



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
CHIEF OFFICER, DISTRICT COUNCIL  
& TALUKA MUNICIPAL  
ADMINISTRATIONS  
DISTRICT DADU  
AUDIT YEAR 2012-13**

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**AUDITOR-GENERAL OF PAKISTAN**

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## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
BTS	Base Trans-receiver Station
CCB	Citizen Community Board
CMA	Constitutional Miscellaneous Application
DAC	Departmental Accounts Committee
DGA	Director General Audit
FD	Finance Department
GoS	Government of Sindh
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government & Community Development
LFA	Local Fund Audit
MFDAC	Memorandum for Departmental Accounts Committee
M&R	Maintenance & Repair
NSL	Natural Surface Level
SDG	Sindh District Government
SLGO	Sindh Local Government Ordinance
SLG	Sindh Local Government
SLGB	Sindh Local Government Board
POL	Petroleum Oil and Lubricants
RDA	Regional Directorate of Audit
TAO	Taluka/Town Accounts Officer
TMA	Taluka / Town Municipal Administration
TMO	Taluka / Town Municipal Officer
TS	Technical Sanction
TO (F)	Taluka/Town Officer (Finance)
TO (I&S)	Taluka/Town Officer (Infrastructure & Services)
TO (P&C)	Taluka/Town Officer (Planning & Coordination)
TO (R)	Taluka/Town Officer (Regulation)
TDC	Taluka/Town Development Committee
TSE	Technically Sanctioned Estimate



## Preface

Articles 169 & 170 (2) of the Constitution of the Islamic Republic of Pakistan, 1973, read with Sections 8 and 12 of the Auditor General (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, require the Auditor General of Pakistan to conduct audit of the receipts and expenditure of the Secretary Local Government Department, Karachi Metropolitan Corporation, Karachi Water & Sewerage Board, Taluka / Town Municipal Administrations and Union Councils.

The report is based on audit of Taluka Municipal Administrations of District Dadu for the year 2011-12. The Directorate General of Audit Local Councils Sindh, Karachi, conducted audit during 2012-13 on test check basis with a view to reporting significant findings to relevant stakeholders. The main body of 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 observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized without written responses.

The Audit Report is submitted to the Governor of the Sindh in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 116 of the Sindh Local Government Act 20131, for causing it to be laid before the Provincial Assembly of the Sindh.

Islamabad  
Dated:

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





## **EXECUTIVE SUMMARY**

The DG Audit, Local Councils, Sindh, Karachi is responsible to carry out the audit of 119 Taluka / Town municipal Administrations. This Directorate General has a human resource of 33 officers and staff, resulting in 2,937 man days and annual budget amounted to Rs 67.096 million for the financial year 2011-12. The office has a mandate to conduct regularity audit (compliance with authority audit) on test check basis with a view to report significant findings to the relevant stakeholders. This office also conduct performance audit of programmes / projects.

Each Taluka Municipal Administration in District Dadu is headed by a Taluka Administrator and District is headed by Chief Municipal Officer who carries out operations as per Sindh Local Government Ordinance, 1979. Taluka Administrative Officer is the Principal Accounting Officer (PAO) and acts as coordinating and administrative officer and is responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and Bye-laws.

Audit of Chief Officer, District Council & TMAs District Dadu was carried out with the view to ascertain that the expenditure was incurred with proper authorization, in conformity with laws, rules, regulations and economy was ensured in procurement of assets and hiring of services and to review, analyze and comment on various Government policies regarding different sectors.

Audit of receipts was conducted to verify that the assessment, collection, reconciliation and allocation of revenue was made in accordance with laws and that there was no leakage of revenue and also that revenue did not remain outside Government account.

### **a. Scope of Audit**

Out of total budget of the District Dadu for the Financial Year 2011-12, auditable expenditure under the jurisdiction was Rs 822.140 million, out of which an expenditure of Rs 650.279 million was audited which in terms of percentage, was 79%. Total receipts of the TMAs for the financial year 2011-2012 was Rs 32.609 million out of this, an amount of Rs 26.609 million was audited which was 82% of the total amount.

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

Recovery of Rs 6.783 million was pointed out during the audit but no recovery was affected till the time of compilation of this Report. Total recoverable amount of Rs 6.783 million was not in the notice of the executive before audit.

**c. Audit Methodology**

Audit was performed through understanding of the business process of TMAs with respect to internal control structure, prioritization of risk areas determining significance and identification of key internal controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field activity. The audit used intensive application of desk audit techniques facilitated through compiled data and review of permanent files/record. Desk Audit facilitated identification of high risk areas for substantive testing in the field.

**d. Audit Impact**

On the pointation of audit, TMAs have streamlined their work in accordance with rules & regulations and made efforts for realization of outstanding dues.

**e. Comment on Internal Control and Internal Audit Department**

Several loopholes in the internal control system were noticed during the audit years. Major internal control weaknesses have been reported in Chapter-1. Moreover, other internal control weaknesses have been incorporated in Annexure-A.

**f. The key audit findings of the report**

- i. Fraud / Misappropriation were noted in 02 cases - Rs 69.722 million.<sup>1</sup>
- ii. Non- Production of Record was noted in 03 cases - Rs 321.100 million.<sup>2</sup>
- iii. Non-Compliance was noted in 09 cases - Rs 19.826 million.<sup>3</sup>

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<sup>1</sup> Para 1.2.5.1, 1.2.5.2

<sup>2</sup> Para 1.2.1.1, 1.2.3.1, 1.2.6.1

<sup>3</sup> Para 1.2.2.1,1.2.2.2, 1.2.2.3, 1.2.2.4,1.2.2.5, 1.2.4.1, 1.2.4.2, 1.2.4.3, 1.2.7.1

Audit paras for the audit year 2011-12 involving procedural violations including internal control weaknesses and irregularities not considered worth reporting to the PAC are included in MEFDAC (Annexure-A).

**g. Recommendations**

Audit recommends the Taluka Municipal Administrations (TMAs) to focus on the following issues:

- i. Head of the Taluka Municipal Administrations needs to conduct physical stock taking of fixed and current assets.
- ii. The TMA needs to comply with the Public Procurement Rules for economical and rational purchase of goods and services.
- iii. Inquiries need to be held to fix responsibility for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. The PAO needs to make efforts for expediting the realization of various Government receipts.
- v. The PAO and their teams need to ensure implementation of proper monitoring system.
- vi. The PAO needs to take appropriate action against non-production of record.
- vii. The PAO needs to rationalize their budget with respect to utilization.



## SUMMARY TABLES & CHARTS

**Table 1: Audit Work Statistics**

(Rupees in Million)

<b>Sr.</b>	<b>Description</b>	<b>No.</b>	<b>Budget</b>
1.	Total Entities (PAOs) in Audit Jurisdiction	05	822.140
2.	Total Entities (PAOs) Audited	03	650.279
3.	Audit & Inspection Reports	03	650.279
4.	Special Audit Reports	-	-
5.	Performance Audit Reports	-	-
6.	Other Reports (relating to TMAs)	-	-

**Table 2: Audit observations Classified by Categories**

(Rupees in Million)

<b>Sr.</b>	<b>Description</b>	<b>Amount under audit observation</b>
1	Asset Management	0
2	Financial Management	69.722
3	Internal controls	0
4	Violation of rules	19.826
5	Others	321.100
<b>Total</b>		<b>410.648</b>

**Table 3: Outcome Statistics**

(Rupees in Million)

Sr.	Description	Expenditure on Acquiring Physical Assets (Procurement)	Salary	Non-Salary	Civil Works	Receipts (Revenue Targets)	Total Current year	Total Last year
1.	Outlays Audited	0	175.557	110.898	286.455	32.609	605.519	-N/A-
2.	Amount Placed under Audit Observation of Audit	0	167.862	64.933	151.244	26.609	410.648	-N/A-
3.	Recoveries Pointed Out at the instance of Audit	0	0	6.783	0	0	6.783	-N/A-
4.	Recoveries Accepted /Established at the instance of Audit	0	0	0	0	0	0	-N/A-
5.	Recoveries Realized at the instance of Audit	0	0	0	0	0	0	-N/A-

\*The amount mentioned against serial No. 1 in column of “Total Current Year” is the sum of Expenditure and Receipts whereas the total expenditure is Rs572.910 million for the current year.

**Table 4: Table of Irregularities pointed out**

(Rupees in Million)		
Sr.	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	19.826
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	69.722
3	Accounting Errors (accounting policy departure from NAM <sup>1</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	0
4	Quantification of weaknesses of internal control systems.	0
5	Recoveries and overpayments, representing cases of establishment overpayment or misappropriations of public monies	0
6	Non-production of record.	321.100
7	Others, including cases of accidents, negligence etc.	0
<b>Total</b>		<b>410.648</b>

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





## **CHAPTER-1**

### **1.1 CHIEF OFFICER, DISTRICT COUNCIL AND TALUKA MUNICIPAL ADMINISTRATIONS, DADU**

#### **1.1.1 INTRODUCTION**

As per 1998 population census, the population of District Dadu is 1.700 million. District Dadu comprises of Chief Officer, District Council and Four TMAs namely Dadu, Mehar, Johi and Khairpur Nathan Shah. Business of TMAs is run through the Administrator and four officers namely TO (I&S), TO (Finance), TO (P&C) and TO (Regulations) under Sindh Local Government Ordinance, 1979. The functions of TMAs are as following:

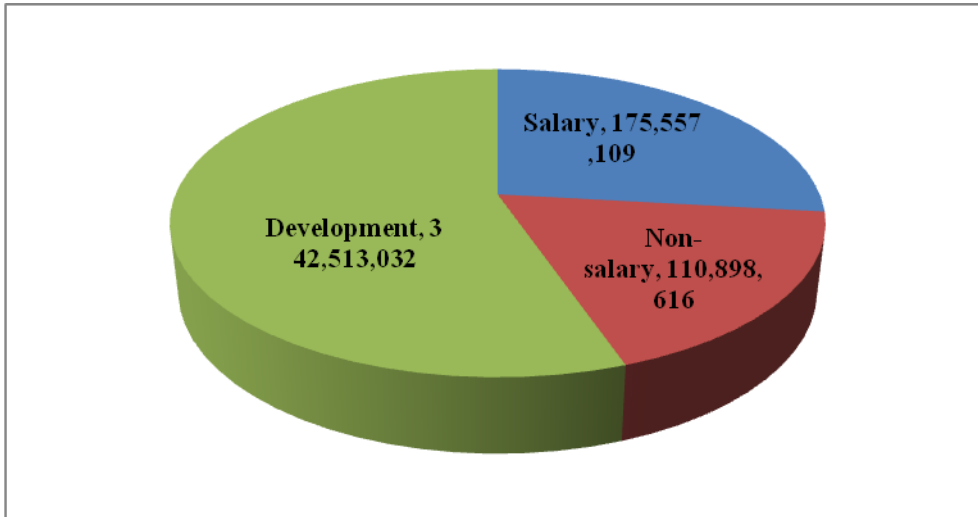
1. Prepare spatial plans for the Town including plans for land use, zoning and functions for which TMA is responsible.
2. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
3. Enforce all municipal laws, rules and bye-laws governing TMA's functioning.
4. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils.
5. Collect approved taxes, cesses, user fees, rates, rents, tolls, charges, fines and penalties.
6. Manage properties, assets and funds vested in the Town Municipal Administration.
7. Develop and manage schemes, including site development in collaboration with Union Administration.
8. Issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such offence or failure to comply with the directions contained in such notice.
9. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
10. Maintain municipal records and archives.

## 1.1.2 Comments on Budget and Accounts (Variance Analysis)

(Amount in Rupees)

Sr.	Name of TMAs	Nature of Expenditure	Original Grant	Suppl: Grant	Revised / Final Grant	Actual Expenditure	(+) Excess (-) Saving
1	TMA Dadu	Salary	75,100,000	0	75,100,000	94,530,360	19,430,360
		Non-Salary	52,060,000	0	52,060,000	64,221,621	12,161,621
		<b>Sub-Total</b>	<b>127,160,000</b>	<b>0</b>	<b>127,160,000</b>	<b>158,751,981</b>	<b>31,591,981</b>
		<b>Development</b>	<b>105,381,000</b>	<b>0</b>	<b>105,381,000</b>	<b>65,850,307</b>	<b>-39,530,693</b>
		<b>Total</b>	<b>232,541,000</b>	<b>0</b>	<b>232,541,000</b>	<b>224,602,288</b>	<b>-7,938,712</b>
2	TMA Mehar	Salary	37,407,634	0	37,407,634	56,899,081	19,491,447
		Non-Salary	36,236,500	0	36,236,500	35,713,364	-523,136
		<b>Sub-Total</b>	<b>73,644,134</b>	<b>0</b>	<b>73,644,134</b>	<b>92,612,445</b>	<b>18,968,311</b>
		<b>Development</b>	<b>153,000,000</b>	<b>0</b>	<b>153,000,000</b>	<b>131,800,000</b>	<b>-21,200,000</b>
		<b>Total</b>	<b>226,644,134</b>	<b>0</b>	<b>226,644,134</b>	<b>224,412,445</b>	<b>-2,231,689</b>
3	TMA Johi	Salary	42,594,170	0	42,594,170	24,127,668	-18,466,502
		Non-Salary	35,700,000	0	35,700,000	10,963,631	-24,736,369
		<b>Sub-Total</b>	<b>78,294,170</b>	<b>0</b>	<b>78,294,170</b>	<b>35,091,299</b>	<b>-43,202,871</b>
		<b>Development</b>	<b>112,800,000</b>	<b>0</b>	<b>112,800,000</b>	<b>144,862,725</b>	<b>32,062,725</b>
		<b>Total</b>	<b>191,094,170</b>	<b>0</b>	<b>191,094,170</b>	<b>179,954,024</b>	<b>-11,140,146</b>
		<b>Salary</b>	<b>155,101,804</b>	<b>0</b>	<b>155,101,804</b>	<b>175,557,109</b>	<b>20,455,305</b>
		<b>Non-Salary</b>	<b>123,996,500</b>	<b>0</b>	<b>123,996,500</b>	<b>110,898,616</b>	<b>-13,097,884</b>
		<b>Non-Development</b>	<b>279,098,304</b>	<b>0</b>	<b>279,098,304</b>	<b>286,455,725</b>	<b>7,357,421</b>
		<b>Development</b>	<b>371,181,000</b>	<b>0</b>	<b>371,181,000</b>	<b>342,513,032</b>	<b>-28,667,968</b>
		<b>Grand Total</b>	<b>650,279,304</b>	<b>0</b>	<b>650,279,304</b>	<b>628,968,757</b>	<b>-21,310,547</b>

## Expenditure 2011-12



Original budget of Rs 650.279 million was allocated to TMAs Dadu, Mehar, and Johi under various grants and no supplementary grants/re-appropriation was provided. The revised/final budget of these TMAs was Rs 650.279 million. The total expenditure incurred by concerned TMAs during 2011-12 was Rs 628.969 million as detailed above.

The Variance analysis of the Revised/Final Grant and Actual Expenditure for the Financial Year 2011-12 depicted that there was a saving of Rs 21.310 million.

### 1.1.3 Brief comments on the status of compliance with PAC Directives

The audit reports of pertaining to following years have been submitted Governor of Sindh. Detail of PAC meeting is given below:

Audit Year	No. of Paras	Status of PAC Meetings
2011-12	Nil	Nil

As indicated in the above table, no PAC meeting was convened to discuss the audit report of TMAs, Dadu.

## **1.2 AUDIT PARAS**

**Taluka Municipal Administration, Dadu**

## **1.2.1 Non-Production**

### **1.2.1.1 Non-Production of Record - Rs 131.495 Million**

Article 170(2) of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitutional (Eighteenth Amendment) Act, 2010 w.e.f. April 20, 2010, states that, “The audit of accounts of the Federal and of the Provincial Government and the accounts of any authority or body established by, or under the control of, the Federal or Provincial Government shall be conducted by the Auditor General, who shall determine the nature and extent of such audit”.

Further, the Constitutional provision was stressed upon by the Orders of the Honorable Supreme Court of Pakistan dated 07-05-2013 given in CMA No.2376/2013, “where the amount is charged on the Consolidated Fund or relates to the Public Accounts of the Federation or of the Provinces, the same may be audited by the Auditor- General without exception”.

TMA, Dadu, incurred an expenditure of Rs 131.495 million during 2011-12, on various heads but failed to access of record to audit, in violation of the above rules. Detail provided in Annexure-B.

Audit is of the view that record was not provided to audit resulting into non-authenticity of expenditure from public funds which constitutes weak financial management.

The Matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility on account of non-provision of auditable record to justify the expenditure from public funds, under intimation to audit.

[AIR Para: 1]

## **1.2.2 Non-Compliance**

### **1.2.2.1 Non-Transparency in Government Spending - Rs 8.056 Million**

Rule 20 of the Staff Car Rules 1980, as amended in 2001, states that, “The log book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

TMA, Dadu, incurred an expenditure of Rs 8.056 million, during 2011-12, on purchase of POL for official vehicles but the log books, history sheets and petrol account registers were not maintained to justify the expenditure, in violation of the above rule. Detail provided in Annexure-C.

Audit is of the view that expenditure incurred on POL without preparation of log books, history sheets and petrol consumption account resulted into non transparency in spending from public funds which constitute weak financial management.

The expenditure on POL without preparation of log books which constitutes weak internal control.

Matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility for incurring expenditure without supporting record and same be prepared to justify the expenditure, under intimation to audit.

[AIR Para: 14]

### **1.2.2.2 Un-authorized Expenditure- Rs 5.198 Million**

Rule 17 (1) of Sindh Public Procurement Rules 2010, states that, “Procurements over one hundred thousand rupees and up to one million rupees shall be advertised by timely notifications on the Authority’s website and may in print media in the manner and format prescribed in these rules”.

TMA, Dadu, incurred an expenditure of Rs 5.198 million, during 2011-12, without following the prescribed procedure, in violation of the above rule. Detail provided in Annexure-D.

Audit is of the view that management failed to invite open tender resulting into non transparency in public spending and non-achievement of competitive rates which constitutes weak financial management.

Non-pursuance of SPPRA rules 2010 constitutes weak internal control.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility on departments on account of non-transparency in awarding of contracts and failure in obtaining competitive rates.

[AIR Para: 11]

### **1.2.2.3 Un-authorized Award of Works - Rs 4.830 Million**

SPPRA Rules 2010 (11)(1), states that, All procuring agencies shall devise a mechanism for planning in detail for all proposed procurements, determining the requirement of the procuring agency, within its available resources, and prepare an annual or a longer term rolling plan, detailing the procurement methods applicable for specific procurements (12)(1) all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping.

TMA, Dadu, incurred an expenditure of Rs 4.830 million, during 2011-12, by splitting work orders to avoid tenders, in violation of the above rule. Detail provided in Annexure-E.

Audit is of the view that non-observance of laid down rules resulted into unauthorized expenditure which constitutes weak financial management.

Non-observance of prescribed rules constitutes weak internal control.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit paras despite pursuance by audit.

Audit recommends fixing responsibility on account of not inviting open tenders to achieve competitive rates.

[AIR Paras: 15, 23]

### **1.2.2.4 Un-authorized Payment - Rs 1.911 Million**

FD, GoS letter No. FD/CW&M-I)(26) 91-92(P.T.II) dated 24-6-1993, states that, “all charges incurred must be paid at once and under no circumstances may be allowed to stand over to be paid from the grant of subsequent year”.

Further, FD, GoS letter No. FD/B&E -I/51/2007 dated 2-7-2007, states that, “liability of previous years shall not allow to be cleared unless concurrence is given by FD”.



TMA, Dadu, paid of Rs 1.911 million, during 2011-12, for clearance the liabilities of previous year, in violation of above rules. Detail provided in annexure-F.

Audit is of the view that non-observance of laid down rules resulted into unauthorized expenditure which constitutes weak financial management.

Non-observance of prescribed rules constitutes weak internal control.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility for incurring expenditure without justification.

[AIR Para: 12]

#### **1.2.2.5 Non-Achievement of Targeted Receipts - Rs 8.765 Million**

Para 28 of GFR Volume-I, states that, “No amount due to government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable orders of the competent authority for their adjustment must be sought”.

TMA, Dadu, levied taxes on different accounts for the estimated recovery, during 2011-12, but failed to achieve the target of Rs 8.765 million, and serious efforts were not taken by authority to realize the estimated revenue, in violation of above rule. Detail provided in Annexure-G.

Audit is of the view that due to non-realization of estimated receipts authority was deprived of genuine public revenue which constitutes weak financial management.

Non-realization of targeted revenue constitutes weak internal control.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit paras despite pursuance by audit.

Audit recommends fixing responsibility on account of laxity of management to realize targeted revenues.

[AIR Paras: 3, 4, 5, 6]

**Taluka Municipal Administration Mehar**

### **1.2.3 Non-Production**

#### **1.2.3.1 Non-Production of Record - Rs 139.315 Million**

Article 170(2) of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitutional (Eighteenth Amendment) Act, 2010 w.e.f. April 20, 2010, states that, “The audit of accounts of the Federal and of the Provincial Government and the accounts of any authority or body established by, or under the control of, the Federal or Provincial Government shall be conducted by the Auditor General, who shall determine the nature and extent of such audit”

Further, the Constitutional provision was stressed upon by the Orders of the Honorable Supreme Court of Pakistan dated 07-05-2013 given in CMA No.2376/2013, “where the amount is charged on the Consolidated Fund or relates to the Public Accounts of the Federation or of the Provinces, the same may be audited by the Auditor- General without exception”.

TMA, Mehar, incurred an expenditure of Rs 139.315 million, on account of various heads during 2011-12, but failed to access of record to audit, in violation of the above rule. Detail provided in Annexure-H.

Audit is of the view that record was not provided to audit resulting into non-authenticity of expenditure from public funds which constitutes weak financial management.

The non-provision of auditable record constitutes non-transparency in expenditure which constitutes weak internal control.

The Matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility on account of non-provision of auditable record to justify the expenditure from public funds, under intimation to audit.

[AIR Para: 13]

## **1.2.4 Non-Compliance**

### **1.2.4.1 Un-authorized Appointments - Rs 36.367 Million**

Rule 10 (i) of GFR Vol-I, states that, “Every public officer is expected to exercise the same vigilance in respect of expenditure incurred from the public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.(ii) The expenditure should not be prima facie more than the occasion demands”.

TMA, Mehar, incurred an expenditure of Rs 36.367 million, during 2011-12, on the salaries of newly appointed 305 employees without going through prescribed procedure, in violation of the above rule. Detail is given below:

(Amount in Rupees)

<b>No of employees</b>	<b>Monthly salary*12</b>	<b>Amount per year</b>
305	3,030,583*12	<b>36,366,996</b>

Audit is of the view that recruitment was made without following prescribed procedure, besides, appointment of 305 was made resulted into unauthorized expenditure which constitutes weak financial management.

Non-observance of rules on recruitment constitutes weak internal control.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends investigation for fixing of responsibility for unauthorised appointment over and above the sanctioned strength.

[AIR Para: 1]

### **1.2.4.2 Non-Transparency in Government Spending - Rs 1.841 Million**

Rule 20 of the Staff Car Rules 1980, as amended in 2001, states that, “The log book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

TMA, Mehar, incurred an expenditure of Rs 1.841 million, during 2011-12, on purchase of POL for official vehicles but the log books, history sheets and petrol account registers were not maintained to justify the expenditure, in violation of the above rule. Detail provided inAnnexure-I.

Audit is of the view that expenditure incurred on POL without preparation of log books, history sheets and petrol consumption account resulted into non transparency in spending from public funds.

The expenditure on POL without justifying the expenditure through log books, history sheets and petrol consumption account constitutes weak financial management.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility for incurring expenditure without supporting record.

[AIR Para: 21]

#### **1.2.4.3 Non-Achievement of Targeted Receipts - Rs 11.061 Million**

Para 28 of GFR Volume-I, states that, “No amount due to government should be left outstanding without sufficient reason and where any dues appear to be irrecoverable orders of the competent authority for their adjustment must be sought”.

TMA, Mehar, levied taxes on different accounts for the estimated recovery, during 2011-12, but failed to achieve the target Rs 11.061 million and serious efforts were not taken by authority to realize the estimated revenue, in violation of above rule. Detail provided in Annexure-J.

Audit is of the view that short realization of revenue constitutes loss to public exchequer.

Non-realization of government revenue constitutes weak financial management and internal controls.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit paras despite pursuance by audit.

Audit recommends fixing responsibility on account of short realization of revenue.

[AIR Paras: 4, 6, 7]

**Taluka Municipal Administration, Johi**

## **1.2.5 Fraud / Misappropriation**

### **1.2.5.1 Suspected Misappropriation - Rs 5.163 Million**

Para 23 of General Financial Rules Volume-I, states that, “Every Government officer 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 and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government officer to the extent to which it may be shown that he contributed to the loss by his own action or negligence”.

TMA, Johi, incurred an expenditure of Rs 5.163 million, during 2011-12, on account of CNG charges for Potohar Jeep GL-2124, but failed to justify consumption on single vehicle per day to average expenditure of Rs 14,148, resulting into misappropriation of public funds, in violation of the above rule. Detail provided in Annexure-K.

Audit is of the view that disproportionate expenditure was shown incurred beyond justification which constitutes weak financial management.

The disproportionate expenditure shown incurred constitutes weak internal control.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends fixing responsibility on account of misappropriation of public funds and same may be recovered from concerned official(s).

[AIR Para: 1]

### **1.2.5.2 Suspected Embezzlement / Doubtful Expenditure on Demand Drafts - Rs 1.620 Million**

Para 23 of General Financial Rules Volume-I, states that, “Every Government officer 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 and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other Government officer to the extent to which it may be shown that he contributed to the loss by his own action or negligence”.

TMA, Johi, incurred an expenditure of Rs 1.620 million, during 2011-12, on account of demand drafts dully reflected in bank statement, but failed to justify the amount spent, in violation of the rule. Detail provided in Annexure-L.

Audit is of the view that amount of Rs 1.620 million was drawn through bank drafts without justification resulting into non-transparency in public spending and chance of misappropriation cannot be ruled out which constitutes weak financial management.

Unauthorized withdrawal of public funds constitutes weak internal control.

The Matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit para despite pursuance by audit.

Audit recommends investigating the matter to fix responsibility on account of unauthorized withdrawal of public money and same may be recovered from concerned official(s), under intimation to audit.

[AIR Para: 4]

## **1.2.6 Non-Production**

### **1.2.6.1 Non-Production of Record - Rs 50.290 Million**

Article 170(2) of the Constitution of the Islamic Republic of Pakistan, inserted vide Constitutional (Eighteenth Amendment) Act, 2010 w.e.f. April 20, 2010, states that, “The audit of accounts of the Federal and of the Provincial Government and the accounts of any authority or body established by, or under the control of, the Federal or Provincial Government shall be conducted by the Auditor General, who shall determine the nature and extent of such audit”

Further, the Constitutional provision was stressed upon by the Orders of the Honorable Supreme Court of Pakistan dated 07-05-2013 given in CMA No.2376/2013, “where the amount is charged on the Consolidated Fund or relates to the Public Accounts of the Federation or of the Provinces, the same may be audited by the Auditor- General without exception”.

TMA, Johi, incurred an expenditure of Rs 50.290 million, during 2011-12, on account of various heads, but failed to access of record to audit, in violation of the above rules. Detail provided in Annexure-M.



Audit is of the view that due to non-provision of record authenticity of expenditure cannot be verified and chances of misappropriation of public funds cannot be ruled out.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit paras despite pursuance by audit.

Audit recommends fixing responsibility on account of non-provision of record.

[AIR Para: 12, 13]

## **1.2.7 Non-Compliance**

### **1.2.7.1 Non-Transparency in Government Spending - Rs 4.736 Million**

Rule 20 of the Staff Car Rules 1980, as amended in 2001, states that, “The log book, History Sheet, and Petrol Account Register shall be maintained for each official vehicle”.

TMA, Johi, incurred an expenditure of Rs 4.736 million, during 2011-12, on purchase of POL for official vehicles but the log books, history sheets and petrol account registers were not maintained to justify the expenditure, in violation of the above rule. Detail provided in Annexure-N.

Audit is of the view that expenditure incurred on POL without preparation of log books, history sheets and petrol consumption account resulted into non transparency in spending from public funds.

The expenditure on POL without justifying the expenditure through log books, history sheets and petrol consumption account constitutes weak financial management.

The matter was reported during June, 2013, but management failed to provide departmental point of view. The PAO failed to convene the DAC meeting to discuss audit Para despite pursuance by audit.

Audit recommends fixing responsibility for incurring expenditure without supporting record.

[AIR Para: 14]

## **ANNEXURES**

**Annexure-A****Memorandum for Departmental Accounts Committee (MFDAC) Paras**

(Amount in Rupees)

<b>Sr.</b>	<b>Name of Formation</b>	<b>AP No.</b>	<b>Subject</b>	<b>Amount</b>
1	TM, Dadu	8	Non-recovery of arrears from contracts.	472,510
2.	-do-	9	Non-deposit of tender forms fee in government account.	98,400
3.	-do-	10	Loss to government due to less affixing of stamp duty.	56,770
4.	-do-	17	Non recovery of professional tax.	44,500
5.	TMA Mehar	2	Unauthorized promotion of officers/officials beyond rules	Nil
6.	-do-	8	Non deduction of general sales tax.	144,234
7.	-do-	9	Non deposit of tender in government account.	967,500
8.	-do-	11	Non recovery of professional tax.	194,500
9.	-do-	12	Non deduction of income tax.	50,910
10.	-do-	14	Non-accountal of materials in the stock register.	901,460
11.	TMA Johi	6	Non deposit of tender forms fee in govt: account.	105,000
12.	-do-	7	Loss to govt: due Non- recovery of professional tax.	39,000
13.	-do-	15	Irregular payment difference cost of bitumen.	561,231

**Annexure-B****Detail of Non-Production of Record**

(Amount in Rupees)

<b>Name of Office</b>	<b>Head of A/c</b>	<b>Audit Period</b>	<b>Amount</b>
TMA Dadu	Pay roll	2011-2012	114,100,000
	Grant/welfare		9,195,000
	Recovery of loan from employees		8,200,000
<b>Total</b>			<b>131,495,000</b>

### Non-Transparency in Government Spending

(Amount in Rupees)

Sr.	V.No	Cheque/Date	To Whom Paid	Amount
1	19/1	0070912/13.3.12	Muhammadi Petroleum Service	463,139
2	19/2	0070912/13.3.12	Muhammadi Petroleum Service	647,155
3	19/3	0070912/13.3.12	Muhammadi Petroleum Service	380,301
4	18/1	0071604/18.6.12	Muhammadi Petroleum Service	902,820
5	18/2	0071604/18.6.12	Muhammadi Petroleum Service	796,761
6	18/3	0071604/18.6.12	Muhammadi Petroleum Service	427,371
7	20/1	61361377/16.12.11	Muhammadi Petroleum Service	235,305
8	20/2	61361377/16.12.11	Muhammadi Petroleum Service	624,512
9	20/3	61361377/16.12.11	Muhammadi Petroleum Service	578,075
10	20/4	61361377/16.12.11	Muhammadi Petroleum Service	203,515
11	19/1	61364321/5.1.12	Muhammadi Petroleum Service	360,526
12	19/2	61364321/5.1.12	Muhammadi Petroleum Service	312,354
13	19/3	61364321/5.1.12	Muhammadi Petroleum Service	303,816
14	8/1	0071580/8.5.12	Muhammadi Petroleum Service	639,987
15	8/2	0071580/8.5.12	Muhammadi Petroleum Service	767,998
16	8/3	0071580/8.5.12	Muhammadi Petroleum Service	412,315
<b>Total</b>				<b>8,055,950</b>

**Annexure-D**

**Unauthorized Expenditure**

(Amount in Rupees)

S.No	V.No	Cheque/Date	Supply order	To whom paid	Particulars	Amount Rs.
1	16/1	4633065/18.6.12	372/29.10.11	Mehran Paint,478/31.10.11	Socket 1FT 50@2000	100,000
2	16/2	4633065/18.6.12	372/29.10.11	Mehran Paint,480/31.10.11	Socket 1FT 50@2000	100,000
3	31/1	61364335/11.1.12	373/29.11.11	Kheerthar electric, 870/30.11.11	Sodium light 400Watt HPIT 80@1250	100,000
4	31/2	61364335/11.1.12	373/29.11.11	Kheerthar electric, 859/30.11.11	tube 400Watt HPIT 40@2500	100,000
5	31/3	61364335/11.1.12	373/29.11.11	Kheerthar electric, 860/30.11.11	tube 400Watt HPIT 40@2500	100,000
6	31/4	61364335/11.1.12	373/29.11.11	Kheerthar electric, 871/30.11.11	tube 400Watt HPIT 40@2500	100,000
7	31/5	61364335/11.1.12	373/29.11.11	Kheerthar electric, 865/30.11.11	tube 400Watt HPIT 40@2500	100,000
8	31/6	61364335/11.1.12	373/29.11.11	Kheerthar electric, 869/30.11.11	Sodium light 400Watt HPIT 80@1250	100,000
9	31/7	61364335/11.1.12	373/29.11.11	Kheerthar electric, 858/30.11.11	tube 400Watt HPIT 40@2500	100,000
10	31/8	61364335/11.1.12	373/29.11.11	Kheerthar electric, 856/30.11.11	Chok sodium 400 watt HPIT 25@4000	100,000
11	01/1	70897/2.3.12	37/14.1.12	Kheerthar electric, 790/16.1.12	Main switch 200 Ampere with earth plat, wsspirmurad	100,000
12	01/2	70897/2.3.12	37/14.1.12	Kheerthar electric, 792/16.1.12	Main switch 200 Ampere with earth plat, wsspirmurad	100,000
13	14/2	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Change over switch 500AMP	100,000
14	14/3	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Starter oil 2@45000, Volt meter 500A	100,000
15	13/4	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Main Switch 500 Ampere	100,000
16	14/5	61364318/3.1.12	Nil	Indus Machinery,603/10.9.11	Diesel Machine 16HP, frame set	100,000
17	14/6	61364318/3.1.12	Nil	Indus Machinery,607/10.9.11	Diesel Machine 16HP, frame set	100,000
18	14/7	61364318/3.1.12	Nil	Indus Machinery,604/10.9.11	Diesel Machine 16HP, frame set	100,000
19	14/8	61364318/3.1.12	Nil	Indus Machinery,602/10.9.11	Diesel Machine 16HP, frame set	100,000
20	14/9	61364318/3.1.12	Nil	Indus Machinery,601/10.9.11	Diesel Machine 16HP,	100,000

(Amount in Rupees)

S.No	V.No	Cheque/Date	Supply order	To whom paid	Particulars	Amount Rs.
					frame set	
21	14/10	61364318/3.1.12	Nil	Indus Machinery,606/10.9.11	Diesel Machine 16HP, frame set	100,000
22	14/11	61364318/3.1.12	Nil	Indus Machinery,605/10.9.11	Diesel Machine 16HP, frame set	100,000
23	02/2	70898/2.3.12	37/14.1.12	Kheerthar electric,770/16.1.12	Starter oil 3 phase, pirmurad	100,000
24	03/1	70899/2.3.12	37/14.1.12	Kheerthar electric,780/16.1.12	Motor 20HP for WSS pirmurad	100,000
25	03/2	70899/2.3.12	37/14.1.12	Kheerthar electric,783/16.1.12	Motor 20HP for WSS pirmurad	100,000
26	05/1	70901/2.3.12	156/27.2.12	Kheerthar electric,505/29.2.12	Purchase of street light material, tube sodium 400 watt,40@2500	100,000
27	05/2	70901/2.3.12	156/27.2.12	Kheerthar electric,800/29.2.12	Chok sodium 400 watt HPIT 25@4000	100,000
28	05/3	70901/2.3.12	156/27.2.12	Kheertharelectric,nil/29.2.12	Chok sodium 400 watt HPIT 25@4000	100,000
29	05/4	70901/2.3.12	156/27.2.12	Kheerthar electric,798/29.2.12	Chok sodium 400 watt HPIT 25@4000	100,000
30	05/5	70901/2.3.12	156/27.2.12	Kheerthar electric,501/29.2.12	Chok sodium 400 watt HPIT 25@4000	100,000
31	36/2	62047738/29.3.12	23/7.1.12	Kheerthar electric,782/10.1.12	Motor 20HP WSS Murkhpur	100,000
32	14/2	62047782/26.4.12	23/7.1.12	Kherthar electric,784/10.1.12	Motor 20HP for WSS Murkhpur	100,000
33	16/Nil	61355296/19.9.11	Nil	Indus Machinery,209/18.8.11	Canvass pipe 4" 6000FT@150,Nipple 4",40@2500	1,000,000
34	17/Nil	61355297/19.9.11	Nil	Indus Machinery,209/18.8.11	Diesel engine 16HP,4@100000,Foot walve 40 for 1lac,Engine 20HP,1@120k flunchetc	998,300
<b>Total</b>						<b>5,198,300</b>

**Annexure-E**

**Unauthorized Award of Works**

(Amount in Rupees)

Sr.	V.No	Cheque/Date	Supply/work order	To whom paid	Particulars	Amount
1	16/3	4633065/18.6.12	372/29.10.11	Mehran Paint,425/31.1.011	A/C pipe 1.5 3FT5@18850	94,250
2	16/1	4633065/18.6.12	372/29.10.11	Mehran Paint,402/31.1.011	A/C pipe 1.5 3FT5@18850	94,250
3	16/5	4633065/18.6.12	372/29.10.11	Mehran Paint,445/31.1.011	A/C pipe 1.5 3FT5@18850	94,250
4	01/1	61361395/28.12.11	378/30.11.11	Kherthar electric,890/1.12.11	Purchase of oil starter 3 phase for D/S Massan	99,000
5	01/2	61361395/28.12.11	378/30.11.11	Kherthar electric,891/1.12.11	Purchase of oil starter 3 phase for D/S Massan	99,000
6	01/3	61361395/28.12.11	378/30.11.11	Kherthar electric,892/1.12.11	Purchase of main switch 200 AMP for D/S Massan	95,000
7	14/12	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Canvass pipe 4" 200Ft@150, Foot walve 4" 10@2500,Rubber pipe4" 10FT 7@8000	99,000
8	14/13	61364318/3.1.12	Nil	Indus Machinery,nil/nil	Canvass pipe 4" 600FT@150	90,000
9	14/14	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Canvass pipe 4" 600FT@150	90,000
10	14/12	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Canvass pipe 4" 200Ft@150, Foot walve 4" 10@2500,Rubber pipe4" 10FT 7@8000	99,000
11	14/13	61364318/3.1.12	Nil	Indus Machinery,nil/nil	Canvass pipe 4" 600FT@150	90,000
12	14/14	61364318/3.1.12	Nil	Indus Machinery,nil/10.9.11	Canvass pipe 4" 600FT@150	90,000
13	09/1	61359633/8.10.11	119/14.4.2011	Mehran Paint, bill 151/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
14	09/2	61359633/8.10.11	119/14.4.2011	d0, 149/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
15	09/3	61359633/8.10.11	119/14.4.2011	d0, 145/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250



(Amount in Rupees)

Sr.	V.No	Cheque/Date	Supply/work order	To whom paid	Particulars	Amount
16	09/4	61359633/8.10.11	119/14.4.2011	do, 131/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
17	09/5	61359633/8.10.11	119/14.4.2011	do,141/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
18	09/6	61359633/8.10.11	119/14.4.2011	do, 139/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
19	09/7	61359633/8.10.11	119/14.4.2011	do, 118/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
20	34/1	61359669/14.10.11	119/14.4.2011	do, 137/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
21	34/2	61359669/14.10.11	119/14.4.2011	do, 147/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
22	34/3	61359669/14.10.11	119/14.4.2011	do, 111/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
23	34/4	61359669/14.10.11	119/14.4.2011	do, 133/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
24	34/5	61359669/14.10.11	119/14.4.2011	do, 121/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
25	34/6	61359669/14.10.11	119/14.4.2011	do, 129/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
26	34/7	61359669/14.10.11	119/14.4.2011	do, 108/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	96,000
27	34/8	61359669/14.10.11	119/14.4.2011	do, 982/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	100,000
28	18/1	61364320/5.1.12	372/29.10.11	do, 412/31.10.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
29	18/2	61364320/5.1.12	372/29.10.11	do, 437/31.10.11	Purchase of Material D/s massan a/c pipe 1.5" 13F 5@18880	94,250
30	18/3	61364320/5.1.12	372/29.10.11	do, 451/31.10.11	Purchase of Material D/s massan a/c pipe 1.5" 13F 5@18880	94,250
31	18/4	61364320/5.1.12	372/29.10.11	do, 433/31.10.11	Purchase of Material	

(Amount in Rupees)

Sr.	V.No	Cheque/Date	Supply/work order	To whom paid	Particulars	Amount
					D/s massan a/c pipe 1.5" 13F 5@18880	94,250
32	18/5	61364320/5.1.12	372/29.10.11	do, 430/31.10.11	Purchase of Material D/s massan a/c pipe 1.5" 13F 5@18880	94,250
33	18/6	61364320/5.1.12	372/29.10.11	do, 427/31.10.11	Purchase of Material D/s massan a/c pipe 1.5" 13F 5@18880	94,250
<b>Sub total</b>						<b>3,120,500</b>
1	11/1	71581/10.5.12	110/12.3.12	M.UsmanBahoto	Earth work at UC Piaro station P-I	85,490
2	11/2	71581/10.5.12	111/12.3.12	M.UsmanBahoto	Earth work at UC Piaro station P-II	85,490
3	11/3	71581/10.5.12	112/12.3.12	M.UsmanBahoto	Earth work at UC Piaro station P-III	85,490
4	11/4	71581/10.5.12	113/12.3.12	M.UsmanBahoto	Earth work at UC Piaro station P-IV	85,490
5	11/5	71581/10.5.12	114/12.3.12	M.UsmanBahoto	Earth work at UC Piaro station P-V	85,490
6	11/6	71581/10.5.12	115/12.3.12	M.UsmanBahoto	Earth work at UC Allahabad P-I	85,490
7	11/7	71581/10.5.12	145/19.3.12	M.UsmanBahoto	Earth work at UC Allahabad P-II	85,490
8	11/8	71581/10.5.12	146/19.3.12	M.UsmanBahoto	Earth work at UC Allahabad P-III	85,490
9	11/9	71581/10.5.12	147/19.3.12	M.UsmanBahoto	Earth work at UC Allahabad P-IV	85,490
10	11/10	71581/10.5.12	148/19.3.12	M.UsmanBahoto	Earth work at UC Allahabad P-V	85,490
11	11/11	71581/10.5.12	98/12.3.12	M.UsmanBahoto	Earth work at UC Patt P-I	85,490
12	11/12	71581/10.5.12	99/12.3.12	M.UsmanBahoto	Earth work at UC Patt P-II	85,490
13	11/13	71581/10.5.12	107/12.3.12	M.UsmanBahoto	Earth work at UC Patt P-III	85,490
14	11/14	71581/10.5.12	108/12.3.12	M.UsmanBahoto	Earth work at UC Patt P-IV	85,490
15	11/15	71581/10.5.12	109/12.3.12	M.UsmanBahoto	Earth work at UC Patt P-V	85,490
16	12/1	71582/10.5.12	188/24.4.12	HafeezRehman	Earth work at UC Monder P-I	85,490
17	12/2	71582/10.5.12	189/24.4.12	HafeezRehman	Earth work at UC Monder P-II	85,490
18	12/3	71582/10.5.12	190/24.4.12	HafeezRehman	Earth work at UC Monder P-III	85,490

(Amount in Rupees)

<b>Sr.</b>	<b>V.No</b>	<b>Cheque/Date</b>	<b>Supply/work order</b>	<b>To whom paid</b>	<b>Particulars</b>	<b>Amount</b>
19	12/4	71582/10.5.12	191/24.4.12	HafeezRehman	Earth work at UC Monder P-IV	85,490
20	12/5	71582/10.5.12	198/28.4.12	HafeezRehman	Earth work at UC Monder P-V	85,490
<b>Sub Total</b>						<b>1,709,800</b>
<b>Grand Total</b>						<b>4,830,300</b>

**Annexure-F****Unauthorized Payment**

(Amount in Rupees)

<b>Sr.</b>	<b>V.No</b>	<b>Cheque/Date</b>	<b>Supply order</b>	<b>To whom paid</b>	<b>Particulars</b>	<b>Amount</b>
1	09/1	61359633/8.10.11	119/14.4.2011	Mehran Paint, bill 151/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
2	09/2	61359633/8.10.11	119/14.4.2011	do, 149/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
3	09/3	61359633/8.10.11	119/14.4.2011	do, 145/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
4	09/4	61359633/8.10.11	119/14.4.2011	do, 131/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
5	09/5	61359633/8.10.11	119/14.4.2011	do,141/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
6	09/6	61359633/8.10.11	119/14.4.2011	do, 139/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
7	09/7	61359633/8.10.11	119/14.4.2011	do, 118/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
8	34/1	61359669/14.10.11	119/14.4.2011	do, 137/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
9	34/2	61359669/14.10.11	119/14.4.2011	do, 147/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
10	34/3	61359669/14.10.11	119/14.4.2011	do, 111/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250

(Amount in Rupees)

Sr.	V.No	Cheque/Date	Supply order	To whom paid	Particulars	Amount
11	34/4	61359669/14.10.11	119/14.4.2011	do, 133/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
12	34/5	61359669/14.10.11	119/14.4.2011	do, 121/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
13	34/6	61359669/14.10.11	119/14.4.2011	do, 129/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	94,250
14	34/7	61359669/14.10.11	119/14.4.2011	do, 108/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	96,000
15	34/8	61359669/14.10.11	119/14.4.2011	do, 982/16.4.11	Purchase of Material w/s main line a/c pipe 1.5" 13F 5@18880	100,000
16	36/1	61359674/15.10.11	163/12.3.11	ZahidRazastore,Nil/12.5.11	Pipe 8" 100ft for D/S Head quarter	95,000
17	36/2	61359674/15.10.11	179/17.5.11	ZahidRazastore,Nil/18.5.11	Pipe 12" 60Ft Band 3@5000 for D/S Massan	96,800
18	25/2	61361382/16.12.11	222/29.6.11	Mir jamali tyre,894/30.6.11	Purchase of tyre for MF-350,12-4-1128, 2@49500	99,000
19	25/3	61361382/16.12.11	222/29.6.11	Mir jamali tyre,889/7.6.11	Purchase of tyre for MF-350,12-4-1128, 2@49500	99,000
20	26/1	61355241/15.8.11	201/2.6.11	Super Autos, 376/3.6.11	Repair of Mazda, Clutch cylinder 6900, master cylinder 8900, etc	41,800
21	26/2	61355241/15.8.11	201/2.6.11	Super Autos, 790/1.6.11	Repair FB Hino, croo main shaft 13500, brake 15000, jack 7500 etc	58,000
<b>Total</b>						<b>1,910,850</b>

**Non-Achievement of Targeted receipts**

(Amount in Rupees)

<b>Description</b>	<b>Target</b>	<b>Recovery</b>	<b>Outstanding</b>
Katchi Piri fee	961,000	579,000	382,000
Water rate	460,000	110,040	349,960
Shop/Pakka piri rent	1,900,000	1,329,729	570,271
Road cutting charges	200,000	9,180	190,820
Arrears of shop rent/p.piri	2,100,000	428,809	1,671,191
Arrears of water supply	2,774,000	119,129	2,654,871
Arrears of W/S phulji	277,000	0	277,000
Arrears of Nali tax	1,400,000	3,648	1,396,352
Arrears of various lease	1,369,000	96,500	1,272,500
<b>Total</b>	<b>11,441,000</b>	<b>2676035</b>	<b>8,764,965</b>

## Non-Production of Record

(Amount in Rupees)

Name of Office	Head of A/c	Audit Period	Amount
TMA Mehar	Development work vouchers, MBs etc	2011-2012	120,900,000
	Grant/welfare		5,445,000
	CCB Share Expenditure		12,000,000
	Expenditure from CBO's grant		970,000
<b>Total</b>			<b>139,315,000</b>

## Annexure-I

### Non-Transparency in Government Spending

(Amount in Rupees)

Sr.	Cheque/Date	To whom paid	Description	Amount
1	Nil	Hyder petroleum, 73/nil	POL charges oil engine m/o Jan-12, 574@101.8	66,120
2	Nil	Hyder petroleum, 81/nil	POL charges Tractor m/o Jan-12, 651@101.8	71,353
3	Nil	Hyder petroleum, 72/nil	POL charges Dozer m/o Jan-12, 1703@101.8	178,739
4	Nil	Hyder petroleum, 71/nil	POL charges FB Small m/o Jan-12, 885@101.8	89,455
5	Nil	Hyder petroleum, 69/nil	POL charges FB Hino m/o Jan-12,670@101.8	73,123
6	Nil	Hyder petroleum, 77/nil	POL charges motor cycle m/o Jan-12,90@92.24	73,123
7	Nil	Hyder petroleum, 74/nil	POL refuser van m/o Jan-12, 704@101.8	82,210
8	Nil	Hyder petroleum, 78/nil	POL GL-7586 m/o Jan-12, 120@92.24	11,068
9	Nil	Hyder petroleum, 54/nil	POL charges Dozer m/o Feb-12 9 days, 470@105.72	59,088
10	Nil	Hyder petroleum, 58/nil	POL charges Tractor m/o Feb-12, 8 days, 275@105.72	35,473
11	Nil	Hyder petroleum, 60/nil	POL charges FB m/o Feb-12 9 days,388@105.72	48,069
12	Nil	Hyder petroleum, 59/nil	POL charges FB Hino m/o Feb-12 9 days,1080@105.72	123,477
13	161034/18.8.11	Hyder petroleum, 123/nil	POL charges FB Hino m/o june-11,2332@96.06	232,512
14	161034/18.8.11	Hyder petroleum, 125/nil	POL charges Dozer m/o june-11,1038@96.06	106,460
15	161034/18.8.11	Hyder petroleum, 126/nil	POL charges R van m/o june-11,650@96.06	69,489
16	161034/18.8.11	Hyder petroleum, 124/nil	POL charges Diesel engine m/o june-11,689@96.06	70,235
17	161034/18.8.11	Hyder petroleum, 131/nil	POL GL-7586 m/o June-11, 724@89.27	67,331
18	161034/18.8.11	Hyder petroleum, 127/nil	POL charges Tractor m/o june-11, 560@96.06	61,463
19	161034/18.8.11	Hyder petroleum,	POL charges Small FB m/o june-11, 575@96.06	60,634



(Amount in Rupees)

<b>Sr.</b>	<b>Cheque/Date</b>	<b>To whom paid</b>	<b>Description</b>	<b>Amount</b>
		128/nil		
20	161095/24.8.11	Hyder petroleum, 225/nil	POL charges Hino FB m/o july-11, 1362@94.20	133,700
21	161095/24.8.11	Hyder petroleum, 226/nil	POL charges Dozer m/o july-11, 810@94.20	80,652
22	161095/24.8.11	Hyder petroleum, 228/nil	POL charges R/Van m/o july-11, 350@94.20	46,970
			<b>Total</b>	<b>1 ,840,744</b>

### Non-Achievement of Targeted receipts

(Amount in Rupees)

Sr.	Description	Outstanding/Arrears
1	Sabzi piri fee	1,227,000
2	Leases contractors	1,822,000
3	Water supply	2,225,390
4	Cattle piri fee	34,000
5	Pacca piri fee	1,801,500
6	Allotment of shops	743,000
7	Sub office Radhan	325,056
8	Sabzi piri fee	887,296
9	Cattle piri fee	865,600
10	Temporary fee	185,680
11	Parking fee	50,000
12	Slaughter fee	400
13	Rent of water supply	260,600
14	Miscellaneous income	409,801
15	Tax on transfer	5,900
16	Tender fee	218,500
<b>Total</b>		<b>11,061,723</b>

**Annexure-K****Suspected Misappropriation**

(Amount in Rupees)

<b>Sr.</b>	<b>V.no</b>	<b>Cheque/Date</b>	<b>Description</b>	<b>Amount Rs.</b>
1	6	62408535/2.7.11	CNG charges for m/o june-11	655,433
2	6	62408548/11.8.11	CNG charges for GL-2124 m/o july-11	552,432
3	24	62408567/24.8.11	CNG charges for GL-2124 m/o Aug-11	500,535
4	7	62408592/4.9.11	CNG charges for m/o Sep-11	700,000
5	11	62418511/3.11.11	CNG charges for m/o Oct-11	595,552
6	5	62408522/1.12.11	CNG charges for m/o Nov-11	270,000
7	15	62415533/23.12.11	CNG charges for GL-2124 m/o Dec-11	270,000
8	7	62415554/1.2.12	CNG charges for GL-2124 m/o Jan-12	270,000
9	7	62415573/1.3.12	CNG charges for m/o Feb-12	270,000
10	7	62415590/6.4.12	CNG charges for GL-2124 m/o Mar-12	270,000
11	Nil	62416507/3.5.12	CNG charges for m/o Apr-12	270,000
12	Nil	Nil	CNG charges for m/o May-12	270,000
13	19	62416535/29.6.12	CNG charges for m/o June-12	270,000
<b>Total</b>				<b>5,163,952</b>

**Suspected Embezzlement / Doubtful Expenditure on Demand Drafts**

(Amount in Rupees)

<b>Date</b>	<b>Instrument no</b>	<b>Amount</b>
23.12.11	62415533	270,000
2.2.12	62415554	270,000
1.3.12	62415573	270,000
6.4.12	62415590	270,000
3.5.12	62416507	270,000
11.6.12	62416522	270,000
<b>Total</b>		<b>1,620,000</b>

**Annexure-M****Non-Production of Record**

(Amount in Rupees)

<b>Name of Office</b>	<b>Head of A/c</b>	<b>AIR Para#</b>	<b>Audit Period</b>	<b>Amount</b>
TMA Johi	Tax recovery statements of all taxes.	12	2011-2012	1,667,000
	Contingent expenditure vouchers.			3,028,500
	Unforeseen expenditure details.			1,000,000
	Disaster management expenditure details.			2,000,000
	Pay roll/Establishment charges	13	42,594,170	
<b>Total</b>				<b>50,289,670</b>

## Annexure-N

### Non-Transparency in Government Spending

(Amount in Rupees)

Sr.	V.no	Cheque/Date	To whom paid	Description	Amount
1	7	62408537/2.7.11	Jamali petroleum Service	POL Charges FB, Van, Tractoretc m/o june-11	290,000
2	7	62408549/11.8.11	Jamali petroleum Service	POL Charges FB, Van, diesel engine etc m/o july-11	285,000
3	8	62408593/4.9.11	Jamali petroleum Service	POL Charges FB, Van, diesel engine, tractor etc m/o sep-11	550,000
4	1	62415501/1.11.11	Jamali petroleum Service	POL Charges FB, Van, diesel engine, tractor etc m/o oct-11	485,500
5	6	62408523/1.12.11	Jamali petroleum Service	POL Charges FB, Van, diesel engine, tractor etc m/o Nov-11	156,000
6	18	62415536/23.12.11	Jamali petroleum Service	POL Charges FB, Van, diesel engine, tractor etc m/o Dec-11	380,000
7	8	62415555/1.2.12	Jamali petroleum Service	POL Charges FB, Van, diesel engine, tractor etc m/o Jan-12	330,000
8	8	62415574/1.3.12	Jamali petroleum Service	POL Charges FB, Van, tractor etc m/o Feb-12	430,000
9	8	62415591/6.4.12	Jamali petroleum Service	POL Charges FB, Van, tractor etc m/o Mar-12	485,000
10	12	62416508/3.5.12	Jamali petroleum Service	POL charges m/o Apr-12	395,000
11	6	62416523/1.6.12	Jamali petroleum Service	POL charges m/o May-12	144,500
12	10	62416526/12.6.12	Jamali petroleum Service	POL Charges FB, Van, tractor etc	205,500
13	18	62416534/29.6.12	Jamali petroleum Service	POL charges m/o June-12	600,000
<b>Total</b>					<b>4,736,500</b>