



**AUDIT REPORTS
ON THE ACCOUNTS OF
UNION ADMINISTRATIONS
DISTRICT MUZAFFARGARH
AUDIT YEARS 2009-2012**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

DAC	Departmental Accounts Committee
FD	Finance Department
FIR	First Information Report
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government and Community Development
MEFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
PAO	Principal Accounting Officer
PLGO	Punjab Local Government Ordinance
PFR	Punjab Financial Rules
RCC	Reinforcement Concrete Cement
S&GAD	Services and General Administration Department
TMA	Tehsil / Town Municipal Administration
UAs	Union Administrations

Preface

Articles 169 & 170 (2) of the Constitution of the Islamic Republic of Pakistan, 1973 and section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to conduct the audit of the receipts and the expenditure of the Local Fund and Public Accounts of Union Administrations of the Districts.

The report is based on Audit of Union Administrations of District Muzaffargarh for the years 2008-09, 2009-10 and 2010-11. The Directorate General of Audit District Governments Punjab (South), Multan, conducted audit during 2009-10, 2010-11 and 2011-12 on test check basis with a view to reporting significant findings to relevant stakeholders. The main body of Audit Report includes only the systemic issues and audit findings carrying value of Rs.1 million or more. Relatively less significant issues are listed in the Annexure-1 of the Audit Report. The Audit observations listed in the Annexure-1 shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

The Audit Report is submitted to the Governor of 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 PAC.

Islamabad
Dated:

(Muhammad Akhtar Buland Rana)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit, District Governments, Punjab (South), Multan, a Field Audit Office of the Auditor General of Pakistan is responsible to carry out the audit of all District Governments in Punjab (South) including Tehsil/ Town Municipal Administrations and Union Administrations. Its Regional Directorate of Audit, D.G.Khan has audit jurisdiction of District Governments, TMAs and UAs of four Districts i.e. D.G.Khan, Rajanpur, Layyah and Muzaffargarh.

The Regional Directorate has human resource of 21 officers and staff, constituting 3906 man days and a budget allocation of Rs3.723 million per financial year. It has the mandate to conduct financial attest audit, audit of sanctions, audit of compliance with authority and audit of receipts as well as the performance Audit of entities, projects and programs. Accordingly Regional Director Audit D.G.Khan carried out audit of the accounts of fifteen UAs of District Muzaffargarh for the financial years from 2008-09 to 2010-11 and the findings included in the Audit Report.

Union Administrations (UAs), District Muzaffargarh conduct their operations under Punjab Local Government Ordinance 2001. UAs of District Muzaffargarh comprise Union Nazim/Administrator and not more than three secretaries namely Secretary (Union Committees), Secretary (Municipal Services) and Secretary (Community Development). Administrator designates one secretary as Principal Accounting Officer (PAO). Financial provisions of the Ordinance require every Local Government to establish Public Account. Additional Secretary (Local Government and Community Development Department) in pursuance of sub section 179-A of the PLGO 2001 appointed Tehsil Officer (Regulation) as Administrator of Union Councils falling in the respective Tehsil Municipal Administrations vide notification No.SOR(LG)39-6/208 dated Lahore February 24, 2010. According to this notification, the Administrators shall perform the functions and exercise the powers of the Union Nazim, Naib Union Nazim and Union Councils under the Ordinance and or any other law for the time being in force.

The total Development Budget of fifteen UAs in District Muzaffargarh mentioned above for the financial years from 2008-09 to 2010-11 was Rs28.081 million and expenditure incurred of Rs18.341 million showing savings of

Rs9.775 million in these years. The total Non development Budget for financial years 2008-2011 was Rs24.900 million and expenditure of Rs21.077 million, showing savings of Rs3.823 million. The reasons for savings in Development and Non development Budgets are required to be provided by PAO concerned.

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

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

a. Audit Methodology

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

b. Audit of Expenditure and Receipts

Total development budget allocation for financial years 2008-11 was Rs28.081 million, out of which total expenditure was Rs18.341 million. Audit of the development expenditure of Rs7.703 million was carried out which was 42% of total expenditure. Audit of Non Development expenditure of Rs7.377 million out of total expenditure of Rs21.077 million for these years was conducted which is 35% of total expenditure. Total overall expenditure of fifteen UAs of District Muzaffargarh for three years was Rs39.418 million, out of which, overall expenditure of Rs12.613 million was audited which, is 32% of total expenditure. Therefore, there was 100% achievement against the planned audit activities.

The receipts of the fifteen UAs of District Muzaffargarh for the financial year 2008-11 was Rs3.026 million. RDA, D.G.Khan audited receipt of Rs 3.026 million which is 100% of total receipts.

c. Recoveries at the Instance of Audit

No Recoveries were pointed out through audit paras.

d. Desk Audit

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

e. The Key Audit Findings of the Report;

- i. There was 01 case pertaining to non production of record –Rs4.557 million.¹
- ii. Violation of rules / financial propriety amounting to Rs16.855 million was noted in 04 cases.²

Audit Paras on the accounts for 2008-11 involving procedural violations including internal control weaknesses and irregularities which were not considered worth reporting to Provincial PAC, have been included in Memorandum For Departmental Accounts Committee, (Annexure-A).

¹Para 1.2.1

²Para 1.3.1, 1.3.2, 1.3.3, 1.3.4

f. Recommendations

Audit recommends the PAOs / Management to focus on the following issues.

- i. Proper maintenance of record and its provision at the time of audit
- ii. Compliance of relevant laws, rules, instructions and procedures, etc.
- iii. Appropriate actions against officers/officials responsible for violation of rules and losses
- iv. Addressing systemic issues to prevent recurrence of various omissions and commissions.
- v. Physical stock taking of fixed and current assets
- vi. Hold investigations for wastage, fraud, misappropriation and losses, and take disciplinary actions after fixing responsibilities.

SUMMARY, TABLES & CHARTS

Table 1: Audit Work Statistics

(Rupees in million)

Sr. No	Description	No.	Budget/ Expenditure
1	Total Entities (PAOs) in Audit jurisdiction	92	991.085
2	Total Entities (PAOs) Audited	15	52.981
3	Audit & Inspection Reports	15	52.981
4	Special Audit Reports	-	-
5	Performance Audit Reports	-	-
6	Other Reports (relating to UAs)	-	-

Table 2: Audit Observations Classified by Categories

(Rupees in million)

Sr. No.	Description	Amount Placed Under Audit Observation	Para No.
1	Asset management	-	-
2	Financial management	11.745	1.3.1, 1.3.3, 1.3.4
3	Internal controls	5.110	1.3.2
4	Others	4.557	1.2.1
Total		21.412	

Table 3: Outcome Statistics

(Rupees in million)

Sr. No.	Description	Physical Assets	Civil Works	Receipts	Others	Total
1	Outlays Audited	3.375	22.537	3.026	24.043	52.981
2	Amount Placed under Audit Observation/ Irregularities Pointed Out	-	5.556	-	15.856	21.412
3	Recoveries Pointed Out at the instance of Audit	-		-	-	-
4	Recoveries Accepted/ Established at the instance of Audit	-	-	-	-	-
5	Recoveries Realized at the instance of Audit	-	-	-	-	-

*The amount mentioned against serial No. 1 in column of “Total Current Year” is the sum of Expenditure and Receipts whereas the total expenditure is Rs49.955 million for the period.

Table 4: Irregularities Pointed Out

(Rupees in million)

Sr. No.	Description	Amount Placed under Audit Observation
1.	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	11.745
2.	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	-
3.	Accounting Errors (accounting policy departure from NAM ¹ misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	-
4.	Quantification of weaknesses of internal control system.	-
5.	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public monies.	-
6.	Non production of record.	4.557
7.	Others, including cases of accidents, negligence etc.	5.110
Total		21.412

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

CHAPTER 1

1.1 Union Administrations, District Muzaffargarh

1.1.1 INTRODUCTION

According to 1998 population census, the population of District Muzaffargarh is 1.902 million. Union Administrations consist of Union Nazim / Administrator and two (02) Secretaries. Each Union Administration has one (01) Drawing & Disbursing Officer.

1.1.2 Comments on Budget and Accounts (Variance Analysis) for the Financial Years 2008-11

Original Budget of Rs52.981 million was allocated to UAs of District Muzaffargarh under various grants and no supplementary grants/ re appropriation was provided. However, revised/final budget of these UAs was Rs52.981 million. The total expenditure incurred by the UAs during 2008-11 was Rs39.418 million as detailed above.

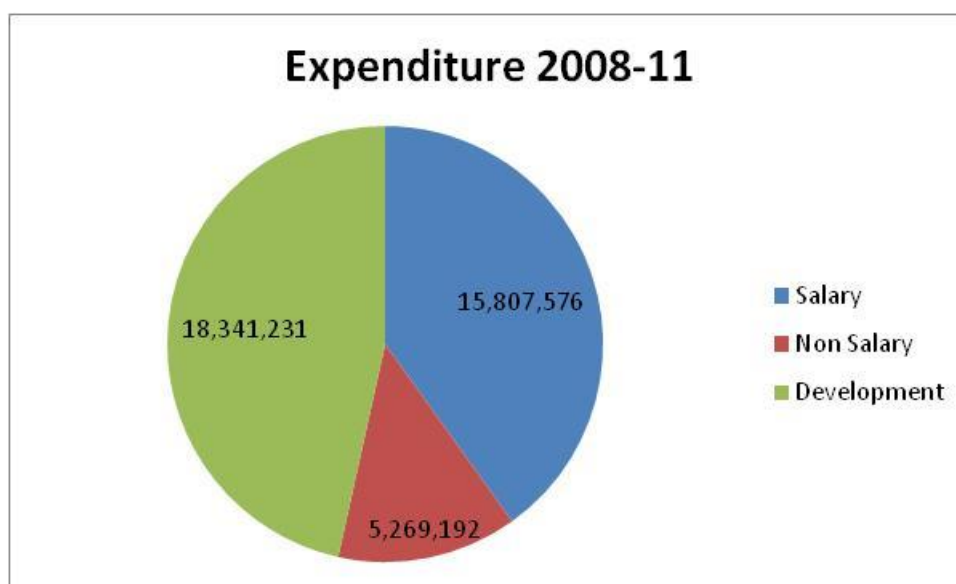
The variance analysis of the Revised/Final Grant and Actual Expenditure for the Financial Years 2008-11 depicted that there was a saving of Rs3.823 million and Rs9.775 million in non development and development component which will be used for following year budget estimates and determining the closing balances of these UAs of District Muzaffargarh.

1.1.2 Comments on Budget and Accounts (Variance Analysis)

(Amount in Rs)

2008-11	Budget	Actual	Excess (+)/ Saving(-)	%Saving
Salary	18,674,662	15,807,576	2,867,086	15%
Non Salary	6,224,887	5,269,192	955,695	16%
Development	28,081,450	18,341,231	9,740,219	35%
Total	52,981,000	39,418,000	13,593,000	

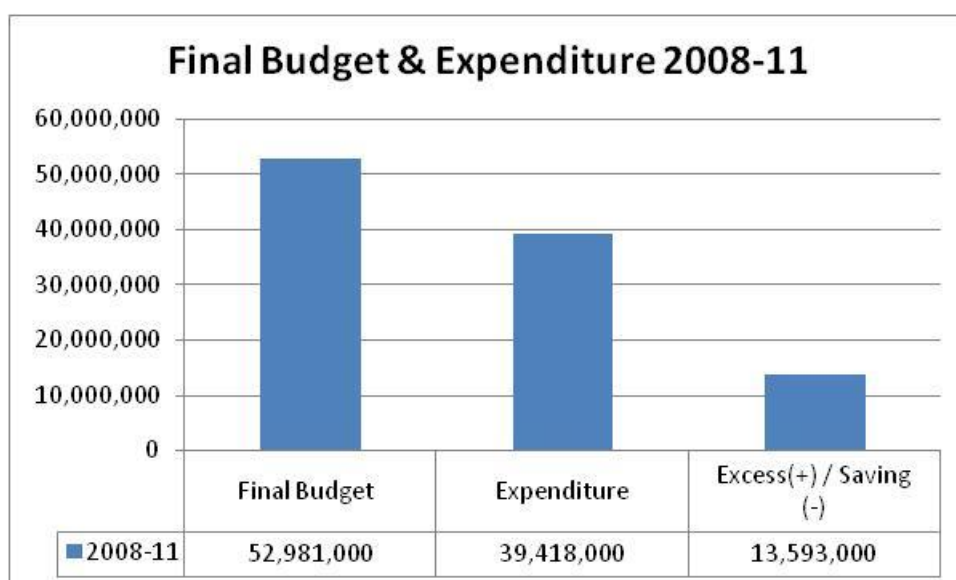
(Amount in Rs)



Details of the budget allocations, expenditures and savings of fifteen UAs of District Muzaffargarh for three financial years are at Annexure-B.

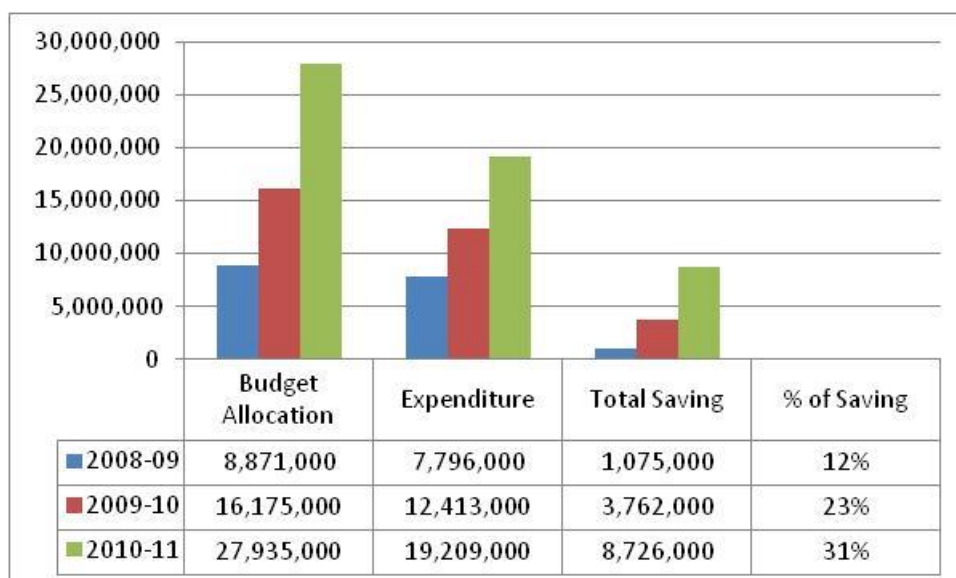
As per the budget books the expenditure relating to fifteen UAs in District Muzaffargarh was Rs39.418 million against original budget of Rs52.981 million. There was a saving of Rs13.598 million for which the reasons should be explained by the PAO.

(Amount in Rs)



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

(Amount in Rupees)



There was overall saving in the budget allocations for the financial years 2008-09, 2009-10 and 2010-11 as follows:

(Rs. in million)

Financial Year	Budget Allocation	Expenditure	Total Saving	% of Saving
2008-09	8,871,000	7,796,000	1,075,000	12%
2009-10	16,175,000	12,413,000	3,762,000	23%
2010-11	27,935,000	19,209,000	8,726,000	31%
Total	52,981,000	39,418,000	13,593,000	

The justification of saving when the development schemes have remained incomplete is required to be provided/ explained by PAO.

AUDIT PARAS

1.2 Non Production of Record

1.2.1 Non Production of Record - Rs4.557 million

According to Section 14(3) of Auditor General of Pakistan Ordinance envisages that any person or authority hindering the auditorial functions of the Auditor General regarding inspection of accounts shall be subject to disciplinary action under relevant Efficiency and Discipline Rules, applicable to such person. According to Section 115(6) of Punjab Local Government Ordinance 2001, the officials shall afford all facilities and provide record for audit inspection and comply with requests for information in as complete a form as possible and with all reasonable expedition.

Secretaries of the Union Administrations drawn Rs4.557 million during financial years 2008-09 and 2010-11 from concerned Union Administration bank accounts to defray the expenditure on development schemes, salary and contingent payment but the vouched accounts were not produced to audit for verification. The detail is given as below:

(Rupees in million)			
Financial Period	Name of Union Administration	AP No.	Expenditure
2008-09	Union Administration No. 34 Muzaffargarh	02	0.610
2008-11	Union Administration Kot Addu No. 3	01	3.947
Total			4.557

Audit was of the view that non production of record reflected irresponsible attitude on the part of executives

Non production of record resulted in non verification of authenticity of the expenditure.

The matter was reported to Union Secretary in April, 2010 and April 2012. The Secretary of union administration No. 34 did not reply while Union Administration Kot Addu No. 3 replied that due to flood destruction in Kot Addu, record was destroyed. The reply was not tenable because flood was in August, 2010 but even after that period no record was produced. The DAC meeting was

not convened despite repeated requests. No progress was intimated till finalization of Report.

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

[AIRPara2-2008-09,1-2008-11]

1.3 Non Compliance of Rules

1.3.1 Doubtful / Unjustified Consumption of Stores - Rs6.189 Million

According to rule 15.4(a) and 15.5 of the PFR, Vol-I, all materials received should be examined, counted, measured and weighed, as a case may be when delivery is taken and they should be kept in charge of a responsible Government servant. The Government servant in charge of the stores should see that an indent in PFR Form 26 has been made by a properly authorized person.

Secretaries of the following Union Administrations incurred an expenditure of Rs6.189 million during the financial years 2008-09, 2009-10 and 2010-11 on account of purchase of hand pumps, electric items and RCC pipes but neither their stock entries nor consumption record along with public requests demanding the installation of hand pumps and laying RCC pipes was available on record. In the absence of requisite record authenticity of the expenditure could not be verified.

(Amount in Rupees)

Year	Name of Union Administration	Detail	AP No.	Amount
2008-09	UA No. 36 Muzaffargarh	street lights	03	50,000
2008-09	UA No. 02Kot Addu	street lights	02	124,000
2009-10	Daira Din Panah	RCC Pips and Hand Pumps	2	275,542
2009-10	Kot Addu City No.1	RCC pips	3	166,269
2009-10	UA No.37 M.Garh	RCC pips and street lights	2	171,675
2009-10	UA No.42 Gairay Wain	RCC Pips and Hand Pumps	2	1,582,144
2009-10	UA No.38 Taleeri	RCC Pips and Hand Pumps	2	298,875
2010-11	UA No.Ali Pur	RCC Pips and Hand Pumps	1	957,006
2010-11	No.Bakaini	RCC pips	4	882,050
2010-11	UA Ehsan Pur	RCC pips and street lights	4	275,000
2010-11	UA Shehr Sultan	RCC Pips and Hand Pumps	4	1,406,886
Total				6,189,447

Audit was of the view that issuance of stores items without requisite record was due to weak managerial controls.

The issuance of stores without requisite record resulted in unjustified consumption of stores and loss to Government could not be ruled out.

The matter was reported to Union Secretaries in April, 2010, March, 2011 and April 2012 but DAC could not be held, as Secretaries Union Administration neither submitted any reply nor produced record for verification. No further progress was intimated by the Department till the finalization of this report.

Audit recommends investigation of the matter to fix the responsibility on the official(s) concerned for issuing the store without maintaining requisite record.

[AIR Paras 3, 2-2008-09, Paras 2, 3, 2, 2, 2-2009-10, Paras 1, 4, 4, 4-2010-11]

1.3.2 Unauthorized Payments without Pre audit - Rs5.110 million

According to clause 3(iv) of Government of the Punjab Finance Department letter No. FD(FR)II-5/82(P) dated 29.05.2009, Tehsil Accounts Officer shall conduct pre-audit of payment of Union Administration falling in the jurisdiction of respective TMA.

Secretaries of following Union Administrations (UA) drew Rs5.110 million out of local fund on account of development work, contingent payments and staff salaries without getting the bills pre-audited from Tehsil Accounts Officer of concerned TMA during the period 2008-09 and 2009-2010. Secretaries Union Administrations and Administrators being co-signatories of cheques did not bother to prepare bills and submit to TAO for pre-audit in violation of above instructions.

(Amount in Rs)

Sr. No.	AIR Para	Year	Name of UAs	Amount
1	1	2008-09 & 2009-10	UA No.37 Muzafar Garh	2,300,000
2	1	-do-	UA No.42 Gairay Wain,	2,810,000
Total				5,110,000

The irregularity was occurred due to negligence of the departments. The above action of the department caused an unauthorized payment of Rs5.110 million.

Secretaries of the Union Administration did not respond to the audit observation.

The DAC meetings of UA No. 37 Muzaffargarh City-II and UA No.42 Gairay Wain were scheduled on 25.03.2011 and 28.03.2011 respectively but those could not be held, as Secretaries Union Administrations neither submitted any reply nor produced record for verification. No further progress was intimated by the Department till the finalization of this Report.

Audit recommends fixing of responsibility on the official concerned for making payments of bills without pre-audit besides regularization of the expenditure from competent authority.

[AIR Paras: 1,1-2008-10]

1.3.3 Unauthorized Payment without Detailed Measurement Rs4.406 million

According to Government of the Punjab LG & RD Department Notification No.SOV(LG) 5-33/2002 dated 06-07-2005, the payment shall be made only after the assessment of work and recording of its measurement in the measurement book by the Sub Engineer of the Tehsil/Town Municipal Administration concerned.

Secretaries of the following Union Administrations made payment of Rs4.406 million during the financial years 2008-09, 2009-10 and 2010-11 on account of construction work without any detailed measurement recorded in the measurement book.

(Amount in Rupees)

Year	Name of UAs	Name of Scheme / Work	AP No.	Amount
2008-09	UA No. 36 Muzaffargarh	Development/Civil work	04	474,600
2008-09	UA No. 34 Muzaffargarh	Development/Civil work	05	398,055
2008-09	UA No. 69 Shabaz Pur	RCC pipes and hand pumps	02	392,700
2008-09	UANO.73 Jatoi City	RCC pipes and hand pumps	03	299,990
2008-09	UA No.2 Kot Addu	Development/Civil work	03	200,000
2009-10	Daira Din Panah	Construction of culverts "Chah Hammar Wala" and "Chah Sukray Wala"	03	121,200
2009-10	Kot Addu City No.1	Development Schemes	03	200,000

2009-10	UA No.37 M.Garh	Earthwork, drain, soling Chah Namak Wala, Chah Nawan Phase-1, Phase-2	04	215,000
2009-10	Kot Addu City No. 1	Construction of soling at Garhi Qureshi	04	100,000
2010-11	UA No.Ali Pur	Construction of culverts "soling in the various streets	08	375,000
2010-11	UA Ehsan Pur	Earthwork, drain, soling in the various streets	04	229,710
2010-11	UA Shehr Sultan	Construction of B/W of the office, soling and fixing iron cross	04	400,000
2010-11	UA Bakaini	Cons of culverts, repair of office	06	1,000,000
Total				4,406,255

Audit was of the view that incurrence of expenditure without measurement was poor implementation of financial controls.

Payment without measurement resulted in an unjustified expenditure.

The matter was reported to Union Secretaries in April, 2010, March, 2011 and April, 2012. The Secretaries of concerned union administrations signed the observation but did not submit any reply. The DAC meeting was not convened despite repeated requests. No progress was intimated till finalization of Report.

Audit recommends regularization of expenditure besides fixing of responsibility on the officer/official concerned for making payments without measurements.

[AIR Paras 4, 2, 3, 3, 5-2008-09, Paras 3, 3, 4, 4-2009-10, Paras 8, 4, 4, 6-2010-11]

1.3.4 Unjustified Payments through Nazim - Rs1.150 million

According to rule 4 of Punjab Union Administration (Works) Rule 2002, when a project is executed by a Project Committee, the following terms and conditions shall be observed:

- (a) the Project Committee shall be responsible for arranging the supply of material, skilled labour, etc., at competitive rates by calling quotations, etc.;

(b) the Project Committee shall be responsible for the execution of work according to design and specifications;

(c) the Union Nazim shall release the estimated cost of the project through cross cheque in the name of Project Committee in two equal installments. The funds so released shall be kept in an account of scheduled bank to be jointly operated by two members of the Project Committee

Secretaries of the following Union Administrations incurred the expenditure of Rs1.150 million against development schemes during 2008-09 and 2009-10. The schemes were shown executed through project committee. The cost of projects was not transferred to bank account of the project committee. Union Nazims drew the cost of projects himself for onward manual disbursement to suppliers as detailed below in violation of above rule:

(Amount in Rs.)

Sr. No.	AP No.	Year	Name of UAs	Description	Amount
1	1	2008-09 & 2009-10	Daira Din Panah	Construction of Culverts.	600,600
2	1	-do-	Kot Addu City No.1	-do-	549,008
Total					1,149,608

The irregularity was occurred due to weak financial control. The above action of the department caused in irregular expenditure of Rs1.150 million.

Secretaries Union Administration did not respond to the audit observation.

The DAC meetings of UA No.01 Kot Addu City and UA No.07 Daira Din Panah were scheduled on 22.03.2011 and 24.03.2011 respectively but it could not be held, as Secretaries Union Administration neither submitted any reply nor produced record for verification. No further progress was intimated by the Department till the finalization of this Report.

Audit recommends fixing of responsibility on the official concerned for making manual payments through Union Nazims besides regularization of expenditure.

[AIR Paras 1,1-2009-10]

ANNEXURES

Annexure-1**(Amount in Rupees)**

Sr. No.	Formation	Para No.	Title of Para	Amount	Nature of Observation
1.	UA No.2 2008-09	4	Unjustified technical sanction of work	100,000	Violation of Rule
2.	UA No.34 2008-09	1	Public money overdrawn	559,300	Overpayment
3.	UA No.79 2008-09	8	Unauthorized Splitting of Schemes	200,000	Violation of Rule
4.	UA No.37 2009-10	3	Unauthorized Payment of Office Building Rent	109,500	Violation of Rule
5.	UA No.8 2010-11	6	Unauthorized Splitting of Schemes	283,505	Violation of Rule
6.	UA No.8 2010-11	7	Unauthorized Retention of Income Tax Deducted at source	50,026	Recovery
7.	UA No.8 2010-11	2	Non Recovery of lease Money	97,020	Recovery
8.	UA No.67 2010-11	1	Unauthorized Appointment and Payment of Pay and Allowances thereof	301,561	Violation of Rule
9.	UA No.67 2010-11	3	Loss to the Government due to Theft of Computer	49,900	Theft
10.	UA No.67 2010-11	5	Unauthorized Retention of Income Tax Deducted at source	61,303	Recovery
11.	UA No.67 2010-11	2	Unauthorized Purchase of Computer and Printer	124,700	Violation of Rule
12.	UA No.69 2010-11	4	Unjustified Payment of Salary to Part Time Chowkidar	69,600	Violation of Rule
13.	UA No.73 2010-11	4	Unjustified Payment of Salary to Part Time Chowkidar	69,600	Violation of Rule
14.	UA No.79 2010-11	1	Unauthorized Payment on Account of Salaries of Contingent Paid Staff	202,596	Recovery

15.	UAno.79 2010-11	2	Unauthorized Retention of Income Tax Deducted at source	54,648	Recovery
16.	UA No.79 2010-11	5	Non Deposit of Pension Contribution of Union	52,826	Recovery
17.	UA No.92 2010-11	9	Unauthorized Splitting of Schemes	370,000	Violation of Rule
18.	UA No.92 2010-11	2	Non Deposit of Pension Contribution of Union	265,882	Recovery
19.	UA No.92 2010-11	5	Unauthorized Retention of Income Tax Deducted at source	42,755	Recovery

Annexure-A

MEFDAC Paras

(Amount in Rupees / Million)

Sr. No.	Name of UAs	AP No.	Subject	Amount
1.	M. Garh City III No.34 2008-09	3	Payments without Pre-Audit	1.877
		4	Payment of Office rent without assessment	54,000
2.	Kot Addu No.2 2008-09	1	Payments without Pre-Audit	1.293
		5	Non maintenance of check measurement books	199,303
3.	Jatoi City No.73 2008-09	5	Unjustified purchase of AC Compressor	10,500
4.	Shehbaz Pur No.69 2008-09	1	Payments without Pre-audit	1.489
		3	Non maintenance of check measurement books	248,880
		5	Less deduction of income tax	10,140
	M. Garh City I No.36 2008-09	1	Payments without Pre-Audit	1.566
		2	Payment of Office rent without assessment	42,000
		5	Non maintenance of check measurement books	474,600
5.	Daira Din Panah 2009-10	4	Doubtful expenditure of Rs.24,700 against fair	24,700
		5	Non preparation of receipt targets, chances of huge loss	-
6.	Kot Addu City No.1 2009-10	5	Non achievements of receipt targets, expected Loss	14,500
7.	UA No.37 Muzaffargarh 2009-10	6	Non deduction of income tax	11,705
		7	Non preparation of receipt target, charges of huge loss	-
8.	UA No.42 Gairay Wain 2009-10	3	Purchase without calling tender	382,800
		4	Non Deduction of income tax	33,644
		5	Non preparation of receipt targets, chances of huge loss	-
9.	UA No. 38 Taleeri 2009-10	1	Drawl of pension contributions without proof of authenticity and transfer	80,088
		3	Unauthorized splitting of schemes	140,116
		4	Unjustified measurement of earthwork resulting overpayment	62,134
		5	Non achievements of receipt targets, expected loss	23,604
10.	Ali Pur 2010-11	3	Non production of record	148,194
		4	Non preparation of completion certificate of	375,000

			development schemes	
		6	Unauthorized Purchase of computer	52,139
		7	Unauthorized payments without pre-audit	2,717,097
11.	Bakaini 2010-11	3	Unauthorized Purchase of computer and printer	73,700
		7	Unauthorized payment without obtaining technical sanction	600,000
		8	Unauthorized payments without pre-audit	1,993,763
		10	Unjustified payments through Nazim	50,000
12.	Ehsan Pur 2010-11	3	Unauthorized payments without pre-audit	1,627,751
		5	Non preparation of completion certificate of development schemes	457,675
		8	Recovery due to overpayment on account of earth work	23,500
13.	Sheher Sultan 2010-11	6	Unauthorized payments without pre-audit	2,949,883
		7	Non preparation of completion certificate of development schemes	400,000
		9	Unauthorized expenditure against fair and exhibition	78,450

Annexure-B

(Amount in Rupees)

Sr. No.	Name of UAs	Nature of Expenditures	Original Grant	Supplementary Grant	Revised / Final Grant	Actual Expenditure	(+) Excess (-) Saving
1	Muzaffargarh U.C 36	Salary	952000	0	952000	848795	103205
		Non salary	167000	0	167000	130736	36264
		Total	1119000	0	1119000	766531	352469
		development	815000	0	815000	695073	119927
		G.Total	1934000	0	1934000	1461604	472396
2	Shahbaz Pur U.C-69	Salary	1000000	0	1000000	912423	87577
		Non salary	100000	0	100000	80000	20000
		Total	1100000	0	1100000	862423	237577
		development	600000	0	600000	484829	115171
		G.Total	1700000	0	1700000	1347252	352748
3	Jatoi City U.C-73	Salary	930000	0	930000	883218	46782
		Non salary	262000	0	262000	190013	71987
		Total	1192000	0	1192000	830231	361769
		development	1014040	0	1014040	815000	199040
		G.Total	2206040	0	2206040	1645231	560809
4	Kot Addu U.C-2	Salary	870000	0	870000	678373	191627
		Non salary	980000	0	980000	750460	229540
		Total	1850000	0	1850000	524833	1325167
		development	1000000	0	1000000	902350	97650
		G.Total	2850000	0	2850000	1427183	1422817
5	Muzaffargarh U.C 34	Salary	1000000	0	1000000	780433	219567
		Non salary	150000	0	150000	104946	45054
		Total	1150000	0	1150000	685379	464621
		development	1000000	0	1000000	909574	90426
		G.Total	2150000	0	2150000	1594953	555047
6	Daira Din Panah	Salary	1150000	0	1150000	951262	198738
		Non salary	163000	0	163000	130207	32793

	2009-10 Kot Addu City No.1 2009-10 UA No.37 Muzaffargarh 2009-10	Total	1313000	0	1313000	979469	333531
		Development	815000	0	815000	656560	158440
		G.Total	2128000	0	2128000	1636029	491971
7	UA No.42 Gairay Wain 2009-10 UA No. 38 Taleeri 2009-10	Salary	1040000	0	1040000	752122	287878
		Non salary	162000	0	162000	122273	39727
		Total	1202000	0	1202000	671395	530605
		Development	714040	0	714040	670570	43470
		G.Total	1916040	0	1916040	1341965	574075
8	Daira Din Panah 2009-10 Kot Addu City No.1 2009-10	Salary	985000	0	985000	781364	203636
		Non salary	150000	0	150000	112281	37719
		Total	1135000	0	1135000	633645	501355
		development	1000000	0	1000000	865700	134300
		G.Total	2135000	0	2135000	1499345	635655
9	UA No.37 Muzaffargarh 2009-10 UA No.42 Gairay Wain 2009-10	Salary	1230000	0	1230000	1025724	204276
		Non salary	100000	0	100000	85700	14300
		Total	1330000	0	1330000	533378	796622
		development	1000000	0	1000000	876000	124000
		G.Total	2330000	0	2330000	1409378	920622
10	UA No. 38 Taleeri 2009-10	Salary	1102000	0	1102000	870122	231878
		Non salary	387000	0	387000	321273	65727
		Total	1489000	0	1489000	671395	817605
		development	1135000	0	1135000	934000	201000
		G.Total	2624000	0	2624000	1605395	1018605
11	Ali Pur 2010-11 Bakaini 2010-11	Salary	1,520,000	0	1,520,000	1,430,716	89284
		Non Salary	510,000	0	510,000	409,681	100319
		Sub-total	2,030,000	0	2,030,000	1,141,397	888603
		Development	1,275,000	0	1,275,000	1,111,700	163300
		Total	3,305,000	0	3,305,000	2,253,097	1051903
12	Bakaini 2010-11	Salary	2,228,000	0	2,228,000	1,857,027	370973
		Non Salary	310,000	0	310,000	228,365	81635

		Sub-total	2,538,000	0	2,538,000	2,482,392	55608
		Development	2,200,000	0	2,200,000	1,947,500	252500
		Total	4,738,000	0	4,738,000	4,429,892	308108
13	Ehsan Pur 2010-11	Salary	2,569,000	0	2,569,000	1,977,876	591124
		Non Salary	311,000	0	311,000	280,435	30565
		Sub-total	2,880,000	0	2,880,000	2,028,311	851689
		Development	2,297,500	0	2,297,500	2,014,212	283288
		Total	5,177,500	0	5,177,500	4,042,523	1134977
14	Sheher Sultan 2010-11	Salary	2,200,000	0	2,200,000	1,789,820	410180
		Non Salary	769,828	0	769,828	680,113	89715
		Sub-total	2,969,828	0	2,969,828	1,969,972	999856
		Development	3,439,878	0	3,439,878	3,271,031	168847
		Total	6,409,706	0	6,409,706	5,241,003	1168703
15	Kot Adu No. 3	Salary	2,550,000	0	2,550,000	2,261,690	288310
		Non Salary	410,000	0	410,000	334,772	75228
		Sub-total	2,960,000	0	2,960,000	2,296,463	663537
		Development	3,463,500	0	3,463,500	3,171,945	291555
		Total	6,423,500	0	6,423,500	5,468,408	955092
Grand Total			52,980,786	0	52,980,786	39,418,031	13,562,755

(Amount in Rupees)

Sr. No.	Name of UAs	Nature of Expenditures	Original Grant	Supplementary Grant	Revised / Final Grant	Actual Expenditure	(+) Excess (-) Saving
1	UA-67	Salary	1,479,200	0	1,479,200	1,185,907	-293,293
		Non Salary	1,824,500	0	1,824,500	1,366,101	-458,399
		Sub-total	3,303,700	0	3,303,700	2,552,008	-751,692
		Development	2,175,000	0	2,175,000	1,795,286	-379,714
		Total	5,478,700	0	5,478,700	4,347,294	-1,131,406
2	UA-03	Salary	1,253,300	0	1,253,300	849,523	-403,777
		Non Salary	1,969,400	0	1,969,400	1,265,997	-703,403
		Sub-total	3,222,700	0	3,222,700	2,115,520	-1,107,180
		Development	2,745,300	0	2,745,300	1,802,111	-943,189
		Total	5,968,000	0	5,968,000	3,917,631	-2,050,369

3	UA-08	Salary	1,760,000	0	1,760,000	1,458,442	-301,558
		Non Salary	1,320,000	0	1,320,000	670,307	-649,693
		Sub-total	3,080,000	0	3,080,000	2,128,749	-951,251
		Development	3,000,000	0	3,000,000	1,733,625	-1,266,375
		Total	6,080,000	0	6,080,000	3,862,374	-2,217,626
4	UA-79	Salary	1,464,080	0	1,464,080	704,676	-759,404
		Non Salary	203,287	0	203,287	314,433	111,146
		Sub-total	1,667,367	0	1,667,367	1,019,109	-648,258
		Development	3,171,000	0	3,171,000	1,975,560	-1,195,440
		Total	4,838,367	0	4,838,367	2,994,669	-1,843,698
5	UA-92	Salary	1,949,600	0	1,949,600	1,424,122	-525,478
		Non Salary	1,671,000	0	1,671,000	1,301,825	-369,175
		Sub-total	3,620,600	0	3,620,600	2,725,947	-894,653
		Development	1,949,500	0	1,949,500	1,503,153	-446,347
		Total	5,570,100	0	5,570,100	4,229,100	-1,341,000
Grand Total			27,935,167	0	27,935,167	19,351,068	-8,584,099