



**AUDIT REPORT
ON
THE ACCOUNTS OF
DISTRICT GOVERNMENT
LAYYAH
AUDIT YEAR 2014-15**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

| | |
|------------|--|
| AA | Administrative Approval |
| ACL | Audit Command Language |
| B&R | Building & Road |
| BHU | Basic Health Unit |
| CD | Community Development |
| CLC | Community Literacy Center |
| C&W | Communication and Works |
| DAC | Departmental Accounts Committee |
| DCO | District Coordination Officer |
| DEO (EE-M) | District Education Officer (Elementary Education-Male) |
| DGA | Director General Audit |
| DO | District Officer |
| EDO | Executive District Officer |
| F&P | Finance and Planning |
| FCR | Final Completion Report |
| FD | Finance Department |
| ICR | Intermediate Completion Report |
| IPSAS | International Public Sector Accounting Standard |
| LG&CD | Local Government & Community Development Department |
| MB | Measurement Book |
| MFDAC | Memorandum for Departmental Accounts Committee |
| MS | Medical Superintendent |
| NAM | New Accounting Model |
| OFWM | On Farm Water Management |
| PAO | Principal Accounting Officer |
| PFR | Punjab Financial Rules |
| PLGO | Punjab Local Government Ordinance |
| POL | Petroleum Oil and Lubricants |
| PSC | Project Supervisory Consultants |
| RDA | Regional Director Audit |
| RHC | Rural Health Center |
| S&GAD | Services and General Administration Department |

| | |
|-----|---------------------|
| THQ | Tehsil Headquarters |
| TS | Technical Sanction |
| W&S | Works & Services |
| XEN | Executive Engineer |

Preface

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

The report is based on audit of the accounts of various offices of the District Government, Layyah for the financial year 2013-14. The Directorate General of Audit District Governments Punjab (South), Multan conducted audit during 2014-15 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 1.00 million or more. Relatively less significant issues are listed in the Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in case 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.

The Audit results indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to prevent recurrence of such violations and irregularities.

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

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

Islamabad

Dated:

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

EXECUTIVE SUMMARY

The Director General Audit (DGA), District Governments, Punjab (South), Multan, is mandated to carry out audit of City District Governments and District Governments in Punjab (South). The Regional Directorate of Audit, District Governments D.G.Khan, a field audit office of the DGA, District Governments, Punjab (South), Multan, carries out audit of District Governments Dera Ghazi Khan, Muzaffargarh, Layyah and Rajanpur.

The Regional Directorate has a human resource of 23 officers and staff consisting 3,939 mandays and the budget amounting to Rs 12.179 million was allocated in audit year 2014-15. The office is mandated to conduct regularity (financial attest audit & compliance with authority audit) on test check basis and performance audit of the projects / programmes with a view to reporting significant findings to relevant stakeholders for taking appropriate actions and measures where required.

The District Government, Layyah, conducts its operations under the Punjab Local Government Ordinance, 2001. The DCO is the Principal Accounting Officer of the District Government and carries out functions of the District Governments through group of offices as notified in PLGO. According to the Ordinance, the District Government Fund comprises District Local Fund and Public Account. Due to delay of electoral process Zila Nazim / Zila Council was not elected therefore the Annual Budget Statement was authorized by the DCO, who has been notified as Administrator by the Government of the Punjab in February, 2010.

District Layyah is administratively divided into three Tehsils namely Layyah, Karor and Chowbara.

Audit Objectives

Audit was conducted to ensure that:

1. Money shown as expenditure in the accounts was authorized for the purpose for which it was spent.
2. Expenditure incurred was in conformity with the laws, rules and regulations framed to regulate the expending of public money.

3. Every item of expenditure was incurred with the sanction of the competent authority in the Government.
4. Public money was not wasted.
5. The assessment and collection of revenue was made in accordance with the prescribed laws, rules and regulations and accounted for in the books of accounts of the District Governments.

a. Scope of Audit

Out of total expenditure of the District Government, Layyah for the financial year 2013-14, auditable expenditure under the jurisdiction of Regional Director Audit (District Governments), Layyah was Rs 4,647.582 million covering one PAO and 229 formations. Out of this, Regional Director Audit (District Governments), Layyah audited an expenditure of Rs 2,076.180 million which, in terms of percentage, is 45% of total auditable expenditure.

Total receipts of the District Government Layyah for the financial year 2013-14, were Rs 20.724 million. RDA D.G.Khan audited receipts of Rs 13.502 million which was 65% of total receipts.

b. Recoveries at the Instance of Audit

Recovery of Rs 65.969 million was pointed out by Audit out of which Rs 14.436 million was not in the notice of the management before audit.

However against the total recovery, an amount of Rs 49.128 million pertained to paras (over one million) drafted in this report, no amount of recovery has been made by the management till the time of compilation of this report.

c. Audit Methodology

Audit Methodology included Desk Audit which helped the Auditors in understanding the systems, procedures, environment of the entity and identification of high risk areas for additional compliance testing in the field. The Audit Command Language (ACL) was applied centrally on the Payroll part of appropriation accounts. On the spot examination and verification of record was also carried out in accordance with the applicable laws / rules and according to the INTOSAI auditing standards.

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

d. Audit Impact

A number of improvements in record maintenance and procedures have been initiated by the departments concerned, however audit impact in shape of change in rules could not be materialized as the Provincial Accounts Committee has not discussed audit reports pertaining to District Governments for the year 2014-15.

e. Comments on Internal Control and Internal Audit Department

The purpose of internal control system is to ensure effective operation of an organization. It consists of measures employed by the management to achieve its objectives, safeguard assets, ensure accuracy, timelines, reliability of financial and accounting information for decision making.`

One of the basic components of Internal Control System is Internal Audit, which is a tool for investigating and appraising the management about the efficiency and performance of various activities of the Department. In this regard Internal Audit has a significant role to play requiring proper assessment, effective monitoring and implementation of the policies, rules and regulations for achieving targets and objectives. Internal Control System reports directly to the PAO.

The District Government should ensure existence of:

- i) Effective internal control system;
- ii) Department procedures and manuals;
- iii) Delegation of powers;
- iv) Effective Management Information System;

It was noted that an internal auditor has not yet been appointed as required in terms of Section 115A of PLGO 2001. Therefore, internal control system is weak as evident from the following:

- Non-realization of recoveries, overpayments, government dues etc.
- Violation of applicable laws, rules and regulations, and government instructions.

- Audit observations were not timely responded by the auditee.

f. The key audit findings of the Report:

- i. There were two cases pertaining to misappropriation of Government money –Rs 3.847 million¹.
- ii. There was one case pertaining to non production of record –Rs 29.739 million².
- iii. There were twenty nine cases of irregular expenditure / payments and violation of rules / financial propriety amounting to Rs 464.340 million³.
- iv. There were thirteen cases of non-recovery of Government receipts/ overpayment amounting to Rs 49.128 million.⁴
- v. There was one case of poor performance of Govt. functionaries blocking the funds amounting to Rs 13.911 million.⁵
- iv. While analyzing the budget and expenditure, it was noticed that despite availability of budget in social and development sectors, funds were not utilized to the optimum.

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

¹Para 1.2.1.1, 1.2.1.2

²Para 1.2.2.1

³Para 1.2.3.1, 1.2.3.2, 1.2.3.3, 1.2.3.4, 1.2.3.5, 1.2.3.6, 1.2.3.7, 1.2.3.10, 1.2.3.13, 1.2.3.15, 1.2.3.16, 1.2.3.17, 1.2.3.18, 1.2.3.19, 1.2.3.20, 1.2.3.21, 1.2.3.24, 1.2.3.25, 1.2.3.26, 1.2.3.27, 1.2.3.30, 1.2.3.31, 1.2.3.34, 1.2.3.35, 1.2.3.36, 1.2.3.38, 1.2.3.39, 1.2.3.40

⁴Para 1.2.3.9, 1.2.3.11, 1.2.3.14, 1.2.3.22, 1.2.3.23, 1.2.3.28, 1.2.3.29, 1.2.3.32, , 1.2.3.33, 1.2.3.37, 1.2.3.41, 1.2.3.42, , 1.2.3.43

⁵Para 1.2.3.8

f. Recommendations

PAO / District Government is required to:

- i. Conduct physical stock taking of the fixed and current assets.
- ii. Comply with the Punjab Public Procurement Rules for economical and rational purchases of goods and services.
- iii. Inquiries be held and responsibility fixed for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. Efforts be made for expediting the realization of various Government receipts.
- v. Ensure establishment of internal control systems and proper implementation of the monitoring systems.
- vi. Take appropriate action against persons held responsible for nonproduction of record and ensure providing record to Audit.
- vii. Rationalize budget with respect to utilization.

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

(Rupees in Million)

| Sr. No. | Description | No. | Budget / Expenditure |
|---------|---|-----|----------------------|
| 1 | Total Entities (PAOs) in Audit Jurisdiction | 01 | 6,339.470 |
| 2 | Total formations in audit jurisdiction | 229 | 6,339.470 |
| 3 | Total Entities (PAOs) Audited | 01 | 4,647.582 |
| 4 | Total formations Audited | 28 | 4,647.582 |
| 5 | Audit & Inspection Report | 28 | - |
| 6 | Special Audit Reports | - | - |
| 7 | Performance Audit Reports | - | - |
| 8 | Other Reports (relating to District Government) | - | - |

Table 2: Audit Observations Classified by Category

(Rupees in Million)

| Sr. No. | Description | Amount placed under Audit Observation |
|--------------|----------------------|---------------------------------------|
| 1 | Asset management | - |
| 2 | Financial management | 513.468 |
| 3 | Internal controls | 3.847 |
| 4 | Others | 43.650 |
| Total | | 560.965 |

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 | Outlays Audited | - | 3296.462 | 295.733 | 85.654 | 18.149 | 3695.998 | 4865.260 |
| 2 | Amount Placed under Audit Observation/ Irregularities by Audit | - | 119.037 | 273.922 | 166.373 | 1.633 | 560.965 | 183.503 |
| 3 | Recovery Pointed out at the instance of Audit | - | 24.042 | 7.907 | 15.546 | 1.633 | 49.128 | 52.160 |
| 4 | Recovery Accepted / Established at the instance of Audit | - | - | - | - | - | - | 52.160 |
| 5 | Recovery realized at the instance of Audit | - | - | - | - | - | - | 0.644 |

* The amount mentioned against Sr. No. 1 in column of "Total" is the sum of expenditure and receipt whereas the total expenditure was Rs 3677.849 million.

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

| Sr. No. | Description | Amount Placed under Audit Observation |
|----------------|--|--|
| 1 | Violation of rules and regulations and violation of principle of propriety and probity in public operations. | 464.340 |
| 2 | Reported cases of fraud, embezzlement, thefts and misuse of public resources | 3.847 |
| 3 | Accounting errors (accounting policy departure from NAM ¹ , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements. | - |
| 4 | Quantification of weaknesses of internal control systems | - |
| 5 | Recoveries and overpayments, representing cases of established overpayment or misappropriations of public monies | 49.128 |
| 6 | Nonproduction of record | 29.739 |
| 7 | Others, including cases of accidents, negligence, non accountal of store etc. | 13.911 |
| Total | | 560.965 |

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

| Sr. No. | Description | Amount |
|----------------|--|---------------|
| 1. | Outlays Audited (Items 1 Table 3) | 3,695.998 |
| 2. | Expenditure on Audit | 0.246 |
| 3. | Recoveries realized at the instance of Audit | 0 |
| 4. | Cost-Benefit Ratio | 0 |

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

CHAPTER 1

1.1 District Government Layyah

1.1.1 Introduction:

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

The District Government is headed by Zila Nazim/ District Administrator. The District Government shall be competent to acquire, hold or transfer any property, movable and immovable, to enter into contract and to sue or be sued in its name through District Coordination Officer. The authority of the District Government comprises the management and control of offices of the departments which are decentralized or set up under the Ordinance. The District Government exercises such authority within the District in accordance with general policy of the Government. The District Government is responsible to the people and is mandated for improvement of governance and delivery of services within the ambit of authority decentralized under this Ordinance.

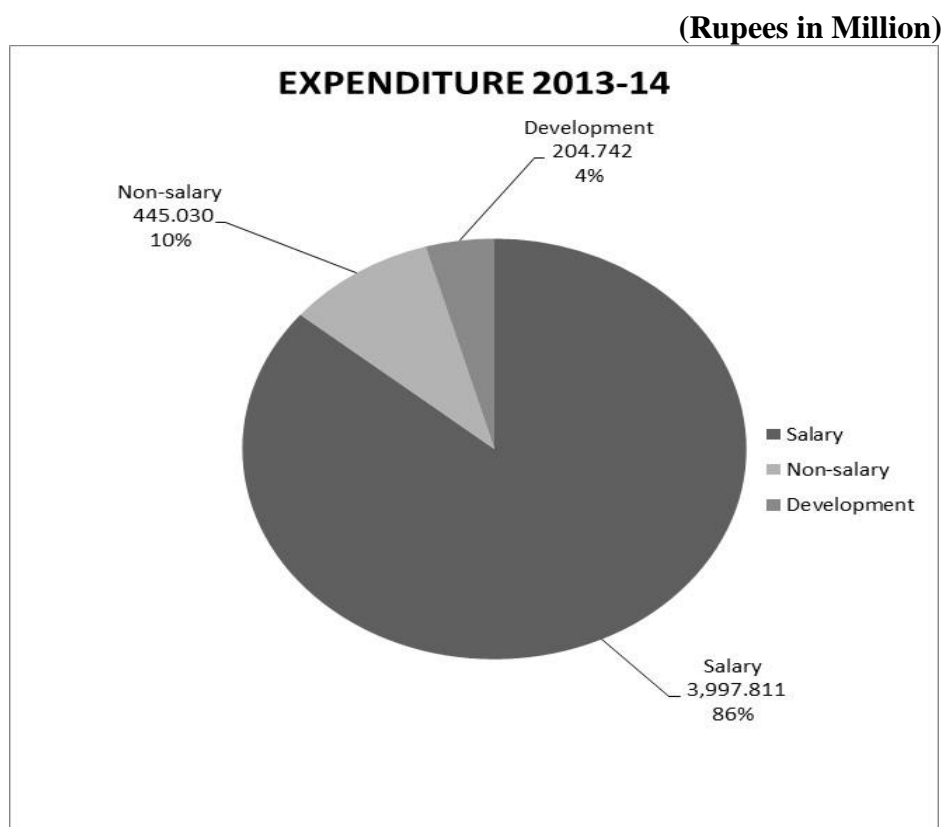
The DCO is the Principal Accounting Officer of the District Government and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the District Coordination Group of Offices is carried out in accordance with the laws and to coordinate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

1.1.2 Comments on Budget and Accounts

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

(Rupees in Million)

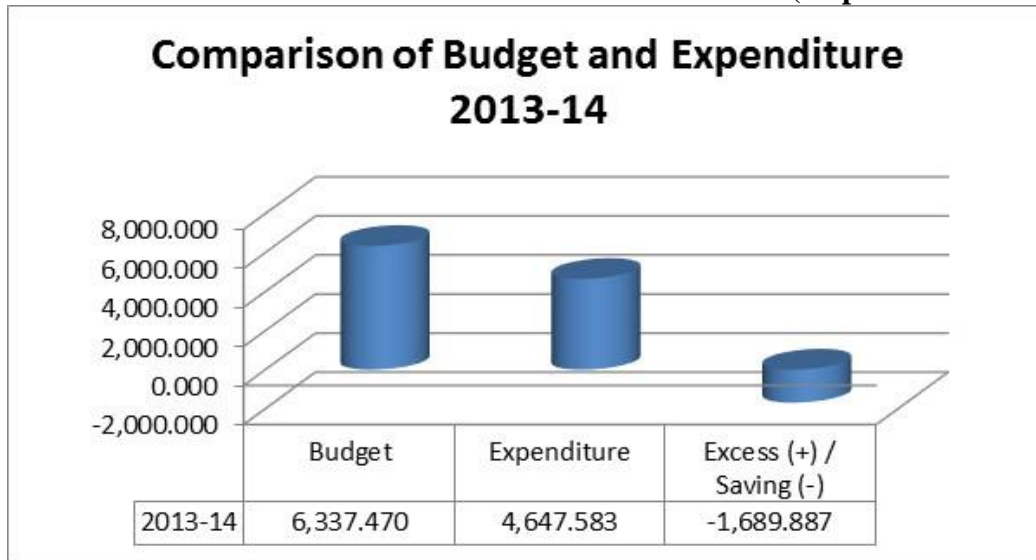
| 2013-14 | Budget | Actual | Excess (+) / Saving (-) | % (Saving) |
|----------------|------------------|------------------|----------------------------|---------------|
| Salary | 4,922.797 | 3,997.811 | -924.99 | -19% |
| Non-salary | 553.595 | 445.030 | -108.57 | -20% |
| Development | 863.079 | 204.742 | -658.34 | -76% |
| Total | 6,339.471 | 4,647.583 | -1,691.89 | -27% |
| Receipt | 26.138 | 20.724 | -5.414 | -21% |



As per the Appropriation Accounts 2013-14 of the District Government, Layyah, total original budget (Development and Non-Development) was Rs 6328.630 million, supplementary grant of Rs 10.840 million was provided and the final budget was Rs 6339.470 million. Against the final budget, total

expenditure of Rs 4647.582 million was incurred by the District Government during 2013-14. (Annex-B)

(Rupees in Million)

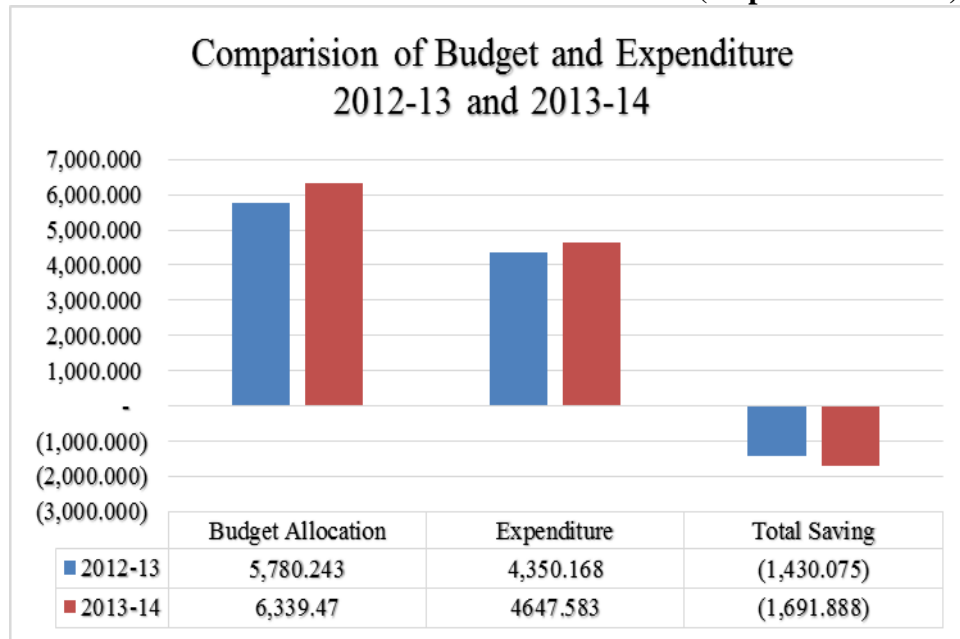


Due to inefficient financial management in release of budget by EDO (F&P), major portion of saving occurred as detailed below:

- (i) An amount of Rs 658.337 million(76%) remained unutilized under Grant 36 “Development” due to less development activities
- (ii) Excessive budget was blocked by allocating heavy amounts in Grant General Administration which resulted in saving of Rs 81.390 million (58%).

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

(Rupees in Million)



There was 22% and 21% increase in Budget Allocated and Expenditure respectively while there were overall savings of Rs 1,430.075 million during 2013-14.

1.1.3 Brief Comments on the Status of Compliance of MFDAC Audit Paras of Audit Report 2013-14

Audit paras reported in MFDAC (Annex-1) of last year audit report which have not been attended in accordance with the direction of DAC have been reported in part-II of annex-A

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab but have not been examined by the Public Accounts Committee.

Status of Previous Audit Reports

| Sr. No. | Audit Year | No. of Paras | Status of PAC Meetings |
|----------------|--|---------------------|-------------------------------|
| 1 | 2002-03 | 27 | Not convened |
| 2 | 2003-04 | 21 | Not convened |
| 3 | 2004-05 | 23 | Not convened |
| 4 | July 2005 to March 2008 Special Audit Report | 88 | Not convened |
| 5 | 2009-10 | 43 | Not convened |
| 6 | 2010-11 | 39 | Not convened |
| 7 | 2011-12 | 25 | Not convened |
| 8 | 2012-13 | 20 | Not convened |
| 9 | 2013-14 | 30 | Not convened |

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

1.2 AUDIT PARAS

1.2.1 Fraud / Misappropriations

1.2.1.1 Withdrawal of Salaries against Ghost Employees-Rs 2.484 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.

District Officer (Building) drawn an amount of Rs 2.484 million during 2013-14 on account of salary of work charged staff. Scrutiny of the bills revealed that the amount was fraudulently withdrawn from Government Treasury on account of salary of Work Charged staff shown as deputed at various Government buildings of District Layyah. While confirmed from the institutions, it was found that less or no person was deployed for work. Further the amount on account of salaries was drawn in cash which authenticate the misappropriation of Government money.

(Amount in Rupees)

| Work Charged Staff Deputed at | Bill drawn for number of employees | Actually work | Avg. salary Rate/ month | Amount |
|--------------------------------------|---|----------------------|--------------------------------|------------------|
| DHQ Hospital | 10 | 7 | 9,000 | 324,000 |
| THQ Hospital Karor and Agr.Ext. | 16 | 0 | 9,000 | 1,728,000 |
| THQ Hospital Chowbara and Agr. Ext | 8 | 4 | 9,000 | 432,000 |
| Total | | | | 2,484,000 |

Audit is of the view that due to weak financial management, the amount was drawn just performing the duties, and without actual appointment.

Fraudulent withdrawal of funds for Rs 2.484 million caused loss to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officers/officials concerned besides recovery of amount misappropriated.

[AIR Para: 10]

1.2.1.2 Misappropriation of POL-Rs 1.363 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.

Medical Superintendent Tehsil Head Quarter Hospital Kot Sultan District Layyah drawn Rs 1.363 million during 2013-14 on account of POL for generator. Scrutiny of the log book of the generator revealed that meter reading of the generator on 31.03.2014 was 6,295 hours. During physical verification on 01.04.2014 meter reading was found 3,570 hours. The difference 2,725(6,295-3,570) hours were shown extra and POL13,625 liters (2,725*5) valuing Rs 1,362,500 were misappropriated by showing extra usage of generator.

Audit is of the view that due to weak financial management the Government funds were misappropriated.

Misappropriation of Government money for Rs 1.363 million caused loss to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the concerned persons besides recovery of overpayments under intimation to audit.

[AIR Para: 1]

1.2.2 Non Production of Record

1.2.2.1 Non Production of Record – Rs 29.739 Million

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

The following DDOs incurred expenditure of Rs 29.739 million during 2013-14, but vouched accounts of the expenditure including cash book, vouchers, bank statements, sanction of the competent authority and stock registers were not produced for audit scrutiny in violation of the above rule.

(Amount in Rupees)

| Sr. No. | DDOs | Nature of Record | Amount |
|--------------|-----------------------------|----------------------------------|-------------------|
| 1. | Dy.DEO (M-EE) Karor | Vouched Account | 630,000 |
| 2. | Dy.DEO (M-EE) Karor | Purchase of furniture | 4,00,000 |
| 3. | District Officer(Health) | Vouched Account | 1,560,710 |
| 4. | Dy.DEO (W-EE) Layyah | Pay and allowance/ contingencies | 2,641,410 |
| 5. | DO (OFWM) | Vouched Account | 13,910,873 |
| 6. | DO (OFWM) | | 362,643 |
| 7. | DO (Road) | Log Book | 897,187 |
| 8. | Dy.DEO(EE-M) Chobara | Vouched Account | 315,275 |
| 9. | EDO (Education) | Contingent expenditure | 816,369 |
| 10. | MS THQ Hospital Choubara | Vouched Account | 3,273,628 |
| 11. | District Officer (Building) | | 1,567,475 |
| 12. | DEO (SE) | Log Book | 428,723 |
| 13. | DEO (SE) | Vouched Account | 285,126 |
| 14. | DEO (M-EE) | | 901,260 |
| 15. | DO Social Welfare | | 1,608,398 |
| 16. | SMO RHC Paharpur | | 301,127 |
| 17. | EDO F&P | | 238,484 |
| Total | | | 29,738,692 |

Audit is of the view that due to weak financial management, the auditable record was not produced for scrutiny.

Legitimacy of the expenditure for Rs 29.739 million could not be ascertained due to non production of record.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends production of record for audit scrutiny besides fixing of responsibility for non-production of record and disciplinary action in terms of Clause 14(3) of AGP Ordinance under intimation to audit.

[AIR Paras: 9,10,20,13,9,12,14,17,2,17,22,6,10,3,1,7,10]

1.2.3 Irregularities & Non Compliance

1.2.3.1 Purchase of Medicines through Rate Contract – Rs 95.657 Million

According to instructions issued by the Managing Director Punjab Procurement Regulatory Authority S&GAD vide letter No. MD (PPRA)12-21/2010, dated 01-10-2011, rate contract is not allowed.

The following DDOs of Health departments purchased medicines amounting to Rs 95.657 million during 2013-14, the rates of which were contracted and finalized by EDO (Health) unauthorizedly because rate contract was not allowed. Furthermore, the medicines were supplied to the EDO (Health) by the suppliers and subsequently issued to actual buyers.

(Amount in Rupees)

| Sr. No. | DDOs | Amount |
|--------------|----------------------------|-------------------|
| 1 | MS THQ Hospital Fatehpur | 3,088,898 |
| 2 | MS DHQ Hospital | 19,850,000 |
| 3 | DO (Health) | 19,809,794 |
| 4 | MS THQ Hospital Kot Sultan | 2,100,420 |
| 5 | MS THQ Hospital Karor | 3,352,772 |
| 6 | EDO (Health) | 43,040,000 |
| 7 | MS THQ Hospital Chowk Azam | 2,976,000 |
| 8 | MS THQ Hospital Chowbara | 1,479,066 |
| Total | | 95,656,950 |

Audit is of the view that due to weak internal controls, unauthorized procedure for the purchase of medicines was adopted by way of rate contract.

Procedure of rate contract was not allowed which resulted in unauthorized expenditure on purchase of medicines.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the persons at fault, besides regularization of expenditure from competent forum.

[AIR Paras: 2,1,4,2,19,8,12,5]

1.2.3.2 Unauthorized Advertisement of Schemes and Auction of Vehicles-Rs 69.624 Million

According to Rule 12(1), 25(1) and 30 of PPRA 2009, 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 and the date for opening of bids and the last date for the submission of bids shall be the same; and, bids shall be opened at the time specified in the bidding documents which shall not be less than thirty minutes after the closing time for the submission of the bids.

District Officer (Building) and District Officer (OFWM) advertised the tender for scheme of work for Rs 66.677 million and auction of vehicles for Rs 2.947 million during 2013-14. Scrutiny of tender document revealed that the advertisement was not advertised on PPRA website. No specific time/date for opening of technical as well as financial bid was mentioned. Financial proposals were opened just after the close of date of tender. Furthermore, the bid evaluation criteria was self-formulated and not clearly in the bidding document. The tender were without TS number, date and amount. All the member of District Tender Board were not present.

Audit is of the view that due to weak managerial control, the PPRA rules were not observed.

Non observance of PPRA rules caused in-transparent tendering and unauthorized expenditure for Rs 69.624 million.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned besides regularization of matter from the competent authority under intimation to audit.

[AIR Paras: 12,14]

1.2.3.3 Unauthorized Payment in Cash – Rs 59.084 Million

According to Finance Department letter No. NO. FD (FR) V-6/75 (P) dated 17.9.2008, all the payments exceeding Rs 100,000 should be made through crossed cheque. Furthermore, according to Clause 37(1) of Part VIII of Local Government Accounts Manual 2003, employees shall be paid by direct credit into their bank account and may apply to be paid by cheque.

Following DDOs made payment to suppliers and others amounting to Rs 59.084 million during 2013-14 in cash instead of direct credit or through crossed cheques as required in above quoted rule. The detail is as below:-

| (Amount in Rupees) | | | | |
|--------------------|----------------------------|---------------------|---------|-------------------|
| Sr. No. | DDOs | Description | Period | Amount |
| 1. | MS THQ Hospital Kot Sultan | Payment to supplier | 2013-14 | 937,417 |
| 2. | EDO (Health) | Contingencies | | 1,210,000 |
| 3. | Principal Nursing School | Stipend | 2009-14 | 56,535,471 |
| 4. | DO (Social welfare) | POL & Repair | 2010-14 | 401,456 |
| Total | | | | 59,084,344 |

Audit is of the view that due to weak financial management, miscellaneous cash payments were made, instead of direct credit or through crossed cheques.

Making payments in cash to payees instead of cheques, resulted in unauthorized payments for Rs 59.084 million.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for non observance of rules, besides regularization of the expenditure from the competent authority.

[AIR Paras: 3,17,6,7]

1.2.3.4 Mis-Procurement of Medicines and Education Material- Rs 57.734 Million

According to Rule 28 and 30 of Punjab Procurement Rules 2009, the date for opening of bids and the last date for the submission of bids shall be the same.

Bids shall be opened at the time specified in the bidding documents. The bids shall be opened publically in the presence of the bidders or their representatives at the time and place announced prior to the bidding. All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents and no evaluation criteria shall be used for evaluation of bids that had not been specified in the bidding documents.

Following DDOs made payment of Rs 57.734 million to various suppliers on procurement of medicines and educational material during 2013-14, without complying with the prescribed procedure. The procurement of medicines and educational material was advertised on PPRA website without mentioning specific time/date for opening of technical as well as financial bid. Financial proposals were opened just after the close of date of tender. Furthermore, the bid evaluation criteria was self-formulated and not clearly in the bidding document. Further in case of EDO (Education) various items of science material was required as made of China, Germany and USA while no dealership/distribution certificate of suppliers was on the record.

(Rupees in Million)

| Sr. No. | DDO | Amount |
|--------------|----------------|---------------|
| 1 | EDO(Education) | 16.734 |
| 2 | EDO(Health) | 41.000 |
| Total | | 57.734 |

Audit is of the view that due to weak financial management, procurement was made without compliance of prescribed procedure.

Non observance of advertisement rules caused in-transparent tendering and unauthorized expenditure for Rs 57.734 million.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for procurement of stores without observing the PPRA Rules besides regularization of expenditure from competent authority.

1.2.3.5 Drawl of Pay without Sanctioned Posts-Rs 51.956 Million

According to Delegation of Financial Power Rules 2006, the power to create posts rest with the Administrative Department subject to the concurrence of Finance Department. Further according to Rule 5.11(C) of PFR Vol-1, all order creating or abolition the permanent or temporary posts should at once be communicated, by letter, to the Accountant General/District Accounts Office.

Following DDOs of various Departments allowed payment of Rs 51.956 million on account of pay and allowance during 2013-14. On comparing the SAP system payroll with the sanctioned posts in the budget book dully approved by the competent authority, it was noticed that employees were drawing pay and allowances in excess of sanctioned posts. The drawl of pay and allowances was un-authorized as same was not sanctioned in the budget.

(Amount in Rupees)

| Sr. No. | DDOs | BPS | No. of Excess drawn | Amount |
|--------------|----------------------------|-----|---------------------|-------------------|
| 1 | DO (Livestock) | 17 | 2 | 934,104 |
| | | 18 | 1 | 1,053,744 |
| 2 | Dy. DEO (EE-M) Chowbara | 9 | 95 | 19,253,460 |
| | | 12 | 3 | 1,098,792 |
| | | 14 | 49 | 23,173,080 |
| | | 16 | 5 | 3,390,000 |
| | | 18 | 2 | 1,687,200 |
| 3 | EDO (Education) | 2 | 1 | 173,340 |
| | | 7 | 1 | 301,572 |
| | | 16 | 1 | 662,844 |
| | | 14 | 1 | 228,192 |
| Total | | | | 51,956,328 |

Audit is of the view that due to weak financial controls, the payment of pay and allowance allowances without sanction post was made

Payment of salaries without sanctioned post resulted in unauthorized expenditure for Rs 51.965 million.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that matter may be investigated besides regularization of the expenditure from competent authority under intimation to audit.

[AIR Paras: 13,19,20]

1.2.3.6 Appointments of Underqualified Teachers–Rs 33.439 Million

According to Govt. of Punjab, Services General Administration and Information Department Notification No.SOR-III-1-20-95 dated 01.02.1997, the prescribed qualification for the post of P.T.C Teacher was amended / enhanced as F.A/F.Sc. with Primary Teacher Certificate (PTC) from recognized Institution. Further as per PC-1 of Punjab Accelerated Functional Literacy & Non-Formal Basic Education Department, minimum qualification of CLC(Community Learning Center) teacher will be matric with skill diploma in relevant field.

The following DDOs of Education Department, appointed PTC and CLC teachers without observing the basic / requisite qualification i.e F.A / F.Sc with Primary Teacher Certificate for PTC and Matric with relevant skill diploma for CLC. It resulted in unauthorized appointments and payment of salaries Rs 33.439 million.

(Amount in Rupees)

| Sr. No. | DDOs | Designation | No. of teachers | Period | Amount |
|----------------|----------------------------|--------------------|------------------------|-----------------------|-------------------|
| 1 | Dy. DEO (W-EE) Layyah | PTC | 16 | 12.2.97 to 30.6.14 | 31,943,974 |
| 2 | EDO Education | CLC | 12 | 07.01.14 30.06.14 | 360,000 |
| 3 | Dy. DEO (W-EE) Choubara | PTC | 1 | 13.2.97 to 30.6.14 | 1,134,850 |
| Total | | | | | 33,438,824 |

Audit is of the view that due to negligence of Education Department, unauthorized appointments were made.

Appointments of teacher having qualification below than the prescribed resulted in payment of salaries for Rs 33.429 million as unauthorized.

Audit is of the view that the appointment of underqualified teachers caused loss in the shape of improper grooming of students.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the person concerned, besides regularization of appointments from the competent forum.

[AIR Paras:1,3,9]

1.2.3.7 Expenditure beyond Competency-Rs 21.781 Million.

According to Sr. No 14 of (Special Powers to Agriculture Department) Delegation Of Financial Powers Rules 2006, DO (OFWM) is competent to sanction the expenditure on purchase of material to be used on works (each water course to be considered as an independent work) up to Rs 0.300 million in each case.

District Officer (On Farm Water Management) issued sanction orders for the purchase of material i.e. bricks, cement, sand etc., for the construction of water courses by the water users associations amounting to Rs 21.781 million during 2013-14. Whereas the sanction orders issued were beyond the competency of said officer. Furthermore, the expenditure was split up to avoid the sanction from next higher authority. (Annex-C)

Audit is of the view that due to weak financial controls, the expenditure was incurred without proper sanction.

The incurrence of expenditure without sanction from the competent authority resulted in unauthorized payment for Rs 21.781 million.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned besides regularization of expenditure with the sanction of competent authority.

[AIR Para: 1]

1.2.3.8 Blockage of funds due to non-Completion of Water Courses - Rs.13.911 Million

According to Section 16(3) of PLGO 2001, the District Government shall be responsible to the people and the Government for improvement of governance and delivery of services within the ambit of the authority decentralized to it.

District Officer (OFWM) Layyah paid an amount of Rs 13,911 million during 2013-14 as Intermediate Completion Report (ICR)-I & ICR-II to following water courses. But Final Completion Reports (FCR) were not submitted and work done was not verified by the PSC engineer. The said water courses could not be completed even after lapse of considerable time. The detail is as below:

| | | | (Amount in Rupees) |
|------------------|---------|------------------------|--|
| Water Course No. | Village | Nature of Water course | Amount paid as ICR-I and ICR-II during 2013-14 |
| 9343/L | 345/TDA | Regular | 1,856,000 |
| 24795/L | 301/TDA | | 1,517,000 |
| 9631/R | 438/TDA | Additional | 1,687,000 |
| 12005/R | 435/TDA | | 1254,872 |
| 66900/L | 160/TDA | | 1,097,000 |
| 44518/R | 420/TDA | | 1,050,000 |
| 15467/L | 318/TDA | | 1151,000 |
| 27756/R | 366/TDA | | 936,250 |
| 43850/R | 325/TDA | | 553,000 |
| 61086/R | 270/TDA | | 1,294,500 |
| 8435/R | 253/TDA | | 1,197,000 |
| 59600/R | 115/TDA | | 1,367,250 |
| Total | | | 13,910,873 |

Audit is of the view that due to weak internal controls, the amount released to the WUA was not perused.

Weak monitoring mechanism resulted in blockage of Government money for Rs 13.911 million.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that matter may be investigated and necessary steps should be taken up either for recovery or completion of water courses.

[AIR Para: 8]

1.2.3.9 Non Recovery of Departmental Charges-Rs 13.895 Million.

According to Appendix-V of CPW Code, 17% departmental charges should be recovered from the agency for which work was to be carried out.

Following Officers of (Works & Services) Department carried out the deposit work of agencies other than District Government. Departmental charges @ 17% of TS value was neither included in the estimate nor recovered from the client agencies which resulted loss to Rs 13.895 million during 2013-14 to the Government.

(Rupees in Million)

| Sr. No. | DDO | No. of schemes | Amount | 17% Departmental Charges |
|----------------|----------------|-----------------------|---------------|---------------------------------|
| 1. | DO (Roads) | 8 | 79.804 | 13.566 |
| 2. | DO (Buildings) | 1 | 1.936 | 0.329 |
| Total | | | | 13.895 |

Audit is of the view that due to weak financial control, 17 % departmental charges could not be recovered from development schemes.

Non recovery of departmental charges resulted in loss to Government for Rs 13.895 million.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office.

Audit recommends fixing of responsibility against the officers concerned besides recovery of the said amount from the client departments.

[AIR Paras: 10,18]

1.2.3.10 Unjustified Payment on account of Railway Crossing Charges- Rs 9.260 Million

According to Rule 8.5 of PFR Vol-I, every payment must bear the actual payees receipt.

District Officer (Roads) made advance payment of Rs 9.260 million, vide voucher No. 01 dated 04.02.2014 on account of maintenance charges of railway crossing, for dues outstanding up to 30.06.2014, without prior approval of Finance Department. Furthermore, the document containing the detail of period, agreement with Pakistan Railways, demand from the Pakistan Railways and acknowledgement of recipient was not on record.

Audit is of the view that due to weak financial management, expenditure was incurred without observing the codal requirement and scrutinizing the detail of claim.

The payment without observing the requirement resulted in unauthorized expenditure for Rs 9.260 million.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that the concerned record should be provided, besides regularization of the advance payment from the competent forum.

[AIR Para: 20]

1.2.3.11 Inadmissible Grant of Conveyance and House Rent Allowance -Rs 7.529 Million

According to clarification issued by the Government of Punjab, Finance Department vide letter No. FD.SR.1.9-4/86 (P) (PR) dated 04.12.2012, Sr. No. 4,

the employees who are residing in the residential colonies situated within work premises are not entitled to the facility of conveyance allowance.

The DDOs of different departments allowed inadmissible Conveyance Allowance and House rent allowance during 2013-14 to the employees who were residing in the designated quarters/accommodations of hospital colony, which resulted in unauthorized and excess payment of Rs 7.529 million. (Annex-D)

Audit is of the view that due to weak financial controls, unauthorized allowance was paid.

Inadmissible allowance to officers / officials resulted in loss to the Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of the overpaid amount on account of inadmissible Conveyance Allowance, besides exclusion of the pointed out allowances from the salary.

[AIR Paras: 14,11,4,1,14,7,3,3,5,5,6]

1.2.3.12 Regularization of Ad-hoc Appointments-Rs 7.016 Million

According to Rule 17 of Punjab Civil Servants (Appointment and Conditions of Service) rules 1974, initial appointments to posts in basic pay scales 1 to 15 and equivalent shall be made on the basis of examination or test to be held by the appropriate committee or board, as the case may be after advertisement of the vacancies in newspaper or in manner to be determined by the Government. Further according to Government of the Punjab letter No-SOR.II(S&GAD)-23/96 date 10-09-1996. The honorable Supreme Court of Pakistan in their judgments PLD 19991 SC-226 & PLD SC 35, have hold that ad hoc appointment cannot be regularized to detriment of the other civil servants. Seniority being a vested right cannot be altered except as provided in the rules. Therefore, it cannot be fixed in relaxation of relevant rules because it amounts to giving undue benefit of seniority to the juniors.

Service books of following employees, working under the Administrative control of DDO's of different department, revealed that they had been appointed on adhoc basis and further their services was regularized irregularly in violation of above quoted rule and paid irregular salaries amounting to Rs 7.016 million.

(Amount in Rupees)

| Sr. No. | DDO's | Name of employee | Period | Amount |
|--------------|------------------------------|------------------------------|---------------------|------------------|
| 1 | District Officer (Livestock) | Saeed Ahmad AI Tech BS-9 | 8.12.90 to 30.6.14 | 1,336,659 |
| | | Riaz Ahmad Stock Assist BS-9 | 17.6.89 to 30.6.14 | 1,365,782 |
| | | Falak Sher S Asst BS-9 | 25.6.89 to 30.6.14 | 1,364,192 |
| 2 | Dy.DEO (EE-M) Chobara | M Sadiq Ali PST P/S 379 | 30.05.88 to 30.6.14 | 1,554,035 |
| 3 | Dy.DEO (EE-W) Chobara | Yasmin Sadiq (PST) | 21.11.89 | 1,395,400 |
| Total | | | | 7,016,068 |

Audit is of the view that due to weak internal control and negligence of management, Adhoc appointment were regularized.

Regularization of Adhoc appointment resulted in payment of unauthorized salaries.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that irregular appointments may be got regularized with sanction of competent authority under intimation to audit.

[AIR Paras: 16,16,8]

1.2.3.13 Unauthorized Delayed Acceptance of Tenders-Rs 6.876 Million

According to (C&W) Department letter No.SOH-I(C&W)1-40/2000, dated 24th February, 2001, the time frame for acceptance of the lowest tender

with the Executive Engineer is within 12 days from the receipt, Superintending Engineer within ten days from the receipt of recommendation from XEN.

District Officer (Buildings) accepted following tenders of the schemes having TS value of Rs 6.876 million during 2013-14 after the lapse of time frame granted to the authority as per above quoted rule. So the acceptance of tender after the lapsed limit of time was unauthorized.

| (Rupees in Million) | | | | |
|---|-------------|-----------------|---------------------|--------------|
| Scheme | Tender date | Acceptance date | Accepting Authority | Amount |
| Establishment of GBPS in Model Village at Garan Balochan Wala | 13.4.2012 | 31.05.2012 | DO(Building) | 3.548 |
| Up gradation of GGPS to Middle level at 319/TDA | | 05.06.2012 | | 3.328 |
| Total | | | | 6.876 |

Audit is of the view that due to weak internal controls, the acceptance to the contractors were not granted in time allowed by the authority.

The acceptance of tenders after lapse of time limit resulted in unauthorized expenditure of Rs 6.876 million.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that irregularity may be condoned by regularization from the competent authority and compliance may be shown to audit.

[AIR Para: 19]

1.2.3.14 Unauthorized Withdrawal of HSRA/PCA and CA-Rs 6.427 Million

According to Government of Punjab, Health Department PMU,PHSRP NO.PMU/PSRP/G.1-06/61/1770-340, dated 16.03.2007, the doctors and other staff posted at RHC & BHU and performing duties somewhere else, will not be entitled to Health Sector Reform Allowance. Further, vide letter No. PO (P&E-

I)19-113/2004(V) dated 10.3.2007, the Specialist Doctors drawing HSR allowance will be allowed only hospital based practice after duty hours. And as per Finance Department Notification No.SOX (H-I) 6-91 2004-1 dated 14-07-2008, Health Sector Reforms Allowance is not admissible to the staff proceeding on leave or not working in the concerned RHC / BHU. Further according to Letter No. SO. (WMO)MISC-/Allowance/10 dated 17-08-2010 Issued by the Health Department Government of the Punjab, all the staff who are undergoing their post grade training should be given Basic Salary and Regular Allowances

One hundred and ninety-eight (198) officers and staff under the administrative control of EDO (Health) drew Health Sector Reform Allowance, Practice Compensatory Allowance and conveyance allowance amounting to Rs 6.427 million during 2013-14, while working at other than actual place of posting, on leave, going on training, having private practice or posted where the said allowance was not admissible. The employees were not entitled to draw the said Allowances. (Annex-E)

Audit is of the view that due to weak financial controls, unauthorized allowances were paid, which resulted in loss to Government.

Inadmissible allowances to officers / officials caused excess payment and erroneous salary.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that overpaid amount on account of inadmissible allowances should be recovered, besides exclusion of the pointed out allowances from the salary of the next month.

[AIR Para: 9,7,13,14,15,7,1,12,13,14,4,11,15,20,24,26,8,10,14,3,4,11,13,10]

1.2.3.15 Unauthorized Payment of Salaries to Work Charged Employees-Rs 5.076 Million

According to Part-II of Delegation of Financial Power Rule 2006, the Executive Engineer has power to sanction work charge establishment upto Rs 8000/month. Further according to Government of Punjab Finance Deptt.

Letter No. FD (FR) II-2/89(P) dated 21st March 2009, conditions to be observed while sanctioning employment of work charged establishment (a) Provision exists in the sanctioned estimates: (b) The powers is exercised only when the order to commence the work has been received.

District Officer (Buildings) made payment of Rs 5.076 million during 2013-14, against the monthly salaries of work charged employees@ Rs 9,000 or more without approval from competent authority. Scrutiny of the bills revealed that the expenditure was charged to repair and maintenance instead of actual scheme. Further the payment were made in cash without maintaining the personal file of work charge employee.

Audit is of the view that due to mismanagement and financial indiscipline the payment was made to work charged establishment.

The payment of salaries paid to work-charged employees without execution of any scheme was unjustified and causing loss to Government exchequer.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for making payment against work charged employees without actual execution of work. Further the expenditure should be got regularized from the competent authority.

[AIR Para:11]

1.2.3.16 Expenditure on Repair and Maintenance Work-Rs 4.828 Million

According to Rule 9 of Punjab Procurement Rules 2009, “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 web site” Further according to B&R Code Para 2.82, no work shall be commenced unless

Administrative Approval by competent authority is given and properly detailed design and estimate have been sanctioned. Secondly according to FD letter No. RO(TECH)FD-1-2/83-VI dated 29-03-05 technical sanction be issued before inviting tenders, the particulars of technical sanction i-e amount, No. and date of orders of technical sanction be mentioned in the tender inviting notice as well as in the letter of acceptance of tender to be issued to the contractor.

District Officer (Roads) and (Buildings) executed the repair and maintenance work of roads and Building for Rs 4.828 million during 2013-14. The proposed procurement was neither advertised on the PPRA's web site nor in two national papers. Administrative approval was also not obtained from competent authority. In case of DO (Roads) schemes from Sr. No. 22 to 26 was executed in 2010 and finalized in 2011 but bills was submitted after lapse of 3 year i.e. 2014. In case of District Officer (Building) expenditure was split to avoid tendering and sanction of higher authority. A huge amount was drawn during June 2014 which shows that funds were drawn to avoid the lapse of funds. (Annex-F)

Audit is of the view that due to weak internal controls and negligence on the part of management, the stores were procure without advertisement and without administrative approval

Procurement of stores on quotations basis, resulted in uneconomical purchases and loss to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on officer concerned for procurement of stores without observing the Procurement Rules 2009 besides regularization of expenditure from competent authority.

[AIR Paras: 17,21]

1.2.3.17 Purchases of Medicines Excess than Requirement – Rs 4.811 Million

According to Government of Punjab Health Department notification No. SO (P-1)7-1/2010(Pt-1) dated 03.11.2010, For bulk purchase of medicines, all procurements be made keeping in view the past utilization of the same item and estimated availability of the budget and where, no past consumption data is available then, following parameters may be taken into consideration:

- i. Population and patient's attendance
- ii. Projected incidence of the disease
- iii. Standard treatment
- iv. Projected drug cost

District Officer (Health) incurred an expenditure of Rs 4.811 million on purchase of medicines during 2013-2014 without considering the requirements. The medicines were purchased in excess than the actual requirement. As detail in following table:

| (Amount in Rupees) | | | | |
|--------------------|-------------------------|-------|----------|------------------|
| Name of Firm | Name of Medicines | Rate | Quantity | Amount |
| Caylex Pharma | Tab. Meloxicam 15mg | 0.7 | 100,000 | 70,000 |
| | Tab.Deslarotadine 5mg | 0.8 | 300,000 | 240,000 |
| | Tab Esomeprazole 40 mg | 1.88 | 300,000 | 564,000 |
| | Tab Metclopamide 20 mg | 1.3 | 100,000 | 130,000 |
| | Tab Famotadine Chewable | 3.6 | 200,000 | 720,000 |
| | Syp. Azithromycin 250mg | 123.5 | 25,000 | 3,087,500 |
| Total | | | | 4,811,500 |

Audit is of the view that due to negligence of management, the medicines were purchased in excess of requirement.

The unjustified purchases made by the DDO in excess of requirement caused blockage of government money as well as loss to government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends disciplinary action against the officers concerned for making purchase of medicines in excess of requirement.

1.2.3.18 Expenditure beyond Technical Sanction-Rs 4.318 Million

According to Sr. No. 13 (ii) of Delegation of Financial Power Rules 2006 and amended up to march 2010, water management officer can accord technical sanction to estimate for construction of water courses up to 0.750 million in each case.

District Officer (OFWM) accorded technical sanction of Rs 4.318 million during 2012-14 for the water courses having TS value more than Rs 0.750 million which was beyond his financial power. The detail is as below:-

| (Amount in Rupees) | | | |
|--------------------|----------|-------------------------|------------------|
| W.C No. | Chak No. | Authority | Amount |
| 66900/L | 160/TDA | DO /WM/677 dt. 23.12.13 | 1,568,285 |
| 146836/R | 172/TDA | DO /WM/322 dt. 23.09.13 | 1,249,282 |
| 44518/r | 420/TDA | DO /WM/650 dt. 17.12.13 | 1,500,000 |
| Total | | | 4,317,567 |

Audit is of the view that due to weak internal financial controls, the technical sanction was given beyond competency.

According of technical sanction beyond competency resulted in unauthorized expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault besides regularization of expenditure with the sanction of competent authority.

[AIR Para: 2]

1.2.3.19 Unauthorized Drawl of Salaries by Computer Operators - Rs 4.171 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.

Following officer of Health departments paid an amount of Rs 4.171 million upto 30.06.2014 on account of pay and allowances to computer operators. Service of said computer operators were regularized in BS-12 whereas they were drawing pay and allowance of BS-15 unauthorizedly.

(Amount in Rupees)

| Sr. No. | DDO | No. of Employees | Overpayment |
|--------------|----------------------------|------------------|------------------|
| 1 | DO (Health) | 23 | 3,685,830 |
| 2 | MS THQ Hospital Kot Sultan | 1 | 181,233 |
| 3 | MS THQ Hospital Chowk Azam | 1 | 118,545 |
| 4 | SMO RHC Paharpur | 1 | 185,268 |
| Total | | | 4,170,876 |

Audit is of the view that due to weak internal controls, payment of salaries of computer operator at the higher pay scale was made.

Payment of salaries to computer operator at higher rate caused loss to Government.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the Officer concerned besides recovery of Government loss from the officials concerned.

[AIR Paras: 21,11,4,3]

1.2.3.20 Non-Credit of Lapsed Security Deposits–Rs 4.144 Million

According to Rule 12.7 of the Punjab Financial Rules Vol-I read with Section 399(1) of CPWA, all balances unclaimed for more than three complete account years will, at the close of June in each year, be credited to government by means of transfer entries as lapsed deposit.

District Officer (Roads) did not credited into government account the contractors security deposits for Rs.4.144 million during 2013-14 pending more than three years which resulted loss to Government.

Audit is of the view that due to weak internal control, a huge balance of lapsed securities was not credit into Government account.

The non crediting of lapsed securities resulted loss to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault beside credit of securities into Government revenue account.

[AIR Para: 15]

1.2.3.21 Payments without Detailed Measurements-Rs.4.047 Million

According to B & R Code Paragraph 4.5, No payment should be made without detail measurement in the measurement book. The description of the work must be lucid so as to admit of easy identification and check.

District Officer (Roads) allotted the work four schemes to Government contractors. The repair work amounting to Rs 4.047 million during 2013-14 was made in long length area but the record entries of the items which should have to be clear location/RD was not entered. The same record entries was made without mentioning of exact location RD wise and payment was made without considering the above quoted rule. (Annex-G)

Audit is of the view that due to weak internal financial controls payments were made without detailed measurement.

Payment without detailed measurement resulted in unjustified expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite

written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility against the persons at fault besides investigating the site for factual position.

[AIR Para: 1]

1.2.3.22 Purchase of Science Material on Higher Rates-Rs 4.030 Million.

According to Rule 10- A of PPRA Rules 2009, a procuring agency shall determine specifications in a manner to allow the widest possible competition which shall not favour any single contractor nor put others at a disadvantage. Rule 25 states that the bidding document shall include the detailed specifications and drawings of goods to be procured. Further Rule 33(2) requires that the procuring agency may, if necessary after the opening of the bids, seek and accept such clarifications of the bid as do not change the substance of the bid.

Executive District Officer (Education) purchased science material and made overpayment of Rs 4.030 million during 2013-14. Scrutiny of procurement documents revealed that the suppliers were asked for physical presentation of samples in tender advertisement instead of material specification. M/S Famous Traders quoted low rates from others bidders. Some of items from the bid of the M/S Famous Traders were approved whereas the others were rejected and reason was record as “No sample was provided”. Instead of giving him a chance as stated in Rule 33(2) in above para, the rates of higher bidders were approved which resulted in loss to the above stated extent to the Government.

Audit is of the view that due to weak financial management, the supplier of low bid was not given a chance to provide the samples or any clarification.

Non observance of PPRA rule resulted in uneconomical purchases.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned for along with recovery under intimation to audit.

[AIR Para:1]

1.2.3.23 Unauthorized Payment of Conveyance Allowance during Leave – Rs 3.553 Million

According to Rule 1.15 of the Punjab Traveling Allowance Rules, 1976 stipulates that Conveyance Allowance is not admissible during the period of leave of any kind or vacations. According to Government of the Punjab Education Department (School Wing) letter No. SO (S-III) 1-2-16/2007 dated 24.09.2007, no mobility allowance is admissible during the period of leave.

The following DDOs of Education Department allowed conveyance allowance to the teachers who were on leave with full pay (LFP) or Winter Vacation during 2013-14, which resulted in overpayment of Rs 3.553 million. The detail is given below:

| (Amount in Rupees) | | | |
|--------------------|-----------------------|---|---|
| Sr. No. | DDOs | Description | Amount |
| 1. | Dy.DEO (MEE) Karor | Conveyance allowance during winter vacation | 438,958 |
| 2. | Dy.DEO (W-EE) Layyah | | 901,053 |
| 3. | Dy.DEO (W-EE) Karor | | 451,045 |
| 4. | Dy.DEO (M-EE) Layyah | | 707,974 |
| 5. | GGMH school Layyah | | 50,808 |
| 6. | Dy.DEO (M-EE) Chobara | | 322,309 |
| 7. | Dy.DEO (W-EE) Chobara | | 198,394 |
| 8. | Dy.DEO (W-EE) Chobara | 180,500 | Conveyance allowance during summer vacation |
| 9. | Dy.DEO (W-EE) Layyah | 53,280 | |
| 10. | Dy.DEO (W-EE) Karor | 31,320 | |
| 11. | Dy.DEO (M-EE) Layyah | 94,300 | Conveyance allowance during Leave |
| 12. | Dy.DEO (MEE) Karor | 35,714 | |
| 13. | Dy.DEO (W-EE) Chobara | 87,132 | |
| Total | | | 3,552,787 |

Audit is of the view that due to weak financial controls and negligence of the management, inadmissible conveyance allowance was paid.

The payment of inadmissible conveyance allowance resulted loss of Rs 3.553 million to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that overpaid amount on account of conveyance allowance during leave should be recovered and deposited into Government Treasury.

[AIR Paras: 5,7,8,6,3,5,2,5,14,6,4,7,1]

1.2.3.24 Expenditure without Advertisement – Rs 2.982 Million

According to Rule 9 of Punjab Procurement Rules 2009, “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 web site”. Further according to Sr. No.02(b)(ii) of Delegation of Financial Power Rules 2006, the Officer in Category I and II was empowered to sanction expenditure on local purchase / addition to stores up to Rs 0.800 million during the financial year for one article or class of similar articles of stores.

The following DDOs purchased various items valuing Rs 2.982 million during 2013-14, without advertisement. The proposed procurement was neither advertised in advance on the PPRA’s website nor in two national newspapers. The officers incurred the expenditure on quotations basis by splitting the bills, to avoid sanction of the competent authority. The detail is given below:-

| (Amount in Rupees) | | | |
|--------------------|----------------------------|-------------------------------|------------------|
| Sr. No. | DDOs | Article | Amount |
| 1. | District Officer (Health) | Strychnine HCL | 100,000 |
| 2. | MS THQ Hospital Karor | Store item/LP medicine | 994,465 |
| 3. | MS DHQ Hospital | Oxygen/store item | 1,067,950 |
| 4. | MS THQ Hospital Chowk Azam | Bedding/ Clothing/X-Ray Films | 819,520 |
| Total | | | 2,981,935 |

Audit is of the view that due to weak financial controls, expenditure was incurred without considering codal requirements.

Procurement of stores without advertisement, splitting of bills and beyond competency resulted in unauthorized purchases.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officers concerned for procurement of stores without observing the Procurement Rules 2009 and uneconomical purchases, besides regularization from the competent authority.

[AIR Paras: 10,3,14,17]

1.2.3.25 Doubtful Issuance of Vaccine-Rs 2.927 Million.

According to Letter No.1(57) SO (B&E) L&DD/2008-09 issued by Government of the Punjab Livestock and Dairy Development Department dated 15-04-2009 that (Identification of Beneficiaries) target beneficiaries will be landless, widows, orphaned and destitute having 1-20 mixed livestock. A list of beneficiaries will be prepared with help of register of Food Stamp Scheme and Zakat Usher Committees of union councils. A card containing details of beneficiary himself and services and benefits availed will be issued to the beneficiaries. Complete record will be maintained at DLOs office.

District Officer Livestock issued vaccine valuing Rs 2.927 million during 2013-14, free of cost to various livestock holders without any registered beneficiaries and without preparing/maintaining the relevant record with consultation of register of food stamp scheme and zakat usher committees of union councils in violation of above quoted rule. The issuance of vaccine without any record found doubtful as per detail given below.

| (Amount in Rupees) | | | | |
|--------------------|-------------|------------|-------------|---------------|
| Period | Item | Qty | Rate | Amount |
| 2013-14 | HS Vaccine | 355,500 | 3 | 1,066,500 |
| | BQ Vaccine | 153,600 | 3 | 460,800 |
| | FMD Vaccine | 35,960 | 15 | 539,400 |

| Period | Item | Qty | Rate | Amount |
|---------------|--------------|------------|-------------|------------------|
| | ET Vaccine | 311,900 | 2 | 623,800 |
| | CCPP Vaccine | 85,000 | 0.5 | 42,500 |
| | SP Vaccine | 77,000 | 2 | 154,000 |
| | PPR Vaccine | 2,000 | 2 | 4,000 |
| | ND Vaccine | 360,000 | 0.1 | 36,000 |
| Total | | | | 2,927,000 |

Audit is of the view that due to negligence of management, the vaccine were issued to unregistered beneficiaries.

Issuance of vaccine to unregistered beneficiaries resulted in unauthorized expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends enquiring the matter to fix the responsibility on officer/official concerned for issuance of vaccine without observing the Government instructions.

[AIR Para: 3]

1.2.3.26 Payment of Salaries without Performing Duties-Rs 2.400 Million.

According to PC-I Punjab Accelerated Functional Literacy and Non Formal Basic Education Project issued by Literacy & Non formal Basic Education Department, Government of the Punjab, EDO Literacy will provide the Sewing and cutting Machine and embroidery machine and allied accessories to run the community learning centers for income saving and income generating skills.

Executive District Officer Education (Literacy Wing) paid an amount of Rs 2.400 million on account of pay to 80 CLC teachers on establishing 40 Community Learning Centers in the District during 2013-14. But the necessary machines and allied accessories were neither provide and nor purchased during the

financial year. Due to non availability of necessary machinery and equipment teachers withdrew the salaries without performing duties.

Audit is of the view that due to weak financial control and negligence of the management, the payment of salaries without performing duties were paid.

The payment of salaries without performing duties were unauthorized.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing the responsibility and recovery of unauthorized payment.

[AIR Para: 6]

1.2.3.27 Purchase of Medicines from Un-Registered Supplier-Rs 2.250 Million.

According to Rule 29 of Punjab Procurement Rules 2009, procuring agencies shall formulate an appropriate evaluation criterion listing all the information against which a bid is to be evaluated.

Executive District Officer (Health) and District Officer (Livestock) made advertisement for purchase of medicines amounting to Rs 2.250 million during 2013-14, stating the bidder should have manufacturing/distribution license registered with the Health Department. However as per detail given in annex, suppliers/distributors submitted their technical proposals without the said license or expired license. The award of contract to unregistered supplier resulted in unauthorized purchases. (Annex-H)

Audit is of the view that due to negligence of management, contract was awarded to unregistered supplier.

The purchase of medicine from a supplier not registered with the Health department was violation of rule.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite

written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit requires that expenditure under observation may be got regularized with the sanction of competent authority under intimation to audit.

[AIR Paras: 8,11]

1.2.3.28 Unauthorized Payment of Merit Scholarships-Rs 2.088 Million

According to PC-I for Internal Merit Scholarships 2006-09 & Government of Punjab, Education Department vide letter No. SO(ADP) MISC-198/2004 dated 04-01-2007, the detail of scholarship is as below:-

| No. of Scholarships | Amount For one Year | Amount for three Year | Rate P/M |
|---------------------|----------------------|--------------------------|----------|
| 145 | 696,000 (145*400*12) | 2,088,000 (145*400*12*3) | @400 P/M |

District Education Officer (MEE) withdrawn and paid 870 No. of scholarships for three year 2006-09 instead of 435 as per above mentioned instruction, due to which the scholarships was overdrawn Rs 2.088 million. Further the acknowledgement of same was also not produced. The detail is below:

(Amount in Rupees)

| Year | No. of Scholarships Given | No. of Scholarships Allowed | Budget for one Year | Amount Paid |
|-------------------|---------------------------|-----------------------------|--------------------------|------------------|
| 2007 | 145 | 145 | (145X400X12) =696,000 | 696,000 |
| 2008 | 290 (145+145) | 145 | 696,000 | 1392000 |
| 2009 | 435 (145+145+145) | 145 | 696,000 | 2088000 |
| Total for 2006-09 | 870 | 435 | 2,088,000 | 4,176,000 |
| Over Drawn | 435 | - | | 2,088,000 |

Audit is of the view that due to weak financial management, the scholarship in excess of allowed limit was paid.

The payment beyond the specified limit resulted in unauthorized expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that matter may be enquired and responsibility may be fixed at person besides recovery.

[AIR Para: 1]

1.2.3.29 Non deduction of G.P Fund, B. Fund and Group Insurance—Rs 2.035 Million

According to Rule 4.17 of Punjab Treasury and Subsidiary Rules 1988, The duty of noting the proper deductions to be made from pay bills on account of funds and other deductions, e.g. rents of Government residences, Fund subscription, etc. devolves on the drawers of the bills as such deductions should be recovered by stoppages from pay and consequent short drawings from the Treasury.

The following DDOs did not make mandatory deductions on account of G.P Fund, Benevolent Fund and Group Insurance from the salaries of the regular employees during 2013-14 which resulted in loss of Rs 2.035 million.

(Amount in Rupees)

| Sr. No. | DDOs | Amount |
|----------------|--------------------------|------------------|
| 1. | Dy. DEO (EE-M) Karor | 100,000 |
| 2. | Dy. DEO (EE-W) Layyah | 160,285 |
| 3. | Dy. DEO (EE-W) Karor | 156,968 |
| 4. | Dy. DEO (EE-M) Layyah | 1,097,430 |
| 5. | MS THQ Hospital Karor | 135,828 |
| 6. | Dy. DEO (EE-M) Choubara | 195,312 |
| 7. | MS THQ Hospital Choubara | 189,372 |
| Total | | 2,035,195 |

Audit is of the view that due to weak financial controls, mandatory deductions were not made from the monthly salary of the teachers / officials.

Non recovery of mandatory deduction resulted in unauthorized expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that mandatory deductions should be made from the monthly salary of teachers / officials.

[AIR Paras: 4,4,5,3,9,3,3]

1.2.3.30 Un-authorized Revision of TSE – Rs 1.960 Million

According to Rule 2.7 of B&R Code, the procedure of the revision of administrative approval will also apply to modifications of the proposals originally approved, if likely to necessitate the eventual submission of a revised estimate, to material deviations from the original proposals even though the cost of the same may possibly be covered by savings on other items, and to cases where the detailed estimates, when prepared, exceed the amount administratively approval by more than 5%. Para 5.19 of B&R Code, no excess over a revised estimate can be sanctioned without concurrence of the Finance Department.

District Officer (Roads) Layyah enhanced and execute the scheme from 1.000 million to 2.960 million i.e. upto 296% during 2013-14. Neither the schemes was administrative approval was revised from the competent authority nor was the sanction of excess over revised estimates obtained from Finance Department. The detail is below.

(Rupees in Million)

| Name of work | TS Amount | Qty as per revised TS estimate | Difference | Remarks |
|---|------------------|---------------------------------------|-------------------|----------------|
| Special repair of metaled road from chak No. 438/TDA to Hayat minor | 1.000 | 2.960 | 1.960 | 296% excess |

Audit is of the view that due to weak internal control, the work were enhance and executed without obtaining administrative approval.

Enhancement and execution of schemes without observing codal requirements resulted in unauthorized expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility against the officer concerned besides the regularization of expenditure with the sanction of Finance Depart under intimation to audit.

[AIR Para: 18]

1.2.3.31 Unauthorized Payment for Non Schedule Items-Rs 1.858 Million

According to Government of Punjab Communication and Works Department letter No.P.A/SECY(C&W)/2008 dated 17.11.2008, the tendency of usage of non-schedule item is curbed and only such items are included without which an important component of building is likely to adversely suffer. Superintendent Engineer will prepare cost estimate of non-schedule items to reduce/eliminate the non schedule items as for as possible.

District Officer (Buildings) granted technical sanction, schemes were advertised, acceptance was issued to contractors and payments on accounts of non schedule items amounting to Rs 1.858 million during 2013-14, were made without necessary approval from the competent authority. (Annex-I)

Audit is of the view that due to weak financial management, the payments were made even without seeing the necessary approval.

Enhancement and execution of schemes without observing codal requirements resulted in unauthorized expenditure.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer/official concerned besides regularization of expenditure form the competent authority.

[AIR Para: 6]

1.2.3.32 Purchase of Medicines on Higher Rates than Adjacent Districts- Rs 1.786 Million

According to Clause 9 of purchase contract for the financial year 2012-13 finalized by EDO (Health) Layyah, the supplier will furnish certificate to the effect that the rates are not more than the prices charged from any other Government Office / Institutions in the provinces and in case of any discrepancy detected, the amount over charged will be recovered from the contractor along with further proceeding.

Following DDOs of Health Department purchased the medicine under the rate contract awarded by the Executive District Officer (Health). As compared to the adjacent District the higher rates were approved as compared to other purchasing entities of medicines in the same financial year for the same articles of medicine which resulted loss to the Government for Rs 1.786 million during 2013-14.

| (Rupees in Million) | | |
|----------------------------|---------------------------|---------------|
| Sr. No | DDO | Amount |
| 1 | EDO(Health) | 1.190 |
| 2 | MS DHQ Hospital | 0.321 |
| 3 | MS THQ Hospital Chowkazam | 0.078 |
| 4 | MS THQ Hosptial Kotsultan | 0.197 |
| Total | | 1.786 |

Audit is of the view that due to weak financial management, the medicines were purchased at higher rate than adjacent district.

Due to purchase of medicine on higher rate, Govt. has to sustain a loss.

The matter was reported to DCO and DDOs concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility for the act of loss to Government besides recovery from the officer/official involved.

[AIR Paras: 4,13,9,8]

1.2.3.33 Delayed completion of work not penalized-Rs 1.651Million

According to Clauses 37 and 39 of the Contract Agreement of C&W Department, the contractor shall pay as compensation an amount up to 10 % of the estimated cost of work if the work is not completed within stipulated period of time. Moreover, Government of the Punjab, C&W Departments letter dated 20.04.2009 stipulates that a copy of the extension order shall be endorsed to the Superintending Engineer, Chief Engineer and Special Secretary C&W, for their information and record.

The following DDOs working under the administrative control of EDO (Works & Services), allotted (7) development projects to different contractors for Rs 1.651 million. The contractors did not work at the desired pace and abnormally delayed completion of the projects, in violation of terms of agreement. The District Officers did not take appropriate action to improve the pace of work. The contractors were also granted undue favour and penalty up to 10% of contract price amounting to Rs 1.651 million during 2013-14, was not imposed on the concerned contractors, despite the fact that in most of the cases, they were neither granted time extension nor were their requests for the same on record in violation of above rules.

(Amount in Rupees)

| Sr. No. | DDOs | No. of scheme | Amount |
|----------------|-------------|----------------------|---------------|
| 1 | DO (Roads) | 1 | 823,548 |

| | | | |
|--------------|----------------|---|------------------|
| | | 1 | 208,578 |
| 2 | DO (Buildings) | 5 | 619,400 |
| Total | | | 1,651,526 |

Audit is of the view that due to ineffective internal controls on part of the department, penalty was not imposed on the contractor.

Due to non- imposition of penalty on contractor, loss was sustained by the Public exchequer.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned, besides recovery of penalty from the contractors who did not complete the work in time.

[AIR Paras: 6,12,7]

1.2.3.34 Doubtful Consumption of Medicine Insulin-Rs 1.610 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.

Medical Superintendent District Headquarter Hospital Layyah and Medical Superintendent Tehsil Headquarter Hospital Chowk Azam, issued medicine Insulin Humalin 70/30 and Mixtard amounting to Rs 1.610 million during 2013-14. Scrutiny of relevant record revealed that the Insulin was issued to patients without laboratory test of patients, record/history of patients, registration of patients and without prescription. The issuance and consumption of insulin was not authenticated from record.

Audit is of the view that due to weak internal control, insulin was issued to patients which make the utilization doubtful.

The unauthentic issuance of insulin, Government has to sustained a loss to the extent of Rs.1.610 million

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends probing the matter in detail and fixing the responsibility besides recovery of cost of medicine under intimation to audit.

[AIR Para: 8]

1.2.3.35 Payment of Salaries to Untrained Teacher-Rs 1.573 Million

According to the S&GAD letter No.SOR-III-2/122/89 (b) dated 16.08.1990, "No un-trained teacher was allowed to continue his service beyond three years".

Deputy District Education Officer (W.EE) Layyah, paid salaries of Rs 1.573 million during 2013-14, to untrained teacher, who were performing her duties under the administrative control of said Officer since long but neither she had acquired the professional qualification required for the post held by her nor her service was dispensed with. Retention of un-trained teacher resulted into irregular payment of salaries to the extent of Rs 1.573 million

(Amount in Rupees)

| Name | Name of school | Period | Amount |
|--------------------|----------------------------|-----------------------------|---------------|
| Munawar Shahnaz | GGPS Noor Faqir 122 TDA | 20.04.1998 to 30.06.2014 | 1,573,202 |

Audit is of the view that due to negligence of management, payment of salaries to untrained teacher were irregular.

Payment of salaries to untrained teacher caused unauthorized payment.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the person concerned besides regularization of the expenditure from the competent authority.

[AIR Para: 2]

1.2.3.36 Regularization of service of Untrained Teachers-Rs 1.456 Million

According to Rule 17 of the Punjab Civil Servants (Appointment and Conditions of Services) Rules 1974, “initial appointments to posts in basic pay scale 1 to 15 and equivalent shall be made on the basis of examination or test to be held by the appropriate committee or the board, as the case may be after advertisement of the vacancies in newspaper or in manner to be determined by the Government”.

Service books of EST/SVT teachers of various Middle Schools under the administrative control of Deputy District Education Officer (W.EE) Chowbara revealed that below mentioned teacher was appointed as untrained teacher. In contravention to above quoted rule, the service of said teacher was regularized after lapse of some period without adopting/considering the procedure i.e. advertisement of post in national newspaper, passing of examination/test, interview before authorized committee and appointment on recommendation of authorized committee. Appointment without observing procedure and payment of salary Rs.1.456 million was unauthorized.

(Amount in Rupees)

| Name | Designation | Date of appointment | Regularization date | Amount |
|---------------|--------------------|---|------------------------------|---------------|
| Najma Tasleem | PST | 11.11.90 vide order No. 3378 dt. 08.11.90 | 13.08.1994 (Inc. Allowed) | 1,455,600 |

Audit is of the view that due to weak internal control, Service of untrained teachers were regularized.

The regularization and payment of salaries resulted in unauthorized payment.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility against the persons responsible beside regularization of service from competent authority.

1.2.3.37 Irregular Award of Advance Increments to SSTs-Rs 1.383 Million

According to Directorate of Public Instructions (S.E) Punjab, Lahore vide endst. No, 2244 dated 22.02.2011, it is clarified/confirmed by the Finance Department, Government of Punjab and Supreme Court of Pakistan that master degree in any discipline is not a higher qualification for recruitment as Secondary school Teacher (S.S.T) so the S.S.Ts are neither entitled to advance increment nor eligible for higher qualification allowance on the basis of possessing/acquiring master degree in any discipline.

Headmistress Govt. Girls Model High School Layyah allowed the drawl of advance increment to Secondary School Teachers BS-16/17 on acquiring M.A/M. Ed despite the fact they were not allowed as per above criteria. The payment of increment to teacher resulted in overpayment. The detail is as below;

| (Amount in Rupees) | | | | |
|--------------------|-------------|--|-------------------|------------------|
| Name | Designation | No of Increment | Period | Amount |
| Tabbasum Naheed | S.S.T (Sc) | 3 Advance increments of MA Islamiat | 1.6.98 to 30.6.14 | 230,580 |
| Rubina Begum | SST (G) | 3 Advance Increments of M. A Political Science | 1.8.98 to 30.6.14 | 230,580 |
| Tauqir Nisa | | | 1.6.98 to 30.6.14 | 230,580 |
| rukhsana Khatoon | | 3 advance increment on MA Pol Science | 1.6.98 to 30.6.14 | 230,580 |
| Abida Shaheen | | 3 advance increment in MA History | 1.6.98 to 30.6.14 | 230,580 |
| Rifat Saeed | | 3 advance increments on M.Ed | 1.6.98 to 30.6.14 | 230,580 |
| Total | | | | 1,383,480 |

Audit is of the view that due to weak financial control, S.S.T teacher were allowed advance increment on the qualification specified for the post.

The payment of advance increment resulted in overpayment and loss to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that overpayment should be got recovered and deposited into government treasury under intimation to audit

[AIR Para: 1]

1.2.3.38 Non / Less Deposit of Performance Security -Rs 1.376 Million

According to Clause 26(A) of general directions for the guidance of tender given in the Contract Agreement of C&W Department, in case the total tendered amount is less than 5% of the approved estimated (Draft for Tender Inviting Notice, "DNIT") amount the lowest bidder will have to deposit additional performance security from the scheduled bank ranging from 5% to 10% as under within 15 days of issuance of notice or with expiry of bid, whichever is earlier.

District Officer (Buildings) issued work orders to the contractors who offered the bids below than 5% of TS value without obtain the performance security for Rs.1.376 million during 2013-14. Further from some contractors, the partial deduction on account of performance security was made which was again financial favour to the contractors. Non/less depositing of additional performance security of was violation of Government rules. (Annex-J)

Audit is of the view that due to weak financial controls, the performance security was not obtained from the contactor.

The non obtaining of performance securities put the completion of schemes on risk.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer/official concerned besides recovering the same under intimation to audit.

1.2.3.39 Unauthorized Release of Lapsed Securities-Rs 1.287 Million

According to Rule 12.7 of the Punjab Financial Rules Vol-I read with Section 399(1) of CPWA, all balances unclaimed for more than three complete account years will, at the close of June in each year, be credited to government by means of transfer entries as lapsed deposit.

District Officer (Roads) released the securities of Rs 1.287 million which were pending for more than three years during 2013-14 to contractors instead of depositing back into government treasury. As detailed below;

(Amount in Rupees)

| Item No. | Period | Release Year | Contractor | Amount |
|--------------|---------|--------------|--------------------------|------------------|
| 160/162 | 11/2009 | 2013-14 | Muhammad Hussain Mustafa | 70,455 |
| 161/163 | | | M/S Usman & Co. | 20,069 |
| 179/186 | 10/2010 | | Imran Const. Co. | 5654 |
| 180/187 | | | M/S Zafar Iqbal Lohanch | 104,300 |
| 181/190 | | | Haider Traders | 20,000 |
| 182/191 | | | | 25,000 |
| 183/192 | | | Muhammad Hussain | 49,907 |
| 188/197 | 12/2010 | | Abdul Latif Khan | 192,100 |
| 189/198 | | | Muhammad Hussain Mustafa | 104,800 |
| 190/199 | | | Abdul Latif Khan | 109,600 |
| 192/201 | | | M/S Bajrani Traders | 85,265 |
| 194/204 | 02/2011 | | Mian Muhammad Khaliq | 56,000 |
| 199/216 | 04/2011 | | Maher Ijaz Ali | 9800 |
| 201/219 | 05/2011 | | Syed Yawar Hussain Shah | 38,900 |
| 202/220 | | | Muhammad Aslam | 33,840 |
| 203/221 | | | M/S Manzoor Traders | 361,000 |
| Total | | | | 1,286,690 |

Audit is of the view that due to weak financial control, lapsed securities were refunded to contractor.

The payment of lapsed securities to contractors by the DO (Buildings) was unauthorized.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officer concerned besides regularization of payment from the competent authority.

[AIR Para: 9]

1.2.3.40 Purchase of Medicines without Fresh Tendering-Rs 1.096 Million

According to Public Procurement Regulatory Authority Rule 42 (iv) repeat order up to 15% of the first order may be issued and in case the quantity to be purchased is more than 15% of previous quantity, fresh tendering needs to be issued.

Medical Superintendent THQ Hospital Karor purchased following medicines during the financial year 2013-14. It was observed that supply orders were issued to the suppliers who had already supplied medicines. The quantity of repeat order was more than 15% which showed that purchases were made from the favourite suppliers without fresh tendering process. It resulted unauthorized purchase of medicines valuing Rs 1.096 million. (Annex-K)

Audit is of the view that due to weak internal control, the repeat order for purchase of medicine were issued.

The issuance of repeat order in excess of prescribed rate resulted in unhealthy competition.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit requires that the matter may please be investigated and appropriate action may be taken towards regularization of the expenditure with the approval of competent authority under intimation to audit.

[AIR Para: 3]

1.2.3.41 Un-authorized Award of Advance Increments to ESTs-Rs 1.033 Million

According to Government of Punjab Education Department letter No.FD-PR-12-5/89(PI)(IV) dated 19-07-1999, further clarified by Accountant General Punjab Lahore vide letter No.PF-2000-2001/CD-22368 dated 26-05-2001, SV/EST/DM/PET/SST teacher is not entitled advance increments on possessing/acquiring higher qualification i.e. M. A/B. Ed.

Service books of EST/SVT teachers of various Middle Schools under the administrative control of Deputy District Education Officer (W.EE) Layyah revealed that detailed below teacher had been allowed advance increments on acquiring higher educational qualification i.e B.Ed and MA in violation of above mentioned letter, which resulted in overpayment.

(Amount in Rupees)

| Name of Employee | School | Description | Period | Amount |
|--------------------|-------------------------|---------------------|-----------------------|------------------|
| Balqees Akhter SST | GCMS 122/TDA | B.Ed M.A Increments | 19.02.1999 to 30.6.14 | 319,206 |
| AMMAR HAFEEZ EST. | E/S BASTI MIAN | B.Ed Increments | 09.07.1999 to 30.6.14 | 172,178 |
| Farhat Afza | EST GMHS Layyah | B.Ed M.A Increments | 29.01.1999 | 295,698 |
| Shahnaz Ikhlaq | ESTGGHS Kotla Haji Shah | B.Ed M.A Increments | 21.08.2001 to 30.6.14 | 245,679 |
| Total | | | | 1,032,761 |

Audit is of the view that due to negligence of department, payment of advance increments to teachers resulted in overpayment.

The payment on account of advance increment caused loss to Government.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends that the amount as pointed out may be recovered from concerned official and deposited into Govt. account without further delay and their pay may also be fixed from DAO accordingly under intimation to audit.

[AIR Para: 3]

1.2.3.42 Overpayment on Account of Conveyance Allowance-Rs 1.561 Million

According to instructions 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.

DDOs of various departments paid unauthorized conveyance allowance of Rs 1.561 million during 2013-14 to the employees. The conveyance allowance was allowed to officer/vaccinators/sanitary inspector to whom Government vehicle/motor cycle was allotted and POL was also paid to them from Government account, against performance of duties.

(Amount in Rupees)

| Sr. No. | DDOs | Nature of Allowance | Amount |
|----------------|-------------------------|----------------------------|------------------|
| 1 | DO (Health) | CA | 60,000 |
| 2 | | CA | 1,246,080 |
| 3 | EDO (Health) | CA | 60,000 |
| 4 | DO (OFWM) | CA | 40,000 |
| 5 | DO (Livestock) | CA | 45,000 |
| 6 | Dy. DEO (EE-M) Chowbara | CA | 110,000 |
| Total | | | 1,561,080 |

Audit is of the view that due to weak financial controls, unauthorized allowance was paid which resulted in loss to Government.

Inadmissible allowance to officials caused excess payment and erroneous salary.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite

written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends recovery of the overpaid amount on account of conveyance allowance, besides exclusion of the pointed out allowance from salary of the next month.

[AIR Paras: 5,9,12,11,9,1]

1.2.4 Internal Control Weaknesses

1.2.4.1 Non Deposit of Government Receipts – Rs 1.633 Million

According to Rule 7(1) of Punjab Treasury Rules, all money received on behalf of government should be deposited into Government Treasury without any delay.

Officer of various Departments realized the Government revenue an amount of Rs 1.633 million on account of OPD, Lab, Indoor, Ambulance Charges, MLC fee, Professional tax and renewal fees during 2013-14, but did not deposit the same into Government Treasury.

(Amount in Rupees)

| Sr. No | DDOs | Nature of receipt | Amount |
|--------------|----------------------------|---------------------------------|------------------|
| 1. | MS THQ Hospital Fateh Pur | Ambulance Charges | 12,560 |
| 2. | District Officer Health | Purchee fee | 4,470 |
| 3. | MS THQ Hospital Kot Sultan | Ambulance charges | 22,660 |
| 4. | MS DHQ Hospital | MLC Fee | 154,430 |
| 5. | EDO (Health) | License fee | 250,000 |
| 6. | MS THQ Hospital chowk azam | MLC fee | 126,640 |
| 7. | DO (Roads) | Lease of Petrol pump Approaches | 185,000 |
| 8. | DO (Roads) | Professional Tax | 140,000 |
| 9. | DO (Livestock) | Purchee fee | 365,234 |
| 10. | EDO (Education) | CDRs | 42,014 |
| 11. | DO (Building) | Professional Tax | 120,000 |
| 12. | EDO (Health) | CDRs | 210,000 |
| Total | | | 1,633,008 |

Audit is of the view that due to non deposit of government money into government account was due to negligence on the part of management.

Non deposit of Government money caused loss to Government Exchequer.

The matter was reported to DCO and DDO concerned in October, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written request made by this office. No progress was intimated to Audit till finalization of this report.

Audit recommends fixing of responsibility on the officers / officials for not depositing the Government receipts, besides deposit of outstanding amount into Government Treasury.

[AIR Paras: 12,16,15,2,7,1,11,13,12,13,5,21]

Annexes

Annex-A**Part-I****Memorandum for Departmental Accounts Committee Paras pertaining to
current Audit Year 2014-15****(Amount in Million)**

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|---------------------------|----------------|-----------------|---|---------------|
| DCO | 1. | 1 | Unauthorized and Unjustified incurrence of expenditure on purchase of walk through Gates | 0.790 |
| | 2. | 2 | Expenditure Beyond Competency | 0.714 |
| | 3. | 3 | Outstanding Amount with Court, Incurrence Of expenditure on purchase of walk through Gate | 3.950 |
| | 4. | 4 | Unjustified Advance Withdrawal of Rs 1.200 Million and Unjustified Expenditure | 0.486 |
| | 5. | 5 | Unauthorized and Unjustified incurrence of expenditure on hiring of CCTV Cameras | 0.406 |
| | 6. | 6 | Outstanding amount with provincial government, expenditure incurred during Ramzan | 4.000 |
| | 7. | 7 | Unauthorized clearance of outstanding liabilities | 0.549 |
| | 8. | 8 | Unjustified incurrence of expenditure on repair of Vehicle | 0.244 |
| | 9. | 9 | Overpayment due to payment of higher rates of POL than notified by OGRA | 0.827 |
| | 10. | 10 | Unjustified drawl and delay in refunding of fair price shops amount due to poor performance | 0.450 |
| | 11. | 11 | Non accountal of stores | 0.426 |
| | 12. | 12 | Misclassification of expenditure | 2.155 |
| | 13. | 13 | Unauthorized expenditure on purchase of fixed assets | 0.121 |
| | 14. | 14 | Non-maintenance of dead/durable stock register | 0.182 |
| EDO (F&P) | 15. | 1 | Un-justified re-appropriation resulted excess expenditure | 10.162 |
| | 16. | 2 | Unauthorized supplementary grant | 89.770 |
| | 17. | 3 | Loss due to un-justified budget allocation and | 1.721 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--------------------|---------|----------|---|---------|
| | | | expenditure under object code | |
| | 18. | 4 | Unjustified supplementary grant of pol | 7.277 |
| | 19. | 5 | Unjustified re-appropriation out of M&R funds | 4.000 |
| | 20. | 6 | Unauthorized allocation of funds without token grant | 156.364 |
| | 21. | 7 | Un-authorized payment of utility bills of | 23.275 |
| | 22. | 8 | Un-justified budget allocation resulted unspent balances | 257.262 |
| | 23. | 9 | irregular expenditure on repair of vehicles worth | 1.338 |
| | 24. | 11 | Un-justified payment of salaries | 0.389 |
| | 25. | 12 | Irregular payment of salaries without verification of degrees | 0.586 |
| DO (OFWM) | 26. | 3 | Less deduction of income tax | 3.678 |
| | 27. | 4 | Less deduction of Sales Tax | 1.753 |
| | 28. | 5 | Purchase of bricks at the rate higher than fixed by DRC | 0.123 |
| | 29. | 6 | Non-deduction of Sales Tax | 0.956 |
| | 30. | 7 | Purchase of bricks at higher rate than fixed by DRC | 0.248 |
| | 31. | 8 | Unjustified closing balance of cash book | 1.600 |
| | 32. | 13 | Un-authorized payment of rent of office buildings | 0.504 |
| EDO (Agri) | 33. | 1 | Unjustified excessive expenditure of POL | 0.417 |
| | 34. | 2 | Unauthorized clearance of outstanding liabilities | 0.964 |
| | 35. | 3 | Breach of Financial Rule While Making the Payment Owing To Rush of Expenditure in last months | 1.290 |
| | 36. | 4 | Unjustified incurrence of expenditure on repair of Vehicle | 0.131 |
| | 37. | 5 | Unjustified drawl of Travelling Allowance | 1.265 |
| DO (Livestock) | 38. | 1 | Over payment on account of purchase of medicine | 0.048 |
| | 39. | 2 | Overpayment due to purchases medicines at excessive rates amounting | 0.065 |
| | 40. | 5 | Misappropriation / non availability of proof of consumption of medicines | 0.836 |
| | 41. | 6 | Un-authorized payment for supply of | 0.506 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--------------------|---------|----------|--|--------|
| | | | medicines without obtaining report of DTL | |
| | 42. | 7 | Recovery of overpayment due to non adjustment of pay and allowance | 0.298 |
| | 43. | 10 | Unjustified issuance of medicines to para veterinary school not owned by the district government | 0.101 |
| | 44. | 11 | Mis-appropriation of POL valuing | 1.255 |
| | 45. | 14 | Un-authorized payment of outstanding liabilities | 0.071 |
| | 46. | 15 | Misclassification of expenditure | 0.020 |
| | 47. | 17 | Loss of govt. due to misappropriation of POL | 0.158 |
| EDO Education | 48. | 4 | Loss to Govt. due to non recovery of registration fee from un-registered schools | 0.713 |
| | 49. | 7 | Mis-appropriation of POL valuing | 0.185 |
| | 50. | 8 | Doubtful expenditure on repair of vehicle | 1.946 |
| | 51. | 9 | Unauthorized drawl of inadmissible allowances | 0.015 |
| | 52. | 10 | Loss of govt. due to misappropriation of POL | 0.013 |
| | 53. | 11 | Unauthorized retention of public money | 3.346 |
| | 54. | 12 | Un-authorized clearance of outstanding liabilities | 0.153 |
| | 55. | 14 | Drawl of TA/DA without approved tour program | 0.060 |
| | 56. | 15 | Irregular expenditures without prior approval of austerity committee | 13.809 |
| | 57. | 16 | Misclassification of expenditure | 0.240 |
| | 58. | 17 | Non production of sales tax invoices/returns | 2.088 |
| | 59. | 18 | Overpayment due to irregular award selection grade to class iv | 1.000 |
| | 60. | 19 | Loss to govt. due to non recovery of overpayment | 0.021 |
| | 61. | 21 | Irregular expenditures due to non-observation of economic cut of 15% on non-salary budget | 0.391 |
| | 62. | 22 | Irregular payment of salaries without verification of degree | 1.238 |
| | 63. | 23 | Non-deduction of income tax | 0.015 |
| DEO (SE) | 64. | 1 | Un-justified payment of TA/DA claim | 0.058 |
| | 65. | 2 | Un-justified payment of prizes | 6.918 |
| | 66. | 3 | Unjustified expenditure on repair of machinery & equipment | 0.238 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|----------------------------|---------|----------|---|--------|
| | 67. | 4 | Unjustified to Govt. due to unjustified claim of TA/DA | 0.065 |
| | 68. | 5 | Un-justified expenditure on advertisement | 0.309 |
| | 69. | 7 | Stock found short | 0.060 |
| | 70. | 8 | Un-justified payment of transportation charges | 0.096 |
| | 71. | 9 | Un-justified payment of merit scholarship | 8.899 |
| Dy. DEO (EE-W) Choubara | 72. | 3 | Overpayment of 50% Ad-hoc allowance-2010 | 0.062 |
| | 73. | 4 | Un-justified payment of allowances | 0.032 |
| | 74. | 6 | Unauthorized grant of charge allowance | 0.018 |
| Dy. DEO (EE-M) karor | 75. | 1 | Recovery of overpaid pay & Allowances | 1.020 |
| | 76. | 2 | Overpayment of on account of qualification allowance | 0.130 |
| | 77. | 6 | Recovery of over payment on account of Basic Pay | 0.100 |
| | 78. | 8 | Over payment of Social Security Benefit after regularization | 0.014 |
| DEO (EE-M) | 79. | 2 | Misappropriation due to misuse of Government vehicles | 0.035 |
| | 80. | 4 | Doubtful and Unjustified expenditure on account repair of vehicle | 4.581 |
| | 81. | 5 | Unauthorized retention of Public Money into Account of DDO | 1.523 |
| | 82. | 6 | Un-authorized payment of previous year liabilities | 0.042 |
| | 83. | 7 | Doubtful Purchase OF Store Item | 1.614 |
| | 84. | 8 | Unauthorized Pay of Arrears of Pay & Allowances | 0.189 |
| | 85. | 9 | Misappropriation of POL | 0.012 |
| | 86. | 10 | Doubtful expenditure | 2.240 |
| DO (social welfare) | 87. | 2 | Unjustified expenditure on Account of POL | 0.251 |
| | 88. | 3 | Doubtful and Unjustified expenditure on account repair of vehicle No. Ly-53 | 0.330 |
| | 89. | 4 | Un-authorized expenditure due to misuse of Government vehicles | 1.000 |
| | 90. | 5 | Misappropriation of POL | 0.026 |
| | 91. | 6 | Unjustified Payments Of under object Head Exhibitions and Fairs | 0.050 |
| | 92. | 8 | Misappropriation of public money | 0.162 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|-----------------------|---------|-------------------------------------|---|--------|
| | 93. | 9 | Misclassification of expenditure | 0.032 |
| Dy.DEO (EE-W) Karor | 94. | 1 | Recovery of overpayment owing to erroneous salaries | 0.577 |
| | 95. | 2 | Recovery of un authorized payment of Social Security Benefit | 0.360 |
| | 96. | 3 | Recovery of inadmissible allowances | 0.030 |
| | 97. | 4 | Recovery of inadmissible allowances | 0.085 |
| | 98. | 7 | Irregular Expenditure Through SMC Beyond Competency | 1.303 |
| Dy.DEO (EE-M) Layyah | 99. | 1 | Recovery of un authorized payment of Social Security Benefit | 0.180 |
| | 100. | 2 | Recovery of un authorized payment of Charge Allowance | 0.334 |
| | 101. | 5 | Recovery of overpayment owing to erroneous salaries | 0.054 |
| | 102. | 7 | Recovery of Inadmissible Allowance | 0.014 |
| | 103. | 8 | Recovery of pay and allowances against absent period | 0.185 |
| | 104. | 9 | Recovery of Pay During Leave Without Pay | 0.602 |
| | 105. | 10 | Irregular Expenditure Through SMC Beyond Competency | 3.179 |
| | 106. | 11 | Recovery of Overpaid Increments | 0.424 |
| | 107. | 12 | Misappropriation against Auction of Trees | 0.750 |
| 108. | 13 | Non Deduction of GST and Income Tax | 0.014 | |
| Dy.DEO (EE-W) Layyah | 109. | 5 | Recovery of Over payment on account of Basic Pay | 0.149 |
| | 110. | 6 | Recovery of Over payment on account of 50% Adhoc allowances2010 | 1.273 |
| | 111. | 8 | Unauthorized retention of Public Money into Account of DDO | 2.812 |
| | 112. | 9 | Payment of salaries against the period of leave without pay | 0.068 |
| | 113. | 10 | Difference in Expenditure Between F.I Data and Expenditure Statement | 3.645 |
| | 114. | 11 | Unauthorized drawl of inadmissible allowances | 0.417 |
| | 115. | 12 | Overpayment on account of qualification allowance to ESE and S.E.S.E | 0.031 |
| Dy.DEO(EE-M) Choubara | 116. | 2 | Unauthorized award of BPS-9 on acquiring already awarded 2 advance increments | 0.138 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--|---------|----------|--|--------|
| | | | against same qualification recovery | |
| | 117. | 4 | Overpayment due to un-authorized award of MA / B.Ed increment to middle school teachers recovery thereof | 5.472 |
| | 118. | 6 | Un-authorized grant of charge allowance and recovery | 0.216 |
| | 119. | 7 | Overpayment due to grant of annual increment without completing six month service and recovery thereof | 0.289 |
| | 120. | 8 | Payment of salaries against the period of LFP not entitled | 5.678 |
| | 121. | 9 | Over payment of due to un-authorize award advance increments | 0.073 |
| | 122. | 10 | Unauthorized drawl of inadmissible allowances | 0.058 |
| | 123. | 11 | Un-authorized drawl of charge allowance recovery of | 0.359 |
| | 124. | 12 | Overpayment of on account of qualification allowance to ESE and S.E.S.E | 0.036 |
| | 125. | 13 | Withdrawl of pay and allowances after superannuation | 0.048 |
| | 126. | 14 | Overpayment due to double benefit on higher qualification | 0.400 |
| | 127. | 15 | Non refund of one month salary after termination of contract by employees recovery | 0.056 |
| | 128. | 18 | Un-authorized payment against weather shield | 0.088 |
| | 129. | 20 | Overpayment on account of conveyance allowance drawn during summer vacations | 0.138 |
| Headmistress GGMH School Layyah | 130. | 2 | Overpayment due to double benefit on higher qualification | 0.094 |
| | 131. | 4 | Overpayment due to irregular award of qualification allowance | 0.026 |
| | 132. | 5 | Irregular Procurement of Furniture | 4.930 |
| | 133. | 6 | Wasteful Expenditure Against Vocational Items | 0.275 |
| | 134. | 7 | Recovery of overpayment owing to erroneous salaries | 0.185 |
| | 135. | 8 | Irregular award of advance increments to | 2.921 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--------------------|---------|----------|---|--------|
| | | | Elementary School Teacher based on higher qualification and recovery | |
| | 136. | 9 | Recovery of Inadmissible allowance | 0.016 |
| EDO (Health) | 137. | 1 | Non purchase of CT Scan Machine since ADP 2006-07 due to Poor Performance and Loss to Govt. | 50.514 |
| | 138. | 2 | Irregular and Unjustified Up-gradation and Promotion of Employees and Loss | 16.850 |
| | 139. | 5 | Loss to govt. due to non issuance of license to pharmacies and Medical Stores | 0.112 |
| | 140. | 6 | Loss to Govt. Due to Non Registration of health Care Establishment and Hospitals | 0.082 |
| | 141. | 9 | Doubtful and Wasteful expenditure on repair of Vehicle | 2.089 |
| | 142. | 10 | Recovery of Unauthorized payment during Ex-Pakistan Study Leave | 0.277 |
| | 143. | 13 | Recovery of overdrawal of Health Professional Allowance | 0.024 |
| | 144. | 14 | Inadmissible grant of Conveyance and House Rent Allowance | 0.111 |
| | 145. | 15 | Un-justified expenditure on vehicles not owned by the entity likely misappropriation | 2.306 |
| | 146. | 16 | Unjustified Expenditure on POL | 1.010 |
| | 147. | 18 | Loss to Govt. due to purchase of POL at higher rates than the rates fixed by OGRA | 0.021 |
| | 148. | 20 | Possible Misappropriation of Durable Stores & Stock due to Non-Maintenance of Property Register of EDO Health Office since Devolution | 0 |
| | 149. | 22 | Unauthorized clearance of outstanding liabilities | 0.173 |
| | 150. | 23 | Unjustified Purchase of Stationery on Higher Rates | 0.018 |
| | 151. | 24 | Unjustified Expenditure on Account of Photocopies | 1.102 |
| | 152. | 25 | Unjustified Expenditure on Account of POL | 0.084 |
| MS DHQ Hospital | 153. | 3 | Recovery of Pay and Allowances due to irregular Upgradation and Promotion of Employees | 2.211 |
| | 154. | 5 | Unauthorized inclusion of Sales Tax in | 1.157 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--------------------------|---------|----------|--|--------|
| | | | Electricity bills | |
| | 155. | 6 | Misappropriation on account of purchase of vehicle tyres | 0.067 |
| | 156. | 7 | Misappropriation of store items | 0.092 |
| | 157. | 9 | Unjustified Payment and use of medicines without Expiry Date and DTL report | 0.318 |
| | 158. | 10 | <i>Non-Forfeiture Of Security Deposit And Black Listing Of Defaulting Suppliers</i> | 0.909 |
| | 159. | 12 | Non Recovery Of Liquidated Damages | 9.556 |
| | 160. | 16 | Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA | 0.816 |
| | 161. | 17 | Misclassification Of Expenditure | 0.184 |
| | 162. | 18 | Unjustified Expenditure On Repair Of Machinery & Equipment | 5.984 |
| | 163. | 21 | Non Deduction Of Maintenance Charges Resulting Overpayment | 0.034 |
| | 164. | 22 | Recovery of pay due to sanction of leave without pay | 0.481 |
| | 165. | 23 | Unauthorized drawal of pay and allowances during absent period | 0.051 |
| | 166. | 25 | Drawl of pay & allowances of BS-18 instead of BS-17 by the Medical Officer and overpayment | 0.033 |
| MS THQ Chowk Azam | 167. | 6 | Recovery of Pay and Allowances due to irregular Upgradation and Promotion of Employees | 0.253 |
| | 168. | 7 | Un-Authorized Drawl of inadmissible Health Sector Reforms Allowance | 2.050 |
| | 169. | 11 | Loss to govt. due to purchase of POL at higher rates than the rates fixed by OGRA | 0.039 |
| | 170. | 13 | Unauthorized drawal of Pay and allowances during absent Period | 0.043 |
| | 171. | 15 | Un-authorized payment of previous years liabilities | 0.719 |
| | 172. | 16 | Non Recovery Of Liquidated Damages | 0.060 |
| MS THQ Hospital Fatehpur | 173. | 1 | Recovery of overpayment on account of Basic Pay | 0.064 |
| | 174. | 3 | Non Recovery Of Liquidated Damages | 0.132 |
| | 175. | 4 | Unjustified blockage of fund due to bulk Purchase of Syringe | 0.233 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|-----------------------|---------|----------|--|--------|
| | 176. | 5 | Unjustified withdrawal of fund without functional of Trauma center | 0.404 |
| | 177. | 6 | Unauthorized clearance of outstanding liabilities | 1.813 |
| | 178. | 7 | Misclassification Of Expenditure | 0.198 |
| | 179. | 8 | Purchase Of Medicines on Higher Rates | 0.102 |
| | 180. | 10 | Overpayment due to payment of higher rates of POL than notified by OGRA | 0.230 |
| | 181. | 11 | Unjustified consumption of Diesel (POL) | 0.000 |
| | 182. | 13 | Loss due to non- deduction of income tax | 0.023 |
| | 183. | 15 | Misappropriation Of X-Ray Films | 0.155 |
| | 184. | 16 | Irregular and Unjustified Up gradation and Promotion of Employee and Loss | 0.513 |
| MS THQ Hospital Karor | 185. | 5 | Un-authorized payment against supply of medicines without obtaining report of drug testing laboratory | 1.021 |
| | 186. | 6 | Loss of against Residential charges | 1.614 |
| | 187. | 7 | Misappropriation of Glassinomer (Dental Item) | 0.018 |
| | 188. | 8 | Recovery against Absent period | 0.026 |
| | 189. | 10 | Overpayment due to payment of higher rates of POL than notified by OGRA | 0.440 |
| | 190. | 11 | Doubtful issuance of medicines due to non availability of proof of consumption | 0.081 |
| | 191. | 15 | Unjustified purchase of stores without requirement | 0.211 |
| | 192. | 16 | Recovery of Inadmissible Allowances | 0.223 |
| | 193. | 17 | Poor Performance due to non repair of Hospital Machinery | |
| | 194. | 18 | Unjustified Withdrawal of Pay and Allowances and Doubtful issuance of Medicine by Homeo and Tibb Staff | 1.243 |
| | 195. | 19 | Expenditure Misclassified by Improper Object Head | 9.530 |
| | 196. | 20 | Drawal of pay by doctor due to non stoppage of pay | 0.580 |
| | 197. | 21 | Unjustified Purchase of Injections | 0.651 |
| | 198. | 22 | Recovery of Social Security Benefit, HSRA and Adjustment of ARA2010 | 0.739 |
| | 199. | 23 | Non recovery of liquidated damages due to | 0.048 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--|---------|----------|---|--------|
| | | | late supply | |
| THQ Hospital Kot Sultan | 200. | 2 | Misappropriation of Govt Money | 0.500 |
| | 201. | 5 | Loss to Govt. due to Expired Medicines | 3.826 |
| | 202. | 6 | Payment of HSRA in excess of admissible rate amounting to | 0.624 |
| | 203. | 8 | Purchase of medicines on higher rates from suppliers than adjacent district | 0.197 |
| | 204. | 9 | Un-authorized drawl of health professional allowance during training period | 1.800 |
| | 205. | 10 | Un-authorized drawl of health sector reforms allowance not admissible | 0.894 |
| | 206. | 12 | Irregular and Unjustified Up gradation and Promotion of Employee and Loss of | 0.054 |
| | 207. | 13 | Un-authorized payment of previous years liabilities worth | 2.042 |
| | 208. | 14 | Misclassification of expenditure | 0.054 |
| | 209. | 16 | Recovery of Over payment on account of Basic Pay | 0.050 |
| DO (Health) | 210. | 2 | Purchase Of Medicines on Higher Rates | 3.441 |
| | 211. | 4 | Non Recovery Of Liquidated Damages | 0.312 |
| | 212. | 8 | Misappropriation of POL | 0.030 |
| | 213. | 15 | Recovery of un authorized payment of conveyance allowance and HSRA during leave on full pay | 2.695 |
| | 214. | 16 | Non Deposit Of Hospital Receipts into Government Treasury | 0.005 |
| | 215. | 17 | Misappropriation of medicines | 0.119 |
| | 216. | 18 | Unauthorized drawl of salaries after resignation | 3.369 |
| | 217. | 19 | unauthorized drawl of salaries during absent period | 0.137 |
| | 218. | 22 | Irregular and Unjustified Up gradation and Promotion of Employee and Loss of | 0.656 |
| Principal Nursing School Layyah | 219. | 1 | Un-justified allowance of health risk allowance | 5.490 |
| | 220. | 2 | Recovery of over payment of 50% Adho Allowance-2010 | 0.079 |
| | 221. | 3 | Recovery of over payment of Allowances | 0.050 |
| | 222. | 4 | Overpayment of due to allowance of un- | 0.440 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|----------------------|---------|----------|---|--------|
| | | | justified rate of dress/uniform and mess allowance | |
| | 223. | 5 | Overpayment of due to allowance of unjustified dress/ uniform and mess allowance | 0.241 |
| SMO RHC Pahar Pur | 224. | 1 | recovery of unauthorized payment of health risk allowance | 0.054 |
| | 225. | 4 | Irregular, Unjustified Up gradation and Promotion of Employee | |
| | 226. | 6 | Recovery of Unauthorized payment of HSRA and Conveyance Allowance | 0.032 |
| | 227. | 8 | Un-authorized Purchase of Medicines on rate contract | 0.441 |
| | 228. | 9 | Misclassification of expenditure | 0.026 |
| MS THQ Chowbara | 229. | 1 | Overdrawl of government money | 0.048 |
| | 230. | 2 | Drawl of public money on account of pol without consumption | 0.351 |
| | 231. | 6 | Purchase of medicines on higher rates than adjacent district | 0.424 |
| | 232. | 8 | Misappropriation of govt. receipt | 0.032 |
| | 233. | 10 | Loss due to issuance/shifting of medicines near to expire | 0.339 |
| | 234. | 12 | Recovery of un authorized payment of conveyance allowance and mess allowance during leave on full pay | 0.089 |
| | 235. | 14 | Loss of govt. due to misappropriation of pol | 0.316 |
| | 236. | 15 | Unjustified payment of conveyance, mess, dress allowance and HRA during training period | 0.310 |
| | 237. | 16 | Loss on account of house rent allowance | 0.096 |
| | 238. | 18 | Overpayment due to payment of higher rates of POL than notified by OGRA | 0.015 |
| | 239. | 19 | Misclassification of expenditure | 1.706 |
| | 240. | 20 | Un-authorized payment of previous years liabilities worth | 0.124 |
| DO Building | 241. | 1 | Non Deposit of Forfeited Earnest Money Chances of Misappropriation | 0.107 |
| | 242. | 2 | Unauthorized acceptance of Single Tender | 8.624 |
| | 243. | 4 | Unauthorized payment of securities before completion of work | 0.488 |
| | 244. | 8 | Rush of Expenditure under Development | 44.369 |

| Name of Formations | Sr. No. | Para No. | Subject | Amount |
|--------------------|---------|----------|--|--------|
| | | | Grants at the Close of Financial Year | |
| | 245. | 9 | Misappropriation by Diverting the Contingencies Provided in Estimate | 3.390 |
| | 246. | 13 | Un-authorized Enhancement of Agreement | 0.968 |
| | 247. | 15 | Unauthorized Utilization of Vehicle during additional Charge | 0.428 |
| | 248. | 16 | Recovery of Conveyance Allowance | 0.600 |
| | 249. | 17 | Fraudulent drawl of Government money on account of Providing and Fixing of Tuff Tiles | 0.279 |
| | 250. | 20 | Overpayment on account of use of local sand | 0.047 |
| DO (Roads) | 251. | 2 | Overpayment due to un-justified laying of base course and TST | 8.770 |
| | 252. | 3 | Non forfeiture of Earnest money due to delay in start of work | 0.120 |
| | 253. | 4 | Loss to government due to non relaying of dismantled material as sub base course | 0.180 |
| | 254. | 5 | Unjustified payment of earth work | 6.928 |
| | 255. | 7 | Loss to Govt. due to Unjustified provision of excess carriage/lead of crushed stone for triple surface treatment | 0.079 |
| | 256. | 8 | Overpayment due to charging of excess rate than the agreed / accepted rate. | 0.059 |
| | 257. | 11 | Non recovery on account of lease of petrol pumps approaches | 1.850 |
| | 258. | 13 | Non recovery of professional tax | 0.140 |
| | 259. | 14 | Recovery of conveyance & house rent allowance | 1.746 |
| | 260. | 17 | Unjustified expenditure on repair and maintenance work | 3.422 |
| | 261. | 18 | Un-authorized revision of TSE by without approval of finance department | 1.960 |
| | 262. | 19 | Stock found short | 0.940 |

Part-II

[Para 1.1.3]

**Memorandum for Departmental Accounts Committee Paras for the Audit
Year 2013-14**

(Amount in Rupees)

| Name of Formations | Sr. No | AP No. | Subject | Amount | Nature of Observation |
|---------------------------|---------------|---------------|---|---------------|------------------------------|
| DO (Sports) | 1 | 9 | Stock Found Short | 619,100 | Misappropriation |
| DO (Livestock) | 2 | 3 | Non-Recovery / Deposit of Purchee Fee | 264,600 | Recovery |
| | 3 | 6 | Non-Recovery of HRA and Maintenance Charges | 199.632 | |
| | 4 | 9 | Stock Found Short | 125.050 | Misappropriation |
| | 5 | 10 | Doubtful Consumption of POL | 294,921 | |
| SMO RHC Fetehpur | 6 | 9 | Misappropriation of POL | 36,980 | |

Annex-B

**Summary of Appropriation Accounts by Grants and Appropriation
for the Financial Year 2013-14**

(Amount in Rupees)

| Grant No. | Name of the Grant | Original Grant | Supplementary Grant | Final Grant | Actual Expenditure | Variation | |
|------------------------------|------------------------------|----------------------|---------------------|----------------------|----------------------|------------|----------------------|
| | | | | | | (+) Excess | (-) Saving |
| | | | | | | | |
| 3 | Provincial Excise. | 5,927,000 | 235,000 | 6,162,000 | 5,031,557 | (-) | 1,130,443 |
| 5 | Forests. | 18,627,000 | 0 | 18,627,000 | 17,459,426 | (-) | 1,167,574 |
| 7 | Charges on A/c of M. V. Act. | 3,458,000 | 0 | 3,458,000 | 2,487,465 | (-) | 970,535 |
| 8 | Other Taxes & Duties. | 2,943,000 | 247,000 | 3,190,000 | 2,095,039 | (-) | 1,094,961 |
| 10 | General Administration. | 139,810,200 | 0 | 139,810,200 | 58,419,899 | (-) | 81,390,301 |
| 15 | Education. | 3,895,649,223 | 0 | 3,895,649,223 | 3,289,932,536 | (-) | 605,716,687 |
| 16 | Health Services. | 957,766,500 | 0 | 957,766,500 | 717,336,981 | (-) | 240,429,519 |
| 17 | Environment Protection. | 3,625,000 | 0 | 3,625,000 | 2,192,093 | (-) | 1,432,907 |
| 18 | Agriculture. | 110,808,000 | 0 | 110,808,000 | 92,758,010 | (-) | 18,049,990 |
| 19 | Fisheries. | 1,577,000 | 0 | 1,577,000 | 1,118,250 | (-) | 458,750 |
| 20 | Veterinary. | 122,793,407 | 0 | 122,793,407 | 82,852,494 | (-) | 39,940,913 |
| 21 | Co-operation. | 14,114,000 | 1,206,000 | 15,320,000 | 15,255,957 | (-) | 64,043 |
| 22 | Industries. | 833,000 | 0 | 833,000 | 471,385 | (-) | 361,615 |
| 23 | Miscellaneous Departments. | 2,732,000 | 0 | 2,732,000 | 1,482,627 | (-) | 1,249,373 |
| 24 | Civil Works. | 64,406,000 | 0 | 64,406,000 | 50,588,189 | (-) | 13,817,811 |
| 25 | Communications. | 87,174,000 | 9,152,000 | 96,326,000 | 80,172,178 | (-) | 16,153,822 |
| 31 | Miscellaneous. | 20,919,000 | 0 | 20,919,000 | 18,364,757 | (-) | 2,554,243 |
| 32 | Civil Defence. | 12,389,000 | 0 | 12,389,000 | 4,821,677 | (-) | 7,567,323 |
| Total Non-Development | | 5,465,551,330 | 10,840,000 | 5,476,391,330 | 4,442,840,520 | (-) | 1,033,550,810 |
| 36 | Development. | 863,078,870 | 0 | 863,078,870 | 204,741,890 | (-) | 658,336,980 |
| Total Development | | 863,078,870 | 0 | 863,078,870 | 204,741,890 | (-) | 658,336,980 |
| Grand Total | | 6,328,630,200 | 10,840,000 | 6,339,470,200 | 4,647,582,410 | (-) | 1,691,887,790 |

Annex-C

[Para1.2.3.7]

Expenditure beyond Competency

| Name of W/C | Location | Voucher No. | Vr. No. & Date | Amount |
|-------------|------------------|-------------|----------------|---------|
| 9343/L | 345/TDA Choubara | I | 19.10.13 | 600,000 |
| 9343/L | -do- | II | -do- | 466,000 |
| 85150/L | 151-A/TDA | III | 19.10.13 | 351768 |
| 15467/L | 318/TDA | I | -do- | 651,000 |
| 146836/R | 172/TDA | I | -do- | 499,000 |
| 24795/L | 301/TDA | I | dt. 22.10.13 | 600,000 |
| 24795/L | -do- | II | -do- | 267,000 |
| 24795/L | -do- | II | 05.12.13 | 650,000 |
| 29000/R | 105/ML | I | dt. 22.10.13 | 500,000 |
| 29000/R | -do- | I | dt.28.10.13 | 359,000 |
| 29000/R | -do- | I | -do- | 144,000 |
| 29000/R | -do- | I | -do- | 500,000 |
| 49100/L | 107/TDA | I | dt. 30.10.13 | 500,000 |
| 49100/L | -do- | I | -do- | 357,000 |
| 49100/L | -do- | III | dt. 21.04.14 | 511,114 |
| 7430/R | 463/TDA | I | dt. 11.11.13 | 600,000 |
| 7430/R | -do- | I | -do- | 488,201 |
| 7430/R | -do- | II | -do- | 600,000 |
| 7430/R | -do- | II | -do- | 385,000 |
| 96310/R | 438/TDA | I | 12.11.13 | 600000 |
| 96310/R | -do- | I | -do- | 337,000 |
| 96310/R | -do- | II | 21.03.14 | 600,000 |
| 96310/R | -do- | II | -do- | 150,000 |
| 61086/R | 270/TDA | I | 20.11.13 | 600,000 |
| 61086/R | -do- | I | -do- | 263,000 |
| 61086/R | -do- | II | 05.05.14 | 431,500 |
| 8435/R | 253/TDA | I | 26.11.13 | 600,000 |
| 8435/R | -do- | I | -do- | 197,000 |
| 8435/R | -do- | II | 12.06.14 | 400,000 |
| 12005/R | 435/TDA | I | 05.12.13 | 471,872 |

| Name of W/C | Location | Voucher No. | Vr. No. & Date | Amount |
|------------------------|-----------------|------------------------|-------------------------------|-------------------|
| 12005/R | -do- | I | -do- | 183,000 |
| 12005/R | -do- | I | 24.02.14 | 600,000 |
| 43850/R | 325/TDA | I | 03.01.14 | 316,000 |
| 43850/R | -do- | II | 11.04.14 | 237,000 |
| 15467/L | 318/TDA | II | 25.01.14 | 500,000 |
| 9343/L | 345/TDA | II | -do- | 600,000 |
| 9343/L | -do- | II | 25.01.14 | 190,000 |
| 49100/L | 107/TDA | II | 28.01.14 | 500,000 |
| 27756/R | 366/TDA | I | 03.01.14 | 535,000 |
| 27756/R | -do- | II | 12.06.14 | 401,250 |
| 7430/R | 463/TDA | II | 05.12.13 | 600,000 |
| 44518/R | 420/TDA | I | 03.01.14 | 500,00 |
| 44518/R | -do- | II | 11.04.14 | 550,00 |
| 66900/L | 160/TDA | I | 03.01.14 | 500,000 |
| 66900/L | -do- | II | 11.04.14 | 597,000 |
| 144836/R | 172/TDA | II | 10.01.14 | 374,000 |
| 59600/R | 115/TDA | I | 01.02.14 | 600,000 |
| 59600/R | -do- | II | 12.06.14 | 767,250 |
| 29000/R | 105/TDA | III | 21.03.14 | 600,000 |
| Total | | | | 21,781,005 |

Annex-D**[Para1.2.3.11]****Inadmissible Grant of Conveyance and House Rent Allowance**

| Sr. No. | DDOs | Nature of Allowance | Amount |
|----------------|----------------------------|----------------------------|------------------|
| 1 | MS THQ Hospital Fatehpur | CA | 60,000 |
| 2 | DO (Health) | CA | 4,040,900 |
| 3 | MS THQ Hospital Karor | CA | 205,740 |
| 4 | MS DHQ Hospital | CA | 321,120 |
| 5 | DO (Roads) | CA | 174,600 |
| 6 | MS THQ Hospital Kot Sultan | CA | 180,000 |
| 7 | DO (Buildings) | CA | 107,200 |
| 8 | SMO RHC Parharpur | CA | 185,060 |
| 9 | | HRA | 40,268 |
| 10 | MS THQ Hospital Chowk Azam | HRA | 106,380 |
| 11 | DO (Health) | HRA | 2,107,689 |
| Total | | | 7,528,957 |

Annex-E

[Para1.2.3.14]

Unauthorized Withdrawal of HSRA/PCA and CA

(Amount in Rupees)

| Sr. No. | DDOs | Description | Nos. of doctors/ Employee | Amount |
|--------------|-------------------------------|-----------------------------|------------------------------|------------------|
| 1. | MS THQ Hospital Fateh Pur | PCA | 3 | 104,500 |
| 2. | District Officer Health | CA/HSRA | 4 | 391,000 |
| | | PCA | 4 | 120,000 |
| | | HSRA | 26 | 476,515 |
| | | CA/HSRA | 48 | 269,462 |
| 3. | MS THQ Hospital Kot sultan | SHSRA | 3 | 792,000 |
| 4. | MS THQ Hospital Karor | SHSRA | 3 | 792,000 |
| | | CA/HSRA | 1 | 95,460 |
| | | CA/HSRA / Mess allowance | 9 | 101,503 |
| | | PCA | 4 | 216,000 |
| 5. | MS DHQ Hospital | CA | 41 | 250,517 |
| | | HSRA | 6 | 82,832 |
| | | SHSRA | 8 | 768,000 |
| | | CA/HSRA | 1 | 81,816 |
| | | HSRA | 4 | 37,867 |
| 6. | MS THQ Hospital Chowk Azam | NPA | 3 | 120,000 |
| | | CA/HSRA | 12 | 80,155 |
| | | HSRA | 5 | 696,000 |
| 7. | MS THQ Hospital choubara | NPA | 2 | 78,000 |
| | | SHSRA | 1 | 360,000 |
| | | HSRA | 4 | 48,816 |
| | | NPA | 4 | 192,000 |
| 8. | SMO RHC Paharpur | HSRA on training | 1 | 243,000 |
| | | NPA | 1 | 30,000 |
| Total | | | 198 | 6,427,443 |

Annex-F**[Para1.2.3.16]****Expenditure on Repair and Maintenance Work**

DO (ROAD)

(Amount in Rupees)

| Sr. No. | Vr. No. | Date | Scheme | Contractor | Amount |
|------------------|----------------|-------------|--|--------------------|------------------|
| 1 | 4 | 05.08.13 | A/Repair of M/Road DPO camp office at DPO house Layyah (TST work) | Ch. Amjid Ali Shah | 42,470 |
| 2 | 5 | -do- | -do- | -do- | 49,697 |
| 3 | 6 | -do- | -do- | -do- | 42,470 |
| 4 | 7 | -do- | -do- | -do- | 46,410 |
| 5 | 8 | -do- | -do- | -do- | 42,899 |
| 6 | 24 | -do- | Re-const. of 2' span culvert on metalled road Paban chowk to basti Chandia | M. Saeed Khalid | 38,409 |
| 7 | 32 | 15.08.13 | -do- | -do- | 40,362 |
| 8 | 25 | -do- | A/R of metalled road DCO camp office at DCO house Layyah (TST work) | -do- | 39,561 |
| 9 | 26 | -do- | -do- | -do- | 43,863 |
| 10 | 27 | -do- | -do- | -do- | 44,538 |
| 11 | 28 | -do- | -do- | -do- | 24,251 |
| 12 | 29 | -do- | -do- | -do- | 48,924 |
| 13 | 31 | -do- | -do- | -do- | 39,561 |
| 14 | 30 | -do- | -do- (base course lying) | -do- | 22,078 |
| 15 | 05 | 20.02.2014 | Re-const. of 2' span culvert on metalled road adda soling wala to darbar sharif | Sajjad Qadir | 103,678 |
| 16 | 06 | -do- | Re-const. of 2' span culvert on metalled road Rafiq Abad to head mast ali | Khuda Bukhsh | 103,679 |
| 17 | 08 | -do- | Re-const. of 2' span culvert on metalled road Tarkoo Kharkan road | Bashir Ahmad Sial | 103,674 |
| 18 | 04 | -do- | Improvement of M/R from DCO Complex road to Session house in GOR Layyah (earthwork for berms & brick soling) | -do- | 98,977 |
| 19 | 05 | -do- | -do- | -do- | 98,700 |
| 20 | 06 | -do- | -do- | -do- | 99,722 |
| 21 | 07 | -do- | -do- | -do- | 99,132 |
| Sub-Total | | | | | 1,323,024 |

| | | | | | | |
|-----------------|----|-----------------------------------|--|--|---------------------------|------------------|
| 22 | 02 | 02.01.1 4 (3 year later) | Start 28.09.2010 Completion 21.12.2010 D.o. Billing 19.02.2011 | Temporary restoration of flood effected metalled road from Kot Sultan graveyard to basit dewan, bait guggi road. (331/9034) (Only earthwork made) | Imran const. co. | 56,535 |
| 23 | 23 | 02.01.1 4 | Start 29.09.2010 Completion 21.12.2010 D.o. Billing 19.02.2011 | Temporary restoration of flood effected metalled road Kot Sultan to Bakhari Ahmad Khan (331/9034) (Only earthwork made) | -do- | 1,092,999 |
| 24 | 08 | 20.03.1 4 | Start 28.09.2010 Completion 02.10.2010 D.o. Billing 02.01.2011 | Temporary restoration of flood effected metalled road Karor to Din pur road via Mahran Wali (265/9182) (Only earthwork made) | Haider Trader | 250,008 |
| 25 | 09 | -do- | -do- | Temporary restoration of flood effected metalled road Karor boat bridge lala nala to basti Khair Shah via basti Murani & Laskani (265/9182) (Only earthwork made) | -do- | 499,066 |
| 26 | 10 | -do- | -do- | Temporary restoration of flood effected metalled road from basti Kumharan to wara sehan and basti daphi to warran sehan (Only earthwork made) | Zafar Iqbal Lohanch | 200,000 |
| G. Total | | | | | | 3,421,632 |

DO Building

| Name of Building | Expenditure Incurred |
|--|-------------------------|
| M&R to Residence D-1 GOR Colony | 29,400 |
| M&R to Residence D-1 GOR Colony | 29,700 |
| M&R to Residence Qtr NO. J-1 in PWD Colony | 58,800 |
| M&R to Residence Qtr NO. J-7 in PWD Colony | 56,450 |
| DCO House | 52,894 |
| DCO Residence | 29,598 |
| M&R to Residence N-37 in PWD Colony | 29,400 |
| -do- | 29,340 |
| M&R to DO(Building) Residence | 167,192 |
| M&R to Qtr No.B-7 Wahadat Colony | 29,325 |
| -do- | 29,081 |
| M&R to Qtr No.B-20 Wahadat Colony | 29,392 |
| -do- | 29,420 |

| Name of Building | Expenditure Incurred |
|------------------------------------|-----------------------------|
| DCO Complex Mosque | 174,031 |
| M& R to Building Rest House Layyah | 49,032 |
| -do- | 49,486 |
| M&R to E-1 GOR Colony | 30,000 |
| -do- | 30,000 |
| M&R to E-3 GOR Colony | 30,000 |
| -do- | 30,000 |
| M&R to N-16 TDA Colony | 29,850 |
| -do- | 29,850 |
| M&R to N-5 TDA Colony | 29,625 |
| -do- | 29,770 |
| M&R to No.9 PWD Colony | 29,475 |
| -do- | 29,550 |
| M&R to No.5 GOR Colony | 29,250 |
| -do- | 29,370 |
| M&R to Q-163 TDA Colony | 29,355 |
| -do- | 29,355 |
| M&R to E-19 GOR Colony | 29,563 |
| -do- | 29,606 |
| M&R to E-8 GOR Colony | 29,400 |
| -do- | 29,475 |
| Total | 1,406,035 |

Annex-G

[Para 1.2.3.21]

Unauthorized payments without Detailed Measurements

(Amount in Rupees)

| Sr. No. | Name of Scheme | Contractor | Area of Site | MB No. & Page | Name of Item | Qty | Rate | Amount |
|---------|---|------------------------|--------------|-----------------------|--------------------------|-------------|---------|-----------|
| 1 | Special repair of metalled road from Rafiqabad to head mast Ali road length | Zafar Iqbal Lohanch | 8 Km | 435 Page-141 to 153 | earthwork ordinary soil | 21432 Cft | 2901.23 | 62179 |
| | | | | | P/F of road edging | 500 Rft | 21.60 | 10,800 |
| | | | | | P/L base course material | 1498 Cft | 8385.70 | 125,618 |
| | | | | | TST | 2500 Sft | 3486.62 | 87,166 |
| | | | | | DST | 33250 Sft | 1675.66 | 557,147 |
| 2 | Const. of M/Road from Pahar pur to chak No. 172/TDA | Ch. Tasadique Hussain | 26 Km | 387/1080 P-148 to 165 | earthwork ordinary soil | 167,768 Cft | 3427.92 | 575,095 |
| | | | | | P/F of road edging | 6200 Rft | 25.52 | 15,822 |
| | | | | | P/L base course material | 1181 Cft | 8333.06 | 98,413 |
| | | | | | S.S.T | 6298 Sft | 2143.68 | 135,009 |
| | | | | | D.S.T | 8607 Sft | 1983.23 | 170,697 |
| 3 | Special repair of metalled road from chak No. 397/TDA to Jalal minor | Muhammad Ayub Khan | 0.4 Km | 408/1901 | earthwork ordinary soil | 8424 | 3673.75 | 30,948 |
| | | | | | P/F of road edging | 2600 | 25.65 | 66,690 |
| | | | | | P/L base course material | 4329 | 9679.26 | 419,015 |
| | | | | | T.S.T | 1300 | 4139.24 | 538,101 |
| 4 | Special repair of Karor bye pass road Phase-1 | Mr. Abdul Majeed Niazi | 2 km | 530/272 | earthwork ordinary soil | 81245 | 5981.45 | 485,963 |
| | | | | | Sub- base | 550.6 | 6728.87 | 37049 |
| | | | | | P/F of road edging | 524 | 25.65 | 13441 |
| | | | | | P/L base course material | 1658 | 8525.43 | 141352 |
| | | | | | T.S.T | 28481 | 4140.44 | 1,179,239 |
| | | | | | D.S.T | 7020 | 1989.84 | 139687 |
| | | | | | | | | 4,046,521 |

Annex-H

[Para 1.2.3.27]

Purchase of Medicines from Un-Registered Supplier

EDO (H)

(Amount in Rupees)

| S# | Item No | Name of items | Name of firm | License Validity Date | QTY Purchased | Rate | Amount |
|--------------|---------|---|-------------------------------|-----------------------|---------------|-------|----------------|
| 1 | 243 | Eye drops ciprofloxacin 0.5% | M/S Meediceena Pharma Lahore | 01.08.2005 | 13796 | 29 | 400,080 |
| 2 | 251 | AV Fistula Needles | M/S Iqbal & Company Islamabad | 30.06.2009 | 6,000 | 25 | 150,000 |
| 3 | 179 | Lotion / emulsion benzyl benzoate 25% w/v | M/S Pharmawise Lahore | Not Available | 11,653 | 14.99 | 174,682 |
| Total | | | | | | | 724,762 |

DO Livestock

| Ch No | Date | Item | Supplier | Amount | Remarks |
|--------------|---------|--------------------|-------------------|------------------|---|
| 2518625 | 26.6.14 | Benzoin | Public Scientific | 33800 | Dealership/Distributor Certificate of Pak Made was not available in Technical Bid |
| 2518648 | do | Leva 15% Drench | Symans | 1020000 | Dealership/Distributor Certificate of Intervac was not available in Technical Bid |
| do | do | AI Sheath Imported | Do | 343840 | Dealership/Distributor Certificate of foreign firm was not available in Technical Bid |
| 2518627 | do | Boric Acid | Ali Traders | 8500 | Dealership/Distributor Certificate of MD Chemical was not available in Technical Bid |
| do | do | Mag Sulphas | Do | 114900 | Dealership/Distributor Certificate of Pak Made was not available in Technical Bid |
| do | do | Zinc Oxide | Do | 4250 | Dealership/Distributor Certificate of HD Chemical was not available in Technical Bid |
| Total | | | | 1,525,290 | |

Annex-I**[Para 1.2.3.31]****Unauthorized Payment for Non Schedule Items****(Amount in Rupees)**

| Name of Scheme | Item | Quantity | Rate | Amount | MB# Page |
|---|---------------------------------|-----------------|-------------|------------------|--------------------|
| Construction of B/Wall (Missing Portion) around graveyard at Daday wala near Darbar Mian Ranjha Mouza Vehni Wall Thal Rid | Pr-Cast RCC pillar of Izhar Ltd | 1440 rft | Rs 135/rft | 194,400 | 2089/431 pg 96 |
| | Goldmatic Pump | 1 No. | Rs 31,500 | 31,500 | -do- |
| Const. of B/Wall (Missing Portion) around graveyard at peer Jaggi | Pr-Cast RCC pillar of Izhar Ltd | 1032 rft | Rs 135/rft | 139,320 | 1937/2426 Pg 52 |
| Construction of Boundary Wall (Missing Portion) around Graveyard Mai Kaloo, Bahadur Gamon Sehule | -do- | 1120 rft | Rs 135/rft | 151,200 | 1937/2426 Pg 41,42 |
| Construction of Boundary Wall (Missing Portion) around Graveyard Housing Scheme#1 | -do- | 4816 rft | Rs 135/rft | 650,160 | 1937/2426 Pg 60 |
| Construction of Boundary Wall around Graveyard Darbar Mubarak Shah Choubara City | -do- | 5120 rft | Rs 135/rft | 691,200 | 2034/356 pg 81 |
| Total | | | | 1,857,780 | |

Annex-J**[Para1.2.3.38]****Non / Less Deposit of Performance Security****(Amount in Rupees)**

| Scheme | TS Value of scheme | Rates quoted by contractor | Performance Security due | P.S obtained /deducted in 1st R.Bill | Difference |
|---|---------------------------|-----------------------------------|---------------------------------|--|-------------------|
| Const. of 350 rft B/Wall, repair of old building, toilet block and Goldmatic pump with water tank at GHSS 93/ML | 1,900,000 | 23.86% below TS | 453,340 | 226,670 | 226,670 |
| Const. of B/Wall around grave yard (missing portion) Housing scheme#1 | 1,408,000 | 35.50% below TS | 499,840 | Nil | 499,840 |
| Const. of 6 additional Class Room with veranda and toilet block at Govt. HSS(B) Jaman Shah | 6,280,000 | 19.89% below TS | 1,249,092 | 600,000 | 649,092 |
| Total | | | | | 1,375,602 |

Annex-K

[Para1.2.3.40]

Unauthorized Purchase of Medicines without Fresh Tendering

(Amount in Rupees)

| Date | Document No. | Item | Supplier | Qty | 1st Order | Repeat Order | % |
|------------|--------------|---|------------------|---------|-----------|--------------|----------|
| 20.06.2014 | 5100286024 | Syp. Aluhydroxide 291 mg 120 ml | Syncshro Pharma | 25,000 | 700,000 | 0 | |
| 19.06.2014 | 1904003689 | Syp. Aluhydroxide 291 mg 120 ml | Syncro Pharma | 5,000 | 0 | 140,000 | 20 |
| 20.06.2014 | 5100286025 | Calamine Lotion 120ml | Adnan Traders | 20,000 | 578,000 | 0 | |
| 19.06.2014 | 1904088054 | Calamine Lotion 120ml | Adnan Traders | 10,000 | 0 | 289,000 | 50 |
| 20.06.2014 | 1904011254 | Inj.5% dextrose water bottle of 1000 ml | Punjab Pharmacey | 1,000 | 50,900 | 0 | |
| 23.06.2014 | 1903979010 | Inj.5% dextrose water bottle of 1000 ml | Punjab Pharmacey | 1,000 | 0 | 50,900 | 100 |
| 20.06.2014 | 1904011254 | Inj.Ringer solution bottle of 500 ml | Punjab Pharmacey | 2,500 | 129,500 | 0 | |
| 23.06.2014 | 1903979010 | Inj.Ringer solution bottle of 500 ml | Punjab Pharmacey | 2,000 | 0 | 103,600 | 80 |
| 20.06.2014 | 5100286026 | Tab Paracetamol 500mg | Shifa Lab | 500,000 | 220,000 | 0 | |
| 19.06.2014 | 1904088052 | Tab Paracetamol 500mg | Shifa Lab | 100,000 | 0 | 44,000 | 20 |
| 19.06.2014 | 1904088057 | Tab Paracetamol 500mg | Shifa Lab | 100,000 | 0 | 44,000 | 100 |
| 18.06.2014 | 5100276022 | Tab. Meloxicam 15mg | Caylex Pharma | 100,000 | 70,000 | 0 | |
| 18.06.2014 | 5100276021 | Tab. Meloxicam 15mg | Caylex Pharma | 100,000 | 0 | 70,000 | 100 |
| 18.06.2014 | 5100276022 | Tab.Deslarotadine 5mg | Caylex Pharma | 300,000 | 240,000 | 0 | |
| 18.06.2014 | 5100276021 | Tab.Deslarotadine 5mg | Caylex Pharma | 100,000 | 0 | 80,000 | 33.33333 |
| 18.06.2014 | 5100276022 | Tab Esomeprazole 40 mg | Caylex Pharma | 300,000 | 564,000 | 0 | |
| 18.06.2014 | 5100276021 | Tab Esomeprazole 40 mg | Caylex Pharma | 50,000 | 0 | 94,000 | 16.66667 |
| 18.06.2014 | 5100276022 | Tab Famotadine Chewable | Caylex Pharma | 200,000 | 720,000 | 0 | |
| 18.06.2014 | 5100276021 | Tab Famotadine Chewable | Caylex Pharma | 50,000 | 0 | 180,000 | 25 |
| | | Total | | | | 1,095,500 | |