Loss due to irregular payment of works without production of GST invoices	12.506
	16	30	Non vacation of government residence from un-authorized occupant and loss of house rent	0.586
	17	31	Recovery of unjustified payment of close day allowance	0.150
	18	32	Unjustified construction of public toilets at Chowk Chorhatta	0.550
	19	35	Misappropriation against pol of dengue brigade	0.321
	20	37	Un-authorized transfer of balances to MC water rate account without reconciliation	45.544
	21	38	Irregular transfer of deposit work balance to water rate account	1.993
	22	40	Loss to Govt. & public health due to non-auctioning of old tyres	0.500
	23	41	Unauthorized payment of law charges and non recovery of taxes	2.970
	24	44	Non auctioning of wood & old materials without stock entries	2.150
	25	45	Non recovery of electricity charges	0.240
	26	46	Stock found short	0.072
	27	47	Unauthorized execution and expenditure on development schemes	2.700
	28	48	Irregular appointment/regularization of services of employees and payment of salaries	26.977
	29	51	Loss to MC due to payment of salaries on dummy	17.081

Name of Formations	Sr. No.	Para No.	Subject	Amount
			deployment	
	30	56	Loss and chances of misappropriation in self collection of license & junkyard fee	1.335
	31	59	Non recovery of earnest money & black listing of contractor	1.751
	32	63	Non maintenance of record of assets.	-
	33	64	Non maintenance of record of assets.	-

Municipal Corporation Faisalabad

(Rupees in million)

Name of Formation	Sr. No.	Para No.	Title of Para	Amount
Municipal Corporation Faisalabad	1	27	Non-recovery of dismantle material	0.247
	2	28	Overpayment due to non-deduction of area of marble strips from PCC quantity	0.078
	3	29	Less recovery of cost of old material	0.136
	4	31	Non-forfeiture of earnest money of rejected tender	0.171
	5	36	Non-deduction of Punjab Sales Tax on Services	0.320
	6	37	Expenditure on Non-schedule items without approval of analysis of rates	0.346
	7	38	Un-justified expenditure on account of Lump Sum contingency	0.586
	8	39	Overpayment due to non-reduction in item rate due to use of Local Sand	0.068
	9	43	Non-recovery of House Rent Allowance above entitled residence	0.491
	10	44	Misappropriation of fund due to application of higher rates	0.567
	11	45	Loss due to non-recovery of areas of House Rent Allowance	0.870
	12	47	Misappropriation of Govt. fund by recording excess travelling of motor vehicle and doubtful maintenance of log books.	0.221
	13	48	Non-maintenance of accounts of third-party charges	0.048
	14	49	Non-recovery of stamp duty	0.011
	15	50	Improper maintenance of Measurement Books	-
	16	52	Non-maintenance record/ registers	-
	17	53	Weak Asset management due to non-maintenance of Fixed Assets Register on prescribed format despite the procurement	-
	18	54	Non-vetting of accounting procedure from Auditor General of Pakistan / Controller General of Accounts Pakistan.	-
	19	56	Irregular payment due to non-recording of measurement in measurement book	0.807
	20	57	Non-recovery due to account of use of steel other	0.044

Name of Formation	Sr. No.	Para No.	Title of Para	Amount
			than Pakistan Steel	
	21	59	Loss due to procurement of bitumen from Karachi instead of Attock	0.415

Municipal Corporation Multan & Sahiwal

(Rupees in Million)

Sr. No	Name of Formation	AIR Para No.	Subject	Amount
1	Municipal Corporation Multan	45	Tempering in original estimate after execution of work and payment	2
2		52	Doubtful preparation of bills on the name of supply of Moharram Routs amounting Rs776,500	0.777
3		54	Doubtful claim of bills on the name of dewatering sets with stock entries and whereabouts of previous items amounting Rs724,600	0.725
4		55	Doubtful payments due to fake TS estimation after approval and award letters amounting Rs 0.7 million	0.7
5		56	Illegal construction of building on road behind Railway Road by showing on Railway Road Rs0.514 million	0.514
6		58	Non availability of whereabouts of 26 Nos Almirah purchased Rs 0.462 million	0.462
7		59	Drawl of amount on the name bill of repair of vehicle amounting Rs 296,000	0.296
8		60	Unauthorized purchase of furniture for audit branch out of Municipal Corporation Budget amounting Rs196,500 Recovery Thereof	0.196
9		61	Irregular purchase by calling simple quotations 194,771	0.195
10		62	Bogus expenditure out of TO (Regulation) budget amounting Rs 195,000	0.195
11		63	Overpayment due to using of 50 mm tuff tile instead of 60 mm Rs129,414	0.129
12		64	Doubtful drawl on the name lunch boxes for staff engaged for demolishing of Plaza Rs120,050	0.12
13		65	Excess drawl of POL due to showing excess consumption of POL amounting Rs53165	0.053
14		66	Non recovery of new rent auction amount from the owner of land Rs 43416	0.043
15		67	Unauthorized approval of new building plan instead of revised building plan by ignoring the violations in commercial plaza situated at Mouza Jahangir Abad resulted in loss to the government of Rs 279930	0.279
16		69	Doubtful expenditures on account of use of Chingchi Rickshaw with lights on the eve Moharram-ul-haram amounting Rs 412,440	0.412
17	Municipal Corporation Sahiwal	14	Irregular approval of commercial Building Map Instead of Difference In Area of amounting Rs 105,840	0.105

18	25	Non taking the Personal / Bank Guarantee Against Outsource Income Auction of – Rs 0.320 million	0.32
19	26	Non Taking the Pension Contribution of Employees and Electricity Bills payment from the Contractor off – Rs 252,464/-	0.252
20	27	Less Recovery of Sewerage Fee Due To Unrealistic Survey & Non serious Attitude of Finance Branch of Rs 709,273	0.709
21	28	Non-payment of advance income tax in Government treasury – Rs 58,000	0.058
22	29	Irregular Uneconomical Purchase of Funds of Rs. 277,176/-	0.277
23	30	Excess Drawl of Transfer TA Grant By MO Regulation Branch of Rs 39,345	0.393
24	31	Excess Payment To Contractor By Paying Higher Rates Of Non Schedule Rates Instead Of Availabilty Of Schedule Rates on MRS RS.117,083/-.	0.117
25	32	Excess Payment To Contractor Due To Charging of Excess lead for carriage of crush for Sub Base, Base and TST Of Rs 466,399/-	0.466
26	33	Excess Payment To Contractor Due To Excess Fake Quantities Of Earth up to 2.5 feets In the City Areas (Colonies) Rs.889,270/-	0.889
27	34	Irregular Payment of Tuff Tile Due to non providing proof of approved manufacture RS 648,339/-	0.648
28	35	Excess payment By Using of Qty of Sewer Pipe Excess Than The Length of Excavation for Sewer, Rs 168,091.	0.168
29	36	Excess payment to Contractor In Electricity Scheme due to excess Rates of Rs 247,291/-	0.247
30	37	Excess payment to Contractor by paying Higher Rates to The Contractor of Rs.72,192/-	0.072
31	38	Excess payment to Contractor In Electricity Scheme due to excess Rates of Rs 163,983/-	0.163
32	39	Excess payment to Contractor In Electricity Scheme due to excess Rates of Rs 382,945/-	0.382
33	40	Excess payment to Contractor In Electricity Scheme due to excess Rates of Rs 163,983/-	0.163
34	41	Excess Payment To Contractor Due To Excess Rates of Rs. 287,052/-	0.287
35	42	Excess payment due to higher Rates paid to Contractor In Electricity Scheme Recovery of Rs 596,683/-	0.596
36	43	Non Availability of Detail entries in Measurement Book By the Sub Engineer RS 210,000.	0.21
37	44	Irregular Defective Estimation & Excess payment due to payment of excess quantities of Rs 1,000,000	1
38	45	Substandard Execution of Work costing Rs 2.00 Million, besides Recovery – Rs 80,450	0.08

Annexure-B

Summary of appropriation accounts by grants for the Financial Year 2017-18 (Rupees in million)

Municipal Corporation Multan				
2016-18	Budget	Actual	Excess (+)	% (Lapse)
			/ Lapse (-)	
Salary	595.128	405.375	-189.753	-31.88%
Non-Salary	844.569	541.487	-303.082	-35.88%
Development	240.257	104.238	-136.019	-56.61%
Total	1,679.954	1,051.100	-628.854	37.43%
Receipts	-	1,465.014	-	-

Municipal Corporation D. G. Khan				
2016-18	Budget	Actual	Excess / Savings	%
Salary	793.185	672.648	120.537	15.197
Non-Salary	352.695	269.096	83.599	23.703
Development	121.14	89.721	31.419	25.936
Total	1267.02	1031.465	235.555	18.591
Receipts	1327.409	1209.490	117.919	8.883

Municipal Corporation Faisalabad				
2016-18	Budget	Actual	Excess / Savings	%
Salary	467.674	467.587	-0.087	0.02%
Non-Salary	890.189	889.967	-0.222	0.02%
Development	3387.111	1736.190	-1,650.921	48.74%
Total	4744.974	3093.744	-1,651.23	0.4878
Receipts	1072.860	1072.860	0.000	-+

Municipal Corporation Multan				
2016-18	Budget	Actual	Excess / Saving (-)	(%) Saving
Salary	809.300	642.563	(166.737)	(0.206)
Non salary	369.338	237.965	(131.373)	(0.356)
Development	743.846	269.683	(474.163)	(0.637)
Sub Total	1,922.484	1,150.211	(772.273)	(0.402)
Receipts	1,705.674	1,207.739	(497.935)	(0.292)

Municipal Corporation Sahiwal				
2016-18	Budget	Actual	Excess / Saving (-)	(%) Saving
Salary	664.330	504.760	(159.570)	(0.240)
Non salary	846.460	584.630	(261.830)	(0.309)
Development	198.720	116.300	(82.420)	(0.415)
Sub Total	1,709.510	1,205.690	(503.820)	(0.295)
Receipts	2,432.200	1,525.460	(906.740)	(0.373)

Annexure-C/BWP

[Para 1.2.1.1]

Loss due to illegal approval of maps for establishment of private housing schemes / land sub divisions – Rs 389.280 million

(Amount in rupees)

Sr. No.	Name of private housing scheme / land sub division	Area owned by developer (K – M)	Area owned by other persons	Approx. value of land not owned / transferred in the name of developer @ Rs 20-30 lac / Kanal	Amount of stamp duty, TTIMP, I.Tax etc @ 10 %
1	Al-Makah Garden Phase - II Developer: Malik Yamin Bashir Total Area: 43 K-06 M No. of owners involved: 16	04-00	39-06	78,600,000	7,860,000
2	State City at northern By pass Developer: Umair Rizwan Total Area: 72 K-09 M No. of owners involved: 20	05-04	67-05	201,500,000	20,150,000
3	Baghdad City at 10 B/C Developer: Abdul Qadir Total Area: 60 K-09 M No. of owners involved: 10	02-01	58-08	116,800,000	11,680,000
4	Pelican Homes link Rafi Qamar Road Developer: Talat Mehmood Total Area: 78 K-10 M No. of owners involved: 13	08-00	70-10	141,000,000	14,100,000
5	Hassan Town adj. to Asif Town Rafi Qamar Road Developer: Rashid Nawaz Total Area: 58 K-18 M No. of owners involved: 11	04-01	54-17	109,700,000	10,970,000
6	Al-Makah Garden Phase - I Developer: Malik Yamin Bashir Total Area: 37 K-10 M No. of owners involved: 8	02-00	35-00	71,000,000	7,100,000
7	Green Valley (LSD) Total Area: 16 K-00 M	02-00	14-00	28,000,000	2,800,000

Sr. No.	Name of private housing scheme / land sub division	Area owned by developer (K – M)	Area owned by other persons	Approx. value of land not owned / transferred in the name of developer @ Rs 20-30 lac / Kanal	Amount of stamp duty, TTIMP, I.Tax etc @ 10 %
8	Aman Society (Scheme) Total Area: 122K-0 M	02-00	120-00	240,000,000	24,000,000
9	Allama Iqbal Garden (LSD) Total Area: 67 K-0 M	02-00	65-00	130,000,000	13,000,000
10	Dream Land City (LSD) Total Area: 64 K-0 M	02-00	62-00	124,000,000	12,400,000
11	State Garden (LSD) Total Area: 41K-05 M	02-00	39-00	78,000,000	7,800,000
12	Al-Reyan LSD Total Area: 25 K-00 M	02-00	23-00	46,000,000	4,600,000
13	Gulshane-e-Saeed Total Area: 66 K-00 M	02-00	64-00	128,000,000	12,800,000
14	Al-Marroof Avenue LSD Total Area: 37 K-00 M	02-00	35-00	70,000,000	7,000,000
15	Asia Town LSD Total Area: 60 K-10 M	02-00	58-00	116,000,000	11,600,000
16	Darbar Mehal City LSD Total Area: 72 K-12 M	02-00	70-12	141,200,000	14,120,000
17	Allama Iqbal Town Total Area: 180 K-00 M	02-00	178-00	356,000,000	35,600,000
18	Gulishtan Colony LSD Total Area: 68 K-10 M	02-00	66-00	132,000,000	13,200,000
19	Crystal homes LSD Total Area: 68 K-10 M	02-00	66-10	133,000,000	13,300,000
20	State City LSD Total Area: 72 K-10 M	02-00	70-10	140,200,000	14,020,000
21	Rafaqat Town LSD Total Area: 56 K-14 M	02-00	54-14	109,400,000	10,940,000
22	Al-Baghdad LSD Chak 10/kBC Total Area: 29 K-06 M	02-00	27-06	54,600,000	5,460,000
23	Al-Raheem Gardern Total Area: 86 K-00 M	02-00	84-00	168,000,000	16,800,000
24	Al-Noor Garden LSD Total Area: 94 K-14 M	02-00	94-14	189,400,000	18,940,000
25	Al-Hadi Garden LSD Total Area: 96 K-06 M	02-00	94-06	188,600,000	18,860,000
26	Meer Garden LSD	02-00	63-06	126,600,000	12,660,000

Sr. No.	Name of private housing scheme / land sub division	Area owned by developer (K – M)	Area owned by other persons	Approx. value of land not owned / transferred in the name of developer @ Rs 20-30 lac / Kanal	Amount of stamp duty, TTIMP, I.Tax etc @ 10 %
	Total Area: 65 K-06 M				
27	Al-Reyan Block – II Total Area: 28 K-04 M	02-00	26-04	52,400,000	5,240,000
28	An-Noor Executive Villas Total Area: 25K-08 M	02-00	23-08	46,800,000	4,680,000
29	Khalid Town, Rafi Qamar Road Total Area: 92 K	02-00	90-00	180,000,000	18,000,000
	Asif Town, Rafi Qamar Road Total Area: 100 K	02-00	98-00	196,000,000	19,600,000
	Total			3,892,800,000	389,280,000

Annexure-D/BWP

[Para 1.2.2.1]

Non Production of Record – Rs 8.897 million

(Amount in rupees)

Sr. No.	Description	Amount
1	09 Vouchers and allied record of expenditure incurred from A/C Head Liabilities DDO Code: Chief Officer (Token period 23.05.2017 to 12.06.2017)	567,524
2	02 vouchers and allied record of expenditure incurred from A/C head "Rent of Machines" DDO Code: TO (I&S) token No.1102/08.10.2016 Rs 378,000 and No.1301/02.11.2016 Rs 99,900	477,900
3	Stock register and consumption record of acqua pura tablets purchased for filtration plants token No.877/27.12.2016	187,625
4	Record pertaining to purchase and distribution of Sewing Machines (0.198 + 0.473 + 0.297)	968,000
5	Voucher and allied record of purchase of electric items from M/S Good Luck Traders having token No.	2,034,676
6	Record pertaining to repair of fountains at chowk fawara token No.3490/30.06.2016 and preceding year's record as well.	-
7	Service books and personal files of staff deputed as building inspectors, electricians, store keepers, drivers, PA and PS, sub-engineers	-
8	Stock registers / assets registers of furniture, air conditioners, computer systems, tentage items, CCTV cameras, Digital price boards, LCDs, sanitation machinery, record of water supply machinery, record of filtration plants, flags, generators, lighting equipments etc.	-
9	Record showing deduction of Income Tax, Sales Tax and relevant deposit challans.	-
10	Record of Al-Khair Housing Scheme, Madni Garden, Al-Makkah Garden – Phase I	-
11	List of residences showing the name of allottee, designation, category and date of allotment with its location	-
12	TA/DA bill of transfer grant of MO (P) and allotment order of government residence to him.	-
13	Record showing unauthorized receipt of Conversion fee (during approval of maps) from owners of houses constructed in unapproved housing scheme as Conversion Fee was to be paid by the developers and not by the owners who constructed houses.	-
14	Stock register and distribution record of manhole covers purchased during 2016-18 (2,367,329 + 268,500 + 280,555 + 1,745,537)	4,661,921
15	Detail of unresolved complaints against staff/ section.	-
16	Details of any fraud, defalcation or case of misappropriation occurred in the entity, or the cases being investigated by NAB, Anti Corruption Establishment etc.	-
Total		8,897,646

Annexure-E/BWP

[Para 1.2.3.2]

Mis-procurement of goods and services – Rs 13.482 million

(Amount in rupees)

Date of Tender Opening	Description	Supply order No. / Date	Name of Supplier	Amount	Token No. / Date
14.05.2016	Purchase of carpet / Safain for mosque of TMA	127/ 14.05.2016	A.R Enterprises	144,779	30/ 20.07.2016
14.05.2016	Purchase of 02 split air conditioners for Mosque of TMA	128/ 14.05.2016	Rk traders	396,864	24/ 20.07.2016 and 3089/ 06.06.2016
21.05.2016	Purchase of tentage items for Ramzan Bazar 2016-17	129 / 26.05.2016	A.R Enterprises	3,312,457	25/ 20.07.2016 and 3084/ 06.06.2016
21.05.2016	Purchases of tables, stands, metal detector etc for Ramzan Bazar	130/ 26.05.2016	R.K Traders	4,178,092	29/ 20.07.2016
21.05.2016	Purchase of polythene bags for Ramzan Bazar	131/ 26.05.2016	A.R Enterprises	1,631,851	50/ 23.07.2016
21.05.2016	Rent of Generator	132/ 26.05.2016	Hayat Sound System	478,515	234/ 06.08.2016
21.05.2016	Purchase of electric digital price board for Ramzan Bazar	135/ 06.06.2016	R.K Traders	336,960	28/ 20.07.2016
04.06.2016	Purchase of Street lights		-	0	
25.06.2016	Rent of tentage items for Eid-ul-Fitr	-/-	Sial Traders	416,918	07/ 09.07.2016
25.06.2016	Rent of generator 50 KVA for Eid-ul-Fitr	137/ 27.06.2016	Salman Eco Sound system	12,000	27/ 20.07.2016
25.06.2016	Rent of sound system for Eid-ul-Fitr			55,500	
30.07.2016	Rent of tentage for Jashan-e-Azadi	-	-	0	
30.07.2016	Purchase of sweets, flowers etc for Jashan-e-Azadi	142/ 02.08.2016	R.K Traders	811,683	660/ 03.09.2016
30.07.2016	Rent of generator 3500 watt for Jashan-e-Azadi	-	-	0	
30.07.2016	Rent of Sound System for Jashan-e-Azadi	-	-	0	
30.07.2016	Lighting for Jashan-e-Azadi	145/ 02.08.2016	A.R Enterprises	928,285	683/ 03.09.2016
30.07.2016	Purchase of panaflex banners for Jashan-e-Azadi		R.K Traders	688,019	739/ 08.09.2016
30.07.2016	Purchase of Flags for Jashan-e-Azadi	147/ 03.08.2016	SS Traders	90,324	661/ 03.09.2016
Total				13,482,247	

Annexure-F/BWP
[Para 1.2.3.7]

Irregular expenditure on making arrangements during Muharm-ul-Haram
– Rs 1.076 million

(Amount in rupees)

Item	Rent each item	Rent of each set (01 rikshaw, 01 generator and 06 lights)	Rent paid for each Rikshaw set for Ten days	Rent of 51 flood lights	22 generators 3500 watts for 10 days
Ching chi Rikshaw	6,707	10,900	67,070	-	-
Flood Light 400 watts	399		23,940	203,490	-
Generator 3500 watts	1,799		17,990	-	405,780
			109,000	203,490	405,780
No. of rikshaw sets			03	-	-
Total Expenditure			327,000	203,490	405,780
Labour Charges			10,000		10,000
Total			956,270		

Item	During Chehlum Imam Husain (09 days)				
	Rent each item	Rent of each set (01 rikshaw, 01 generator and 06 lights)	Rent paid for each Rikshaw set for Ten days	Rent of 03 flood lights	01 generators 3500 watts for 09 days
Ching chi Rikshaw	6,460	10,500	58,140	-	-
Flood Light 400 watts	390		21,060	10,530	-
Generator 3500 watts	1,700		15,300	-	15,300
			94,500	10,530	15,300
Total			120,330		

Annexure-G/BWP
[Para 1.2.4.1]

Non-achievement of targets of revenue – Rs 248.422 million

(Amount in rupees)

Sr. No.	Description	Target	Receipt	Difference	Loss (%)
01.07.2016 to 31.12.2016					
1	License Fee (articles of food and drinks)	1,100,000	324,563	775,437	70%
2	General Bus Stand Fee	13,000,000	7,176,968	5,823,032	45 %
3	Riksh, motorcycle, cycle stand fee	2,080,000	932,722	1,147,278	55%
4	Fee from other transport stands	14,550,000	6,894,058	7,655,942	53%
5	Fee for approval of building / construction plans	85,000,000	33,376,263	51,623,737	61%
6	Fine for encroachments	1,600,000	415,900	1,184,100	74%
7	Fee for slaughtering animals	1,650,000	574,750	1,075,250	65%
8	Sale of slaughter house waste	630,000	105,000	525,000	83%
9	Water charges	5,600,000	1,991,138	3,608,862	64%
10	Sewerage tax	10,843,000	2,381,250	8,461,750	78%
11	Receipts from public latrines	2,895,000	1,449,650	1,445,350	50%
12	Fee for Fire Brigade	200,000	65,409	134,591	67%
13	Registration / enlistment of contractors	800,000	484,000	316,000	40%
14	Rent of Shops	23,501,000	14,410,290	9090710	39 %
15	Lease of Agriculture Land	0	0	0	0
16	Road Cutting Charges	200,000	65,295	134,705	67%
17	Copying Fee	400,000	59,630	340,370	85%
18	Miscellaneous Fee	1,500,000	314,423	1,185,577	79%
19	Interest on Investments	1,500,000	753,903	746,097	50%
	Sub Total	167,049,000	71,775,212	95,273,788	57 %
01.01.2017 to 30.06.2017					
1	License Fee (articles of food and drinks)	600000	416250	183,750	31%
2	Fee from other transport stands	5629594	5190000	439,594	8%
3	Fine for encroachments	800000	284350	515,650	64%
4	Water charges	3717375	2137950	1,579,425	42%
5	Sewerage tax	8100000	2432330	5,667,670	70%
6	Receipts from public latrines	1047000	1021160	25,840	2%
7	Fee for Fire Brigade	100000	7200	92,800	93%
8	Registration / enlistment of contractors	400000	15000	385,000	96%
9	Road Cutting Charges	5,200,000	50,990	5,149,010	99%
10	Copying Fee	200000	77200	122,800	61%

Sr. No.	Description	Target	Receipt	Difference	Loss (%)
11	Interest on Investments	750,000	0	750,000	100%
	Sub Total	26,543,969	11,632,430	14,911,539	56 %
	Financial Year 2017-18				
1	License Fee (articles of food and drinks)	1,210,000	786,947	423,053	35%
2	Riksh, motorcycle, cycle stand fee	3,100,000	2,879,610	220,390	7%
3	Fee for approval of building / construction plans	140,000,000	13,239,717	126,760,283	91%
4	Fine for encroachments	1,760,000	317,650	1,442,350	82%
5	Sale of slaughter house waste	760,000	430,000	330,000	43%
6	Water charges	4,500,000	3,332,338	1,167,662	26%
7	Sewerage tax	9,406,000	4,545,080	4,860,920	52%
8	Receipts from public latrines	4,970,000	4,804,271	165,729	3%
9	Registration / enlistment of contractors	1,000,000	994,700	5,300	1%
10	Rent of Shops	29,056,021	28,570,959	485,062	2%
11	Lease of Agriculture Land	2,300,000	0	2,300,000	100%
12	Road Cutting Charges	150,000	80,325	69,675	46%
13	Copying Fee	150,000	143,210	6,790	5%
	Sub Total	198,362,021	60,124,807	138,237,214	70 %
	Grand Total	391,954,990	143,532,449	248,422,541	63%

Annexure-H/BWP
[Para 1.2.4.2]

Non recovery of arrears– Rs 55.225 million

(Amount in rupees)

Sr. No.	Description	As on 30.06.2016	As on 31.12.2016	As on 30.06.2017	As on 30.06.2018
A	Revenue				
1	Refund of land	7,870	7,870	7,870	7,870
2	Sale of goods of store	300,000	300,000	300,000	300,000
3	Sale of trees	100,000	100,000	100,000	100,000
4	Contract of Octri	130,000	130,000	130,000	130,000
5	Contract of Property	4,094,000	4,094,000	4,094,000	4,094,000
6	Contract of Maps	1,381,200	1,381,200	1,381,200	1,381,200
7	Contract of Cattle Mandi	715,000	715,000	715,000	715,000
8	Cinema Show Tax	170,000	170,000	170,000	170,000
9	Water Rate	6,945	6,945	6,945	6,945
10	Drainage	387,800	387,800	387,800	387,800
11	(06 eases) Traffic	1,600,000	1,600,000	1,600,000	1,600,000
12	(04 eases) Pure Food	304,900	304,900	304,900	304,900
13	(Contract) Permanent Teh Bazari	251,345	251,345	251,345	251,345
14	(Self) Permanent Teh Bazari	559,000	559,000	559,000	559,000
15	Temporary Teh Bazari	640,000	640,000	640,000	640,000
16	Slaughter House	740,014	740,014	740,014	740,014
17	Fire Brigade	350,000	350,000	350,000	350,000
18	Latrine General Bus Stand	559,000	559,000	559,000	559,000
19	Fee General Bus Stand	56,455	56,455	56,455	56,455
20	Private Flying Coach	450,000	450,000	450,000	450,000
21	Mini Wagon Stand	1,231,000	1,231,000	1,231,000	1,231,000
22	Spoil Water	9,700	9,700	9,700	9,700
23	Bhanajaat	397,200	397,200	397,200	397,200
24	Bone of dead animals	141,000	141,000	141,000	141,000
25	Cycle Stand	217,700	217,700	217,700	217,700
	Sub Total	14,800,129	14,800,129	14,800,129	14,800,129
B	Regulation				
1	Arrears of rent of shops (GBS)	9,159,440	4,900,000	526,000	578,600
2	Arrears of rent of shops (City)	13,066,444	7,300,000	520,000	1,346,144
3	Arrears of rent of shops (khokha market and Tanki wali Gali)	38,500,000	38,500,000	38,500,000	38,500,000
	Sub Total	60,725,884	50,700,000	39,546,000	40,424,744
	Grand Total	75,526,013	65,500,129	54,346,129	55,224,873

Annexure-I/BWP
[Para 1.2.5.3]

Less recovery of Map Fee – Rs 111.150 million

(Amount in rupees)

Sr. No.	Description	Period	Domestic	Commercial	Industrial	Total
1	As per Record of MEPCO	2016-17	6,323	564	09	6,896
		2017-18	8,044	708	22	8,774
	Total	2016-18	14,367	1,272	31	15,670
2	No. of maps approved by Municipal Corporation during 2016-18	2016-18	727	121	04	852
3	Difference		13,640	1,151	27	14,818
4	Minimum area of each entity		5 Marlas 1360 Sq.ft	01 Marla 272 Sq.ft	01 acre 43,520 Sq.ft	-
5	Minimum rate of MAP fee (Rs / Sq.ft)		Rs 5 / Sq.ft (covered area)	Rs 40/ Sq.ft	Rs 5 / Sq.ft complete area	-
6	Minimum amount of unrealized Map fee (col.3 x col.4 x col.5)		92,752,000	12,522,880	5,875,200	111,150,080

Non recovery of Map fee from owners of illegally constructed shops

Sr. No.	Location of Shop without approved Maps	Total No. of shops	Area of each shop	Total area of shops (Marlas)	Total area in Sq.ft (col.5 x272)
1	Rafi Qamar Raod near one unit chowk (Afzal electronics)	01	04	04	1,088
2	Rafi Qamar Raod near one unit chowk (Awais Complex)	01	15*2	30	8,160
3	Rafi Qamar Raod near Al-Rehman Restaurant	01	03	03	816
4	Rafi Qamar Raod near Kanju chowk (Welcome Store)	01	03	03	816
5	Rafi Qamar Road outside Al-Majeed Paradise City	07	01	07	1,904
6	Rafi Qamar Road inside main gate Al-Majeed Paradise City	05	01	05	1,360
7	Rafi Qamar Road outside Al-Majeed Shopping Centre	12	01	12	3,264
8	Rafi Qamar Road opposite Al-Majeed Shopping Centre adjacent to street	05	01	05	1,360
9	Rafi Qamar Road near Shah Zeb Departmental Store	10	01	10	2,720
10	Asif Town near Jamia Masjid	06	0.5	03	816
11	Asif Town near Rohi Property Dealer	05	0.5	2.5	680
12	Asif Town near Rohi Property Dealer in front of house of Haji Abdul Razaq	06	01	06	1,632
13	Inside Hassan Town	05	01	05	1,360

Sr. No.	Location of Shop without approved Maps	Total No. of shops	Area of each shop	Total area of shops (Marlas)	Total area in Sq.ft (col.5 x272)
14	Outside Hassan Town near Saqib General Store	05	01	05	1,360
15	At a land sub division located at main Street Basti Samlan	10	01	10	2,720
16	Rafi Qamar Road, attached to Ice Factory	03	01	03	816
17	Rafi Qamar Road, in front of Ice Factory	06	01	06	1,632
18	Rafi Qamar Road opposite Riaz-ul-Jannat Housing Scheme	06	01	06	1,632
	Total	95		125.5	34,136
	Rate of Map fee	Rs 40 per Sq.ft			
	Amount of Map fee (34,136 x 40)	1,365,440			

Non recovery of Map fee from owners of illegally constructed houses

Sr. No.	Location of Houses	Total No. of Houses	Area of each house (Marla)	Total area (Marlas)	Total area in Sq.ft (col.5 x272)
1	Asif Town main street (under construction houses)	06	07	42	11,424
2	Asif Town Masjid wali road to Rohi Property Dealer (under construction houses)	08	05	40	10,880
3	Inside Hassan Town	30	05	150	40,800
4	Khalid Town (under construction houses)	10	05	50	13,600
5	Land Sub Division at Rafi Qamar Road near programmer school / Rehmania Mosque	08	05	40	10,880
6	Land Sub Division at Rafi Qamar Road near Al-Majeed Shopping Center / Ayyan Real Estate	08	05	40	10,880
7	Land Sub Division at Asif Town near Rohi Property Dealer / Kanju Basti	14	05	70	19,040
8	Land Sub Division at Main Street of Basti Samlan (both left and right sides)	30	05	150	40,800
	Total	114		582	158,304
	Rate of Map fee	Rs 40 per Sq.ft			
	Amount of Map fee (158,304 x 5)	791,520			

Annexure-J/BWP
[Para 1.2.5.4]

Loss of Government revenue due to Illegal establishment of cycle stands and non action against relevant persons – Rs 103.200 million

(Amount in rupees)

Sr. No.	Location of Illegal Parking / Cycle Stand	Average visitors / day	Average working days / year	Approximate income @ Rs 10 each
1	Front side of Al-Kareem Plaza situated at Circular Road	1,000	300	3,000,000
2	Back side of Al-Kareem Plaza	600	300	1,800,000
3	Front side of Dubai Plaza situated at Circular Road	1,000	300	3,000,000
4	Back side of Dubai Plaza	600	300	1,800,000
5	Masjid Shuhda-e-Panjnand situated at Circular Road	400	300	1,200,000
6	United Bank Limited situated at Circular Road	500	300	1,500,000
7	Habib Bank Limited situated at Circular Road	500	300	1,500,000
8	MCB Bank Limited situated at Circular Road	500	300	1,500,000
9	Khair Puri Hotel situated at General Bus Stand	500	300	1,500,000
10	Awan Plaza inside Ahmed Puri Gate	1000	365	3,650,000
11	Outside High Court Bahawalpur	2000	300	6,000,000
12	Outside Tehsil Court / DC office Bahawalpur	2000	300	6,000,000
13	Habib Bank Limited Model Town A	300	300	900,000
14	Bahawalpur Trade Centre	5000	365	18,250,000
Approximates income 2016-17				51,600,000
Approximates income 2017-18				51,600,000
Total				103,200,000

Annexure-K/BWP

[Para 1.2.5.5]

**Loss due to realization of rent at less than prevailing market rates –
Rs 64.737 million**

(Amount in rupees)

Sr. No.	Market	No. of shops	Avg. rent being realized	Avg. rent in prevailing market	Difference (col.5-col.4)	Loss (col.6 x col.3 x 12)
1	2	3	4	5	6	7
1	Chowk Shehzadi	20	1655	7,000	5,345	1,282,800
2	Inside Shikar Puri Gate	30	6730	10,000	3,270	1,177,200
3	Inside Shikar Puri Gate near Lal Ji Pershad	14	6730	10,000	3,270	549,360
4	Eid Gah Road	86	2094	9,000	6,906	7,126,992
5	Chowk Saraiki	10	3691	15,000	11,309	1,357,080
6	Inside Grain Market	07	9342	16,000	6,658	559,272
7	Opposite General Bus Stand	06	11881	25,000	13,119	944,568
8	Disposal Lal Bagh Model Town C	34	2500	4,000	1,500	612,000
9	Chowk Bazar (Tanki Wali Gali)	20	7000	12,000	5,000	1,200,000
10	Sarai Godo Mal Band Road	02	4649	6,000	1,351	32,424
11	Inside Farid Gate Chowk Band Road	03	6150	8,000	1,850	66,600
12	Zanana Hospital Road	04	2565	6,000	3,435	164,880
13	Fateh Khan Bazar	01	1380	7,000	5,620	67,440
14	Chowk Phool Wala	05	9261	12,000	2,739	164,340
15	Shahi Bazar	05	4222	12,000	7,778	466,680
16	Chowk Bazar near Jamia Masjid Al-Sadiq	01	1976	7,000	5,024	60,288
17	Chowk Shahzadi (Caban)	02	5089	12,000	6,911	165,864
18	Koch Ganja Mali	01	1221	4,000	2,779	33,348
19	Derawri Gate	02	3139	7,000	3,861	92,664
20	Noor Shah Bukhari House	01	2564	10,000	7,436	89,232
21	Outside Bus Stand near Shabroz Hotel	03	2829	10,000	7,171	258,156
22	Inside shikar puri gate near tanga ada	03	2799	7,000	4,201	151,236
23	Opposite C.A staff multan road	03	3412	10,000	6,588	237,168
24	Band road near Mandir Zanana hospital road	03	5000	7,000	2,000	72,000
25	Shops inside general bus stand	169	3500	6,000	2,500	5,070,000
26	Chapra inside general bus stand	03	4100	5,000	900	32,400
27	Inside general bus stand (cabin)	01	1500	2,500	1,000	12,000
28	Back side AC bus terminal	07	1300	8,000	6,700	562,800
29	Work shop AC buses	09	8650	15,000	6,350	685,800
30	Plots north side craft bazaar	04	17000	30,000	13,000	624,000
31	Phatta Chowk Shehzadi	01	1130	2,000	870	10,440
32	Canteen AC bus terminal	01	41500	55,237	13,737	164,844
33	Shops old grain market near Jamia	02	6000	10,000	4,000	96,000

Sr. No.	Market	No. of shops	Avg. rent being realized	Avg. rent in prevailing market	Difference (col.5-col.4)	Loss (col.6 x col.3 x 12)
	Masjid Al-Sadiq					
34	Room for office transport Federation Bus Stand	01	6195	10,000	3,805	45,660
35	Petrol Pump outside General Bus Stand	01	54,174	180,000	125,826	1,509,912
36	A.Husain petroleum Service Saraiki Chowk	01	28,798	180,000	151,202	1,814,424
37	Modern Petroleum Service Chowk Fawara	01	42,966	180,000	137,034	1,644,408
38	Niaz Petroleum Farid Gate	01	44,772	180,000	135,228	1,622,736
	Total (2016-17)	471				30,827,023
	Annual Increase (10 %)					3,082,702
	Total (2017-18)					33,909,725
	Grand Total (2016-17 & 2017-18)					64,736,748

Annexure-L/BWP

[Para 1.2.5.6]

Loss due to non registration of private housing schemes – Rs 21.221 million

(Amount in rupees)

Sr. No	Scheme name	Area in Kanals	Scrutiny fee	Sanction of scheme fee @ Rs 3000 / acre	Design and specification for sewerage / water supply @ Rs 500/ kanal	Design and specification for road, bridge fee (Rs.500 /Kanal)	Conversion Fee @ 1 % of current residential prices	Rate as per valuation table (Rs / Marla)
1	Al-Qamar Town Chak No.9/BC	90	1,000	33,750	45,000	45,000	3,240,000	180,000
2	Al-Kareem Town Chak No.08/BC	35	1,000	13,125	17,500	17,500	595,000	85,000
3	State City Housing Scheme Phase –III Northern By-Pass	70	1,000	26,250	35,000	35,000	4,060,000	290,000
4	Dubai Town Rafi Qamar Road	12	1,000	4,500	6,000	6,000	768,000	320,000
5	Star City Jhangi Wala Road	80	1,000	30,000	40,000	40,000	4,400,000	275,000
6	Star Avenue Jhangi Wala	72	1,000	27,000	36,000	36,000	3,960,000	275,000
7	Rafi Qamar Road near programmer school / Rehmania Mosque	2.5	1,000	937	1,250	1,250	160,000	320,000
8	Rafi Qamar Road near Al-Majeed Shopping Center / Ayyan Real Estate	2.5	1,000	937	1,250	1,250	160,000	320,000
9	Asif Town near Rohi Property Dealer / Kanju Basti	04	1,000	1,500	2,000	2,000	256,000	320,000
10	Main Street of Basti Samlan (both left and right sides)	08	1,000	3,000	4,000	4,000	512,000	320,000
11	Goheer Town	16	1,000	6,000	8,000	8,000	2,560,000	800,000
Total			11,000	146,999	196,000	196,000	20,671,000	

Annexure-M/BWP
[Para 1.2.5.7]

**Doubtful quality of works due to biased sampling for lab testing –
Rs 11.059 million**

(Amount in rupees)

Sr. No.	Name of Work	Quantity Tuff Tile used (SFT)	Total Exp.	Contractor	Lab Test Report No. / Date
1	Provision and laying tuff tile from house Ch. Shafiq to house Ch. Liaqat Millat colony	6191	529,021	Shed Tahir Mehmood Shah	430 dated 28.02.2018
	Provision and laying tuff tile from house Malik Iqbal to house Malik Alif Channar Mauza Banga.	5127	438,102		430 dated 28.02.2018
	Provision and laying tuff tile from house Abdul Majeed ASI to house Mistri Allah Ditta Islami Colony	8689	742,475		430 dated 28.02.2018
	Provision and laying tuff tile house Refiq Councilor to house Tahir Balouch Basti Banga.	1237	98,960		430 dated 28.02.2018
2	Provision and laying tuff tile Street Ishaq Sunara	4600	393,070		432 dated 28.02.2018
	Provision and laying tuff tile Street Baba Hanif Biryani Wala	1378	117,750		432 dated 28.02.2018
	Provision and laying tuff tile Street Ch.Nazeer electrician Muslim colony	3574	305,398		432 dated 28.02.2018
3	Construction of wall for katcha sludge carrier from Majeed Abad Moor to Railway line (Part –I) 2 nd portion (Brick Work)	48080 CFT @ Rs 17092.65 % CFT	8,218,,146	Liaqat Ali	561 dated 05.01.2017
4	Construction of Sullage Carraier from Bindra Minor to Majeed Abad MOOR (PART – I) 1 st portion (Brick Work)	42033 CFT @ Rs 17092.65 % CFT	7,184,554	Waqas ali Khan	514 dated 29.11.2016
5	Construction of pakka sullage carrier Majeed Abad to More Mouza Bindra (Part – II) 2 nd portion (Brick Work)	7040 CFT @ Rs 17637.95 % CFT	1,241,712	Imran Yasin	705 dated 23.02.2017
	Total		11,059,406		

Annexure-N/BWP
[Para 1.2.5.8]

Non recovery of Commercialization Charges– Rs 8.785 million

(Amount in rupees)

Sr. No.	Location of Shop without approved Maps	Total No. of shops	Area of each shop (Marlas)	Total area of shops (Marlas)	Value @ Rs 350,000 / Marla
1	Rafi Qamar Raod near one unit chowk (Afzal electronics)	01	04	04	1,400,000
2	Rafi Qamar Raod near one unit chowk (Awais Complex)	01	15*2	30	10,500,000
3	Rafi Qamar Raod near Al-Rehman Restaurant	01	03	03	1,050,000
4	Rafi Qamar Raod near Kanju chowk (Welcome Store)	01	03	03	1,050,000
5	Rafi Qamar Road outside Al-Majeed Paradise City	07	01	07	2,450,000
6	Rafi Qamar Road inside main gate Al-Majeed Paradise City	05	01	05	1,750,000
7	Rafi Qamar Road outside Al-Majeed Shopping Centre	12	01	12	4,200,000
8	Rafi Qamar Road opposite Al-Majeed Shopping Centre adjacent to street	05	01	05	1,750,000
9	Rafi Qamar Road near Shah Zeb Departmental Store	10	01	10	3,500,000
10	Asif Town near Jamia Masjid	06	0.5	03	1,050,000
11	Asif Town near Rohi Property Dealer	05	0.5	2.5	875,000
12	Asif Town near Rohi Property Dealer in front of house of Haji Abdul Razaq	06	01	06	2,100,000
13	Inside Hassan Town	05	01	05	1,750,000
14	Outside Hassan Town near Saqib General Store	05	01	05	1,750,000
15	At a land sub division located at main Street Basti Samlan	10	01	10	3,500,000
16	Rafi Qamar Road, attached to Ice Factory	03	01	03	1,050,000
17	Rafi Qamar Road, in front of Ice Factory	06	01	06	2,100,000
18	Rafi Qamar Road opposite Riaz-ul-Jannat Housing Scheme	06	01	06	2,100,000
	Total	95		125.5	43,925,000
	Rate of Commercialization fee			20 % of value of plot	
	Amount of Commercialization fee				8,785,000

Annexure-O/BWP
[Para 1.2.5.13]

Excessive expenditure on rent of tentage items – Rs 1.370 million

(Amount in rupees)

Detail of Items Purchased	Quantity Purchased during July 2014 & May 2016	Qty taken on Rent Eid-ul-Fitr 09.07.2016	Qty taken on Rent Eid-ul-Azha 26.09.2016	Qty taken on Rent Eid-ul-Fitr 22.08.2017	Qty taken on Rent Eid-ul-Azha 19.12.2017
Quantity taken on rent					
Shamiana Jarsi 18x18	85	350	400	400	450
Qanat Jarsi 18x7	130	25	25	25	25
Table wooden Folding	250	08	08	08	10
Dari 10 x 10 feet	20	2,200	2,200	2200	2200
Carpet (20*6)	06	500	600	500	600
Tanki water	06	08	10	08	10
White Sheets for Dari		200	200	200	200
Red Mate		01	01	01	01
Total Expenditure on Tentage	-	416,918	324,863	449,830	538,500
		1,730,111			

*Date of token has been referred in each column showing quantity received.

Detail of Items Purchased	Quantity Purchased during July 2014 & May 2016	Qty needed for Eid-ul-Fitr 09.07.2016	Qty needed for Eid-ul-Azha 26.09.2016	Qty needed for Eid-ul-Fitr 22.08.2017	Qty needed for Eid-ul-Azha 19.12.2017
Maximum Quantity Needed for Eid Gah					
Shamiana Jarsi 18x18	85	125	125	125	125
Qanat Jarsi 18x7	130	25	25	25	25
Table wooden Folding	250	08	08	08	10
Dari 10 x 10 feet	20	435	435	435	435
Carpet (20*6)	06	0	0	0	0
Tanki water	06	08	10	08	10
White Sheets for Dari		200	200	200	200
Red Mate		01	01	01	01

Detail of Items Purchased	Quantity Purchased during July 2014 & May 2016	Excessive Qty taken on Rent Eid-ul-Fitr 09.07.2016	Qty taken on Rent Eid-ul-Azha 26.09.2016	Qty taken on Rent Eid-ul-Fitr 22.08.2017	Qty taken on Rent Eid-ul-Azha 13.12.2017
*Excessive Quantity utilized					
Shamiana Jarsi 18x18	85	310	360	360	410
Qanat Jarsi 18x7	130	25	25	25	25
Table wooden Folding	250	08	08	08	10
Dari 10 x 10 feet	20	1785	1785	1785	1785
Carpet (20*6)	06	500	600	500	600
Tanki water	06	02	04	02	04
White Sheets for Dari	0	0	0	0	0

Detail of Items Purchased	Quantity Purchased during July 2014 & May 2016	Excessive Qty taken on Rent Eid-ul-Fitr 09.07.2016	Qty taken on Rent Eid-ul-Azha 26.09.2016	Qty taken on Rent Eid-ul-Fitr 22.08.2017	Qty taken on Rent Eid-ul-Azha 13.12.2017
Red Mate	0	0	0	0	0

*Excessive quantity was worked out after taking into account available balance in stock and maximum quantity needed for the event.

Detail of Items Purchased	Quantity Purchased during July 2014 & May 2016	Excessive Qty taken on Rent Eid-ul-Fitr 09.07.2016	Qty taken on Rent Eid-ul-Azha 26.09.2016	Qty taken on Rent Eid-ul-Fitr 22.08.2017	Qty taken on Rent Eid-ul-Azha 19.12.2017
Rent Paid for Each item after adjustment of Discount received					
Discount received	-	15 %	60 %	39 %	25 %
Shamiana Jarsi 18x18		425	200	305	375
Qanat Jarsi 18x7	-	170	80	122	225
Table wooden Folding	-	51	24	36.6	75
Dari 10 x 10 feet	-	51	24	36.6	45
Carpet (20*6)	-	212.5	200	305	375
Tanki water	-	170	80	122	150
White Sheets for Dari	-	85	40	91.5	75
Red Mat	-	17	8	12.2	225

Detail of Items Purchased	Total Loss	Excessive Qty taken on Rent Eid-ul-Fitr 09.07.2016	Qty taken on Rent Eid-ul-Azha 26.09.2016	Qty taken on Rent Eid-ul-Fitr 22.08.2017	Qty taken on Rent Eid-ul-Azha 19.12.2017
Amount of unjustified / excessive rent paid					
Shamiana Jarsi 18x18	467,300	131,750	72,000	109,800	153,750
Qanat Jarsi 18x7	14,925	4,250	2,000	3,050	5,625
Table wooden Folding	1,643	408	192	293	750
Dari 10 x 10 feet	279,531	91,035	42,840	65,331	80,325
Carpet (20*6)	603,750	106,250	120,000	152,500	225,000
Tanki water	2,573	1,360	320	293	600
White Sheets for Dari	-	0	0	0	0
Red Mate	-	0	0	0	0
Total		335,053	237,352	331,267	466,050
			1,369,722		

Annexure-P/BWP
[Para 1.2.5.15]

**Unjustified expenditure on rent of rikshaw, generators and flood lights –
Rs 1.046 million**

(Amount in rupees)

Item	During Muharm-ul-Haram (10 days)				
	Rent each item	Rent of each set (01 rikshaw, 01 generator and 06 lights)	Rent paid for each Rikshaw set for Ten days	Rent of 51 flood lights	22 generators 3500 watts for 10 days
Ching chi Rikshaw	6,707	10,900	67,070	-	-
Flood Light 400 watts	399		23,940	203,490	-
Generator 3500 watts	1,799		17,990	-	405,780
			109,000	203,490	405,780
No. of rikshaw sets			03	-	-
Total Expenditure			327,000	203,490	405,780
Labour Charges			10,000		10,000
Total				946,270	

Item	During Chehlum Imam Husain (09 days)				
	Rent each item	Rent of each set (01 rikshaw, 01 generator and 06 lights)	Rent paid for each Rikshaw set for Ten days	Rent of 03 flood lights	01 generators 3500 watts for 09 days
Ching chi Rikshaw	6,460	10,500	58,140	-	-
Flood Light 400 watts	390		21,060	10,530	-
Generator 3500 watts	1,700		15,300	-	15,300
			94,500	10,530	15,300
Total				120,330	

Description	Rent paid during Muharam – ul – Haram (10 days)			Rent paid during Chehlum Imam Husain (09 days)			Total
	Qty	Rate	Amount	Qty	Rate	Amount	Amount
Ching chi Rikshaw	03	6,707	201,210	01	6,460	58,140	259,350
Flood Light 400 watts	69	399	275,310	09	390	31,590	306,900
Generator 3500 watts	25	1,799	449,750	02	1,700	306,00	480,350
			926,270			120,330	1,046,600

Description	Total Expenditure during 2017-18	Estimated Market Rate	No. of items to have been purchased
Ching chi Rikshaw	259,350	130,000	02
Flood Light 400 watts	306,900	5,000	61
Generator 3500 watts	480,350	20,000	24
	1,046,600		

Irregular expenditure due to defective tendering process– Rs 180.425 million

(Rupees in million)

Sr. No	Name of Scheme	Estimated Cost
1	Construction Repair and restoration of leakages of Sewer lines, GRP force main Ac pipe line etc MC . DG Khan	1.500
2	Providing and Fixing Manhole Cover with other allied works DG Khan city	1.500
3	Supply of Electric Material i.e Energy Saver, Bulb, Led Light, etc with other allied works for street lighting MC, DG Khan	1.500
4	Patch Work i/c Repair of Road Cuts in City Area	5.000
5	Construction of Toilet Block with other allied work office of the Municipal Corporation, Golai Committee, DG Khan	0.300
6	Laying of Water Supply line Sadique Abad Colony	0.654
7	Restoration of Sewer Line at Model Town street Government Girls High School MC, DG Khan	0.600
8	Restoration of Sewer Line at Bhutta Colony street Bilal Langhani MC, DG Khan	0.245
9	Construction / Installation of RCC Salb for Drains Type I & II with repair and other allied work city	0.600
10	Construction of Shed in Golai Committee MC, DG Khan	0.250
11	Construction of Toilet Block Churatta	0.550
12	remaining works Toile Block office Corporation Extension Pipe line with other allied work	0.350
13	Repair of Water Pump with other allied work Jetting Machine J-3	0.219
14	Installation of Tuff Tile with other allied work Akhtar Colony UU/C NO. 03 MC, DG Khan	0.6773
15	Providing and Laying of RCC Sewer line and Construction of Manholes Akhtar Colony UU/C No. 03 Sabzi Mandi infront of Main Water Works MC, DG Khan	0.3810
16	Construction / Repair of Drain and Tuff Tile street Sadique Wapda Wali, Hanif Pittafi Wali Haq Colony, DG Khan	0.4250
17	Providing and laying Tyre MRF 900-20 for Sucker Machine S-4, MC, DG Khan	0.300
18	Construction of Saving Wall Street Sewer Tuff Tile Street Zeeshan Public School Basti Khosa UU/C No. 13	0.924
	Total	15.975
	2017-18	
1	Providing and laying RCC Sewer line with other allied work street office NCHR Disposal at Tahir Town UU/C No. 11	0.645
2	Providing and laying Tuff Tile Pavement street Munna Ghishkori at	0.851

Sr. No	Name of Scheme	Estimated Cost
	Mehboob Abad colony UU/C No. 06 MC, DG Khan	
3	Constrution / Repair of Sewer Line with Other allied works city DG Khan	1.500
4	Restoration / Providing and laying RCC Sewer Line with other allied works Block A,B &C Khyban-e-Sarwar, DG Khan	1.020
5	Providing and laying Tuff Tile Pavement at Shah Faisal Colony near Minor Urban U/C No. 17 MC, DG Khan	0.8312
6	Repair and Restoration of Sewer Lines and Machinery Urban Disposal works	2.000
7	Repair and Restoration of Water Supply lines and Machinery Urban W/S/S / Water Works MC, DG Khan	2.000
8	Providing and laying Manhole Covers / CI Frame with other allied work under limits of Municipal Corporation, DG Khan	1.000
9	Constrction / Repair Nallah Jaat Sewer Lines and other allied works Municipal Corporation, DG Khan	1.500
10	Construction of Tuff Tile Water Supply and other allied works mutafariq Union under limits of Municipal Corporation, DG Khan	1.800
11	Construction of Drain Soling Tuff Tile, Providing and laying RCC sewer lines at Nizam Abad Union Council NO. 01	1.0366
12	Providing and laying Street Lights and other material with allied works, MC, DG Khan	1.200
13	Cosntruction / Repair Drain / Nala, Slab Flooring , Gully Grating, Sewer and laying Sub Base etc Muharrum-Ul-Haram Routes DG Khan (Zone-1)	0.800
14	Cosntruction / Repair Drain / Nala, Slab Flooring , Gully Grating, Sewer and laying Sub Base etc Muharrum-Ul-Haram Routes DG Khan (Zone-2)	0.400
15	Cosntruction / Repair Drain / Nala, Slab Flooring , Gully Grating, Sewer and laying Sub Base etc Muharrum-Ul-Haram Routes DG Khan (Zone-3)	0.300
16	Repair / Providing and laying Street Lights material, Energy Saver, LED lights, Bulb etc Muharrum Routes / Majalis Azaa City DG Khan	0.500
17	Construction / Repair and Renovation of Office Room including bath room etc Mayor Office	0.6000
18	Construction / Repair and Renovation of Office Room including bath room etc Deputy Mayor Office	0.500
19	Construction / Repair and Renovation of Municipal Corporation office with other allied work	2.600
20	Providing and Fixing Air Conditioners with other allied works in Jinnah Hall	0.5153
	ADP No. 5197 for the Year 2017-18 100.00 Million	21.5991
1	Providing and laying Tuff Tile Pavers DG Khan City	100.00
	LGDP Programmae	
1	Construction of Tuff tile pavers in each 17 UC's DG Khan	42.500
	Total	180.425

Non-recovery of arrears – Rs 93.012 million

(Amount in rupees)

Description	Period	Contractor	Amount
C03683- Arrears MC	2016-17	Misc	67,973,000
C038 - Receipts from Katchi abadies	2012-13	Misc	2,060,717
C038 - Receipt from arrear Ghazi Park	1995-2020	Malik Mughees	1,003,000
Earnest Money adda Fee	2017-18	Ghulam Farid	1,750,950
Advertisement Fee Initial Charges	2016-17	M Abdul Salam	1,388,365
Fee Tah Bazari	1988-89	Sh M Ramzan	18813
Fee Mandi Maveshian	1980-81	Ch M Ishaq	27500
Fee Slaughter House	1988-89	M Nawaz	21262
Wagon Stand Fee	1989-90	M Younis	166480
Fee Tah Bazari	1990-91	Riaz & Co	228517
Wagon Stand Fee	do	M Bilal	31712
Food License	do	Riaz & Co	9585
Suzuki Pick Up Stand	do	Tayab Irfan	5312
Fee Tah Bazari	1991-92	Israr Ahmad	404818
Fee Slaughter House	do	Shahnawaz	6353
Araz Chah Gurdial Wala	do	M Nawaz	20175
Suzuki Pick Up Stand	1992-93	M Jamal	3143
Wagon Stand Fee	do	do	106905
Fee Tah Bazari	1993-94	Haji Qutab	436333
Wagon Stand Fee	do	M Nawaz	45318
Fee Slaughter House	1992-93	M Ramzan	12949
Property Tax	do	Ali Murtaza	580547
Do	1993-94	Javed Iqbal	104015
Mandi Maveshian	do	M Perveaz	57140
Fee Slaughter House	do	M Sajid	13820
Property Tax	1995-96	Syed Cons	2175054
Fee G Bus Stand	1997-98	Hasil Khan	102489
Wagon Stand Fee	do	Sardar Khan	270541
Latrin Fee	do	Ameer	207875
Fee Slaughter House	do	Aijaz Raza	19035
Do	1998-99	Zia Hasan	39723
G Bus Stan	do	Shahzad	182500
Latrin Fee	do	Atta M	16928
Wagon Stand Fee	do	Ahmad Nawaz	21134
Property Tax	do	Faiz Ahmad	248904
Naqsha Jat	1999-2000	M Moosa	307556

Description	Period	Contractor	Amount
Fee Slaughter House	do	Aijaz Ahmad	19845
Licsence Fee	do	Faiz Ahmad	28814
Latrin Fee	do	M Nadim	246389
G Bus Stan	do	Ahmad Nawaz	56849
Fee Tah Bazari	do	M Yousaf	94845
Fee Slaughter House	2000-01	Ashfaq	18000
Suzuki Pick Up Stand	do	Sajad	39688
Wagon Stand Fee	2001-02	M Alamgir	140
Do	2002-3	G Rasool	48549
G Bus Stan	do	M Ashraf	14350
Licsence Fee	do	Naveed	282856
Do	do	Qasim	592307
Property Tax	do	M Javed	110399
Fee Slaughter House	do	Tariq	830704
Property Tax	do	G Sarwar	221489
Do	2003-04	Bashir Ahmad	473508
G Bus Stan	do	A Bachaya	711138
Property Tax	2004-05	Abid Husain	533040
Licsence Fee	2003-04	Javed Iqbal	835877
Property Tax	2002-03	do	110399
Licsence Fee	do	Naveed	307904
Fee Vehicle	2004-05	A Wahid	36746
Suzuki Pick Up Stand	do	Irfan	516897
Fee Slaughter House	do	Kazim	563214
Tax Pathar Bajri	do	Zulfiqar	35522
Fee Tah Bazari	2005-06	Azam	1324665
Licsence Fee	do	Malik Brothers	141958
Do	do	Sher Afgan	815509
Fee Slaughter House	do	Zulfiqar	215272
Tax Pathar Bajri	do	Habib	651878
Fee Dala Stand	do	G Yasin	135520
Taxi Stand	2006-07	M Rafiq	150328
Do	2008-09	Jehangir	377561
Wagon Stand Fee	2009-10	M Baksh	797036
Advertisement Fee	2010-11	Hashmat Ali	1532168
Canteen Nawaz Sharif Park	2012-13	Amer	72272
Total			93,012,104

Annexure-E/DGK
[Para 2.2.2.13]

Loss due to non-reduction of cost of bricks - Rs 1.640 million

(Amount in rupees)

Name of Schemes	Approved Cost In Million	Name of Contractor	Qty used as per MB	Rate /cft	Amount paid	14% Amount Recoverable
Construction of PCC, Drain and Soling Street Nasir Khan ASI, Street Khalid Khan Ward No.1, Street Karam Elahi Bhambhani Nizamabad Ward No.2, Street Abasia Mosque Ward No.3, Street M Bilal Ward No.4, Street Mosque Bhambhani Qari Shoukat, Street Sohanara Shatal Ward No.6 UC No.01	2.500	M/s Fahad Khosa & CO MB 2195	1397.000	13987.300	195,403	27,356
Construction of PCC, Drain and Soling Basti Hakim Shah Wala, Basti Basira, Basti Jalu Wala, Basti Sumandari Lashari, Basti Moosa Khan Jamal Sarwar, Basti Panwar Wala, Gurmani wala Urban Union ccouncil No. 02	2.500	Shaheed Precast MB 2142	14494.160	13987.300	2,027,342	283,828
Construction of PCC, Drain and Soling Street Inyat Chaki wali Maki Masjid Wali, Ward No.5, Street Near House Mitho Khan, Street Jhania Masjid wali Ward No.4, Street Hafiz Muhammad Nawaz Madni Masjid Faiz Muhammad Mastoi Urban Union Council No. 10	2.500	Aas Engineer & Co MB 608	5443.074	13987.300	761,339	106,587
Construction of PCC, Drain and Soling Mastoi Colony, Shakir Town, Tahir Town, Gulshan Iqbal, Qaim Wala, Muslim Town and Sikhani Colony Urban Union Council No.11	2.500	M. Nazir MB 2193	12099.470	13987.300	1,692,389	236,934
Construction of PCC, Drain and Soling Street Haji Nabi Bakhsh Bhatti (Sarwar Colony), Street Abid	2.500	Ghulam Murtaza Pittafi MB 620	10025.000	13987.300	1,402,227	196,312

Name of Schemes	Approved Cost In Million	Name of Contractor	Qty used as per MB	Rate /cft	Amount paid	14% Amount Recoverable
Khandoa, Street Afzal Ghalo (Mohsin Town), Chah Gaji Wala UC No.12						
Construction of PCC, Drain and Soling Street Shah Jhan Babur, Street Metho Khan Wali, Chah Fateh Khan wala, Chah Sumandari wala, Oposite Disposal Gaddai Shumali UC No.13	2.500	Pak Saif Builders MB 519	14736.000	13987.300	2,061,169	288,564
Construction of PCC, Drain and Soling Street Yasin Buber Wali and allied streets Rukan-Abad UC No.14	2.500	M/S Sultan Khokhar & Co MB 2188	10276.800	13987.300	1,437,447	201,243
Construction of PCC, Drain and Soling Street Kumharan Wali Gaddai City, Street Master Fareed Wali Bhutta Colony, Balouch Colony Urban Union Council No.15	2.500	A-K Buzdar MB 2152	9430.000	13987.300	1,319,002	184,660
Construction of PCC, Drain and Soling Mian Muhammad Park Block-X, Y Model Town, Bhutta Colony, Allah Abad, Basti Habtani, Street Ishaq Khan (Bhutta colony) UC No.16	2.500	Abu Bakar MB 2160	3789.000	13987.300	529,979	74,197
Construction of PCC, Drain and Soling Abdullah Town, Ward No.1, Shamsa Abad Colony Ward No.2, Saddiqueabad colony Ward 2 & 3, Gaddai Gharbi Ward No.6, Shah Faisal Colony Ward No.4 Street Lacky Wali Saddique Abad, Behari, Colony Urban Union Council No.17	2.500	Hayat Muhammad MB 761	2068.000	13987.300	289,257	40,496
Total						1,640,177

Annexure-C/FSD

[Para: 3.2.1.1]

Execution of work without approved Job Mix Formula – Rs 13.321 million

(Rupees in million)

Sr. No.	Name of Work	Name of Contractor	Work Order No./Date	Item of Work	Quantity in Sft	Rate	Amount
1	Const. of Road St No. 9 with cross Naseem Councilor Wala Bazar Sufyan Town CC # 40	M/s Bajwa Const. Co.	23/ 12.05.17	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	19020	5530.90 % Sft	1.052
2	Const. / Improvement of Road Main Bazar Abdullah Pur Chaska Point to Khadim Sweet CC # 54	M/s Ch. Habib Brothers	440/ 29.06.17	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	8603	5530.90 % Sft	0.476
3	Const. / Improvement of carpet road from Panjtni Chowk to Yasin Baloch Tall Mohallah Farooqabad CC-39	M/s Muhammad Imran	297/ 27.03.18	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	17175	6877.90 % Sft	1.181
4	Const. of Carpet Road St No 6 Namat Colony No. 2 etc CC # 58	M/s Malik Muhammad Yousaf Traders	224/ 17.02.18	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	42237	6123.10 % Sft	2.586
5	Improvement of Road Chandni Street Batala Colony CC-74	M/s Gullah Const. Co.	105/ 26.01.18	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	30175	6123.10 % Sift	1.848
6	Improvement of Carpet Road Ifran Dogar Wali & Mumtaz Khan Ali wali etc CC # 28	M/s Ramzan Const. Co.	95/ 03.01.18	Providing / Laying plant Premixed 2" thick carpet 4% bitumen	20462	6123.10 % Sift	1.253
7	Improvement of Carpet Road Main Bazar W-Block Madina Town CC-65	M/s Ghulza Const. Co.	192/ 02.02.18	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	28458	6123.10 % Sft	1.741
8	Const. / Improvement of Road Chatri Wala Chowk to Rehmat Town Goal Chowk	M/s Malik Muhammad Yousaf Traders	193/ 02.02.18	Providing / Laying Plant Premixed 2" thick carpet 4% bitumen	52001	6123.10 % Sft	3.184
Total							13.321

Annexure-D/FSD

[Para: 3.2.1.3]

Loss due to non-realization of fine – Rs 6.171 million

(Rupees in million)

Sr. No.	Name of Enforcement Inspector	Nos of issued ticket books	Detail					Amount require to be realize	
			Date of Issue Book	Book No.	Total Ticket	Total Fine Imposed	Fine Recovered		Fine recoverable
1	Rana Manzoor Ahmad	3	12.05.2017	63	50	93600	3600	90000	0.233
			08.07.2017	498	50	90200	27200	63000	
			13.03.2018	494	50	102000	22000	80000	
2	Kashif Ghulam Rasool	4	12.05.2017	62	50	72800	0	72800	0.319
			03.07.2017	483	50	92000	24000	68000	
			17.10.2017	412	50	100000	0	100000	
			15.03.2018	415	50	95000	17000	78000	
			10.10.2018	120	0	0	0	0	
3	Akram Shahzad	9	16.05.2017	486	50	100000	2000	98000	0.871
			01.06.2017	495	50	110000	0	110000	
			26.07.2017	146	50	100000	0	100000	
			19.08.2017	153	50	91000	18000	73000	
			16.10.2017	407	50	104000	2000	102000	
			11.01.2018	403	50	100000	0	100000	
			31.03.2018	419	50	100000	0	100000	
			15.08.2018	110	50	107000	15000	92000	
4	Aagha Azam Hussain	2	12.05.2017	64	50	81000	33000	48000	0.136
			15.10.2018	114	50	100000	12000	88000	
5	Muhammad Javad Sindhu	3	12.05.2017	65	50	100000	0	100000	0.294
			28.12.2017	406	50	100000	0	100000	
			17.03.2017	416	50	98000	4000	94000	
6	Zaka u Din	4	17.05.2017	492	50	99400	0	94000	0.202
			15.07.2017	142	50	100000	62000	38000	
			12.09.2017	154	50	101000	31000	70000	
			15.08.2018	109	50	0	0	0	
7	Azmat Ali (مرحوم)	1	16.05.2017	74					0
8	Karamat Ali	4	12.05.2017	67	50	95200	4000	91200	0.260
			24.07.2017	144	50	63000	42000	21000	
			28.02.2018	410	50	70500	23000	47500	
			01.06.2018	106	50	100000	0	100000	
9	Raja Zaffar Abbas	3	12.05.2017	72	50	93600	1600	92000	0.188
			24.07.2017	145	50	66000	36000	30000	
			28.02.2018	409	50	90000	24000	66000	
10	Mian Muhammad Saeed	6	12.05.2017	61	50	100000	24000	76000	0.446
			06.07.2017	497	50	103000	9000	94000	
			31.03.2018	418	50	100000	0	100000	
			03.04.2018	101	50	100000	24000	76000	
			25.09.2018	116	50	100000	0	100000	
			14.11.2018	127	0	0	0	0	
11	Muhammad Affzal	4	2.05.2017	66	50	81000	37000	44000	0.194
			28.08.2017	160	50	100000	32000	68000	
			27.03.2018	417	50	100000	18000	82000	
			19.10.2018	121	0	0	0	0	
12	Tahir Manzoor Shah	5	12.05.2017	68	50	93600	12400	81200	0.422
			08.08.2017	147	50	87400	21000	66400	
			25.12.2017	401	50	100000	2000	98000	
			28.02.2018	411	50	98000	10000	88000	
			23.06.2018	108	50	99000	11000	88000	
13	Muhammad Iftikhar	2	18.05.2017	493	50	102000	6000	96000	0.178
			11.10.2017	80	41	82000	0	82000	
14	Muhamdmad Nasir	2	17.05.2017	491	50	100000	0	100000	0.200

Sr. No.	Name of Enforcement Inspector	Nos of issued ticket books	Detail					Amount require to be realize	
			Date of Issue Book	Book No.	Total Ticket	Total Fine Imposed	Fine Recovered		Fine recoverable
15	Muhammad Adil	3	28.12.2017	405	50	100000	0	100000	0.137
			12.05.2017	70	50	80000	29000	51000	
			06.02.2018	408	50	87200	800	86400	
			03.05.2018	103	0	0	0	0	
16	Ammir Yaqoob Manij	4	12.05.2017	69	50	75400	43000	32400	0.489
			14.07.2017	141	50	95400	51400	44000	
			20.09.2017	157	50	208000	67000	141000	
			01.03.2018	402	50	272000	0	272000	
17	Mian Muhammad Javaid	6	13.05.2018	73	50	100000	30000	70000	0.309
			17.07.2017	143	50	91800	36800	55000	
			28.08.2017	159	50	97400	49400	48000	
			16.09.2017	155	50	100000	48000	52000	
			28.10.2017	413	50	100000	32000	68000	
			03.04.2018	420	14	28000	12000	16000	
18	Mian Azhar Ali	5	11.10.2017	79	50	96800	8800	88000	0.444
			16.08.2018	111	50	100000	0	100000	
			24.09.2018	112	50	100000	0	100000	
			18.12.2018	131	50	100000	0	100000	
			18.12.2018	132	28	56000	0	56000	
19	Asif Ghulam Rasool	6	05.07.2017	496	50	100000	4000	96000	0.488
			21.08.2017	151	50	101000	9000	92000	
			16.09.2017	156	50	100000	0	100000	
			04.10.2017	158	50	100000	0	100000	
			01.06.2018	105	50	100000	0	100000	
			01.06.2018	107	0	0	0	0	
20	Saeed Khalid Cheema	3	04.08.2017	148	50	100000	0	100000	0.250
			21.08.2017	150	50	110000	60000	50000	
			30.04.2018	102	50	125000	25000	100000	
21	Muhammad Amman Ullah	2	14.03.2018	414	50	100000	0	100000	0.100
			01.11.2018	125	0	0	0	0	
22	Azhar Hafeez	1	03.05.2018	104	36	49400	37400	12000	0.012
TOTAL: -						7334700	1157400	6171900	6.171

Annexure-E/FSD

[Para: 3.2.1.5]

Irregular payment for execution of earth work – Rs 4.708 million

(Rupees in million)

Sr. No.	Name of Work	Name of Contractor	Work Order No. & Date	Item of work	Quantity	Rate	Amount
1	Const. of Carpet Road Shah Nawaz Road Judge Wala FSD CC 126,132	M/S Usman Const. Co.	263 23.05.17	Earth filling i/c leveling, dressing water and carpeting lead upto 3 mile 95% to 100% complete	33057	6876 0%	0.227
2	Const/ Improvement of carpet road from Punjtani chowk to Yasin Baloch CC-39	M/S M. Imran	297 27.03.18	Earth filling under road leading upto 5 mile	54729	11380.8 0%	0.623
3	Const. / Improvement of Road & PCC Qadirabad Chowk to Saim Nala	M/S Usman Shehroz Const. Co.	332 28.03.18	Earth filling under road leading upto 5 mile	135065	7813.20 0%	1.055
4	Const. of soiling st # 1 with cross & UC office wali gali St No. 2 Rasheedabad	M/S Babar Const. Co.	352 14.06.17	Earth filling under road leading upto 3 mile	35157	6876 0%	0.242
5	Const. of PCC St No. 8 New Abdullah Colony cross St No. 1,2 Dilawar Colony etc UC 101	M/S Heir Roofer Const. Co.	95 12.05.17	Earth filling under PCC lead upto 5 mile	24402	1895.20 0%	0.200
6	Const. of PCC st No. 6, St No. 12/2 Noor pur etc CC-66	M/S Ch. Habib Brothers	477 30.06.17	Earth filling in street lead upto 3 miles	12422	6440.40 0%	0.080
7	Const. of PCC Mohallah Sarshmir Sidhu Pura Road, Naveed Naveed Wali etc CC 09	M/S KhanNoraiz Builders	485 30.06.17	Earth Filling & leveling lead upto 5 mile	32360 Cft	8195.20 0%	0.265
8	Const. of PCC different streets Canal Colony State Bank Side & Railway Road	M/S S.S Associates	296 23.05.17	Earth Filling & leveling lead upto 5 mile	9496	8195.20 0%	0.078
9	Const. of PCC St No. 6,7,8,9 with cross Hussainabad	M/S Butt Enterprises	140 02.02.18	Earth Filling & leveling lead upto 5 mile	630244	8248.80 0%	0.522
10	Rural Drainage Scheme Mehmoodabad CC-106	M/S Tariq Mushtaq	217 02.07.18	Earth Filling & leveling lead upto 3 mile	92557	6907.60 0%	0.639
11	Const. of Carpet Road Main Bazar Karam Din Abadi CC#07	M/S Sajid Ali	144 02.02.18	Earth Filling & leveling lead upto 5 mile	72600	10695.95 0%	0.777
Total							4.708

Annexure-F/FSD**[Para: 3.2.1.6]****Irregular expenditure on POL – Rs 3.532 million****(Rupees in million)**

Sr. No.	Vehicle No.	Name of Vehicle	Amount of POL Drawn
1	FSK-112	Suzuki Cultus	0.032
2	FDG-1030	Suzuki Cultus	0.217
3	FDD-3008	Suzuki Jeep	0.045
4	FDG-1035	Suzuki Jeep	0.022
5	FSD-1112	Suzuki Cultus	0.121
6	FDG-1029	Suzuki Cultus	0.064
7	FDG-1001	Suzuki Cultus	0.297
8	3697	Jeep	0.155
9	538	Dumper	0.496
10	FSP-6938	Tractor Loader	0.475
11	FSP-6937	Tractor Loader	0.484
12	10699	Road Roller	0.168
13	1151-	Tractor Loader	0.480
14	101522	Truck	0.476
Total			3.532

Annexure-G/FSD

[Para: 3.2.1.7]

Irregular payment of earth filling – Rs 3.323 million

(Rupees in million)

Sr. No.	Name of Work	Name of Contractor	Work Order No. & Date	MB No. & Page	Item of Work	Quantity in Cft	Rate	Below T.S	Amount
1	Const. of Carpet Road Main Bazar Karam Din Abadi	M/s Sajid Ali	144/02.02.18	15596 P-19-22 1 st & Running Bill	Earth filling leveling dressing compaction lead upto 5 miles	72600	10695.95 o/o	4.50%	0.742
2	Const. of PCC St No. 8 Near Abdullah Colony CC 101	M/s Heir Roofers Const. Co.	95/12.05.17	1178 P-6-14 2 nd Running Bill	-do-	24402	8195.20 o/o	6%	0.188
3	Const. of PCC Mohallah Shanzi Sidhu Pura Road	M/s Khan Naraiz	485/30.06.17	11748 P-45-51 1 st & Final Running Bill	-do-	32360	8195.20 o/o	17.05%	0.220
4	Const. of PCC St No. 6 St No. 12/2 Noor Pura etc CC # 66	M/s Ch. Habib Brother	477/30.06.17	11105 P-43-47 2 nd Running Bill	-do-	13135	6876 o/o	23.20%	0.164
5	Const. / Imp. of Carpet Road from Punjtani Chowk to Yasin Baloch CC-39	M/s M. Imran	297/27.03.18	21578 P-24 2 nd Running Bill	-do-	54729	11380.80 o/o	11%	0.554
6	Const. / Imp. of Road & PCC Qadir abad Chowk to Saim Nala	M/S Umer Shehroz Const. Co.	332/28.03.18	4 th Paid Bill MB 162399-37	-do-	137053	8249.70 o/o	20.28%	0.554
7	Const. / Impr. of Carpet Road Shah Nawaz Road to Judgewala	M/s Usman Const. Co.	263/23.05.17	1 st Running Bill 16226 P-5-7	-do-	33057	6876 o/o	10.15%	0.204
8	Const. of Carpet Road Bara Shir Singh to Babar Colony	M/s Subhan Const. Co.	105/12.05.17	Ist & Final 11106 P-42 to 32	-do-	49203	9295.40 o/o	20%	0.366
9	Const. of PCC St No. 6,7,8,9 with cross Hussainabad	M/s Butt Enterprises	140/02.02.18	11752 P-43-48 2 nd Running Bill	-do-	5672	8248.80 o/o	19.92%	0.037
10	Const. of PCC St Mulang Wali Tariq Mistri Wali CC#08	M/s Malik M. Yousaf	392/29.06.17	21851 P-30 2 nd & Final Running Bill	-do-	46376	8195.00 o/o	23%	0.294

Sr. No.	Name of Work	Name of Contractor	Work Order No. & Date	MB No. & Page	Item of Work	Quantity in Cft	Rate	Below T.S	Amount
Total									3.323

Utilization of bricks without ensuring standard Quality – Rs 1.427 million

(Rupees in million)

Sr. No.	Name of Work	Name of Contractor	Item of Work	M.B No. & Page	Quantity in Rft	Amount
1	Construction / Improvement of road remaining portion Saifabad	M/s Malik Muhammad Yousaf	Providing / Fixing Dry Brick road edging 3" wide 9" deep	8097 P-97	3474	0.110
2	Construction of carpet road bara Shan Singh to Babar colony	M/s Subhan Construction Co.	Providing / Fixing Dry Brick road edging 3" wide 9" deep	11746 P-30	5698	0.181
3	Construction / Improvement of carpet road CC-145	M/s Subhan Construction Co.	Providing / Fixing Dry Brick road edging 3" wide 9" deep	11746 P-33	1654	0.052
4	Construction / Improvement of road Chatri Wala Chowk Faisalabad	M/S Malik Muhammad Yousaf	Providing / Fixing Dry Brick road edging 3" wide 9" deep	11746 P-46	4800	0.152
5	Construction / Improvement of carpet road	M/s Muhammad Imran	Providing / Fixing Dry Brick road edging 3" wide 9" deep	15569 P-19	2250	0.074
6	Construction / Improvement of road Azhar town Kashmir road CC-40	M/S Rehan Construction	Providing / Fixing Dry Brick road edging 3" wide 9" deep	21841 P-10	1720	0.055
7	Construction / Improvement of road Sweet Wala Chowk Warispura	M/s Subhan Construction Co.	Providing / Fixing Dry Brick road edging 3" wide 9" deep	8323 P-57	4420 Rft	0.140
8	Construction / Improvement of carpet road main bazar Mian Ijaz Wali CC-65	M/s Ch. Habib Brothers	Providing / Fixing Dry Brick road edging 3" wide 9" deep	8323 P-51	1364	0.043
9	Construction / Improvement of road Main Kabbar Market Jhang Road	M/s M. Aslam Partners	Providing / Fixing Dry Brick road edging 3" wide 9" deep	11749 P-20	1600	0.051
10	Improvement of Carpet Road Main Bazar CC-55	M/s Gulrah Construction	Providing / Fixing Dry Brick road edging 3" wide 9" deep	16250 P-38	1096	0.035
11	Construction / Improvement of Carpet Road & PCC Qadirabad Chowk to Saim Nala	M/s Umer Shehroz	Providing / Fixing Dry Brick road edging 3" wide 9" deep	11757 P-63	2698	0.086
12	Construction of Carpet Road Nishat Chowk to Base Line	M/s Ramzan Construction	Providing / Fixing Dry Brick road edging 3" wide 9" deep	11757 P-34	2600	0.083
13	Construction of Carpet Road from Punjtani Chowk CC-39	M/s Muhammad Imran	Providing / Fixing Dry Brick road edging 3" wide 9" deep	21578 P-22	2250	0.074
14	Rural Drainage Scheme at	M/s Rana Ali	Providing / Fixing Dry	1564 P-	3326	0.091

Sr. No.	Name of Work	Name of Contractor	Item of Work	M.B No. & Page	Quantity in Rft	Amount
	Chak No. 215 RB Improvement of Road 215RB	Azeem	Brick road edging 3" wide 9" deep	8,9		
15	Improvement of Road Noorani Iron Store Wali	M/s Rana & Sons	Providing / Fixing Dry Brick road edging 3" wide 9" deep	16230 P-50	1140	0.036
16	Improvement of Carpet Road WASA Disposal Aziz Fatima	M/s National Development	Providing / Fixing Dry Brick road edging 3" wide 9" deep	16230 P-48	1836	0.058
17	Construction / Improvement of Road Ahad Road Saeed Colony CC-60	M/s Malik Muhammad Yousaf	Providing / Fixing Dry Brick road edging 3" wide 9" deep	16236 P-28	3336	0.106
Total						1.427

**Annexure-I/FSD
[Para: 3.2.2.4]**

Irregular revision of budget – Rs 59.788 million

(Rupees in million)

Sr. No.	Year	Code No.	Description	Budget Estimate	Revised Estimate	Difference of Budget Estimate & Revised Estimate
1	2016-17	C03713	Sale of Machinery & Equipment	2.000	0.000	2.000
2	2016-17	C0388002	License Fee (Dangerous & Offensive Trade)	18.000	8.579	9.421
3	2016-17	C0388007	License Fee other (NOC Fee filling station & Towns)	2.500	0.000	2.500
4	2016-17	C0388027	Fee for approval of building plan	25.000	13.025	11.975
5	2016-17	C0388030	Fine for construction w/o approval of building plan	2.000	0.272	1.728
6	2016-17	C0388034	Fine Encroachments through ticketing	3.000	0.099	2.901
7	2016-17	C0388081	Rent of Municipal Property including Tehbazari converted into rent	6.000	4.897	1.103
8	2016-17	C0388085	Other Rent (Residences)	1.000	0.602	0.398
9	2016-17	C0388085-A	Arrears against the Tehbazari Shop converted into Rent	0.500	0.329	0.171
10	2016-17	B	Fine on Encroachment through Land Branch	2.000	1.457	0.543
Sub-Total-I				62.000	29.260	32.740
1	2017-18	C03713	sale of Machinery & Equipment	2.000	0.000	2.000
2	2017-18	C0388007	License Fee other (NOC Fee filling station & Towns)	4.000	1.873	2.127
3	2017-18	C0388027	Fee for approval of building plan	40.000	26.717	13.283
4	2017-18	C0388034	Fine for Encroachment through Ticketing	3.000	2.261	0.739
5	2017-18	C0388035	Other Fee / Fine Levied by M.O (Planning)	1.000	0.000	1.000
6	2017-18	C0388060	Fee for Fire Brigade	0.100	0.016	0.084
7	2017-18	C0388083	Rent of Municipal Property Municipal Urban Land	4.000	3.018	0.982
8	2017-18	C0388085	Other Rent (Residences)	2.000	0.861	1.139
9	2017-18	C0388090	Sale of Stocks & Stores	2.000	0.500	1.500
10	2017-18	C0388091	Other Fee Miscellaneous Fee	1.500	0.766	0.734
11	2017-18	B	Fine on Encroachment through Land Branch	5.000	1.540	3.460
Sub-Total-II				64.600	37.552	27.048
Grand Total				126.600	66.812	59.788

Annexure-J/FSD

[Para: 3.2.2.9]

Non-recovery of restoration of road cut charges – Rs 9.439 million

(Rupees in million)

Sr. No.	Name of Department	Name of Schemes	Road Cut Charges (Estimated)
1	Water & Sanitation Agency (WASA) Faisalabad	Road cut Sabzi Mandi road near S.B Departmental Store Samundri Road Faisalabad	0.039
		Road cut Masjid Suni Hussani Road Arain Town Faisalabad	0.225
		Road Cut Street No. 6 Rafique Colony Jail Road Faisalabad	0.036
		Laying of Sewerline from Shakil Park to Nishatabad over Head Bridge (infront of Chenab Mills), Faisalabad	2.888
Sub-Total-I			3.188
2	Sui Northern Gas Pipelines Ltd (SNGPL)	Road cut Street No. 1,2, H-Block near Ghousia Chowk Allama Iqbal Colony, Samundri Road, Faisalabad	0.131
		Road Cut Masjid Rasool Wali Road Mansoorabad	0.597
		Road Cut Mohallah Akbarabad Jail Road Faisalabad	3.685
		Road Cut Rana Abdul Majid Mangha wali Bawa Chak Sargodha Road, Faisalabad	1.338
Sub-Total-II			5.751
3	Marriage Hall	Amjad Sohail Proprietor Askari Lagoon Marriage Hall, Faisalabad	0.500
Sub-Total-III			0.500
Grand Total			9.439

Non-disposal of unserviceable vehicles – Rs 4.200 million

(Rupees in million)

Sr. No.	Vehicle No.	Name of Vehicle	Status of Vehicle	Approximate Value
1	FDG-1152	Tractor F/B	Off road	0.200
2	101516	Truck Damper	-do-	0.500
3	00042	Road Roller	-do-	0.400
4	FGD-1161	Suzuki Cultus	-do-	0.250
5	FDL-18	Nissan Car	-do-	0.200
6	FDN-702	Suzuki Cultus	-do-	0.300
7	FSM-55	Suzuki Cultus	-do-	0.300
8	FS-9955	Suzuki Cultus	-do-	0.300
9	FD-8800	Suzuki Jeep	-do-	0.250
10	FDN-9211	Suzuki Jeep	-do-	0.250
11	FDJ-5316	Suzuki Jeep	-do-	0.250
12	FDN-9212	Suzuki Jeep	-do-	0.250
13	FDL-1648	Suzuki Jeep	-do-	0.250
14	FDG-1035	Suzuki Jeep	-do-	0.250
15	FDN-03	Suzuki Cultus	-do-	0.250
Total				4.200

Loss to corporation due to non-recovery of building and compromise fee – Rs 1.414 million

(Rupees in million)

Sr. No.	Nature of Building	Name of Owner	Name of Road	Recoverable Building fee and Compromising fee
1	Commercial shops	Muhammad Yousaf	Hilal Road	0.015
2		Imtiaz Bano	Jaranwala Road	0.035
3		Nazeer Ahmad Ejaz	Rehmat Town	0.065
4		Mian Tyyab	Bilal Road	0.1
5		Zulfiqar ali	Abdullah Pull	0.4
6		Khalida Parveen	Daewoo Road	0.1
7		Alhilal Travel	Sargodha Road	0.175
8		Lucky gold	Canal Road	0.324
9		United Hospital	08 Chack Road	0.175
10	Residential	Mirza Rizwan Ahmad	Nishat Abad	0.005
11		Muhammad Aslam	Shadi Pura	0.01
12		Safder Hussain	Chak No 223	0.01
Total				1.414

Annexure-M/FSD

[Para: 3.2.3.2]

Irregular execution of works without maintaining record – Rs 61.836 million

(Rupees in million)

Sr. No.	Name of Work	Name of Contractor	Work Order No./ Date	Last Bill	Work Order Amount
1	Const. / Improvement of carpet road saat wali, Fareeda Hair style wali Raja Chowk CC # 140	M/s Usman Siddique	303/ 13.06.17	1 st & Final Bill 16262	0.561
2	Const. / Improvement of Carpet Road Shehzad Sonyara wali street Main Bazar Manawala CC # 42	M/s Shoukat Akbar	446/ 29.06.17	2 nd & Final Bill 2871	0.705
3	Const. / Improvement of Carpet Road from Faizan Ghousia House 296-A to Sheikh Colony Market	M/s Asif Adan	285/ 23.05.17	2 nd & Final Bill 11757	0.942
4	Const. / Improvement of Carpet Road Shah nawaz Road Jundwala	M/s Usman Const. Co.	263/ 23.05.17	1 st running bill 16226	2.962
5	Const. / Improvement of Carpet Road Rana Basit Wali CC # 43	M/s Asif Adan	178/ 20.05.17	1 st Running Bill 11749	0.551
6	Const. / Improvement of Carpet Road Iqbal Chowk to Ali Raza Karyana Store CC # 43	M/s Asif Adan	180/ 20.05.17	1 st Running Bill 11749	0.354
7	Const. / Improvement of Road Dr. Razzaq Wali CC # 143	M/s Asif Adan	278/ 23.05.17	1 st Running Bill 11749	0.341
8	Const. of Carpet Road from residences of Riaz Awan to Nala Taj Colony	M/s Qamar Ul Zaman	42/ 10.05.17	2 nd & Final Bill 24753	0.248
9	Const. / Improvement of Carpet Road from Punjtani Chowk to Yasir Baloch CC # 39	M/s M. Imran	297/ 27.03.18	2 nd & Final Bill 21578	2.950
10	Const. of Carpet Road St No 6 Naimat Colony No. 2 St No. 6 CC # 58	M/s Malik M. Yousaf	247 20.02.18	1 st Running Bill 15569	4.400
11	Const. / Improvement of Carpet Road Chatriwala Chowk to Rehmat Town	M/s Malik M. Yousaf	193/ 02.02.18	2 nd & Final Bill 11746	5.819
12	Const. / Improvement of Road & PCC Qadirabad Chowk to Saim Nala	M/s Umer & Shehroz	275/ 24.03.18	3 rd Running Bill 11757	4.372
13	Const. of Carpet Road Bara Sher Singh to Babar Colony	M/s Subhan Const. Co.	105/ 12.05.17	2 nd & Final Bill 11106	3.680
14	Const. / Improvement of Road sweet wala chowk to Ganda Nala Waris Pura	M/s Subhan Const. Co.	47/ 12.05.17	2 nd & Final Bill 8323	3.884
15	Const. of Road Street No. 9 with cross Naseem Counsellor Wala	M/s Bajwa Const. Co.	77/ 12.05.17	3 rd & Final Bill 11112	2.115

Sr. No.	Name of Work	Name of Contractor	Work Order No./ Date	Last Bill	Work Order Amount
	Bazar				
16	Improvement of Carpet Road Main Bazar W-Block Madina Town CC-55	M/s Gholra Const. Co.	192/ 02.02.18	2 nd & Final Bill 16250	3.483
17	Improvement or Road Chandni Street Batala Colony 74	M/s Gholra Const. Co.	19/ 30.01.18	3 rd & Final Bill 21568	3.444
18	Const. / Improvement of Road remaining portion with drain Main Bazar Saifabad	M/s Malik M. Yousaf	212/ 20.02.18	2 nd & Final Bill 8097	14.402
19	Improvement of Road Main Bazar No .1 Rana Shairen Gul Counciller Wala etc CC # 74	M/s Golra Const. Co.	39/ 30.01.18	2 nd & Final Bill 21568	3.141
20	Const. / Improvement of Road Latif Chowk to Ghousia Masjid Noor Pur	M/s Malik M. Yousaf	437/ 29.06.17	2 nd & Final Bill 29976	3.482
Total					61.836

**Annexure-C /MLN
[Para No. 4.2.2.10]**

Bogus payments due to fake TS estimation after approval and award letters amounting Rs 2.366 million

(Rupees in million)

Sr. No.	Name of Work	W.O Date	Work order No.	Date of completion	T.S Amount	W.O Amount
1	Construction carpeting National hospital street	31.10.16	225-TO (I&S)/TMA/SRAT	26.11.2016	240,000	0.240
2	Construction of tuff tiles writers colony UC#20	31.10.16	224-TO (I&S)/TMA/SRAT	26.11.2016	260,000	0.260
3	Construction /repair of concrete J-Block SRAT UC#18	25.10.16	186-TO (I&S)/TMA/SRAT	23.11.2016	150,000	0.150
4	Construction /repair of carpeting UC#15	25.10.16	188-TO (I&S)/TMA/SRAT	23.11.2016	400,000	0.400
5	Construction carpeting chowk khumaran	25.10.16	186-TO (I&S)/TMA/SRAT	23.11.2016	150,000	0.150
6	Construction /repair of PCC Chand Muhammad Chowk UC# 09	25.10.16	185-TO (I&S)/TMA/SRAT	23.11.2016	300,000	0.300
7	Earth filling/ repair of tuff tile Qasim Stadium. Qila multan	31.10.16	223-TO (I&S)/TMA/SRAT	26.11.2016	166,000	0.166
Total					1,666,000	1.666

Name of Work	Date of quotation	Date of Award	Date of Approval	Amount of Work
Construction of tuff tile Haji Razaq wali Rehman Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Construction of tuff tile Street No.15 Mehmood Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Construction of tuff tile Street No.6 Mehmood Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Construction of tuff tile street Aslam Jangla wali Mehmood Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Construction of tuff tile street Zahid Wali Mehmood Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Construction of tuff tile street Mushtaq Murghi Wala Mehmood Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Construction of tuff tile street No.14 Rehman Abad UC # 38	27.9.2017	27.9.17	27.9.17	0.100
Grand Total				0.700
Grand Total				2.366

**Annexure-D/MLN
[Para No.4.2.3.12]**

Non recovery of rent of double and triple storeys of shops - Rs 2.858 million

(Rupees in million)

Shops Nos.	Lessee Name	Particular	Rent of Shops	Rent of 1 st , 2 nd & 3 rd floor
1,2	Wahid Ahmed Qureshi	Constructed three floors	0.009	0.009
3			0.012	0.012
4	Muhammad Javaid	Constructed two floors	0.004	0.004
5	Nazar Abbas	Constructed first floor	0.009	0.009
6	Muhammad Khalid s/o Suleman	Double Floor	0.010	0.010
7			0.005	0.005
8			0.005	0.005
9	Arshad Ali S/o Hafiz Noor Muhammad	One floor	0.007	0.007
10, 11, 12	Saeed Ahmed S/o Muhammad Suleman	Double Floor	0.020	0.020
13	Muhammad Khalid S/o Suleman	Double floor	0.004	0.004
14	Shahid Ahmed Qureshi S/o Manzoor Ahmed Qureshi	Triple Storey	0.011	0.011
15			0.007	0.007
16			0.005	0.005
17	Saqib Mehboob S/o Mehboob Ali	One storey	0.006	0.006
18	Syed Fiaz Gillani S/o Syed Khadim Gillani	One storey	0.008	0.008
19	Syed Perwaiz Ahmed S/o Syed Fiaz Ahmed	One Storey	0.007	0.007
20	Muhammad Shahid S/o Muhamamd Hussain		0.006	0.006
21	Hafiz S/o Liaqat Ali		0.006	0.006
22	Liaqat Ali S/o Noor Muhammad	One Floor	0.006	0.006
22/A			0.012	0.012
1/A	Muzammil Yaseen S/o Muhammad Hussain	One floor	0.005	0.005
28	Muhammad Suleman	One floor	0.007	0.007
138	Gulzar S/O Nathu	8x14 / 6x8	0.003	0.001
132	Shoukat Ali S/O M Ali	8x14 / 6x8	0.003	0.001
133	M Iqbal S/O M Akhtar	8x14 / 6x8	0.003	0.001
134	M Iqbal S/O Din Muhammad	8x14 / 6x8	0.003	0.001
94	M Saleem S/O Yaseen	8x14 / 6x8	0.003	0.001
95	M Saleem S/O Yaseen	8x14 / 6x8	0.003	0.001
131	Shoukat Ali S/O M Ali	8x14 / 6x8	0.003	0.001
130	Arif S/O Aziz	8x14 / 6x8	0.003	0.001
179	M Akram	8x14 / 6x8	0.003	0.001
180	M Aslam	8x14 / 6x8	0.003	0.001
181	M Saleem S/O M Aslam	8x14 / 6x8	0.003	0.001
175	Gulzar Ahmed	8x14 / 6x8	0.003	0.001
89	Qammar Ali S/O Zafar Ali	8x14 / 6x8	0.003	0.002
90	Qammar Ali S/O Zafar Ali	8x14 / 6x8	0.003	0.002
189	Maqbool S/O Mehboob	8x14 / 6x8	0.003	0.001
190	M Ramzan S/O Ahmed Din	8x14 / 6x8	0.003	0.001
198	M Afzal S/O M Rafiqe	8x14 / 6x8	0.003	0.001
199	M Afzal S/O M Rafiqe	8x14 / 6x8	0.003	0.001
174	Alla o Din S/O Abdullah	8x14 / 6x8	0.003	0.001
177	M Akram	8x14 / 6x8	0.003	0.001
202	M Naeem Ghori	8x14 / 6x8	0.003	0.002
204	M Aqeel S/O Ramzan	8x14 / 6x8	0.003	0.001
205	M Naeem S/O Ramzan	8x14 / 6x8	0.003	0.001
120	Intazar Ali S/O Shujat Ali	8x14 / 6x8	0.003	0.001

121	M Tariq S/O Abdul Majeed	8x14 / 6x8	0.003	0.002
122	M Tariq S/O Abdul Majeed	8x14 / 6x8	0.003	0.002
123	Kosar Hussain	8x14 / 6x8	0.003	0.001
124	M Asif S/O Zahoor Ahmed	8x14 / 6x8	0.003	0.001
125	Abdul Rasheed S/O Ghafoor	8x14 / 6x8	0.003	0.001
126	Shabeer S/O Bashir	8x14 / 6x8	0.003	0.001
108	M Yameen S/O Bisharat Ali	8x14 / 6x8	0.003	0.001
109	M Yameen S/O Bisharat Ali	8x14 / 6x8	0.003	0.001
110	M Yaseen S/O M Yameen	8x14 / 6x8	0.003	0.002
150	M Mushtaq S/O Inayat	8x14 / 6x8	0.003	0.001
151	M Mushtaq S/O Inayat	8x14 / 6x8	0.003	0.001
152	Gulzar Ahmed	8x14 / 6x8	0.003	0.002
154	Jawaid Ahmed	8x14 / 6x8	0.003	0.001
155	Jawaid Ahmed	8x14 / 6x8	0.003	0.001
69	M Jahangir S/O Saghir	8x14 / 6x8	0.003	0.002
66	Aziz Ur rehman	8x14 / 6x8	0.003	0.002
63	Abdul Hafeez S/O Abdul Sallam	8x14 / 6x8	0.003	0.001
55	Umar Daraz S/O Shams U Din	8x14 / 6x8	0.003	0.002
56	Umar Daraz S/O Shams U Din	8x14 / 6x8	0.003	0.002
58	M Jawaid S/O Shams U Din	8x14 / 6x8	0.003	0.001
59	M Rizwan S/O Abdul Majed	8x14 / 6x8	0.003	0.002
60	M Akhtar S/O Imam Din	8x14 / 6x8	0.003	0.002
Approximate rent of shops of additional floors				0.238
Approximate rent of shops of additional floors for 12 Months				2.858

**Annexure-E/MLN
[Para No.4.2.4.6]**

**Illegal running of cycle stands in the jurisdiction of Municipal Corporation -
Rs 8.80 million**

(Rupees in million)

Sr. No.	Name Parking Stand	Address	Approximate recovery
1	Shah Shams Marriage Hall	near Shah Shams park	1.00
2	Milon marriage hall	Chungi No9 near metro station	1.00
3	B.J Marriage lawn	Syedana wala by pass Bosan road	1.00
4	Marhaba marriage hall	Vehari road near coca cola factory	1.00
5	Al Barkat marriage hall	BCG Chowk Vehari road	1.00
6	Roop marriage hall	Peran ghaib road	1.00
7	Jalandhar marriage hall	Usman Ghani road	1.00
8	MA SHA ALLAH marriage hall	Usman Ghani road	1.00
9	Gulistan marriage hall	Masoom Shah road	1.00
10	Bismillah marriage hall	Masoom Shah road	1.00
11	Bilal marriage hall	Usman Ghani road	1.00
12	Shangrilla marriage hall	Chungi No 9	1.00
13	Couple marriage hall	(Munir MC employee Rs 10000 per month) Masoom Shah road	1.00
14	NADRA office	chowk Qazafi under fly over	1.00
15	Al khaliq hospital	Nishter hotel	1.00
16	Jinnah Hospital	Nishter hotel	1.00
17	Khan Medical Center	Nishter hotel	1.00
18	Darbar Shah Shams	Bawa Safra road	1.00
19	Thana Kup	near Thana Kup kalay Mandi	1.00
20	Al Maida Pizza	old bahawalpur road	1.00
21	14 Street pizza	Gol Bagh	1.00
22	zaviya academy	Gol Bagh	1.00
23	Gardezi market	Adjacent wall Comprehensive School	1.00
24	Darbar Musa pak	Pak Gate	1.00
25	Ilmiya College	Mumtaz Abad	1.00
26	Muslim School	Mumtaz Abad	1.00
27	Alang Sarafa bazar	Pak Gate	1.00
28	Rehmat commercial centre	ketchary road	1.00
29	Mumtaz Abad mobile market	Mumtaz Abad	1.00
30	NADRA Office	Mumtaz Abad	1.00
31	City Hospital	Chungi No 9	1.00
32	District Jail	near circuit house	1.00
33	Excise office	MDA Chowk	1.00
34	Bank Al Habib	Chungi No 9	1.00
35	Snoker Club	near comprehensive school gardezi market	1.00
36	Superior College	Sabza zar neel kot bosan road	1.00
37	NBC College	Chungi No 9	1.00
38	Sapna Marriage hall	Makhdoom Rasheed road	1.00
39	corwn cinema	Hussain Agahi	1.00
40	Mehfil Cinema	Hussain Agahi	1.00
41	Ex Ramzan Dastarkhoan	Hussain Agahi	1.00
42	Near passport office	near Madni Chowk	1.00
43	Qila kohna Qasim Bagh	Hussain Agahi	1.00
44	Qila kohna Qasim Bagh	Ghanta Ghar	1.00

45	Different Schools	Masoom Shah road near Gulistan Chowk	1.00
46	Jinnah Hospital	Nishter road	1.00
47	Central College	Gulgasht colony	1.00
48	Anmol Marriage hall	Bawa Safra road	1.00
49	Mughal e azam marriage club	Bawa Safra road	1.00
50	Mobilink office	ketchary road	1.00
51	KK Mart	Hussain Agahi	1.00
52	Dildar Fish	Khuni Burj	1.00
53	Mezan Bank & Allied Bank	Chungi No 14	1.00
54	MC Bank	Mumtaz Abad	1.00
55	Punjab Bank	ketchary road	1.00
56	Zila Council	ketchary road	1.00
57	Al Huda hospital	Nishter Road	1.00
58	Ketchary fly over	ketchary road	1.00
59	Ali Hospital	Rasheed Abad	1.00
60	State life office	Nawan Shafer	1.00
61	Ghouri Tika Shop	Gulgasht road	1.00
62	Tasty Restaurant	Gulgasht road	1.00
63	3 Banks	T Chowk	1.00
64	Aitmad office	near Chungi No 9 (Rs15000 per month)	1.00
65	Fly over Nishter Hospital	Nishter road	1.00
66	Al Quraish Hotel	Chowk Ghanta Ghar	1.00
67	Naveed Chicken Briyani	Chowk Ghanta Ghar	1.00
68	Khan Plaza	Abdali road	1.00
69	Mall Plaza	Multan Cant	1.00
70	Food Festival	near Chowk Fowara	1.00
71	Dana Pani restaurant	Gulgasht road	1.00
72	Al Nemat restaurant	Gulgasht road	1.00
73	Sheedan Fish fri	Tughlak road	1.00
74	Nishter Hospital	Nishter Hospital	1.00
75	Hanif Rajpoot Marriage hall	Bosan road near By pass	1.00
76	Noor Jahan Marriage hall	Bosan road near By pass	1.00
77	Executive Marriage hall	Bosan road near By pass	1.00
78	Marki Marriage hall	Bosan road near By pass	1.00
79	Megdolen	Bosan road near By pass	1.00
80	Cardiology Hospital	Abdali road	1.00
81	Tasty Restaurant	Dera Adda Chowk	1.00
82	Sangham Theater	Hassan Parwana road	1.00
83	Babar Theater	Ghanta Ghar	1.00
84	Cycle Stands & Car parking Stands	under Fly over Chowk Kumhara wala (Shahid Gujar giving Rs 10000 per month to Regulation Incharge)	1.00
85	Gool Bagh	Gol Bagh Gulgasht road	1.00
86	Park near Arts Council	Near Arts Council Multan	1.00
87	Rehman Plaza Mobile Market	Opposite Health Center (Rs 50000 collected monthly by MC employees)	1.00
88	Dost Medical Complex	Nishter Road	1.00
Approximate loss to the TMA			8.800

Annexure-F/SWL
[Para: 5.2.2.1]

Irregular executions of development schemes without making PC-1 of Rs 69.80 million

(Rupees in million)

Sr.No.	Name of Scheme	Estimated Cost
1	Supply Purchase of Furniture for Mayor Office	1.830
2	Supply of aggregate stone Crushed fine aggregate for Patch work. MC store	1.516
3	Boring of Tube well IC Pump House and other allied works V Block Children Park Farid Town Sahiwal.	2.500
4	Construction of Residence for Officer at Disposal works Sahiwal. 3 rooms with Baramdha with Two Toilets and other allied works Tariq Bin Ziad Colony	2.500
5	Improvement Construction of Machinery YardGarages in store area MC Sahiwal.	5.400
6	Construction Renovation of Mayor House M.C Sahiwal Phase No. 1	6.000
7	Construction Improvement of Metalled road sewer Chak No. 856R U.C No. 2.	2.000
8	Providing and laying of Tuff Tiles paverGali Aslam Rehmani wali Gali Masjid Shamshia Wali Gali Qamer Waheed Wali Gao Shallah G.T Road etc Area Union council No. 8 Sahiwal.	2.000
9	Construction Improvement of Slip Road Mission Chowk Tanki Chowk East side U.C No. 6 Sahiwal.	3.000
10	Providing and fixing of Traffic Signals in Pakpattan Chowk Sahiwal.	4.000
11	Construction Renovation of Mayor House MC Sahiwal Phase No. II	3.500
12	Providing and Laying of Tuff Tiles Pavers Gate Mahi Shah Graveyard Towards Faridia Park Karbala Road Sahiwal.	2.750
13	Construction of Residence for Municipal Officer (Finance) M.C Sahiwal	4.800
14	Construction of Residence for Municipal Officer (Regulation) M.C Sahiwal	4.800
15	Construction of Residence for Municipal Officer (Planning) M.C Sahiwal.	4.800
16	Supply of Manhole Covers and Man hole Frame M.C Store Sahiwal.	2.000
17	Purchase Solid waste containers Steel 5 Cubic for Arm Roll M.C Sahiwal.	2.000
18	Purchase Solid waste containers G.I City area M.C Sahiwal.	2.000
19	Providing and Fixing of Street Light Energy saver Light 80 Watt Sodium light 250Watt switch etc; Complete Union Council No. 9 City Sahiwal.	2.500
20	Up Gradation of Water Filtration Plant Group No. I Sahiwal.	3.000
21	Up Gradation of Water Filtration Plant Group No. II Sahiwal.	3.000
22	Improvement Repair of Camp Office M.C Sahiwal.	3.900
Total		69.796

Annexure-G/SWL
[Para: 5.2.2.3]

Irregular purchase of different store items from contractor-Rs 8.499 million.

(Rupees in million)

	Estimate d Cost	Contracto r profit	Above Estima ted Amou nt	Less incom e tax Deduc ted	GST Proof From Suppl ier was not taken	PRT1 % was not deduct ed	1/5th Sales Tax Not Dedu cted	10% Secur ity was not deduc ted	Rema rks
Supply/ Purchase of furniture for Mayor Office	1.830	0.138	0.051	11,124	199,542	-	-	-	
Suply / Purchase of fruniture for Meeting room	0.258	0.009	0.0068	-	-	-	-	-	
Supply / Purchae of Fax machine and Photostate Machine with All Accessories	0.976	0.026	0.027	6,382	-	9,760	-	-	
Multimedia Projector	0.236	0.019	0.007	-	-	-	36,380	-	
Purchase of printer colour Laser type of best Quality	0.160	0.014	0.0045	-	-	-	-	15,500	
P/F of Conference meeting call sound system and LED lights in MC Hall Sahiwal	1.439	0.089	0.033	-	-	-	-	100,229	In 1st running bill security was not deducted
Supply of delivery pipe and other allied work for petter engine MC Sahiwal	0.400	0.033	-	-	-	-	-	-	
Supply of street light maintenance Material from MC Store Sahiwal 2017-18	1.000	0.097							
Supply of Street light Maintenance material for MC store SWL	1.000	0.100							
Supply of street light material for MC store Sahiwal (approved company) 2016-17	1.200	0.167							
Total		0.695	0.129	0.017	0.199	0.0097	0.036	0.116	
Grand Total								1.203	

Annexure-H/SWL
[Para: 5.2.2.4]

Irregular uneconomical expenditure of civil work without advertisement - Rs 8.005 million

(Rupees in million)

Sr. No.	Name of Scheme	Estimated Cost
1	Supply / Purchase of Furniture for Mayor Office	1.830
2	Supply / Purchase of Furniture for Meeting Room	0.258
3	P/F of conference meeting Hall sound system and LED Lights in MC. Hall Sahiwal.	1.439
4	Improvement/Repair of Meeting room MC Sahiwal	0.318
5	Supply / Purchase of Fax Machine and Photo State Machine with all accessories	0.976
6	Supply/Purchase of Multi Media Projector With all accessories etc	0.236
7	Supply/Purchase of Printer Colour Laser Type of best quality etc	0.160
8	Improvement/Repair of Office Mayor, & Deputy Mayor	1.340
9	Repair/ Renovation of Gallery and etc	0.953
10	Providing and fixing of Gate with Gate Pillar north side Entrance of M C Office Sahiwal.	0.220
11	Providing and fixing of Barrier MC Office Sahiwal.	0.120
12	Providing and fixing of fall ceiling, Tiles, Fancy, in front of Gallery Mayor Office M.C Sahiwal	0.150
Total		8.005

Annexure-I/SWL
[Para: 5.2.2.7]

**Non taken of time extension from the house and non-imposition of
Plenty of Rs 1.578 million**

(Rupees in million)

Sr No	Name of Scheme	Estimated Cost	Work Order Date	Date of Completion As work order	Actual Completion Date	Plenty
1	Construction of PCC Topping Gali No11 Sadiq Gujjer wali UC No 09 MC Sahiwal	85400	28-04-2017	28-06-2017	Continue	0.008,5
2	Construction of PCC Topping Gali No 6, 7 Ki Brich Gali Tuheed Colony UC No 09 MC Sahiwal	196000	28-04-2017	28-06-2017	25-03-2018	0.0196
3	Improvement/Repair Laying of RCC sewer Pipe lines & Manhole and PCC Topping Oad Colony Sabir colony	600000	28-04-2017	28-06-2017	20-10-2018	0.060
4	Improvement of Tuff Tiles Repair of Corner and allied services near Filtration Plant Tanki Chowk Sahiwal	600000	19-05-2017	19-07-2017	Continue	0.060
5	Boring of Tube well I/C Pump House and other allied works V Block Children Park Farid Town Sahiwal	2500000	23-06-2017	13-09-2017	2/8/2018	0.250
6	Improvement/Repair of Traffic Signals Mission Chowk & Tanki Chowk Sahiwal	1200000	29-08-2017	30-11-2017	Continue	0.120
7	Improvement of Beautification of Chowk Mohallah Farid Gunj Sahiwal	1000000	29-08-2017	30-11-2017	5/5/2018	0.100
8	Improvement/Repair of Tuff Tiles/paver Gali Thana Ghallah Mandi ward No 1 Union Council No 8	212100	29-08-2017	15-10-2017	Continue	0.021
9	Improvement/ Repair providing fixing tuff tile /paver near Punjab Law College Fateh Shar Colony Sahiwal	143300	29-08-2017	15-10-2017	Continue	0.0143
10	Supply /Purchase of Man hole cove & Frame MC Store Sahiwal	500000	29-08-2017	15-10-2017	8/8/2018	0.050
11	Improvement/Repair /Const of Road of Gali Izzhar Wali Near Modern Public School Fateh Sher Colony Sahiwal	157000	7/10/2017	30-11-2017	15-05-2018	0.0157
12	Construction of Sullage Drain Gali Yasin Bhatti wali Bashir Colony Sahiwal Chak No 86/6-R UC No 1	561000	9/12/2017	15-01-2018	Continue	0.056
13	Construction/Improvement of road Gali Chacha Ali Ahmad wali Chak No 82/6-R UC No3	600000	9/12/2017	15-01-2018	2/7/2018	0.060
14	Construction /Improvement of road Gali back side Jammia Ghousia Mosque Wali 82/6-R UC No3	1400000	9/12/2017	30-01-2018	10/7/2018	0.140
15	Construction of Metalled road Tariq Bin Ziad Colony UC No04 Sahiwal	500000	9/12/2017	15-01-2018	1/7/2018	0.050
16	Const/improvement/ over lay Metalled road street No 5-ii Waleed Cheema to Shahbaz Street No4 Mohalla Noor park UC No7	387000	9/12/2017	15-01-2018	12/7/2018	0.0387
17	Const/Improvement Metalled road street/ Gali No1 Ahmad Park UC No 7	735000	9/12/2017	15-01-2018	12/7/2018	0.0735
18	Construction /Improvement of Metalled road Saifi General Store to Sohail Rehmani Street No5	483000	9/12/2017	15-01-2018	12/7/2018	0.0483

	Mohallah Noor Park U,C No7					
19	Construction/Laying RCC sewer Line PCC Topping Gali Saeed Rehmani towards Ch Khalid House Near Gali Sardar sweet Sahiwal UC No 10	500000	9/12/2017	15-01-2018	25-08-2018	0.050
20	Construction of PCC Topping from Church Perwaiz Masih House & UC No 11 Etc Sahiwal	500000	9/12/2017	15-01-2018	6/7/2018	0.050
21	Construction of Drain Chak No 93/6-R UC No 12	200000	9/12/2017	15-01-2018	continue	0.020
22	Improvement / Construction of Metalled road Gali Ch; Anwar Advocate wali Moakal Colony Sahiwal	1224000	9/12/2017	30-01-2018	4/7/2018	0.122
23	Improvement/Repair of Main building and construction of Truff Pitch covered with GI Net (Jali) steel structure Frame in cricket ground near Madina Masjid Madina Colony Sahiwal	775000	9/12/2017	30-01-2018	Continue	0.077
24	Construction of Safety wall Parking Area near Govt Girls College Old Civil Line MC Sahiwal	722000	9/12/2017	30-01-2018	continue	0.072
	Total	15780800				1.578

Annexure-J/SWL
[Para: 5.2.2.8]

Unjustified payment of earth without recording of cross section area
Rs. 1.059 million

(Rupees in million)

Name of Scheme	Qty	Rate Paid	payment
Construction / Improvement of Metalled Road Gali Pump Wali Baba Farid Park Arif Road Sahiwal UC No. 09,850000	19280	8365.75	0.161
Const of Road Metalled Gali No.02 Rehmat-ul-Alameen Mosque Wali Nawab Town 664000	19941	8365.75	0.167
Cosnt of Road Metalling Gali Sarwar Wali Baba Farid Park Near Arif Road UC No. 9 , Rs 850000	16078	8876.8	0.143
Const of Metal Road Gali Pumpe Wali Baba Farid Park Near Arif Road UC No. 09, Rs 650000	9946	8876.8	0.088
Cosnt of Metal Road Lead Round Jamia Masjid Baba farid park UC No. 09	1510	8876.8	0.013
Cosnt of Road Metalling Road Gali No.01 Faisal Colony Graveyard Wali Rs 150000	1628	8876.8	0.014
Cosnt of Road Gali Chacha Ali Ahmad Mali Chak No. 82/6-R UC No. 03 Rs 600000	17368.26	8365.75	0.145
Const of Road Gali Back Side Jammia Ghosia Mosque Wali 82/6-R UC No. 03 Rs 1400000	23014	8365.75	0.193
Const of Metalled Road Saifee General Store to Sohail Rehmani Gali No. 05 of St. 07 Mohallah Noor Park UC No. 07, Rs 483000	5638	8365.75	0.047
Const of Road Metalling Gali Shahbaz Town Near Arif Road UC No. 09 Rs 500000	10504	8365.75	0.088
Total			1.059

Annexure-K/SWL**[Para: 5.2.3.1]****Illegal construction of commercial buildings without approved map -
Rs 37.77 million.****(Rupees in million)**

Type	Name of Owner	Address	Area	Rate	Total Value	Conversion Fees
Marriage Hall	Ch. Ashraf Malik	Multan GT Road	5 K	1.050	105.000	21.00
Commercial Hall	Javed Iqbal Butt	Multan GT Road Near Grid Station	40 M	1.050	42.00	8.40
Commercial Market	Aslam S/O Sharif	Main Road Annayat Colony	54 Marla	0.350	18.900	3.780
Commercial Hall	Sehriyar Abdullah S/O Mian Muhammad Aslam	Mohalla Chistiyan Commercial	4.88	1.00	488000	0.508
Commercial Hall	Muhammad Usman S/O Sabir Ali	Mohalla Chistiyan Commercial	2.44	1.000	244000	0.254
Commercial Hall	Javaid Ahmad Khalid Iqbal S/O Lal Din	City Band road	6.44	1.235	795674.88	0.822
Commercial Hall	Bilal Fazal S/O Muhammad Fazal	Paam View	3	0.600	180000	0.192
Commercial Hall	Nadeem Khalid	GT Road Near Chowk Pakpattan	11	1.050	1155000	1.199
Commercial Hall	Shahid S/O Abdul Rasheed	Lahore GT Road Near Attock Petrolleum	7 M	1.050	735000	0.755
Commercial Hall	Fahad Ch. S/O Anwar	Girls College Road	5 Marlas	1.700	850000	0.859
Total						37.77

[Para: 5.2.3.2]

**Doubtful consumption of POL in absence of meter reading -
Rs 21.172 million**

(Rupees in million)

Description	Vehicle No.	POL used Litters
Tractor Trolley	SLJ-1001	6331
Tractor Trolley	SLJ-1002	6374
Tractor Trolley	SLJ-1003	
Tractor Trolley	SLJ-1004	8106
Tractor Trolley	SLJ-1005	8235.5
Tractor Trolley	SLJ-1006	5939.5
Tractor Trolley	SLJ-1007	6800.5
Tractor Trolley	SLJ-1008	7609
Tractor Trolley	314/24	8011.5
Tractor Trolley	240/1	8554
Garbage Compactor	SLJ-27	6887
Total		72,848
Value of POL of Vehicles		7,649
Generator	KV	POL Used
89-6R	200	4,842
Manzoor Colony	200	41,729
Manzoor Colony Par Lab Canal	200	22,282
Kacha Pacca Noor Shah Road	200	47,448
Fraid Town	100	12,490
Total		128,791
POL of Generator of Disposals		13.523
Total value of POL (Vehicles & Generators)		21.172

Annexure-M/SWL
[Para: 5.2.3.3]

Irregular establishment of Land Sub Divisions due to poor law enforcement- Rs 18.957 million

(Rupees in million)

Sr. No.	Name	Area In Kanals	Average Rate	1% Conversion Fee	LSD Fee	Total
1	Sujha Town, Chak No. 90/9-L Pakpatan Road Sahiwal	50	300000	3000000	550000	3.55
2	KhawajaGhareeb Nawaz Block Chak No. 82/6-R Sahiwal.	25	300000	1500000	275000	1.775
3	Green Villas Chak No. 85/6-R Sahiwal.	30	300000	1800000	330000	2.13
4	Zain Block Chak No. 93/6-R Sahiwal	45	300000	2700000	495000	3.195
5	Gulshan-e-Nazeer Housing Scheme Chak No. 82/6-R Sahiwal	15	300000	900000	165000	1.065
6	Al-Kareem Garden Chak No. 85/6-R Sahiwal	45	300000	2700000	495000	3.195
7	Al-Haris Block Chak No. 82/6-R Sahiwal	35	300000	2100000	385000	2.485
8	Mian Sharif Block Jhal Road Sahiwal	22	300000	1320000	242000	1.562
9	Ayshyana Block Chak No. 85/6-R Sahiwal	40	300000	2400000	440000	2.84
10	Madina Town Chak No. 85/6-R	40	300000	2400000	440000	2.84
11	Al-Hameed Block, Chak No. 85/6-R	40	300000	2400000	440000	2.84
12	Awais Block, Chak No. 82-6R	25	300000	1500000	275000	1.775
13	Hassan Block Chak NO. 82-6R	25	300000	1500000	275000	1.775
14	Nazim Town Chak nO. 135 A 9L	25	300000	1500000	275000	1.775
Total						18.957

Annexure-N/SWL
[Para: 5.2.3.8]

Irregular repair of transformer Rs 1.386 million

(Rupees in million)

Name of Branch	Voucher No.	Voucher No.	Cheq Date	Voucher No.	Contractor Name	Discription	Amount
	2	33	8/5/2017	153	Shahbaz Builders	Repair Transformar	0.060
MO (I)	81	69	12/8/2017	228	Ch.Const.Co	Repair transformar fowara college chwok	0.073
MO (I)	156	28	13-10-2017	235	M. Saleem Contractor	Repair transformar Bhuto Nagar	0.072
MO (I)	238	38	8/5/2018	246	Mousa Engineering	Repair Transformar water works Bhuto Nagar	0.055
MO (I)	249	33	8/6/2018	258	M. Saleem Contractor	Repair Transformar water works office	0.050
MO (I)	250	33	8/6/2018	259	M. Saleem Contractor	Repair transformar Thana Fateh Share	0.063
MO (I)	255	57	21-06-2018	318	M. Saleem Contractor	Repair transformar City Tanki	0.065
MO (I)	282	315	17-08-2016	218	M Mehmood Electric	Repair transformar Disposal Manzoor colony	0.111
MO (I)	291	1309052395	1/9/2016	311/8-16	Khadim Hussain	Repair transformar street light farid town	0.072
MO (I)	292	1309052395	1/9/2016	312/8-16	Khadim Hussain	Repair transformar GT Road Arif Chowk	0.067
MO (I)	295	7	7/9/2016	159	M. Saleem Contractor	Repair transformar T/W scheme No.3 F T	0.078
MO (I)	312	61	29-09-2016	269	Ch.Javiad	repair transformar 200kva disposal kacha noor shah	0.112
MO (I)	335	14	7/11/2016	1666	Mahar & Co.	Repair transformar tube well tanki	0.075
MO (I)	375	21	27-12-2016	453	M. Saleem Contractor	Repair transformar Mohal:la Noor Park	0.088
MO (I)	385	57	30-12-2016	549	Khadim Hussain	Repair Transformar T/W Farid town	0.084
MO (S)	47	15	20-07-2017	76	Rana Majid	Repair Transformar isposal Mmanzoor colony	0.021
MO (S)	51	15	20-07-2017	80	Rana Majid	Repair Transformar Disposal Kacha Noor shah	0.042
MO (S)	68	63	12/8/17	237	Rana Majid	Repair transformar 25KVA Disposal Noor park	0.049
MO (S)	79	8	24-08-2017	499	Madina Electric works	Repair Transformar Disposal Manzoor colony	0.069
MO (S)	155	189	4/1/18	73	Rana Majid	Repair Transformar Disposal Monzoor colony	0.078
Total							1.386