



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

**AUDITOR GENERAL OF PAKISTAN**

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## ABBREVIATIONS AND ACRONYMS

ACL	Audit Command Language
B&R	Building & Road
CLC	Community Literacy Center
C&W	Communication and Works
CPW	Central Public Works
DAC	Departmental Accounts Committee
DCO	District Coordination officer
DGA	Director General Audit
DO	District Officer
DRC	District Rate Committee
EDO	Executive District Officer
F&P	Finance and Planning
ICR	Intermediate Completion Report
IPSAS	International Public Sector Accounting Standard
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
MLC	Medico-legal Certificate
MS	Medical Superintendent
OFWM	On Farm Water Management
PAO	Principal Accounting Officer
PCP	Pre-Cast Pillar
PFR	Punjab Financial Rules
PIPIP	Punjab Irrigated-Agriculture Productivity Improvement Project
PLGO	Punjab Local Government Ordinance
POL	Petroleum Oil and Lubricants
PPRA	Punjab Procurement Regularity Authority
PRSP	Punjab Rural Support Programme
PTC	Primary Teaching Certificate
RDA	Regional Director Audit
RHC	Rural Health Center
SE	Superintending Engineer
SST	Secondary School Teacher

S&GAD	Services and General Administration Department
THQ	Tehsil Headquarters
TS	Technical Sanction
WUA	Water User Associating
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, Rajanpur 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 the 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 constituting 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, Rajanpur, 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 Government 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 ZilaNazim / 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 Rajanpur is administratively divided into Three Tehsils namely Rajanpur, Jampur and Rojhan.

## **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 (Audit of Expenditure and Receipts)**

Out of total expenditure of the District Government, Rajanpur for the financial year 2013-14, auditable expenditure under the jurisdiction of Regional Director Audit (District Governments), Rajanpur was Rs 3,704.492 million covering one PAO and 129 formations. Out of this, Regional Director Audit (District Governments), Rajanpur audited an expenditure of Rs 1,413.846 million which, in terms of percentage, is 38% of total auditable expenditure.

Total receipts of the District Government Rajanpur for the financial year 2013-14, were Rs 18.057 million. RDA D.G.Khan audited receipts of Rs 16.791 million which was 90% of total receipts.

### **b. Recoveries at the Instance of Audit**

Recovery of Rs61.565 million was pointed out by Audit out of which Rs25.618 million was not in the notice of the management before audit.

However against the total recovery, an amount of Rs46.878 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 concerned departments, 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 was one case pertaining to nonproduction of record –Rs40.597 million<sup>1</sup>.
- ii. There were twenty three cases of irregular expenditure / payments and violation of rules / financial propriety amounting to Rs318.955 million.<sup>2</sup>
- iii. There were thirteen cases of no recovery of overpayment – Rs46.878 million.<sup>3</sup>
- 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.

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<sup>1</sup>1.2.1.1

<sup>2</sup>1.2.2.1, 1.2.2.2,1.2.2.3, 1.2.2.4,1.2.2.5, 1.2.2.6, 1.2.2.8, 1.2.2.9, 1.2.2.12, 1.2.2.13, 1.2.2.14, 1.2.2.15, 1.2.2.16, 1.2.2.18, 1.2.2.19, 1.2.2.22, 1.2.2.23, 1.2.2.24, 1.2.2.25, 1.2.2.26, 1.2.2.31, 1.2.2.34, 1.2.2.36

<sup>3</sup>1.2.2.7, 1.2.2.10, 1.2.2.11, 1.2.2.17, 1.2.2.20, 1.2.2.21, 1.2.2.27, 1.2.2.28, 1.2.2.29, 1.2.2.30, 1.2.2.32, 1.2.2.33, 1.2.2.35

**g. Recommendations**

PAO / District Government is required to:

- i. Conduct physical stock taking of the fixed and current assets.
- ii. Comply with the Punjab Public Procurement Rules for economical and rational purchases of goods and services.
- iii. Inquiries be held and responsibility fixed for fraud, misappropriation, losses, theft and wasteful expenditure.
- iv. 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	4,711.294
2	Total formations in audit jurisdiction	129	4,711.294
3	Total Entities (PAOs) Audited	01	3,704.492
4	Total formations Audited	27	3,704.492
5	Audit & Inspection Report	27	-
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	318.955
3	Internal controls	46.878
4	Others	40.597
<b>Total</b>		<b>406.430</b>

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

<b>Sr. No.</b>	<b>Description</b>	<b>Expenditure on Acquiring Physical Assets</b>	<b>Salary</b>	<b>Non-Salary</b>	<b>Civil Works</b>	<b>Receipts</b>	<b>Total</b>	<b>Total Last Year</b>
1	Outlays Audited	0	2811.296	279.333	613.864	18.057	3,722.550	2031.201
2	Amount Placed under Audit Observation/ Irregularities by Audit	-	75.699	155.517	172.332	2.882	406.430	188.935
3	Recovery Pointed out at the instance of Audit	-	22.309	11.763	9.924	2.882	46.878	58.673
4	Recovery Accepted / Established at the instance of Audit	-	-	-	-	-	-	58.673
5	Recovery realized at the instance of Audit	-	-	-	-	-	-	0.379

\* The amount mentioned against Sr. No. 1 in column of "Total" is the sum of expenditure and receipt whereas the total expenditure was Rs3,704.493 million.

**Table 4: Irregularities Pointed Out**

<b>(Rupees in Million)</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Amount Placed under Audit Observation</b>
1	Violation of rules and regulations and violation of principle of propriety and probity in public operations.	318.955
2	Reported cases of fraud, embezzlement, thefts and misuse of public resources	-
3	Accounting errors (accounting policy departure from NAM <sup>4</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4	Quantification of weaknesses of internal control systems	-
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public monies	46.878
6	Nonproduction of record	40.597
7	Others, including cases of accidents, negligence, non accountal of store etc.	-
<b>Total</b>		<b>406.430</b>

**Table 5: Cost-Benefit**

<b>(Rupees in Million)</b>		
<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1.	Outlays Audited (Items 1 Table 3)	3,722.550
2.	Expenditure on Audit	0.241
3.	Recoveries realized at the instance of Audit	0
4.	Cost-Benefit Ratio	0

<sup>4</sup>The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash) compliant.

# CHAPTER 1

## 1.1 District Government Rajanpur

### 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 ZilaNazim/ 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.

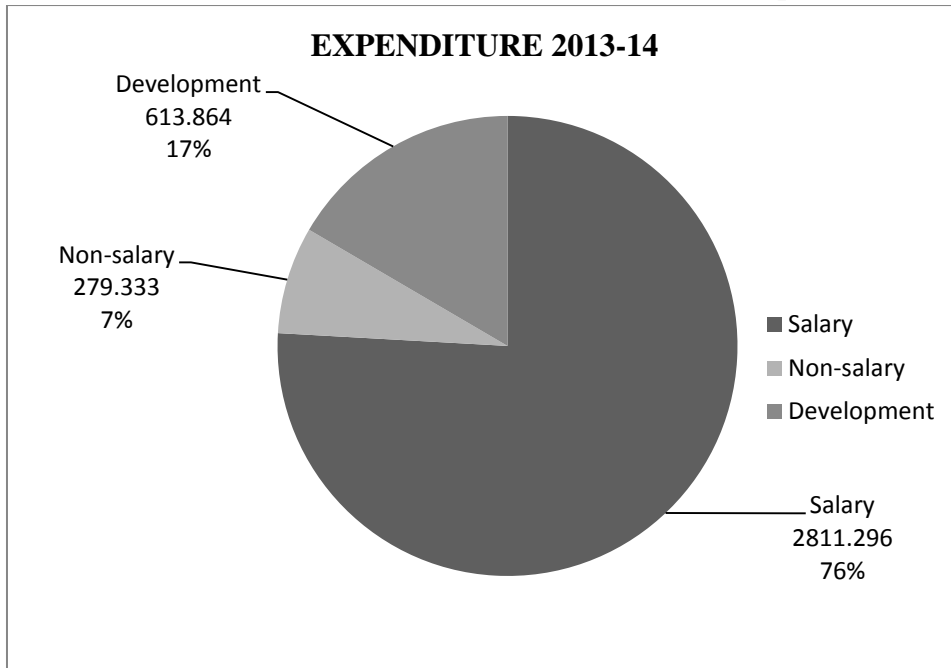
The DCO is the Principal Accounting Officer of the District Government and is responsible to the Public Accounts Committee of the Provincial Assembly. He is responsible to ensure that the business of the District Coordination Group of Offices is carried out in accordance with the laws and to coordinate 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:

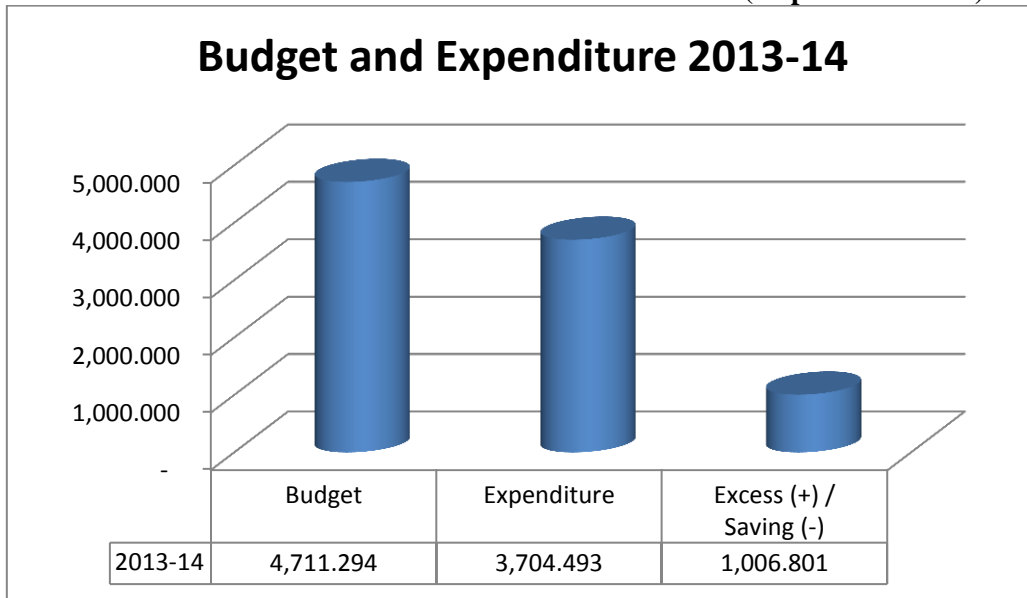
(Rupees in Million)				
2013-14	Budget	Actual	Excess (+) / Saving (-)	%
				(Saving)
Salary	2948.58	2811.296	(137.284)	(4.656)%
Non-salary	610.865	279.333	(331.532)	(54.273)%
Development	1151.849	613.864	(537.985)	(46.706)%
<b>Total</b>	<b>4711.294</b>	<b>3704.493</b>	<b>(1006.801)</b>	<b>(21.370)%</b>
<b>Receipt</b>	<b>23.847</b>	<b>18.057</b>	<b>(5.790)</b>	<b>(24.28)%</b>

(Rupees in Million)



As per the Appropriation Accounts 2013-14 of the District Government, Rajanpur, total original budget (Development and Non-Development) was Rs4210.356 million, supplementary grant of Rs500.938 million was provided and the final budget was Rs4711.294 million. Against the final budget, total expenditure of Rs3704.493 million was incurred by the District Government during 2013-14. Annex-B

(Rupees in Million)

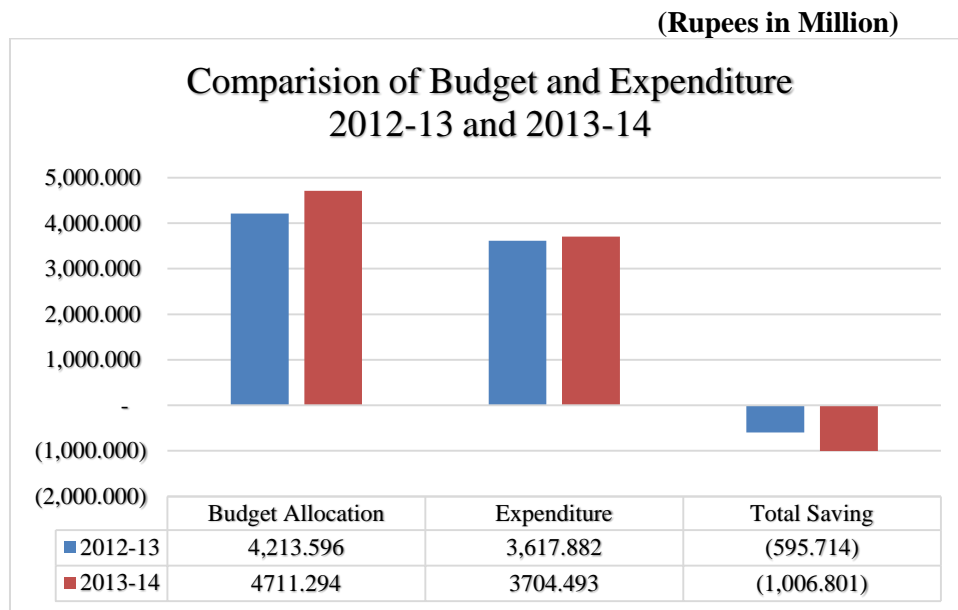


Due to ineffective financial management in release of budget by EDO (F&P), major portion of saving occurred as detailed below:

- (i) An amount of Rs482.780 million(72%) 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 Rs34.116 million (31%).



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



There was 11% increase in Budget Allocated and Expenditure while there were overall savings of Rs1006.801 million during 2013-14.

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

Audit paras reported in MFDAC (Annex-A) 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**

<b>Sr. No.</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC Meetings</b>
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	09	Not convened
9	2013-14	18	Not convened

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

## **1.2 AUDIT PARAS**

## **1.2.1 Non Production of Record**

### 1.2.1.1 Non Production of Record – Rs 40.597 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”.

Following DDOs did not produce record of expenditure for Rs 40.597 million incurred during 2013-14 under different objects / codes of classification. The detail is given as below:

<b>(Amount in Rupees)</b>			
<b>Sr. No.</b>	<b>DDOs</b>	<b>Nature of Record</b>	<b>Amount</b>
1.	Dy.DEO (EE-M) Rojhan	Log Book	233,355
2.	DCO	Flood relief operation	3,309,590
3.	Dy.DEO (EE-M) Jampur	Log Books	199,978
4.	-do-	Purchase of furniture through SMC	2,371,300
5.	-do-	SMC Record	3,540,000
6.	DO Sports	Vouchers,cash book	24,882,661
7.	Dy.DEO (EE-W) Rojhan	TA/DA Record	95,814
8.	EDO Education	Pay and Allowances ,TA/DA and Conference/Seminar	1,400,993
9.	-do-	Log Books	79,998
10.	EDO (Health)	Logbooks	181,417
11.	-do-	Pay and Allowances and TA/DA	1,254,640
12.	DO(OFWM)	Labour Charges/purchase of material	2,348,205
13.	DO (Roads)	Logbooks	698,809
<b>Total</b>			<b>40,596,760</b>

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

Legitimacy of expenditure for Rs 40.597 million could not be ascertained due to non production of record.

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

despite written requests made by this office. No progress was intimated to Audit till the finalization of the 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: 8,16,6,13,14,2,7,3,6,15,19,6,24]

## **1.2.2 Non Compliance of Rules**

### **1.2.2.1 Unauthorized Splitting of Schemes-Rs 90.346 Million**

According to Para 2.70 of B&R Code and vide Finance Deptt. Letter No.FD(D-11)10 (3)90 dated 27<sup>th</sup> June 1991, the splitting will have to be got approved from the Chief Engineer concerned.

District Officer (Buildings) and District Officer (Roads) split the schemes amounting to Rs 90.346 million during 2013-14, just to avoid the sanction from higher authority. The splitting was done deliberately to avoid the technical sanction from Chief Engineer. There was no logic to split the scheme when it was administratively approved, technically sanctioned, advertised and executed at the same time. (Annex-C)

Audit is of the view that due to weak financial management, the codal requirements were not observed.

The non observance of codal requirement resulted into unauthorized expenditure for Rs 90.346 million.

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

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

[AIR Paras: 7,21]

### **1.2.2.2 Payment of Salaries without Performing Duty -Rs 51.480 Million**

According to Rule 2.33 of PFR vol-1, 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, and that he will also be held personally responsible for any loss, arising from fraud or negligence.

District Officer (Roads) paid salaries to 133 officials working on Boat Bridge Jampur. The said Boat Bridge was non functional from 2011 and the employees were declared surplus from 2011 vide EDO (W & S) Rajanpur letter No.2294 dated 28-06-2011 but the same was not placed in surplus and not



adjusted in any other department due to which they were drawing their pay without performing duties and government sustained heavy loss.

(Amount in Rupees)

Sr. No.	Designation	No. of Post	Rate P/M (Avg)	Amount
1	Mate	1	15,000	360,000
2	Oilman	3	15,000	1,080,000
3	Tyndail	2	15,000	720,000
4	Saw engine Driver	1	15,000	360,000
5	Camelman	1	15,000	360,000
6	Lashkar	11	15,000	3,960,000
7	Carpenter	2	15,000	720,000
8	Boat Maker	1	15,000	360,000
9	Hammerman	1	15,000	360,000
10	Baildar	20	15,000	7,200,000
11	Boatman	92	15,000	33,120,000
12	Jamadar	2	15,000	720,000
13	Blaksmith	1	15,000	360,000
14	Head Boatman	5	15,000	1,800,000
<b>Total</b>				<b>51,480,000</b>

Audit is of the view that due to poor managerial controls, the man power and financial resources spent on salaries was wasted.

The wasteful expenditure for Rs 51.480 million resulted into loss to Government.

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

Audit recommends fixing of responsibility besides adjusting the employees at some useful place.

[AIR Para: 30]

### 1.2.2.3 Unauthorized Payment in Cash – Rs 38.697 Million

According to Finance Department letter No. NO. FD (FR) V-6/75 (P) dated 17.9.2008, all the payment exceeding Rs 100,000 should be made through crossed cheque. Further 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.

The following DDOs of various departments made payments to suppliers and employees for Rs 38.697 million in cash during 2013-14 instead of crossed cheque or direct credit to their accounts which resulted unauthorized payment.

**(Amount in Rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>Description</b>	<b>Amount</b>
1.	DO (Health)	Pay and contingencies payments	3,420,706
2.	EDO (Health)		1,000,000
3.	DO (OF WM)	Payments made by the WUAs	9,546,267
4.	DO (Livestock)	Pay and contingencies payments	3,088,956
5.	Principal Nursing School	Stipend to student	21,640,915
<b>Total</b>			<b>38,696,844</b>

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

The procedure of payment was unauthorized which resulted in doubtful expenditure for Rs 38.697 million.

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

Audit recommends fixing of responsibility on the officers concerned for non-observance of the rule, besides regularization of the expenditure from the competent authority, under intimation to Audit.

[AIR Paras: 12,13,7,7,3]

#### **1.2.2.4 Unjustified Payment without Approval of Job Mix Formula- Rs 28.117 Million**

According to Condition No.6 of Finance Department notification No.RO(TECH) FD2-3/2004 dated 02.08.2004, rate for an item of carpeting shall be fixed by the Chief Engineer on the basis of different percentages of bitumen ranging from 3% to 6%, and payment will be made to contractor as per Job Mix Formula or actual bitumen used in the work.

District Officer (Roads) executed the following work and made payment for the items of plant premix 2 inches thick with ratio of 4.5% of bitumen Asphaltic Base Course (ABC). But neither the rate for ranging of bitumen from 3% to 6% was obtained from the Chief Engineer nor the recommended Job Mix Formula (JMF) was obtained from Road Research and Material Testing Institute, Lahore before execution and release of payment amounting to Rs 28.117 million during 2013-14, the payment was made without ascertaining the actual use of bitumen on work.

(Amount in Rupees)

Scheme	Contractor	Quantity	Rate	Amount
Widening/ Improvement of metalled road from Dera Machi wala Khitran Pump (MB3936)	N. A Builders	111,134 Cft	8313.86	9,239,608
W/I of metalled road from Library chowk to Zia Shaheed road	-do-	40,000	8313.96	3,225,544
Dualization/rehabilitation of M/R from WAPDA chowk to POLICE Station Rajanpur	M/S Saddaqaat Builders	84089	8487	7,136,633
Const. of M/R from Justice Munir Shaheed Road to canal rest house	M/S Muhammad Ahmad & Sons	17402	8284.74	1,441,710
W/I of M/R from Qutab Canal to Hospital Chowk Rajanpur City	M/S Saddaqaat Builders	84697	8352	7,073,893
<b>Total</b>				<b>28,117,388</b>

Audit is of the view that due to weak financial controls resulted in unjustified payment due to work done without approval of Job Mix Formula.

The payment for Rs .28.117 million without approval of competent authority which resulted in unauthorized expenditure.

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

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

[AIR Para: 1]

### **1.2.2.5 Mis-Procurement of Medicine-Rs 27.100 Million**

According to Rule 29 of PPRA Rule 2009, Procuring agencies shall formulate an appropriate evaluation criterion listing all the relevant information against which a bid is to be evaluated. Such evaluation criteria shall form an integral part of the bidding documents. Failure to provide for an unambiguous evaluation criteria in the bidding documents shall mount to mis-procurement. Rule 30(1) of ibid states that 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.

EDO (Health) advertised the procurement of medicine valuing Rs 27.100 million during 2013-14, for Health Centers of District Rajanpur specifying the criteria for bidders as manufacturer of medicine, registered with Income Tax and Sales Tax Department, registered with Ministry of Health. No evaluation criteria was given in bidding document. Ignoring the advertised criteria and evaluation on self-formulated criteria resulted in rejection of bids on unsound grounds and resulted in unhealthy competition. The unhealthy competition resulted in loss to Government and so called opting of bidding process proved just mockery of PPRA rules. Further the rate contract was not allowed as per instructions issued by the Managing Director Punjab Procurement Regulatory Authority vide letter No. MD (PPRA)12-21/2010 dated 01-10-2011.

Audit is of the view that due to weak internal control, the purchase process was finalized without following the prescribed rules.

Non following of procurement rules resulted into unauthorized expenditure for Rs 27.100 million.

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

Audit recommends fixing of responsibility on the officers concerned for mis-procurement besides regularization of matter from the competent authority.

[AIR Paras: 1,8]

### **1.2.2.6 Un-Authorized Purchase of Medicines through Rate Contract- Rs 16.676 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.

Following DDOs of Health department purchased medicines valuing Rs 16.676 million through rate contract finalized by the EDO (Health) during 2013-14 out of regular budget in violation of above quoted instructions unauthorizedly.

**(Amount in Rupees)**

<b>DDO</b>	<b>Year</b>	<b>Description</b>	<b>Total Purchase</b>
MS THQ Hospital Rojhan	2013-14	Purchase of Medicines	3,203,820
MS THQ Hospital Jampur			1,746,350
MS DHQ Hospital			4,982,940
SMO Civil Hospital Shah Wali	2010-14		6,742,782
<b>Total</b>			<b>16,675,892</b>

Audit is of the view that due to weak internal controls purchase of medicines through rate contract was unauthorized.

Procurement of medicines at rate contract resulted in unauthorized expenditure for Rs 16.676 million.

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

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

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

### **1.2.2.7 Non Refund of dues from Provincial Government-Rs 10.000 Million**

According to Rule 2.33 of PFR Vol-1, 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. Further according to Special Secretary Finance on 17.06.2014 vide letter No. FD (DG) 1-40/2012 the amount will be reimbursed on production of vouched accounts spent on VVIP visit.

District Coordination Officer, incurred an expenditure of Rs.10.000 million during 2013-14 on flood relief operation. The amount was to be reimbursed by the Provincial Government. But District Coordination Officer failed to collect the same from Provincial Government resulted in huge amount outstanding.

Audit is of the view that due to weak financial control, the outstanding amount was not recovered from the provincial Government.

Non recovery of outstanding amount for Rs10.000 million resulted into loss to Government.

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

Audit recommends fixing of responsibility on the person concerned besides immediate reimbursement of same from the Provincial Government.

[AIR Para: 2]

#### **1.2.2.8 Unauthorized Payment on Account of Non Schedule Items- Rs 9.474 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 far as possible.

District Officer (Buildings) granted unauthorized technical sanction, advertisement of schemes, issuance of acceptance to contractors and payment was made of non scheduled items amounting to Rs 9.474 million during 2013-14.

But approval from EDO (W&S) was not obtained in violation of above rule. (Annex-D)

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

The expenditure without approval from the competent authority resulted in unauthorized payment for Rs 9.474 million.

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

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

[AIR Para: 20]

#### **1.2.2.9 Transfer of Funds without Verification of Measurements - Rs 9.448 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 (OFWM) transferred an amount of Rs 9.448 million during 2013-14 to water user associations' account for improvement of water courses as additional scheme. Additional scheme was introduced in the PIPIP project, to reconstruct the water courses, started earlier but partially completed and remained incomplete. Before transferring the amounts for additional schemes it was necessary to verify the detail of water course i.e when started, amount transferred, Technical Sanction Estimate, Map, ICR-I, ICR-II, Final Completion Report of the previous work etc. but nothing was available in the office record. The detail of funds transfer is given below:

(Amount in Rupees)

<b>Tehsil</b>	<b>Water Course No</b>	<b>Drawal Date</b>	<b>Total Amount Transferred</b>
Rajanpur	19213-L	17.06.14	1,761,803
Rajanpur	135171-L	01.06.14	3,282,710

<b>Tehsil</b>	<b>Water Course No</b>	<b>Drawal Date</b>	<b>Total Amount Transferred</b>
Jampur	62240-L	22.06.14	1,877,991
Rojhan	104500-L	13.09.14	1,055,025
Rajanpur	117305-L	19.04.14	1,470,644
<b>Total</b>			<b>9,448,173</b>

Audit is of the view that due to weak internal controls and transfer of funds on account of additional water courses in the account of water user associations was unjustified.

Unjustified transfer of additional funds for Rs9.448 million caused loss to Government.

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

Audit recommends fixing of responsibility on the person concerned besides provision of relevant record.

[AIR Para: 4]

#### **1.2.2.10 Recovery of Inadmissible Allowances – Rs 9.296 Million**

According to Finance Division OM No.F.3 (1)-R.5/90 dated 18.11.1990 employees not residing within their work premises are entitled to the Conveyance Allowance. Further According to Government of Punjab, Finance Department letter NO. FD (M-I) 1-15/82-P-I, dated 15-06-2000, a Government servant shall pay house rent allowance whether he lives there or not or not in case of availability of designated residence in the work premises.

DDOs of various departments paid Rs 9.296 million during 2013-14 on account of various allowances, pay during the absent period and pay during leave without pay to the employees which were not admissible to them. (Annex-E)

Audit is of the view that due to weak financial controls, unauthorized pay and allowances were allowed to the employees.

Drawal of inadmissible pay and allowances for Rs 9.296 million caused overpayment and loss to the Public Exchequer.



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

Audit recommends that the overpaid amount on account of pay and allowances should be recovered, besides discontinuation of the pointed out allowances from the salary, under intimation to Audit.

[AIR Paras: 7,3,6,10,11,16,3,5,6,9,4,9,4,5,1,3,1,3,4,6,1,2,4,6,11,3,4,5,1,2,4,2,3,4,7,10,11,3,6,8,1,7,12,17,18,2,4,5,10,2,7]

### **1.2.2.11 Recovery of House Rent and Conveyance Allowances – Rs 7.482 Million**

According to Finance Division OM No.F.3 (1)-R.5/90 dated 18.11.1990 employees not residing within their work premises are entitled to the conveyance allowance. Further according to Government of Punjab, Finance Department letter NO. FD (M-I) 1-15/82-P-I, dated 15-06-2000, a Government servant shall pay house rent allowance whether he lives there or not or not in case of availability of designated residence in the work premises.

Following DDOs allowed payment of Rs 7.482 million during 2013-14 on account of house rent allowance and conveyance allowance to the employees, who were either residing in hospital colony, have designated residences or were on leave. The detail is as below:

<b>(Amount in Rupees)</b>			
<b>Sr. No.</b>	<b>DDO</b>	<b>No. of Employees</b>	<b>Amount</b>
1.	MS DHQ Hospital	08	302,343
2.	DO (Livestock)	03	108,084
3.		04	162,480
4.	DO (Health)	115	4,920,096
5.		09	502,080
6.	MS THQ Hospital Jampur	19	514,640
7.		04	34,344
8.	Principal Nursing School	02	850,500
9.		01	56,100
10.	DO (Roads)	02	31,618

<b>Sr. No.</b>	<b>DDO</b>	<b>No. of Employees</b>	<b>Amount</b>
<b>Total</b>			<b>7,482,285</b>

Audit is of the view that due to weak financial controls, unauthorized conveyance allowance and house rent allowance were paid to employees without entitlement.

Grant of Inadmissible allowances for Rs 7.482 million caused overpayment and loss to the Public Exchequer.

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

Audit recommends that the overpaid amount on account of conveyance allowance and house rent allowance should be recovered, besides discontinuation of the pointed out allowances from the salary, under intimation to Audit.

[AIR Paras: 7,8,9,3,4,6,7,1,7,29]

#### **1.2.2.12 Incurrence of Expenditure without Advertisement–Rs 5.935 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 website.

Following DDO's purchased various items valuing Rs 5.935 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, as detailed below:

<b>(Amount in Rupees)</b>			
<b>Sr. No.</b>	<b>Name of Office</b>	<b>Article</b>	<b>Amount</b>
1.	MS THQ Hospital	X-rays, Bed sheet and	2,569,956

Sr. No.	Name of Office	Article	Amount
	Rojhan	purchase of medicines	
2.	MS THQ Hospital Jampur	X-rays, Bed sheet and purchase of medicines	2,209,027
3.	DO (Livestock)	Purchase of medicines	481,350
4.	DO (Buildings)	Purchase of ceiling fans	674,730
<b>Total</b>			<b>5,935,063</b>

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

Procurement of stores without advertisement and splitting of bills for Rs 5.935 million resulted in uneconomical purchases.

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

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

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

### **1.2.2.13 Unauthorized Delayed Acceptance of Tenders-Rs 5.639 Million**

According to (C&W) Department letter No. SOH-I (C&W) 1-40/2000, dated 24<sup>th</sup> 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 5.63p 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 of limit of time was unauthorized.

**(Rupees in Million)**

Scheme	Tender	Acceptance	Accepting	Amount
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	<b>date</b>	<b>date</b>	<b>Authority</b>	
Provision of Missing Facilities at Darbar Hazrat Khawaja Noor Muhammad Naroo Wall Hajipur	31.12.2012	19.1.2013	DO (Buildings)	5.639

Audit is of the view that due to weak managerial controls, the bids were not accepted with in time schedule.

The acceptance of bids after due period resulted into incurrence of unauthorized expenditure for Rs 5.639 million.

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

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

[AIR Para: 23]

#### **1.2.2.14 Incurrence of Expenditure without Sanction- Rs 5.416 Million**

According to Para 3(e) and (g) of Government of Punjab Finance Department Notification No.FD(FR) II/89 dated 2.10.2006, the Government of Punjab may, by notification, confer the financial powers of an officer of a category as mentioned in the First Schedule and Part -II of the Second Schedule, on any other officer.

MS THQ Hospital Jampur incurred the expenditure Rs 5.416 million during 01.07.2013 to 10.03.2014 having DDO power and look after charge given by the DCO Rajanpur. The said doctor exercised the financial powers of a regular Medical Superintendent as given in the Delegation of Financial Rules 2006, though he was not authorized by the Government of Punjab as required in above quoted rule. During the period he sanctioned the expenditure as below:

(Amount in Rupees)

<b>G-L A/C</b>	<b>G-L A/C Description</b>	<b>Amount</b>
A03	Operating Expenditure	4,856,050
A09	Asset	446,505
A13	Repair and Maintenance	113,290

<b>Total</b>	<b>5,415,845</b>
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Audit is of the view that due to weak financial management, the financial sanction of the competent authority was not obtained.

The expenditure for Rs 5.416 million without proper sanction was unauthorized.

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

Audit recommends fixing of responsibility on the officer concerned besides regularization of expenditure under intimation to audit.

[AIR Para: 14]

#### **1.2.2.15 Incurrence of Expenditure beyond Competency-Rs 5.035 Million.**

According to Sr. No 14 of (special powers to agriculture department) Delegation of Financial Powers Rules 2006 amended up to 26 march 2010, 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 (enhanced up to Rs 0.600 Million w.e.f 01.09.2013) million in each case.

District Officer (On Farm Water Management) issued sanction order for the purchase of material i.e. brick, cement, sand etc. amounting to Rs 5.035 million during 2013-14 for the construction of water courses by the water users associations. Whereas the sanction order issued were beyond the competency of said officer. Furthermore, the expenditure was split up to avoid the sanction from next higher authority. The detailed is as below:

(Amount in Rupees)				
WC #	IRC-2 Date	ICR-II, 2nd Instalment Cost of Bricks / Cement / Material	Payment Date	Sanction By
8830-L	26.06.13	859,109	09.01.14	DO-

WC #	IRC-2 Date	ICR-II, 2nd Instalment Cost of Bricks / Cement / Material	Payment Date	Sanction By
				OFWM
	01.07.13	830,771	29.05.14	DO-OFWM
23577-L	24.01.14	1,295,093	18.02.14	DO-OFWM
29716-L	05.11.13	1,303,066	16.11.13	DO-OFWM
8830-L	06.03.14	746,960	21.04.14	DO-OFWM
<b>Total</b>		<b>5,034,999</b>		

Audit is of the view that due to weak internal controls, unjustified expenditure was incurred by the department.

The expenditure for Rs 5.035 million without proper sanction was unauthorized.

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

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

[AIR Para: 5]

#### **1.2.2.16 Unjustified Payment of Railway Crossing Charges- Rs 4.870 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 4.870 million, vide voucher No. 18 dated 13.06.2014 and cheque No.2427297 dated 08.04.2014 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 and demand from the Pakistan Railways was not on record; nor was the acknowledgement of recipient 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 unjustified payment for Rs 4.870 million caused loss to Government.

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

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

[AIR Para: 31]

**1.2.2.17 Non Imposition of Penalty due to Delay in Completion of Work-  
Rs 4.762 Million**

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 (12) development projects to different contractors for Rs 47.618 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 4.762 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)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>No. of scheme</b>	<b>Amount</b>
1	DO (Buildings)	6	1,861,411
2	DO (Roads)	02	2,900,398
<b>Total</b>			<b>4,761,809</b>

Audit is of the view that due to ineffective financial and managerial controls, negligence of the management and undue favour to the contractors, the loss occurred.

Due to weak internal controls and negligence of the management, completion of the development projects was abnormally delayed and the Government Treasury sustained loss for Rs 4.762 million.

The matter was reported to the DCO and DDOs concerned in November, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was intimated to Audit till the finalization of the 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: 21,11]

### **1.2.2.18 Incurrence of Expenditure by Defective Tendering Process— Rs 3.225 Million**

According to Rule 12(2) of Punjab Public Procurement Rules 2009, all procurement opportunities over two million rupees should be advertised on the PPRA's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu. Further Rule



13(1) of ibid states under no circumstances the response time shall be less than fifteen days for national competitive bidding.

District Officer (Livestock) purchase medicine and medical equipment valuing Rs 3.225 million during 2013-14. The advertisement was advertised in two Urdu newspapers instead of one Urdu and one English newspaper. The tenders were opened without minutes / scrutiny of Technical Proposals.

Audit is of the view that due to setting aside relevant rules and to award the purchased order to the contractors of own choice, the irregularity occurred.

Due to non observing the procurement rule Government sustained loss for Rs 3.225 million.

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

Audit recommends fixing of responsibility on the officer concerned besides regularization of the expenditure.

[AIR Para: 1]

#### **1.2.2.19 Blockage of Funds due to Non-Completion of Water Courses- Rs 3.044 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) paid an amount of Rs 3.044 million during 2013-14 as ICR-I & ICR-II to following water courses. But final Completion Report was neither submitted nor was the work done verified by the PSC engineer. Due to non completion of water courses, the said water courses could not be completed even after lapse of considerable time. The detail is as below:

**(Amount in Rupees)**

<b>Sr. No.</b>	<b>W/C. No.</b>	<b>ICR-1 Date</b>	<b>Tehsil</b>	<b>Amount Transferred to WUAs</b>
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<b>Sr. No.</b>	<b>W/C. No.</b>	<b>ICR-1 Date</b>	<b>Tehsil</b>	<b>Amount Transferred to WUAs</b>
1	32000-L	04.01.14	Rojhan	58,884
2	6180-L	18.12.13	Jampur	1,175,710
3	2080-L	01.01.14	Rojhan	1,809,458
<b>Total</b>				<b>3,044,052</b>

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

Blockade of Government money for Rs 3.044 million resulted into wastage of resources.

The matter was reported to the DCO and DDO concerned in November, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was intimated to Audit till the finalization of the 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: 9]

#### **1.2.2.20 Payment of Conveyance Allowance during Leave/Vacation – Rs 2.975 Million**

According to Finance Department, Government of the Punjab letter No. FD-PC.38-8/77 dated 05.07.1977, issued by the, no conveyance allowance is admissible to government servants having residences within premises of the office or availing facility of official vehicle. Furthermore, 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 DDOs of Education Department allowed conveyance allowance to the teachers who were on leave with full pay (LFP) / winter vacation during 2012-13, which resulted in overpayment of Rs 2.975 million. (Annex-F)

Audit is of the view that due to Ineffective financial controls and negligence the unauthorized payment was made.

Due to unauthorized payment for Rs 2.975 million, Government sustained loss.

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

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

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

#### **1.2.2.21 Non Deposit of Government Receipts – Rs 2.882 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/failed to recover the Government revenue an amount of Rs 2.882 million on account of MLC fee, registration fee, professional tax, income tax and lease rent during 2013-14, but did not deposit the same into Government Treasury.

(Amount in Rupees)

<b>Sr. No</b>	<b>DDOs</b>	<b>Nature of receipt</b>	<b>Amount</b>
1.	MS THQ Hospital Jampur	MLC Fee	32,850
2.	MS DHQ Hospital	MLC Fee	65,700
3.	EDO (Education)	Registration Fee	951,000
4.	EDO (Health)	License fee	460,000
5.	DO (Buildings)	Professional Tax	99,000
6.	DCO	Income Tax	1,095,361

<b>Sr. No</b>	<b>DDOs</b>	<b>Nature of receipt</b>	<b>Amount</b>
7.	DO (Roads)	Income Tax	78,100
8.		Lease rent	100,000
<b>Total</b>			<b>2,882,011</b>

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

Non deposit of Government money for Rs 2.882 million caused loss to Government Exchequer.

The matter was reported to the DCO and DDOs concerned in November, 2014. Neither any reply was submitted nor was the DAC meeting convened, despite written requests made by this office. No progress was intimated to Audit till the finalization of the 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: 5,17,1,7,19,5,8,13]

#### **1.2.2.22 Enhancement of Work without Approval from Authority- Rs 2.752 Million**

According to Government of Punjab, Planning and Development Department letter No.12(2) RO (Coord) P&D /2010 dated 31.5.2010, prior clearance from P&D Department would be obtained before according revised Administrative Approval.

District Officer (Buildings) enhanced the work “Provision of missing facilities at Darbar Hazrat Khawaja Noor Muhammad Narowala, Hajipur Sharif” for Rs 2.752 million during 2013-14 without getting it approved from the competent authority, which resulted in unauthorized execution of work.

Audit is of the view that due to weak internal controls, development schemes were enhanced without approval of the competent authority.

The scope of development schemes for Rs 2.752 million was enhanced without approval, which resulted in unauthorized execution of work.

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

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

[AIR Para: 16]

### **1.2.2.23 Unauthorized Acceptance of Single Tender-Rs 2.485 Million**

According to Part-II of Delegation of Financial Power Rule 2006, single tender shall be accepted by the next higher authority subject to condition as laid down in letter No.F.D. No.SO(PWI) 1 (4) RO/74, dated 27.11.1975. The said letter states that proper justification should be submitted why the retendering is not feasible. Further according to Para 3(g) of Government of Punjab Finance Department Notification No.FD(FR) II/89 dated 2.10.2006 states that the Government may, by notification, confer the special financial powers mentioned in Part -II of the Second Schedule of Delegation of Financial Power Rules 2006, on any officer.

District Officer (Buildings) accepted and finalized single tender of the following scheme having TS value of Rs 2.485 million without any justification that retendering is not feasible. Further the single tender tenders were submitted by the DO (Buildings) to EDO (Works). The same person hold the both charge. Further the charge of EDO (Works) was granted by the DCO who was not competent. So the acceptance of single tender is unauthorized.

<b>(Amount in Rupees)</b>		
<b>Scheme</b>	<b>TS Amount</b>	<b>tender Dated</b>
Const. of school building, boundary wall, gate & gate pillar GBPS Ghulam Shabeer Khosa	2,485,319	29.11.2012

Audit is of the view that due to poor managerial controls, the rules were not observed and single tenders were accepted.

The acceptance of single tender without competition could not be considered as economical and caused loss to Government for Rs 2.485 million.

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

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

[AIR Para: 18]

#### **1.2.2.24 Un-authorized Purchase of Medicines from Un-Registered Supplier Rs 2.012 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.

District Officer (Livestock) made advertisement for purchase of medicines amounting to Rs 2.012 million during 2013-14, stating the bidder should have manufacturing/distribution license registered with the Health Department. However as per detail given below suppliers/distributors submitted their technical proposals without the said license or expired license. The award of contract to unregistered supplier resulted in unauthorized purchases.

(Amount in Rupees)

<b>Name of Medicine</b>	<b>Rate</b>	<b>Quantity</b>	<b>Amount</b>	<b>Suppliers</b>
Inj. Trisym 100 ml	247	1,500	370,500	M/S Rifco int.
Fasisym drench	1,042	400	416,800	M/S Rifco int.
Inj. Dexasym 50 ml	45	1,000	45,000	M/S Rifco int.
Inj. Flukinil 50 liter	845	500	422,500	M/S Selmore
Inj. Pyroset 50 ml	89	2,000	178,000	M/S Selmore
Inj. Gentabak 100ml	357	550	196,350	M/S Al habib Agencies
Inj. Imidocabdipropionate 100 ml	1,349	100	134,900	M/S Selmore
Inj. Ivermectin 50 ml	124	2,000	248,000	M/S Ali Traders
<b>Total</b>			<b>2,012,050</b>	

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

The purchase of medicine for Rs 2.012 million from a supplier not registered with the Health department was violation of rule.

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

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

[AIR Para: 5]

#### **1.2.2.25 Payment of Salaries without Performing Duty- Rs 1.910 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 1.910 million during 2013-14 on account of pay to CLC teachers on establishing community learning centers in the District. 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. The detail is below:

**(Amount in Rupees)**

<b>No Centers</b>	<b>Period</b>	<b>Pay PM</b>	<b>Amount</b>
99	07.04.14 to 25.06.14	5000	1,910,000

Audit is of the view that due to weak financial control and negligence of the management, the payment of salaries was unauthorized.

Unauthorized payment for Rs 1.910 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 the finalization of the report.

Audit recommends fixing the responsibility and recovery of unauthorized payment.

[AIR Para: 8]

#### **1.2.2.26 Incurrence of Expenditure beyond Competency-Rs 1.820 Million**

According to Delegation of Financial Power Rules 2006(amended), “an officer in Category -1 is authorized to sanction the expenditure on purchase of stationery up to Rs 0.400 million during a financial year.

Executive District Officer (Education) incurred an expenditure of Rs 1.820 million during 2013-14, on purchase of stationery beyond competency. It resulted an unauthorized incurrence of expenditure.

Audit is of the view that due to weak internal control, the schemes were split up to avoid necessary approval from competent authority.

The acceptance of schemes beyond competency resulted in unauthorized expenditure for Rs 1.820 million.

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

Audit recommends proceedings of disciplinary action against the Officer concerned regarding misuse of authority beside the regularization of the expenditure with the sanction of Finance Department.

[AIR Para: 5]



### 1.2.2.27 Purchase of Medicines on Higher Rates than Adjacent Districts- Rs 1.763 Million

According to Clause 9 of Purchase Contract for the financial year 2012-13 finalized by EDO (Health) Rajanpur, 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.

DDOs of health and agriculture Departments awarded the contract for purchase of medicine Rs 1.763 million during 2013-14. 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.

(Amount in Rupees)

Sr. No.	DDO	Overpayment
1	MS DHQ Hospital	114,120
2	DO (Livestock)	8,080
3	SMO Civil Hospital Shah Walai	282,306
4	MS THQ Hospital Rojhan	45,720
5		94,525
6	MS THQ Hospital Jampur	60,200
7	EDO (Health)	1,158,029
<b>Total</b>		<b>1,762,980</b>

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, Government had to sustain a loss for Rs 1.763 million.

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

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

[AIR Paras: 2,2,2,8,9,4,2]

### **1.2.2.28 Loss due to Non Credit of Lapsed Security Deposit into Government Accounts - Rs 1.475 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 outstanding securities of 99 Nos. contractors to revenue an amount of Rs 1.475 million which are outstanding since 30.06.2011, which resulted loss to Government. (Annex-G)

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

The non observance of rule, Government sustained loss for Rs 1.475 million.

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

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

[AIR Para: 12]

### **1.2.2.29 Loss on Account of Conveyance Allowance – Rs 1.406 Million**

According to instruction issued by the Government of the Punjab Finance Department letter No.FD.PC-2-1/2008 dated 11-07-2008, a Government servant availing the facility of Government vehicle/pick & drop will not be allowed conveyance allowance.

DDOs of various departments allowed conveyance allowance of Rs 1.406 million during 2013-14, to the employees. Conveyance allowance was allowed to the employees to whom vehicle / motor cycles were allotted and POL was also paid from the Government account.

(Amount in Rupees)

Sr. No.	DDOs	No. of employees	Amount
1	DO (OFWM)	04	60,000
2	Dy. DEO (MEE) Rajanpur	05	300,000
3	DO (Health)	42	618,240
4	Dy. DEO (WEE) Rajanpur	01	20,000
5	Dy. DEO (WEE) Jampur	01	20,000
6	Dy. DEO (MEE) Jampur	05	215,000
7	DO (Sports)	01	85,000
8	EDO (Health)	02	27,500
9	DO (Buildings)	01	60,000
<b>Total</b>			<b>1,405,740</b>

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 for Rs 1.406 million caused excess payment and erroneous salary.

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

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

[AIR Paras: 10,7,1,5,5,1,9,11]

### **1.2.2.30 Overpayment due to Unjustified Increase of Quantity-Rs 1.382 Million**

According to Rule 7.17 (b) of DFR code, all measurements recorded in measurement book shall be accurate with complete facts and figures with location and based on actual quantity of work done”

District Officer (Roads) made overpayment amounting to Rs 1.382 million during 2013-14, while allotting the work “Rehabilitation & Improvement of metaled road from Lanjwani Daff to basti Isran (Muhammad Pur Dajal Road)

to Mr. Abdul Qayyum vide acceptance letter No. 2979 dated 07.05.2014. It was observed from MB-479/772 page-53 to 62 that after dismantling of existing road edging earthwork in ordinary soil for making of embankment was made from RD-00 to 32800 on both sides with the depth of 1'.15" up to quantity of 396796 Cft and after this, lying of sub-base, road edging and base course was made in the same reaches. It was further noted that after this, in the same reaches earthwork was again measured at page -86 to 101 and increased the quantity of earthwork up to 387869 Cft.

Audit is of the view that due to weak internal control the earthwork quantity was not measured correctly.

Due to increase of quantity of earthwork Government has to sustain loss for Rs 1.382 million.

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

Audit recommends fixing of responsibility against the persons at fault beside recovery of overpaid amount from the contractor concerned.

[AIR Para: 18]

#### **1.2.2.31 Purchases of Medicines Excess than Requirement – Rs 1.203 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

MS THQ Hospital Rojhan incurred an expenditure of Rs 1.203 million on purchase of medicine during 2013-14 without considering the requirements. The medicines were purchased in excess than the actual requirement.

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 for Rs 1.203 million.

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

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

[AIR Para: 6]

#### **1.2.2.32 Overpayment of due to Non-Deduction of Road Crust-Rs 1.169 Million.**

According to Rule 7.17 (b) of DFR code, all measurements recorded in measurement book shall be accurate with complete facts and figures with location and based on actual quantity of work done”

District Officer (Roads) made overpayment amounting to Rs 1.169 million during 2013-14, while allotting the work “Widening/ Improvement of metaled road from Dera Machi wala Khitran Pump” to the contractor vide acceptance letter No. 2873 dated 06.05.2014. It was observed from the record entries made in MB-4047/3936 page-3 that width of earthwork on both side from RD-00 to 1000 was 20’ i.e. (2x1000x20x2) & from RD-1000 to 4000 was only one side and average width was 31’ i.e. (1x3000x27+35/2x2). But it was noted that in the same reaches metaled width from RD-00 to 1000 was 18’ & from RD-1000 to 4000 was 24’ i.e. (1x3000x24x8/12) was less than the width of earthwork, so, deduction of road crust i.e. sub-base, base course, road edging etc

was not made from the quantity of earthwork. Due to this an overpayment of Rs 1.169 million was made to the contractor.

**(Amount in Rupees)**

<b>Quantity in Cft</b>	<b>Rate</b>	<b>Amount</b>
Sub Base =58,535		
Base Course=55,568		
Road Edging=1,525		
Plant Premix=18,522	7692.57	1,168,955
Drain (earth)=3634		
Tuff Tile =14,175		
<b>Total =151,959</b>		

Audit is of the view that due to weak internal control the road crust was not deducted from earthwork.

The non-deduction of road crust from earthwork caused loss to Government for Rs 1.169 million.

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

Audit recommends fixing of responsibility against the persons at fault beside recovery of amount from the contract.

[AIR Para: 9]

### **1.2.2.33 Unauthorized Award of Advance Increments to SSTs-Rs 1.150 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.T's are neither entitled to advance increment nor eligible for higher qualification allowance on the basis of possessing/acquiring master degree in any discipline.

DDOs of Education departments allowed the drawl of advance increment to Secondary School Teachers 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 of Rs 1.150 million. The detail is as below:

(Amount in Rupees)

DDOs	Name	Designation	No. of Increment	Period	Amount
Dy. DEO (MEE) Rajanpur	Muhammad Akbar Arif	EST	01 MA increment	08.05.1998 to 30.06.2014	93,821
Headmistress Govt. Girls High School Sikhani Wala	Khadija Masror	EST	02 B.Ed increment	07.03.1993 to 30.06.2014	154,334
Headmistress Govt. Girls HS Jampur	Mst. QausiaBibi	S.S.T	3 Advance increments of MA(Pak Studies)	1.6.98 to 30.6.14	210,145
	Mst. KanizSaadia	SST (G)	3 Advance Increments of M. A(Education)	1.8.98 to 30.6.14	230,580
	Hameeda Mumtaz	-do-	3 adv increments on MA Islamic Studies	01.06.1998 to 30.06.2014	230,580
	Mrs. Shahida Perveen	-do-	3 advance increment on MA Punjabi	01.06.1998 to 30.06.2014	230,580
<b>Total</b>					<b>1,150,040</b>

Audit is of the view that due to weak financial control, S.S.T teacher were allowed increment which resulted in overpayment.

The unauthorized payment for Rs 1.150 million caused loss to Government.

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

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

[AIR Paras: 2,3,1]

#### **1.2.2.34 Unjustified Payment against Bitumen-Rs 1.144 Million**

According to Clause 6 of the Acceptance Letter issued by the DO (Roads) Rajanpur, bitumen (80-100) grade will be arranged by the contractor from National Refinery Karachi, and documentary proof is to be provided to the District Officer Roads for release of payment against the work done.

District Officer (Roads) paid an excessive amount of Rs 1,143,970 to the contractor on account of bitumen during 2013-14. Neither the proof 80-100 grade bitumen packed from National Refinery Karachi was produced by the contractor nor the rate was reduced (unpacked bitumen) by the department. Due to this Government has to sustain loss. (Annex-H)

Audit is of the view that due to weak internal financial controls excessive pavement was made to the contractor.

The unjustified payment for Rs 1.144 million caused loss to Government.

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

Audit recommends fixing of responsibility against the persons at fault besides production of proof or otherwise recovered the amount from the contractors.

[AIR para: 3]

#### **1.2.2.35 Purchase of Bricks, Cement and PCPS at Higher Rates-Rs 1.137 Million**



According to page 70 of PC-1 of Punjab Irrigated-Agriculture Productivity Improvement Project (PIPIP), the WUA shall procure the construction materials on the rates fixed by the District Rate Committee for the tehsil/cluster and carry out civil works under technical supervision of OFWM field staff.

DO (OFWM) purchased materials for water courses at the rate higher than the rate fixed by the DRC. Further the maximum rate of the price band/slab was charged without any justification. Due to charging higher rates Government sustained loss of Rs 1.137 Million during 2013-14. (Annex-I)

Audit is of the view that due to weak internal controls and financial mismanagement, the higher rate of irrelevant DRC was charged.

Due to higher rates Government has to sustain loss for Rs 1.137 million.

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

Audit recommends fixing of responsibility on the persons concerned besides recovery of overpayment from the concerned.

[AIR Para: 2]

#### **1.2.2.36 Purchase of Medicines without Fresh Tendering-Rs 1.073 Million**

According to Punjab Procurement Regulatory Authority Rule 42 (c) (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 Rojhan purchased following medicines during the financial year 2013-2014. 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 suppliers without fresh tendering process. It resulted unauthorized purchase of medicines valuing Rs 1.073 million on basis of repeat orders.

(Amount in Rupees)

Date of S/Order	Item	Supplier	Qty	Rate	1st Order	Repeat Order	%age
03.03.14	Inj. Gelofusine 500ml	M/S Medipoint Pharma Multan	1500	265	397,500	0	
15.06.14	Inj. Gelofusine 500ml		3040	265	0	805,600	203%
03.03.14	Inj. Rabio		500	418	209,000	0	
15.06.14	Inj. Rabio		640	418	0	267,520	128%
<b>Total</b>						<b>1,073,120</b>	

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

Non observance of the rule caused irregular payment for Rs 1.073 million.

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

# **Annexes**

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

<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
	1.	1	Recovery on account of Un-authorize payment of Electricity charges of DCO House	0.483
	2.	3	Unjustified Expenditure On Entertainment Charges	0.643
	3.	4	Unjustified Expenditure on account of Flood Relief Operation	22.640
	4.	6	Unjustified & Misclassification of expenditure on entertainment charges –	0.538
	5.	7	Unjustified expenditure on Repair of Vehicle and Machinery & Equipment –	0.876
	6.	8	Expenditure On Purchase Of Pol For Vehicles Utilized In Flood	1.420
	7.	9	Un-authentic Payment of Financial Assistance	2.800
	8.	10	Expenditure for Purchase of Rice Daig for flood Effecties	4.614
	9.	11	Unauthorized disbursement against self sanctioned benefit	0.035
	10.	12	Unauthorized Retention of Public Money into Bank Account of DDO	1.062
	11.	13	Unjustified Expenditure of on the construction of protection bund.	1.265
	12.	14	Unjustified Payment On Account Of POL Due to Non Entrance in Log Book Purchase of POL	0.075
	13.	15	Non recovery of Penal Rent from un-authorized occupant of Government Residence	0.213
	14.	17	Expenditure Without Advertisement &	0.209

Name of Formations	Sr. No.	Para No.	Subject	Amount
			Irrelevant	
	15.	18	Outstanding Amount with provincial government, Expenditure incurred during election 2013	0.128
	16.	19	Unauthorized expenditure on purchase of stationery –	0.256
	17.	20	Unjustified Expenditure on Photocopies	0.185
EDO (F&P)	18.	1	Un-justified expenditure on vehicle not owned by the entity, Chances of misappropriation of POL –	0.105
	19.	2	Unauthorized & Doubtful Payment	0.099
	20.	3	Un-justified expenditure On Purchase of Battery, Chances of misappropriation of POL	0.028
	21.	4	Misclassification of expenditure for	0.043
	22.	5	Unjustified expenditure on ta/da.	0.039
	23.	6	Unauthorized Budget allocation for contingent paid staff	1.919
	24.	7	Un-authorized incurrence of expenditure beyond competency	0.020
	25.	8	Non-accountal of assets and liabilities valuing millions	0.000
	26.	9	Unauthorized Supplementary Grant	34.431
	27.	10	Unauthorized upward transfer of funds	49.117
	28.	11	Unauthorized Budget allocation against Irrelevant/ Defunct Cost Centers	20.654
	29.	12	Unauthorized Allocation of Budget of Salaries in Excess of Sanctioned Posts	0.000
	30.	13	Un-authorized Allocation of Budget of Computer Allowance	0.220
	31.	14	Unauthorized Allocation of Funds Against Nil Budget in Original Appropriation Without Token Grant -	4.158
	32.	15	Unjustified Budget Allocation Resulted Unspent Balances -	67.786
	33.	16	Un-justified Excessive Budget Allocation	4.430

Name of Formations	Sr. No.	Para No.	Subject	Amount
			for POL	
	34.	17	Unauthorized Re-appropriation of budget	6.000
EDO (Education)	35.	2	Unauthorized retention of Public Money into Account of DDO Rs3,232,114 As Opening & 1,928,599 As closing Balance & Drawn in Cash	0.714
	36.	4	Doubtful expenditure on repair of vehicle worth	0.240
	37.	9	Un-authorized clearance of outstanding liabilities	0.114
	38.	10	Non utilization of Budget for the Purchase of Literacy Kits, Equipment due to in-active management	4.947
	39.	11	Doubtful Payment of Pol Charges	0.054
	40.	12	Loss to Government due to Unauthorized Drawl of Pay without Sanctioned Posts	0.326
	41.	13	Unauthorized expenditure on purchase of stationery	0.110
	42.	14	Non refund of one month salary after termination of contract recovery	0.014
EDO (Health)	43.	3	Unjustified delay in finalization of Medicine Purchase Contract due to poor performance.	0.000
	44.	4	Loss to Govt. due to unjustified rejection of Lower bid and award of contract on higher rates	0.214
	45.	5	Loss to govt. due to non issuance of license to pharmacies and Medical Stores	0.278
	46.	6	Loss to Govt. Due to Non Registration of health Care Establishment and Hospitals/ Clinics	0.770
	47.	11	Un-justified expenditure on vehicles not owned by the entity likely misappropriation	0.073
	48.	12	Loss to Govt. due to purchase of POL at	0.015

<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
			higher rates than the rates fixed by OGRA	
	49.	14	Possible Misappropriation of Durable Stores & Stock due to Non-Maintenance of Property Register of EDO Health Office since Devolution	0.000
	50.	16	Loss to Government Due to Non-deposit of CDRs in PLS Bank Account	0.052
	51.	17	Unauthorized clearance of outstanding liabilities	0.154
	52.	18	Misuse of Govt. Vehicle and loss	0.194
DO (Health)	53.	2	Unjustified Allocation and transfer of funds to PRSP	15.553
	54.	6	Unauthorized payment of Fixed TA/DA to LHVs	0.030
	55.	7	Un-authorized incurrence of expenditure on repair of Vehicles	0.269
	56.	8	Non deduction of G.P Fund, Benevolent Fund and Group Insurance from the Salaries	0.362
	57.	9	Unauthorized clearance of outstanding liabilities	0.166
	58.	10	Unjustified and doubtful consumption of POL	0.573
	59.	11	Unjustified Consumption of POL	0.338
MS DHQ Hospital	60.	4	Unauthorized Purchase of Medicine	0.548
	61.	5	Unauthorized Drawl of Pay and Allowances without Performing duties	0.654
	62.	8	Recovery of Pay and Allowances due to irregular Upgradation and Promotion of Employees	0.060
	63.	9	Non-Forfeiture Of Security Deposit And Black Listing Of Defaulting Suppliers	1.940
	64.	12	Unauthorized inclusion of Sales Tax in Electricity bills.	0.368
	65.	13	Loss to Govt due to Burn of Govt.	1.000

Name of Formations	Sr. No.	Para No.	Subject	Amount
			Vehicle No.RP4773	
	66.	14	Misappropriation of Store Items	0.625
	67.	15	Doubtful consumption/issuance of Medicine Insulin Regular/Mixtard	0.019
	68.	18	Deposit of hospital receipts into provincial government	0.514
	69.	19	Loss due to issuance/shifting of medicines near to expire	0.225
	70.	20	Loss of house rent due to non vacation of hospital residences from unauthorized occupants	0.839
	71.	21	Irregular payment on account of salaries of contingent paid staff	1.765
MS THQ Hospital Jampur	72.	8	Loss to Government due to Non Deduction of Discount against Local Purchase of Medicines	0.038
	73.	9	Un-Justified Expenditure of on Transportation Charges.	0.010
	74.	10	Loss of Govt. due to Misappropriation on Account of POL	0.066
	75.	11	Purchase of POL on higher rates than fixed by OGRA	0.062
	76.	12	Unauthorized utilization of budget on local purchase of medicines	0.724
	77.	13	Not Production of Service Record of Para Medical Staff against drawal of salaries for	3.455
MS THQ Hospital Rojhan	78.	5	Non-supply of medicines worth Rs3.658 million and Non-Forfeiture Of Security Deposit & Black Listing Of Defaulting Suppliers	0.190
	79.	10	Loss To Government Due To Non Deduction of Discount Against Local Purchase Of Medicines	0.027
	80.	11	Un-Authorized Clearance Of Outstanding Liabilities Worth	0.401
	81.	13	Un-authorized incurrence of expenditure	0.250



Name of Formations	Sr. No.	Para No.	Subject	Amount
			on repair of Vehicles	
	82.	14	Non Recovery Of Liquidated Damages	0.014
	83.	15	Overpayment due to payment of higher rates of POL than notified by OGRA	0.067
	84.	16	Unjustified expenditure of POL due to doubtful entries in the log book of Ambulance	0.637
SMO Civil Hospital Shahwali	85.	3	Unauthorized Purchase of Medicine Valuing	0.043
	86.	6	Unauthorized Payment without Receipt of Medicine Overpayment of	0.016
	87.	7	Unauthorized Purchase of POL	0.099
	88.	8	Loss due to Local Purchase of Medicine for outdoor Patients	0.172
	89.	10	Un-Authorized Purchase Of Bedding Clothing Without Floating Tenders.	0.298
Principal Nursing School	90.	4	Unjustified expenditure on Gas charges	0.091
	91.	5	Unauthorized clearance of outstanding liabilities	0.111
	92.	6	Unjustified TA/DA claim	0.067
Headmaster Govt. Model High School Jampur	93.	1	Overpayment Due To Double Benefit On Higher Qualification	0.158
	94.	4	Irregular Procurement of Furniture	0.499
	95.	7	Unjustified Drawal of Pay and Allowances without verification of Degrees	1.960
Headmistress Govt. Girls High School Sikhani Wala	96.	1	Overpayment Due To Double Benefit On Higher Qualification	0.102
	97.	5	Unjustified Drawal of Pay and Allowances without verification of Degrees	1.011
	98.	6	Unjustified Grant of Leave Without Pay Recovery.	0.019
	99.	7	Recovery of un authorized payment of Conveyance allowance During LFP	0.010
	100.	8	Irregular and Doubtful Purchase of	0.766

Name of Formations	Sr. No.	Para No.	Subject	Amount
			Furniture by Pooling	
	101.	9	Overpayment due to irregular award of qualification allowance	0.013
Dy. DEO (MEE) Rajanpur	102.	1	Unauthorized drawl of pay and allowances without performing duties	2.669
	103.	10	Unauthorized payment of Pay of BPS-16 to Elementary School Teacher working in BPS-14	0.071
Dy. DEO (WEE) Rojhan	104.	4	Doubtful consumption of POL	0.125
	105.	6	Recovery on account of Double Drawl of TA/DA and claim above the rate	0.019
	106.	8	Irregular Procurement of Furniture million	1.774
Dy. DEO (WEE) Jampur	107.	8	Unauthorized Payment Of Time Barred Arrears Of Pay And Allowances	0.086
	108.	9	Non deduction of G.P Fund, Benevolent Fund and Group Insurance from the Salaries	0.218
	109.	10	Non verification of payment of GST due to non receiving FBR payment Challan	0.424
	110.	12	Irregular Procurement of Furniture worth	1.065
	111.	13	Doubtful Expenditure Out Of SMC Fund	0.510
Dy. DEO (WEE) Rajanpur	112.	8	Recovery of Unauthorized Drawl of Pay of BPS-12 instead of BPS-9 by the PST Teacher	0.019
	113.	9	Recovery of overpayment due to unauthorized allowing increment	0.016
	114.	10	Non recovery of overpayments pointed out by the DAO	0.126
	115.	11	Recovery of un authorized payment during LPR and after Retirement	0.136
	116.	12	Irregular Procurement of Furniture worth	1.019
	117.	13	Doubtful Expenditure Out Of SMC Fund	1.575
	118.	14	Unauthorized Payment Of Time Barred Arrears Of Pay And Allowances	0.301
Dy. DEO	119.	6	Unjustified Drawal of Pay and	0.530

Name of Formations	Sr. No.	Para No.	Subject	Amount
(MEE) Rojhan			Allowances without verification of Degrees	
	120.	9	Irregular Procurement of Furniture	4.974
Dy. DEO (MEE) Jampur	121.	9	Un-reconciled closing balance and unauthorized retention of public money	1.347
	122.	12	Non deduction of G.P Fund, Benevolent Fund and Group Insurance from the Salaries	0.130
	123.	15	Doubtful Expenditure Out Of School Council Fund	0.703
Headmistress Govt. Girls H.S. No.2 Jampur	124.	2	Overpayment Due To Double Benefit On Higher Qualification	0.089
	125.	7	Irregular and Doubtful Purchase of Furniture by Pooling	1.001
DO (Sports)	126.	3	Unjustified Supplementary grants	4.842
	127.	4	Expenditure Over And Above The Budget Allotment	0.492
	128.	5	Non deduction of G.P Fund, Benevolent Fund and Group Insurance from the Salaries	0.015
DO (Buildings)	129.	1	Overpayment due to charging of higher rates	0.195
	130.	2	Overpayment by including carriage in Pre-Cast/Pre-Stressed Piller/Beam	0.100
	131.	3	Overpayment by showing execution of extra quantities of Brick Work, Cement Pointing and Cement Plaster	0.034
	132.	4	Overpayment by showing extra quantities of Pre-cast/Pre-stressed Pillar	0.014
	133.	5	Overpayment by adding "sundry expense" in addition to contractor profit and overhead charges	0.047
	134.	8	Overpayment by showing extra quantities	0.491
	135.	9	Overpayment by showing extra quantities	0.168

Name of Formations	Sr. No.	Para No.	Subject	Amount
	136.	10	Loss to Government due to non deduction of old material of dangerous buildings	0.624
	137.	12	Unjustified payment on account of extra carriage	0.111
	138.	13	Non- forfeiture of earnest money	0.117
	139.	14	Overpayment Due to Excessive Use of Steel	0.069
	140.	15	Non deposit of earnest money	0.433
	141.	17	Non execution of Contract resulting loss to Government	0.012
	142.	22	Rush of Expenditure under Development Grants at the Close of Financial Year	50.600
	143.	24	Overpayment on account of use of local sand	0.058
	144.	25	Unauthorized Issuance of TS and Acceptance of Tenders	0.000
DO (Roads)	145.	2	Loss to Govt. due to unjustified provision of excess carriage/lead of crushed stone for triple surface treatment	0.276
	146.	4	Loss due to allowance of excessive depth of base course material	0.184
	147.	5	Loss due to less valuing of old material	0.611
	148.	6	Loss to government due to non relaying of dismantled material as sub base course	0.493
	149.	10	Overpayment due to un-justified increase in quantity	0.123
	150.	14	Overpayment on account of use of local sand	0.121
	151.	15	Overpayment due to non-adjustment of available earth	0.197
	152.	16	Overpayment due to allowance of unjustified item of earthwork	0.335
	153.	17	Unjustified laying of better fill material	0.186
	154.	19	Overpayment due to allowance of	0.859

Name of Formations	Sr. No.	Para No.	Subject	Amount
			unjustified carriage and contractor profit 20% on carriage.	
	155.	20	Overpayment due to allowing of unjustified carriage on kerb stone	0.176
	156.	22	Rush of expenditure under grant 25&41 at the close of financial year 2013-14	73.839
	157.	23	Unjustified expenditure on repair of machinery	0.998
	158.	25	Unjustified payment of price variation	0.420
	159.	26	Unjustified payment of execution of work without earthwork	0.481
	160.	27	Un-authorized 2 <sup>nd</sup> revision of TSE without approval of finance department	0.169
	161.	28	Overpayment due to allowance of unjustified MRS item	0.146
EDO (Agriculture)	162.	1	Un-justified expenditure on vehicle not owned by the entity, Chances of misappropriation of POL	0.168
	163.	2	Misappropriation on account of Repair of Vehicle	0.132
	164.	3	Misappropriation On Account of POL & Missing Vehicle LEG-6952	0.054
	165.	4	Non verification of GST paid	0.102
	166.	5	Un-authorized expenditure on purchase of Machinery and Equipment	0.075
	167.	6	Un-authorized payment of outstanding liabilities	0.041
	168.	7	Doubtful and Unjustified expenditure on account repair of vehicle	0.246
DO (Livestock)	169.	4	Misappropriation / non availability of proof of consumption of medicines	0.155
	170.	6	Un-authorized payment of outstanding liabilities	4.254
DO (OFWM)	171.	1	Non recovery of excess transfer of govt. money to WUAs	0.729
	172.	3	Unauthorized Expenditure on Irrigation	1.201

<b>Name of Formations</b>	<b>Sr. No.</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>
			Scheme	
	173.	8	Non Deduction and less deduction of GST from the payment to Suppliers	0.698
	174.	11	Un-authorized payment of rent of office buildings	0.396
	175.	12	Irregular Expenditure On Repair Of Vehicle	0.100
	176.	13	Non-auction of old material	0.110
	177.	14	Unjustified payment of TA/DA	0.061
DO (Labour)	178.	1	Un-authorized payment of rent of office buildings	0.365
	179.	2	Unjustified deposit of challans	0.306
	180.	3	Non-achievement of target of weight & measure fee	0.330
	181.	4	Stock found short valuing	0.020

**Part-II****Memorandum for Departmental Accounts Committee Paras  
pertaining to Audit Year 2013-14****(Amount in Rupees)**

<b>Name of Formations</b>	<b>Sr. No</b>	<b>Para No.</b>	<b>Subject</b>	<b>Amount</b>	<b>Nature</b>
EDO (F&P)	1	4	Unauthorized Payment of Salaries to contingent paid staff	340,200	Violation of Rule
	2	2	Loss to Government due to Misappropriation of POL and Vaccine	51,800	Misappropriation
EDO (Health)	3	6	Unauthorized Payment of Salaries to contingent paid staff	340,200	Violation of Rule
	4	8	Drawl of Government Money without Receipt of Stores	308,865	Misappropriation
MS DHQ Hospital	5	2	Unauthorized Payment of Salaries to contingent paid staff	218,400	Violation of Rule
Dy. DEO (EE-M) Jampur	6	1	Overpayment due to Grant of Advance Increment and Selection Grade	117,404	Overpayment
Dy. DEO (EE-W) Jampur	7	2	Overpayment due to Grant of Advance Increment and Selection Grade	106,382	Overpayment
Dy. DEO (EE-W) Jampur	8	5	Overpayment due to Grant of Advance Increment and Selection Grade	108,266	Overpayment
Dy. DEO (EE-W) Jampur	9	8	Overpayment due to Grant of Advance Increment and Selection Grade	52,230	Overpayment
Dy. DEO (EE-W) Jampur	10	12	Overpayment due to Grant of Advance Increment and Selection Grade	136,950	Overpayment
Principal G.G.H.S Fazil Pur	11	1	Overpayment due to Grant of Advance Increment and Selection Grade	169,709	Overpayment
Principal G.G.H.S Fazil Pur	12	3	Overpayment due to Grant of Advance Increment and Selection Grade	174,833	Overpayment

Name of Formations	Sr. No	Para No.	Subject	Amount	Nature
DO (OFWM)	13	1	Loss to Government due to Non Recovery of Revenue	646,102	Recovery
Dy. DEO (EE-W)	14	1	Loss to Government due to Non Recovery of Revenue	70,675	Recovery
SMO RHC Fazil Pur	15	1	Drawl of Government Money without Receipt of Stores	259,740	Misappropriation
DO (Livestock)	16	3	Un-Authorized Purchase of Veterinary Medicine-	446,,200	Violation of Rule
	17	5	Loss to Government due to Misappropriation of POL and Vaccine	89,210	Misappropriation
DO (Roads)	18	1	Unjustified Payment on Account of Base Course, Sub Base and TST	359,582	Violation of Rule
	19	2	Unjustified payment against Road Ramps	310,099	Violation of Rule
	20	5	Overpayment due to Charging Higher Rates than Agreed	443,896	Overpayment
	21	7	Unjustified Allowing of 20% Contractor Profit on Carriage	174,779	Violation of Rule
	22	24	Non Recovery of Right of Way Charges	125,000	Recovery
MS THQ Hospital Jampur	23	24	Loss to Government due to Misappropriation of POL and Vaccine	56,106	Misappropriation
SMO RHC Muhammad Pur	24	5	Loss to Government due to Misappropriation of POL and Vaccine	61,811	Misappropriation
DO (Buildings)	25	14	Overpayment Due to Excessive Use of Steel	258,374	Overpayment
	26	24	Overpayment due to Allowing of Unjustified Carriage	145,050	Overpayment
	27	26	Extraordinary Delay In Acceptance of Tender and Overpayment of Price Variation	233,003	Violation of Rule



## Annex-B

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

(Amount in Rupees)

No. & Name of the Grant / Appropriation	Name of Grant	Original Grant	Supplementary Grant	Final Grant	Actual Expenditure	Variation	
						(+)	Excess (-) Saving
RP21C03	Provincial Excise.	5,013,000	-	5,013,000	3,122,892		(1,890,108)
RP21C05	Forests.	9,915,200	-	9,915,200	9,262,499		(652,701)
RP21C07	Charges on A/c of M. Veh. Act.	1,737,200	-	1,737,200	259,263		(1,477,937)
RP21C08	Other Taxes & Duties.	2,449,000	-	2,449,000	1,362,668		(1,086,332)
RP21C10	General Administration.	111,368,500	-	111,368,500	77,252,082		(34,116,418)
RP21C15	Education.	2,404,129,900	-	2,404,129,900	2,124,055,212		(280,074,688)
RP21C16	Health Services.	575,685,200	-	575,685,200	526,121,940		(49,563,260)
RP21C17	Public Health.	2,009,700	15,300	2,025,000	1,649,239		(375,761)
RP21C18	Agriculture.	77,213,200	-	77,213,200	69,793,648		(7,419,552)
RP21C19	Fisheries.	2,612,700	-	2,612,700	1,723,987		(888,713)
RP21C20	Veterinary.	51,775,900	57,900	51,833,800	51,968,590		134,790
RP21C21	Co-operation.	13,645,400	-	13,645,400	12,535,082		(1,110,318)
RP21C22	Industries.	1,417,600	-	1,417,600	1,222,517		(195,083)
RP21C23	Miscellaneous Departments.	2,205,800	-	2,205,800	1,669,829		(535,971)
RP21C24	Civil Works.	28,313,900	3,633,700	31,947,600	22,197,929		(9,749,671)
RP21C25	Communications.	139,948,100	-	139,948,100	122,442,942		(17,505,158)
RP21C31	Miscellaneous.	123,791,400	-	123,791,400	61,760,766		(62,030,634)
RP21C32	Civil Defence.	2,506,000	-	2,506,000	2,227,677		(278,323)
<b>Total Non-Development :</b>		<b>3,555,737,700</b>	<b>3,706,900</b>	<b>3,559,444,600</b>	<b>3,090,628,762</b>		<b>(468,815,838)</b>
RP22C36	Development.	594,331,000	73,085,266	667,416,266	184,635,818		(482,780,448)
RP12C41	Highways, Roads & Bridges.	45,025,000	234,807,000	279,832,000	226,917,688		(52,914,312)
RP12C42	Government Buildings.	15,262,000	189,339,000	204,601,000	202,310,290		(2,290,710)
<b>Total Development :</b>		<b>654,618,000</b>	<b>497,231,266</b>	<b>1,151,849,266</b>	<b>613,863,796</b>		<b>(537,985,470)</b>
<b>Grand Total :</b>		<b>4,210,355,700</b>	<b>500,938,166</b>	<b>4,711,293,866</b>	<b>3,704,492,558</b>		<b>(1,006,801,308)</b>

## Annex-C

[Para 1.2.2.1]

## Unauthorized Splitting of Schemes

(Amount in Million)

DDOs	Scheme	TS Value	Admn Approval date	Advertisement date
DO (Buildings)	Re-habilitaion of Main Building Old Portin at DHQ Hospital	1.200	EDO(F&P)/4263 dated 27.12.13	15.1.14
	Rehabilitation of Emergency Block, Maternity Block and main building new portion DHQ Hospital Rajanpur	0.600	-do-	15.1.14
DO (Roads)	Construction of metalled road from Allah-Abad chowk to Qutab canal city Rajan pur length = 900 Rf	13.120	-do-	15.1.14
	Widening/ improvement of metalled road from Qutab Canal to Hospital chowk Rajanpur City length = 2050 Rft	29.990	-do-	15.1.14
	Widening/ Improvement of metalled road from library chowk to Zia Shaheed road & Const. of soling from basti Rab Nawaz Gopang to high school Sabzani	22.225	-do-	15.1.14
	Widening/ Improvement of metalled road from Zia shaheed road to Khitran Petrol pump Dera Machi wala road via boys modle high school No. 1	23.211	-do-	15.1.14
<b>Total</b>		<b>90.346</b>		

**Annex-D****[Para 1.2.2.8]****Unauthorized Payment on Account of Non Schedule Items****(Amount in****Rupees)**

<b>Scheme</b>	<b>Item</b>	<b>Quantity of PCP</b>	<b>Rate Charged (Rft/Sft)</b>	<b>Amount</b>	<b>MB#/Page</b>
Const. of Boundary Wall around Graveyard at NoorpurMachiWala	Pre-cast pillar	3968 rft	120	476,160	5006/4272 pg 1-8
Const. of Boundary Wall around Graveyard at DeraDildar	-	3060 rft	120	367,200	4049/3938 pg 1-16
Const. of Boundary Wall around Graveyard at Haji Pur	-	5273 rft	145	764,585	3078/3593 pg 11-14
Provision of Missing Facilities at DarbarHazrat Khawaja Noor Muhammad Naroo Wall Hajipur	Marbal white ziarat	14938 sft	172	2,569,336	3060/3575 pg 34-51
Const. of School Building, Toilet Block, Boundary GBPS Kachi Rangpur#2	Steel Door with choukat	169 sft	400	67,600	4045/3943 pg 84
Const. of School Building, Toilet Block, Boundary GBPS Kachi Rangpur#2	Pre-cast RCC roof slabs above 15'	851 rft	135	114,885	4045/3943 pg 86
Const. of School Building, Toilet Block, Boundary GBPS Kachi Rangpur#2	Pre-cast RCC roof slabs upto 15'	423 rft	111	46,953	4045/3943 pg 87
Const. of stage at stadium	M.S Box Windows	384 sft	350	134,400	3090/3757 pg 21
Const. of stage at stadium	Tuff Tile	2466 sft	92	226,872	3090/3757 pg 22
Const. of stage at stadium	M.S Grill	486 sft	491	238,626	3090/3757 pg 23
Const. of Building, B.Wall, Gate & gate pillar at GBPS ShabirKhosa	Steel windows with panel	192sft	550	105,600	3030/9654 pg 96
Const. of Building, B.Wall, Gate & gate pillar at GBPS ShabirKhosa	Steel Door	92 sft	390	35,880	3030/9654 pg 97
Const. of Building, B.Wall, Gate & gate pillar at GBPS ShabirKhosa	Pre-cast RCC roof slabs, girder plates	851 rft	161.2	137,181	3030/9654 pg 101

Scheme	Item	Quantity of PCP	Rate Charged (Rft/Sft)	Amount	MB#/Page
Const. of Boundary Wall around Graveyard at Miraanpur	Pre-cast pillar	3200 rft	120	384,000	4060/39292 pg 126-128
Const. of Building, B.Wall, Gate & gate pillar at GGPS ThulJanan	Pre-cast RCC roof slabs above 15'	851 rft	135	114,885	4074/4212 pg 109
Const. of Building, B.Wall, Gate & gate pillar at GGPS ThulJanan	Pre-cast RCC roof slabs upto 15'	423 rft	111	46,953	4074/4212 pg 109
Const. of Rose Garden Near District rest House	P/F MS Angle Iron Grill	3537 sft	650	2,299,050	4018/3786 pg 68
Const. of Rose Garden Near District rest House	P.F steel grated door	72 sft	677	48,744	4018/3786 pg 70-71
Const. of Rose Garden Near District rest House	P.F Tuff Tiles	7629 sft	51	389,079	4018/3786 pg 70-71
Const. of Boundary Wall around Graveyard at Sahib Shah (UmerKot)	Pre-cast pillar	2920 rft	120	350,400	4042/3911 pg 73-75
Const. of Boundary Wall around Graveyard at Fazilpur	Pre-cast pillar	4000 rft	139	556,000	3083/3600 pg 24-27
<b>total</b>				<b>9,474,389</b>	

**Annex-E****[Para 1.2.2.10]****Recovery of Inadmissible Allowances****(Amount in Rupees)**

<b>Sr. No.</b>	<b>DDO</b>	<b>Nature of allowance</b>	<b>No. of Employees</b>	<b>Amount</b>
1.	EDO (Education)	Social security benefits after regularization	05	49,020
2.	MS DHQ Hospital	Non deduction of maintenance charges	10	118,110
3.	-do-	Non practice allowance	04	160,000
4.	-do-	Health Sector Reform Allowance	01	66,000
5.	-do-	SSB, Adhoc Allowance 2011	19	317,106
6.	-do-	Special Health Sector Reform Allowance	3	540,000
7.	Dy. DEO (MEE) Rajanpur	Adhoc Allowance 2010 @ 50%	04	79,824
8.	-do-	Payment of salaries during the period of leave without pay	04	164,624
9.	-do-	Mobility Allowance, charge allowance	04	22,400
10.	-do-	Social security benefits after regularization	03	25,800
11.	SMO Civil Hospital Shah Wali	Adhoc Allowance 2011 @ 50%	07	160,367
12.	-do-	Health Sector Reform Allowance	03	257,876
13.	Headmistress Govt. Girls High School Sikhani Wala	Special repayment cycle	02	51,316
14.	DO (Health)	Maintenance charges	12	161,124
15.	Dy. DEO (WEE) Rojhan	Pay during absent and after termination	03	362,894
16.	-do-	Charge allowance	07	40,000
17.	Dy. DEO (WEE) Rajanpur	Payment of salaries during the period of leave without pay	05	68,834
18.	-do-	Charge allowance	3	87,500
19.	-do-	Social security benefits after regularization	19	246,240
20.	-do-	Adhoc Allowance 2010 @ 50%	04	31,296
21.	Dy. DEO (WEE) Jampur	Payment of salaries during the period of leave without pay	14	496,587
22.	-do-	Social security benefits after regularization	34	444,960
23.	-do-	Charge allowance	02	23,200
24.	-do-	Adhoc Allowance 2010 @ 50%	08	166,000
25.	-do-	Special repayment cycle	02	66,284
26.	Principal Govt.	SRA 2005	01	60,550

<b>Sr. No.</b>	<b>DDO</b>	<b>Nature of allowance</b>	<b>No. of Employees</b>	<b>Amount</b>
	Girls HSS Kot Mithan			
27.	-do-	Charge allowance	01	20,500
28.	-do-	SSB	02	25,920
29.	Dy. DEO (MEE) Rojhan	Social security benefits after regularization	05	77,700
30.	-do-	Charge allowance	12	67,800
31.	-do-	Special repayment cycle	07	160,000
32.	-do-	Hill allowance	18	100,560
33.	Dy. DEO (MEE) Jampur	Charge Allowance / Mobility Allowance	05	34,240
34.	-do-	Hill allowance	16	120,900
35.	-do-	Special repayment cycle	03	50,500
36.	-do-	Charge Allowance	06	37,783
37.	-do-	Social security benefits after regularization	29	375,840
38.	-do-	Adhoc Allowance 2010 @ 50%	17	37,842
39.	Headmaster Govt. Boys HS Jampur	Science Teaching Allowance	01	12,600
40.		Computer allowance	02	67,500
41.		Special repayment cycle	03	149,612
42.	MS THQ Hospital Rojhan	Social security benefits after regularization	09	123,120
43.	-do-	Special Allowance	25	1,152,000
44.	-do-	PCA / NPA	02	64,000
45.	-do-	Risk Allowance	30	720,000
46.	-do-	Pay without extension of contract period	01	810,534
47.	THQ Hospital Jampur	Health Sector Reform Allowance	02	195,000
48.	Headmistress Govt. Girls HS No.2 Jampur	Computer Allowance	02	126,000
49.	-do-	Charge allowance	01	16,800
50.	EDO (Health)	SSB	02	31,320
51.	Principal Nursing School	Dress / Mess Allowance	03	292,100
52.	DO (Roads)	Adhoc Allowance 2010 @ 50%	11	157,824
<b>Total</b>				<b>9,295,907</b>

**Annex-F****[Para 1.2.2.20]****Recovery of Unauthorized Payment of Conveyance Allowance during  
Leave on Full Pay / Vacation****(Amount in Rupees)**

<b>Sr. No.</b>	<b>DDOs</b>	<b>AIR Para</b>	<b>Description</b>	<b>Amount</b>
1.	Gvt.Girls High School Sikhani	2	Conveyance Allowance during winter vacation	39,926
2.	Dy.DEO (EE-M) Rojhan	3	Conveyance Allowance during winter vacation	178,789
3.	-do-	5	Conveyance Allowance during leave	26,488
4.	Govt Boys Model High School Jampur	2	Conveyance Allowance during winter vacation	54,606
5.	-do-	5	Conveyance allowance during leave	14,317
6.	Dy.DEO (EE-M) Jampur	5	Conveyance Allowance during winter vacation	432568
7.	-do-	8	Conveyance allowance during leave	55,957
8.	Dy DEO (EE-W) Rojhan	2	Conveyance allowance during leave	46,994
9.	-do-	5	Conveyance Allowance during winter vacation	112,289
10.	Dy.DEO (EE-W) Rajanpur	2	Conveyance allowance during leave	260,005
11.	-do-	7	Conveyance Allowance during winter vacation	393,092
12.	Dy.DEO (EE-W) Jampur	3	Conveyance allowance during leave	100,570
13.	-do-	7	Conveyance Allowance during winter vacation	366,781
14.	Principal GGHSS Kot Mithon	1	Conveyance allowance during leave	122,852
15.	-do-	2	Conveyance Allowance during winter vacation	154,075
16.	Headmistress Govt. Girls HS No.2 Jampur	3	Conveyance Allowance during winter vacation	32,220
17.	-do-	6	Conveyance allowance during leave	83,385
18.	Dy. DEO (MEE) Rajanpur	4	Conveyance Allowance during winter vacation	468,454
19.	-do-	8	Conveyance allowance during leave	31,739
<b>Total</b>				<b>2,975,107</b>

**Annex-G****[Para 1.2.2.28]****Loss to Government due to Securities not credited to Revenues****(Amount in Rupees)**

<b>Item No.</b>	<b>Month &amp; Year</b>	<b>Contractor</b>	<b>Amount</b>
2/3	09/2007	Hafiz Abdul Razzaq	25,444
3/5	09/2007	M/S Ch. Riaz Ahmad	36,505
4/7	11/2007	M/S Musa Khan	63,072
5/8	11/2007	M/S Muhammad Iqbal	9746
6/9	-do-	M/S Malik Muhammad Sajjad	9410
7/17	05/2009	M/S Umair Jan	50,000
8/18	06/2009	-do-	17975
09/21	02/2009	M/S Malik Irfan Abbas	20,411
10/22	03/2010	M/S Haji Liqat Ali	299,335
11/24	06/2010	M/S Arshad Jamal	38,151
12/26	08/2010	M/S AHafiz Abdul Razzaq	100,000
13/28	12/2010	M/S Muhammad Rafiq	510,647
14/29	06/2011	M/S Amir Faheem	58,613
15/30	06/2011	M/S Malik Muhammad Sajjad	63,000
16/31	-do-	M/S Al-Hamid	94,105
17/32	-do-	-do-	60,631
18/33	-do-	M/S Ghulam Abbas	17,549
<b>Total</b>			<b>1,474,594</b>



**Annex-H**

**[Para 1.2.2.34]**

**Unjustified Payment against Bitumen**

**(Amount in Rupees)**

Name of Work	Agency	MB No.	Date of TST	Rate of 80 to 100 grade (Packed)	Rate of 80 to 100 grade (Unpacked)	Diff	Total Quantity and Rate	Amount
Re-habilitation/ Improvement of metalled road from Indus Highway mile No. 35 (Zahid road) to Rojhan City	M/S Mirza Ghulam Muhammad	775/ 9674	22.04.2014	93.90	85.84	8.06	$\frac{133,140}{x 79x}$ $\frac{0.454}{=} 100$ 47,752 Kg x Rs. 8.06	382,463
Re-habilitation/ Improvement of metalled road from Lunjwani Daff to basti Isran (Muhammad Pur Dajal road)	M/S Abdul Qayyum	479/ 772	28.08.2014	90.80	84.11	6.69	$\frac{110,000}{x 67x}$ $\frac{0.454}{=} 100$ 33,560 Kg x Rs. 6.69	224,516
Re-habilitation/ Improvement of metalled road from hajipur miranpur road	M/S Khan Rafiq Khan	844 Vr-02 dt. 30.08.13	06.2013	93.13	86.52	6.61	$\frac{105,535}{x 67x}$ $\frac{0.454}{=} 100$ 32101	212,192
Const. of metalled road from Dajal Harrand road (basti Jattan) to basti Shameer lashari	M/S Nawaz Engineer	840 Vr-01 dt. 16.09.13	09/2013	93.90	87.21	6.69	$\frac{135,365}{x 79x}$ $\frac{0.454}{=} 100$ 48,550	324,799
<b>Total</b>								<b>1,143,970</b>

**Annex-I**

[Para 1.2.2.35]

**Purchase of Bricks, Cement and PCPS at the Rate Higher than  
Fixed by DRC**

S#	WC #	Tehsil	ICR-1 Date (Relevant Date)	Item	Qty Purchased	Rate Charged	DRC Rate	Diff	Loss
1	7500-L	Rajanpur	16.01.14	PCPL	385	1,467	1,380	87	33,495
			13.06.13	Bricks	100,000	6,200	5,300	900	90,000
			13.06.13	Bricks	185,780	6,600	5,300	1,300	241,514
			13.06.13	Cement	793	520	460	60	47,580
2	116185-	Rajanpur	13.06.13	Sand	148.60	650	580	70	10,402
3	117305-L	Rajanpur	25.03.14	Bricks	200,000	6,600	6,392	208	41,600
4	61700-L	Jampur	08.03.14	PCPL	496	1,159	1,083	76	37,696
5	49500-R	Rajanpur	07.04.14	Bricks	90,000	6,500	6,392	108	9,720
			31.10.13	Bricks	333,000	6,600	5,100	1,500	499,500
			31.10.13	Cement	1,220	525	520	5	6,100
6	23577-L	Rajanpur	31.10.13	Sand	173	650	630	20	3,460
7	23829-R	Rajanpur	03.12.13	PCPL	317	1,467	1,380	87	27,579
8	17433-L	Jampur	09.12.13	PCPL	483	6,500	6,392	108	52,164
9	26924-L	Rajanpur	13.06.14	Bricks	333,000	6,500	6,392	108	35,964
<b>Total</b>									<b>1,136,774</b>