



AUDIT REPORT
ON
THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
BAHAWALNAGAR
AUDIT YEAR 2014-15

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
DDC	District Development Committee
DGA	Directorate General Audit
FD	Finance Department
IPSAS	International Public Sector Accounting Standards
LG&CD	Local Government & Community Development
MB	Measurement Book
MFDAC	Memorandum for Departmental Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PDG	Punjab District Governments
PLGO	Punjab Local Government Ordinance
PSQCA	Pakistan Standard Quality Control Authority
POL	Petroleum Oil and Lubricants
RDA	Regional Directorate of Audit
TAC	Tehsil Accounts Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Regulation)

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 Tehsil Municipal Administrations of District Bahawalnagar 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 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 all cases whether PAO does not initiate appropriate action, the audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

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

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:

(Rana Assad Amin)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Director General Audit (DGA), District Governments, Punjab (South), Multan, a Field Audit Office of the Auditor General of Pakistan, is mandated to carry out the audit of all District Governments in Punjab (South) including Tehsil and Town Municipal Administration. Regional Directorate of Audit Bahawalpur has audit jurisdiction of District Governments, TMAs and UAs of three Districts i.e. Bahawalpur, Bahawalnagar and Rahim Yar Khan.

The Regional Directorate has a human resource of 25 officers and staff, constituting 4,848 mandays and budget amounting to Rs 14.669 million was allocated in audit year 2014-15. The office is mandated 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, RDA Bahawalpur carried out audit of the accounts of five TMAs of District Bahawalnagar for the financial year 2013-14 and the findings included in the Audit Report.

Each Tehsil Municipal Administration in District Bahawalnagar is headed by a Tehsil Nazim / Administrator. He/she carries out operations as per Punjab Local Government Ordinance, 2001. Tehsil Municipal Officer is the Principal Accounting Officer (PAO) and acts as a coordinating and administrative officer, responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and By-laws. The PLGO 2001 requires the establishment of Tehsil / Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil Nazim / Tehsil Council / Administrator in the form of Budgetary Grants.

The total Development Budget of five TMAs in the District Bahawalnagar for the financial year 2013-14 was Rs 154.592 million and expenditure incurred of Rs 25.150 million showing savings of Rs 129.442 million in the year. Total Non-development Budget for Financial Year 2013-14 was Rs 1,251.744 million and expenditure amounting to Rs 224.883 million was incurred showing savings of Rs 213.061 million. The reasons for savings in Development and Non-development Budgets are required to be provided by TMO and PAO concerned.

Audit of TMAs of District Bahawalnagar was carried out with a view to ascertaining 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 that there was no leakage of revenue.

a. Scope of Audit

Out of total expenditure of the TMAs of District Bahawalnagar for the financial year 2013-14, auditable expenditure under the jurisdiction of Regional Director Audit, Bahawalpur was Rs 673.012 million covering five PAOs/formations. Out of this, RDA Bahawalpur audited an expenditure of Rs 591.076 million which, in terms of percentage, is 88% of auditable expenditure and irregularities amounting to Rs 176.226 million were pointed out. Regional Director Audit planned and executed audit of 05 formations i.e. 100% achievement against the planned audit activities.

Total receipts of the TMAs of District Bahawalnagar for the financial year 2013-14 were Rs 524.266 million. RDA Bahawalpur audited receipts of Rs 196.617 million which was 37% of total receipts and irregularities amounting to Rs 98.129 million were pointed out.

b. Recoveries at the Instance of Audit

Recoveries of Rs 215.131 million were pointed out by Audit which was not in the notice of the management before audit. An amount of Rs 8.725 million was recovered and verified during year 2014-15 till the time of compilation of the Report.

However, against the total recovery amount of Rs 135.874 million pertaining to paras (over one million) drafted in this report, no amount of recovery has been made by the management till the time of compilation of this Report.

c. Audit Methodology

Audit was conducted after understanding the business processes of TMAs with respect to its functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding

the systems, procedures, environment and the audited entity before starting field audit activity.

d. Audit Impact

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

e. Comments on Internal Control and Internal Audit Department

Internal control mechanism of TMAs of District Bahawalnagar was not found satisfactory during audit. Many instances of weak internal controls have been highlighted during the course of audit which includes some serious lapses. Negligence on the part of TMA authorities may be captioned as one of important reasons for Weak Internal Controls.

According to Section 115-A (1) of PLGO, 2001, Nazim of each District Government and Tehsil/Town Municipal Administration shall appoint an Internal Auditor but the same was not appointed in all TMAs of District Bahawalnagar.

f. The Key Audit Findings of the Report

- i. Non Production of record involving an amount of Rs 16.773 million was noted in three cases.¹
- ii. Irregularities & non compliance involving an amount of Rs 287.518 million were noted in eleven cases.²
- iii. Performance issues involving an amount of Rs 160.020 million were noted in thirteen cases.³

Audit paras on the accounts for financial year 2013-14 involving procedural violations including internal controls weaknesses and irregularities which were not

¹ Para: 1.3.1.1, 1.4.1.1, 1.5.1.1

² Para: 1.2.1.1 to 1.2.1.3, 1.3.2.1, 1.4.2.1 to 1.4.2.4, 1.5.2.1 to 1.5.2.2, 1.6.1.1

³ Para: 1.2.2.1 to 1.2.2.2, 1.3.3.1, 1.4.3.1 to 1.4.3.3, 1.5.3.1 to 1.5.3.2, 1.6.2.1 to 1.6.2.5

considered worth reporting to Provincial PAC, have been included in Memorandum for Departmental Accounts Committee (MFDAC). (**Annex-A**)

g. Recommendations

Audit recommends that the PAO/Management of TMAs should ensure to resolve the following issues seriously:

- i. Production of record to audit for verification
- ii. Holding investigations for wastage, fraud, misappropriation and losses, and disciplinary actions after fixing responsibilities.
- iii. Strengthening of financial and managerial controls
- iv. Compliance of DAC directives and decisions in letter and spirit
- v. Expediting recoveries pointed out by Audit as well as other recoveries in the notice of management
- vi. Compliance of relevant laws, rules, instructions and procedures, etc.
- vii. Proper maintenance of accounts and record
- viii. Appropriate actions against officers/officials responsible for violation of rules and losses
- ix. Addressing systemic issues to prevent recurrence of various omissions and commissions.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rupees in Million)

Sr. No.	Description	No.	Expenditure	Receipt
1	Total PAOs in Audit jurisdiction	05	673.012	524.266
2	Total Formations/DDOs in Audit Jurisdiction	05	673.012	524.266
3	Total Entities (PAOs) Audited	05	591.076	196.617
4	Total formations/DDOs audited	05	591.076	196.617
5	Audit & Inspection Reports	05	-	-
6	Special Audit Reports	-	-	-
7	Performance Audit Reports	-	-	-
8	Other Reports (Relating to TMA)	-	-	-

Table 2: Audit Observations Classified by Category

(Rupees in Million)

Sr. No.	Description	Amount placed under audit observation
1	Asset management	61.105
2	Financial management	49.930
3	Internal controls	327.450
4	Others	25.826
Total		464.311

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

Sr. No.	Description	Expenditure on Physical Assets	Civil Works	Others	Receipt	Total Current Year	Total Last Year
1	Total Financial Outlay	47.682	25.150	600.180	524.266	1197.278	-
2	Outlays Audited	35.545	12.440	543.091	196.617	787.693*	995.740
3	Amount placed under audit observations / irregularities pointed out	31.009	48.578	251.479	133.245	464.311	850.557
4	Recoveries pointed out at the instance of Audit	-	1.859	8.085	125.930	135.874	235.768
5	Recoveries accepted / established at the instance of Audit	-	1.859	6.405	125.930	134.194	235.768
6	Recoveries realized at the instance of Audit	-	-	-	8.725	8.725	-

* The amount mentioned against Sr. No. 2 in column of "Total Current Year" is the sum of expenditure and receipts whereas the total expenditure was Rs 591.076 million

Table 4: Irregularities Pointed Out

(Rupees in Million)		
Sr. No.	Description	Amount placed under Audit observation
1	Violation of rules and regulations and violation of principle of propriety and probity in public operations.	287.518
2	Recoveries, overpayments, or unauthorized payments of public money.	134.194
3	Non-production of record to Audit	16.773
4	Others, including cases of accidents, negligence etc.	25.826
5	Reported cases of fraud, embezzlement, theft and misuse of public funds.	-
6	Accounting errors (accounting policy departure from IPSAS ⁴ , misclassification, overstatement 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.	-
7	Quantification of weaknesses of internal controls system.	-
Total		464.311

Table 5: Cost-Benefit

(Rupees in Million)		
Sr. No.	Description	Amount
1	Outlays Audited (Items 2 of Table 3)	787.693
2	Expenditure on Audit	0.087
3	Recoveries realized at the instance of Audit	8.725
4	Cost-Benefit Ratio	100.287

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

CHAPTER-1

1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, BAHAWALNAGAR

1.1.1 Introduction:

According to 1998 population census, the population of District Bahawalnagar is 3.141 million. District Bahawalnagar comprises five TMAs namely Bahawalnagar, Chishtian, Haroonabad, Fortabbas and Minchinabad. Business of TMAs is run by the Administrator and five Drawing & Disbursing Officers i.e. TMO, TO (I&S), TO (Finance), TO (P&C) and TO (Regulation) under Punjab Local Government Ordinance, 2001.

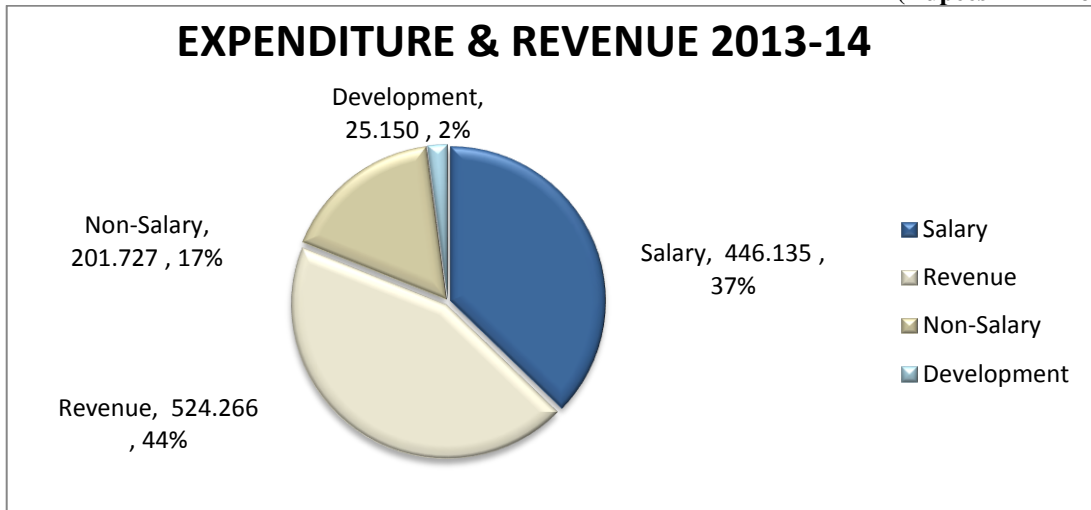
1.1.2 Comments on Budget and Accounts

Detail of budget and expenditure is given below in tabulated form.

(Rupees in Million)

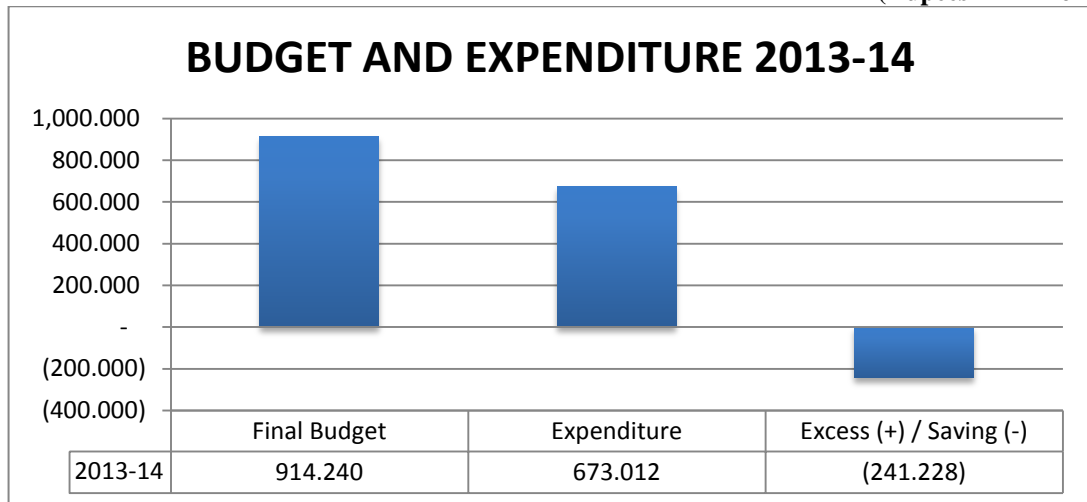
2013-14	Budget	Actual	Excess (+) / Savings(-)	% savings
Salary	453.618	446.135	(-)7.483	-2%
Non-salary	306.030	201.727	(-)104.303	-34%
Development	154.592	25.150	(-)129.442	-84%
Total	914.24	673.012	(-)241.228	-26%
Revenue	828.143	524.266	(-)303.877	-37%

(Rupees in Million)



As per Annual Accounts the expenditure relating to TMAs in District Bahawalnagar was Rs 673.012 million against original budget of Rs 914.240 million. A saving of Rs 241.228 million came to the notice of Audit, which shows that TMAs failed to provide municipal services and infrastructure developments. No plausible explanation was provided by the PAOs / Administrators and management of TMAs. **(Annex-B)**

(Rupees in Million)



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-I) of last year Audit Report, which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annex-A.

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

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

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2009-12	41	PAC not constituted
2	2012-13	27	PAC not constituted
3	2013-14	42	PAC not constituted

AUDIT PARAS

1.2 Tehsil Municipal Administration, Bahawalnagar

1.2.1 Irregularities and Non Compliance

1.2.1.1 Non maintenance of accounts and official record – Rs 19.220 million

According to Section 19 (1) (2) of the Auctioning and Collection Rights 2003, a contractor shall keep the record relating to accounts of the income as well as other documents in proper order as provided in the respective rules, bye-laws and procedures. All such record shall be the property of respective Local Government. The contractor may have an attested copy thereof from the respective Local Government.

TMO Bahawalnagar awarded different contracts to the contractors for the year 2013-14, but the contractors neither maintained any record of collection of revenues nor handed over the same to the TMA for Audit scrutiny. Detail is as under:

(Amount in Rupees)

Sr. No.	Auction Head	Auctioning Period	Auctioning Amount
1	Cattle Market (City)	01.07.13 to 30.06.14	10,020,000
2	Cattle Market Chak Madrsa		6,520,000
3	Cattle Market Chak Khattan		1,900,000
4	Advertisement		780,000
Total			19,220,000

Audit is of the view that due to weak internal controls, official record was not maintained by the contractors.

Non maintenance of official record by the contractors resulted in non-authenticity of actual revenue collections.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that all record of contractors was available but no record was shown to audit in support of reply. DAC, in its meeting held on 19.03.2015, directed to produce the record at the earliest. No progress was reported till finalization of this Report.

Audit recommends fixation of responsibility against the responsible(s) for non-maintenance of record besides production of complete record of collection of revenues for audit verification, under intimation to Audit.

[AIR Para: 5]

1.2.1.2 Unauthorized execution of works without soil survey –Rs 3.619 million

According to Para 2.22 (9) of the B & R code, “it is necessary to make a careful preliminary investigation of the sub-soil in order to ascertain the exact nature of the strata and determine accurately the suitability of sites for bridges, large buildings, roads etc. and the depth to which foundations should be taken or the crust designed accordingly”.

TMO Bahawalnagar incurred expenditure of Rs 3.619 million on account of execution of four (4) development projects but soil survey and lab test reports of material were not obtained in violation of above rules. Detail is given below:

(Amount in Rupees)

Sr. No.	Name of Scheme	Agreement value	M.B No.	Page No	Total Expenditure up to 30.06.2014
1	Construction of Street Soling, Drain Arch Culverts at Mouza Sanateka	592,000	1456	139-152	592,000
2	Construction of Sludge Carrier Basti Mari Mian Shab	592,258	1456	160-168	586,702
3	Construction of Street Soling, Drains, culverts at Korla Wali	1,637,387	2163	-	1,568,398
4	Construction of Ware House at TMA Bahawalnagar	880,000	1721	58-59	871,751
Total					3,618,851

Audit is of the view that due to weak internal controls, payments were made without soil survey.

Payments without soil survey resulted in unauthorized expenditure of Rs 3.619 million without fulfilling the construction requirements.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that B&R Code was not applicable to TMA and lab test of material was duly verified by Pakistan Standard Quality Control Authority (PSQCA). Reply of TMA was not tenable as verified lab test reports were not produced to audit. DAC, in its meeting held on 19.03.2015, directed for regularization from competent authority at the earliest. No progress was reported till finalization of this Report.

Audit recommends regularization of the expenditure from the competent authority besides fixing of responsibility against the concerned under intimation to Audit.

[AIR Paras: 29 & 31]

1.2.1.3 Irregular expenditure due to non-compliance of PPRA rules – Rs 1.034 million

According to Para 12 of PPRA Rules 2009, procurement over one hundred thousand rupees and up to limit of two million rupees shall be advertised on the PPRA website in the manner and format specified by the PPRA from time to time. These procurement opportunities may also be advertised in print media.

TMO Bahawalnagar incurred expenditure amounting to Rs 1.034 million on various purchases but opportunities were not advertised on PPRA website. Furthermore, tender process was also not adopted and purchase was made by calling quotations as detailed below:

(Amount in Rupees)			
Sr. No.	Bill No.	Date	Amount
1	1216	06.03.14	653,796
2	402	24.09.2013	99,450
3	Nil	08.10.2013	98,500
4	Nil	08.10.2013	99,500
5	338	25.06.14	82,456
Total			1,033,702

Audit is of the view that due to financial mismanagement, PPRA's instructions were violated.

Non-observance of PPRA rules resulted in non-transparent and uneconomical purchases of different items worth Rs 1.034 million.

The matter was reported to TMO and Administrator during February, 2015. TMO did not submit any reply. DAC, in its meeting held on 19.03.2015, directed for regularization of the expenditure from the competent authority. No progress was reported till finalization of this Report.

Audit recommends regularization from the competent authority besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 27]

1.2.2 Performance

1.2.2.1 Less realization of TMA receipts – Rs 6.715 million

According to Rule 76 (I) of the PDG & TMA (Budget) Rules, 2003, “the collecting officer shall ensure that all revenue due is claimed and deposited into relevant head of account.”

TMO Bahawalnagar did not recover TMA receipts amounting to Rs 6.715 million under various head of receipts during 2013-14 as detailed below:

(Amount in Rupees)

Income Head	Station	Receivable	Received	Balance
Rent of Shops	Head Quarter / Non-Head Quarter Dunga Bonga	11,147,584	10,815,994	331,590
Water Rate	Head Quarter	12,076,410	6,721,540	5,354,870
	Non-Head Quarter Dunga Bonga	1,383,700	380,756	1,002,944
License Fee	Non-Head Quarter Dunga Bonga	35,000	9,900	25,100
Total				6,714,504

Further, the collection of receipts received on account of income from rent of shops and property were utilized for non development expenditure for the year 2013-14 in violation of applicable rules.

Audit is of the view that due to financial mismanagement, TMA receipts remained unrealized.

Less realization of the receipts resulted in loss to TMA funds amounting to Rs 6.383 million.

Matter was reported to TMO and Administrator during February, 2015. TMO replied that efforts were being made for balance recovery. DAC, in its meeting held on 19.03.2015, directed TMO to recover the outstanding amount. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 6.383 million besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Paras: 12, 22 & 26]

1.2.2.2 Non recovery of building plans fee – Rs 1.028 million

According to Rule 76 (I) of the PDG & TMA (Budget) Rules, 2003, “the collecting officer shall ensure that all revenue due is claimed and deposited into relevant head of account.”

TMO Bahawalnagar did not collect the outstanding amount of Rs 1.028 million under the head building plans fee for the period 2013-14. Due efforts were not made for recovery and a huge amount remained unrecovered.

Audit is of the view that due to financial mismanagement, TMA receipts were not realized.

Non realization of the receipts resulted in loss to TMA funds amounting to Rs 1.028 million

The matter was reported to TMO and Administrator during February, 2015. TMO did not submit any reply. DAC, in its meeting held on 19.03.2015, directed to recover the amount and deposit into relevant head of account. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 1.028 million besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Para: 16]

1.3 Tehsil Municipal Administration, Haroonabad

1.3.1 Non-Production of Record

1.3.1.1 Non production of record – Rs 2.640 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”. Further 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”.

TMO Haroonabad did not produce vouched accounts of the expenditure incurred out of various non-development expenditure heads of accounts amounting to Rs 1.034 million for the period 2013-14. Further, the record of receipts collected by the TMA authorities during the same period amounting to Rs 1.606 million was also not produced for Audit verification despite repeated written requests.

Audit is of the view that due to weak internal controls, record was not properly maintained and produced for audit verification.

Non production of record created doubt about the legitimacy of the expenditure amounting to Rs 2.640 million.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that all record was well maintained and ready for prompt production as and when demanded. However, record was not produced. DAC, in its meeting held on 18.03.2015, directed to produce the record at the earliest. The issue of non production of record was also brought into the notice of the Administrator as well as the DCO but no progress was reported till finalization of this Report.

Audit recommends that responsibility be fixed and strict disciplinary action taken against the officials concerned for non-production of record, under intimation to Audit, and to ensure that the record is produced to Audit for scrutiny.

[AIR Para: 27]

1.3.2 Irregularities and Non Compliance

1.3.2.1 Irregular use of funds received from rent of shops – Rs 18.957 million

According to Section 12 (1) (2) of the Local Government Property Rules 2003, Funds accruing from such auction shall be kept in a separate account in accordance with the provisions of the Ordinance relevant rules and instructions of the Government. The amount received from such auction/sale shall be utilized exclusively for development projects by the concerned Local Government and no part thereof shall be apportioned for non development expenditures like salary or purchases of vehicles or office equipment's etc.

TMO Haroonabad received / collected rent of shops during 2013-14, but not a single penny was spent for development purposes and the whole amount was utilized for non development expenditure like salary, purchase of vehicles and for office equipment in violation of above rules. Detail is given below:

(Amount in Rupees)

Sr. No.	Period	DDO	Amount received
1	2011-12	TMO Haroonabad	5,710,134
2	2012-13		6,798,480
3	2013-14		6,448,759
Total			18,957,373

Audit is of the view that due to financial mismanagement, receipts were not used on development works.

Non utilization of receipts on development resulted in violation of rules amounting to Rs 18.957 million.

The matter was reported to TMO and Administrator during February 2015. TMO replied that due to increase in salary and pension, funds were utilized for non development purposes. Reply was not relevant as the funds were utilized for non-development expenditure. DAC, in its meeting held on 18.03.2015, directed to get the

irregularity condoned from the competent authority within one month. No progress was reported till finalization of this Report.

Audit recommends regularization from competent authority besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 15]

1.3.3 Performance

1.3.3.1 Non / less realization of revenue and arrears – Rs 24.118 million

According to Rule 76 of the PDG & TMA (Budget) Rules, 2003, collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.

TMO Haroonabad did not recover revenue and arrears of revenue worth Rs 24.118 million on account of various receipt heads during 2013-14. (**Annex–C**)

(Amount in Rupees)

Sr. No.	Particulars	Arrears 2012-13, 2013-14	Recovery of Arrears 2012-13	Balance Amount
1	Conversion fee	4,150,000	-	4,150,000
2	License & Permit fee (440 Shops)	462,000	-	462,000
3	Registration of Private Housing Schemes (18 Private Housing Schemes)	12,500,000	-	12,500,000
4	Rent of Shops (91 Shops)	7,006,272	-	7,006,272
Total				24,118,272

Audit is of the view that due to weak internal controls, TMA dues remained unrealized.

Non-realization of the TMA dues resulted in loss amounting to Rs 24.118 million to TMA funds.

Matter was reported to TMO and Administrator during February 2015. TMO replied that District Government was responsible for collecting pesticides, license and permits fee. Rent of shops was being collected on regular basis. Action against illegal schools regarding non depositing of conversion fee was in process, whereas no recovery was involved against enlisted private housing schemes. Replies were not tenable as no progress was shown. DAC, in its meeting held on 18.03.2015, directed to recover the amount within one month. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 24.118 million besides action against the responsible, under intimation to Audit.

[AIR Paras: 17, 19, 21 & 26]

1.4 Tehsil Municipal Administration, Chishtian

1.4.1 Non-Production of Record

1.4.1.1 Non production of record – Rs 7.870 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”. Further 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”.

TMO Chishtian did not produce the record of expenditure of Rs 7.870 million for Audit scrutiny despite repeated written requests. The detail of record not produced for audit scrutiny is as under:

(Amount in Rupees)

Sr. No.	Description of Record	Amount
1	Log books and history sheets of tractors, fire brigade, and generator and other machinery and vehicle, complete record of security deposits i.e. bank statements; amount deducted from contractors, amount released to contractors, completion certificates, vouchers etc, Detail and consumption of manhole covers i.e. spots where they were utilized along with verification report of general public of that area.	965,028
2	Detail and consumption of electric items (utilization of 2,200 energy savers i.e. spots where they were utilized along with verification report of general public of that area	923,130
3	Complete vouched account pertaining to payment of liabilities	861,541
4	Complete vouched account pertaining to promotion of sports and cultural activities	1,648,649
5	Complete vouched account pertaining to purchase of items of street lights	125,494
6	Complete vouched account pertaining to maintenance of water supply schemes and purchase of w/s items	1,555,755
7	Complete vouched account pertaining to drainage / disposal schemes	1,194,580
8	Complete vouched account pertaining to Sasta Ramzan Bazar	334,590
9	Complete vouched account pertaining to Repair of Machinery / tractors	261,484
Total		7,870,251

Audit is of the view that due to weak internal controls, record was not properly maintained and produced for audit verification.

Non production of record created doubt about the legitimacy of the expenditure amounting to Rs 7.870 million.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that record had been fully maintained and same would be provided as and when demanded by audit. However, no record was produced. DAC, in its meeting held on 21.03.2015, directed to produce the record at the earliest. The issue of non production of record was also brought into the notice of the Administrator as well as the DCO but no progress was reported till finalization of this Report.

Audit recommends that responsibility be fixed and strict disciplinary action taken against the officials concerned for non-production of record, under intimation to Audit, and to ensure that the record is produced to Audit for scrutiny.

[AIR Para: 29]

1.4.2 Irregularities and Non Compliance

1.4.2.1 Non-maintenance of DDO wise accounts- Rs 180.325 million

According to Para 65 (1)(2) of PDG & TMA (Budget) Rules, 2003, responsibility of relevant Local Government Functionaries is that Heads of Offices shall be responsible for controlling and managing expenditure from the Grants placed at their disposal and Each Drawing and Disbursing Officer (DDO) shall be responsible for the expenditure actually incurred against the funds allotted to him. The expenditure shall be sanctioned in accordance with the delegation of Financial Power Rules.

TMO Chishtian retained the DDO powers of all other DDOs under his administrative control while incurring and sanctioning the expenditure of Rs 180.325 million himself despite the fact that DDO wise budget was prepared and got approved. Furthermore, the TMO did not maintain separate books of accounts i.e. Cash Book, Contingent Register, and Budget Control Register etc. of the expenditure incurred.

Audit is of the view that due to weak financial management separate books of accounts were not maintained by the Drawing and Disbursing Officer (DDO).

Non maintenance of separate books of accounts resulted in unauthorized expenditure of Rs 180.325 million in violation of rules.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that DDO powers rested with TMO and all records pertaining to DDO cash book, cheque register, budget control register, etc were properly maintained. Reply was not tenable as DDO wise record was not maintained and produced to audit. DAC, in its meeting held on 21.03.2015, directed to produce the record at the earliest. No progress was reported till finalization of this Report.

Audit recommends regularization of the expenditure besides fixing of responsibility against the responsible, under intimation to Audit.

[AIR Paras: 12]

1.4.2.2 Non maintenance of back up record of tax on transfer of immovable property– Rs 51.791 million

According to Rule 2.10(a)(1) of the PFR Vol-I, “Same vigilance should be exercised in respect of expenditure incurred from Government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

TMO Chishtian did not maintain back up record of revenue realized amounting to Rs 51.791 million on account of transfer of Immovable Property during 2013-14. Officials concerned were collecting the tax on value of properties as recommended by Patwari without having any cross checks to determine the authenticity of calculated tax. Further, certificate / attestation from revenue Department had not been obtained regarding correctness of the income earned under this head.

Audit is of the view that due to financial indiscipline, back up record of receipts was not maintained.

Legitimacy of receipts collected amounting to Rs 51.791 million could not be ascertained due to non maintenance of back up record.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that Revenue department denied providing such certificates, all backup record was available and would be provided when demanded and reconciliation had been made on weekly basis. Reply was not tenable as no record was provided. DAC, in its meeting held on 21.03.2015, directed to produce the relevant record to audit at the earliest. No progress was reported till finalization of this Report.

Audit recommends that desired record be produced for verification besides taking necessary action against the concerned, under intimation to Audit.

[AIR Para: 28]

1.4.2.3 Irregular expenditure on procurement – Rs 6.296 million

According to Rule 12 of the Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by regulation by the PPRA from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the procuring agency. Further, according to Government of the Punjab Finance Department vide letter No. FD.SO(Goods)44-4/2011 dated 06.08.2013, there was a complete ban on purchase of durable goods, machinery and equipment, furniture and fixture etc.

TMO Chishtian incurred expenditure of Rs 6.296 million during 2013-14 for the purchase of a fire brigade, street lights, tyres and manhole covers as detailed below:

(Amount in Rupees)			
Sr. No.	Description of Items Purchased	No. of Vouchers	Total Expenditure
1	Advance payment for purchase of Fire Brigade	01	3,100,000
2	Purchase of Street light articles	01	1,195,347
3	Purchase of Tyres	01	1,074,481
4	Purchased Man Hole Covers	02	925,834
Total		06	6,295,662

The procurement was held irregular on the basis of the following grounds:

1. District Development Committee (DDC), in its meeting dated 27.12.2013, approved the proposal regarding procurement of a fire brigade. However, the purchase process was started by the TMO well before the approval i.e. 29.11.2013.
2. The procurement opportunity was not advertised on the PPRA web site rather only in two newspapers while keeping the response time less than 15 days in violation of above rule.
3. Neither any Technical Committee to scrutinize /evaluate "Technical Bids" was constituted nor the prior sanction of the Government of Punjab, Finance Department accorded for purchase during ban period.

Audit is of the view that due to financial indiscipline, procurements were made violating rules and without approval.

Non-obtaining of approval of procurement amounting to Rs 6.296 million resulted in undue favour to the venders of own choice and benefits of competitive bidding were not achieved.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that fire brigade was purchased from the development budget after fulfilling all codal formalities, whereas all purchases / repairs were made according to the demand. Reply was not tenable as the work started well before approval. DAC, in its meeting held on 21.03.2015, directed for regularization from competent authority within one month. No progress was reported till finalization of this Report.

Audit recommends regularization from the competent authority besides disciplinary action against the concerned, under intimation to Audit.

[AIR Paras: 18, 24, 25 & 26]

1.4.2.4 Unauthorized expenditure beyond financial competency– Rs 2.587 million

According to Rule 4 (ii) (i) of the Punjab Delegation of Financial Power Rules 2006, the Administrator of TMA being Officer in Category-I / Administrative Department, was competent to sanction expenditure on repair of vehicle / machinery amounting to Rs 200,000 in each case. Further, according to rule 2 (xxv) (b) (i) of above mentioned rules, the Administrative Department was competent to sanction expenditure up to Rs 500,000 in each case for expenditure on recurring items.

TMO Chishtian incurred expenditure of Rs 2.587 million on repair of vehicles and purchase of electric items i.e. energy savers etc. during 2013-14. Payment was made to supplier after obtaining sanction of the Administrator of TMA being the officer of Category-I. However, the sanctioning of expenditure was beyond the delegated financial competency as the Administrator being the officer of Category-I was not competent to sanction the expenditure. Detail is as under:

(Amount in Rupees)

Sr. No.	Description	Voucher No.	Expenditure	Financial Power
1	Repair, general overhauling of official Car No.6777	103/27.01.14	317,208	Up to Rs 200,000 in each case
2	Purchased 34 tyres and 10 batteries valuing Rs 1,074,481	58/22.01.14	1,074,481	
3	Purchased 2200 energy savers costing Rs 923,130 and other electric items.	57/22.01.14	1,195,347	Up to Rs 500,000 in each case
Total			2,587,036	

Audit is of the view that irregularity occurred due to weak financial management of the TMA authorities.

The expenditure incurred beyond financial competency amounting to Rs 2.587 million held unauthorized.

The matter was reported to TMO and Administrator during February, 2015. TMO did not submit any reply. DAC, in its meeting held on 21.03.2015, directed for regularization of the expenditure from the competent authority within one month. No progress was reported till finalization of this Report.

Audit recommends that the irregularity be got condoned from the competent authority besides taking disciplinary action against the person(s) at fault under intimation to Audit.

[AIR Para: 23]

1.4.3 Performance

1.4.3.1 Non / less realization of revenue and arrears – Rs 56.550 million

According to Rule 76 of the PDG & TMA (Budget) Rules, 2003, collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account. Moreover, as per فرمان (orders) dated 28.11.1935 of the Nawab Sadiq, all immovable property located within limits of Municipal Committees will be property of relevant Municipal Committee.

TMO Chishtian did not recover revenue worth Rs 56.550 million during 2013-14 on account of various receipt heads as detailed below:

(Amount in Rupees)

Sr. No.	Particulars	Arrears 2012-13, 2013-14	Recovery of Arrears 2012-13	Balance Amount
1	Advertisement / Publicity Charges	1,620,000	-	1,620,000
2	Conversion fee / Map fee	9,040,000	-	9,040,000
3	Registration of Private Housing Schemes (8 Private Housing Schemes)	1,320,000	-	1,320,000
4	Rent of Illegally occupied land (742 Marlas)	44,569,955	-	44,569,955
Total				56,549,955

Audit is of the view that due to poor financial management, TMA dues remained unrealized.

Non-realization of the TMA dues resulted in loss amounting to Rs 56.550 million to TMA funds.

The matter was reported to TMO during February 2015. TMO replied that legal action had been initiated by TMA against illegal owners of land, whereas efforts had been made to recover the conversion fee. No reply was submitted by TMO regarding advertisement fee and registration of private housing schemes. Reply was not tenable as no progress was shown. DAC, in its meeting held on 21.03.2015, directed to recover the amount within one month. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 56.550 million besides action against the responsible under intimation to Audit.

[AIR Paras: 5, 16, 13 & 8]

1.4.3.2 Non vacation of encroached property – Rs 20.568 million

According to Rule 4 (K) of the Punjab Local Government (Property) Rules 2003, the manager shall be vigilant about and to check encroachments or wrongful occupants on property and in case there is any encroachment or wrongful occupation take necessary steps for the removal thereof.

TMO Chishtian did not vacate 74 acres encroached property during 2013-14 which was illegally occupied / encroached by different persons for residential and agriculture purposes and by Government departments. Further, no rent of property amounting to Rs 20.568 million was recovered from concerned occupants. (**Annex – D**)

Audit is of the view that due to negligence TMA properties could not be got vacated.

Non vacation of TMA properties resulted in loss amounting to Rs 20.568 million to TMA funds.

The matter was reported to TMO and Administrator during February, 2015. TMO did not submit any reply. DAC, in its meeting held on 21.03.2015, directed to get the encroached property vacated from the illegal occupants at the earliest. No progress was reported till finalization of this Report.

Audit recommends getting the land vacated from illegal occupants besides taking necessary action against the concerned, under intimation to Audit.

[AIR Paras: 9 & 10]

1.4.3.3 Loss of rent due to non utilization / cultivation of agricultural land – Rs 1.300 million

According to Rule 4(a) of the Punjab Local Government (Property) Rules 2003, the manager shall take as much care of the Property entrusted to him as a man of

ordinary prudence would, under similar circumstances, take of his own property of like nature.

TMO Chishtian did not auction / lease out 32 acres and 04 kanals agricultural land valuing Rs 97.50 million (approx.) which remained vacant during 2013-14. Resultantly, the rent of Rs 1.3 million (approx.) of the stated land could not be actualized. Further, no efforts were made to cultivate the land by deploying the TMA staff. Detail is given below:

(Amount in Rupees)

Area / Muraba No.	Description / Use of Encroached Property	Area Encroached (Acre-Kanals)	Approximate Value @ Rs 3,000,000/ Acre	Approximate Rent / Year @ Rs 40,000/Acre/ Year
63	Chak No.04/FW	01-00	3,000,000	40,000
113	Chak No.04/FW	03-04	10,500,000	140,000
127	Chak No.04/FW	01-00	3,000,000	40,000
37	Chak No.15/G	01-00	3,000,000	40,000
44	Chak No.15/G	04-00	12,000,000	160,000
49	Chak No.46/F	12-04	37,500,000	500,000
55,56	Chak No.46/F	09-04	28,500,000	380,000
	Total	32-	97,500,000	1,300,000

Audit is of the view due to financial mismanagement; agricultural land could not be auctioned.

Non-auctioning of agricultural land resulted in loss amounting to Rs 1.300 million to TMA.

The matter was reported to TMO and Administrator during February, 2015. TMO did not submit any reply. DAC, in its meeting held on 21.03.2015, directed to recover the amount within one month. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 1.300 million besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Para: 11]

1.5 Tehsil Municipal Administration, Minchinabad

1.5.1 Non-Production of Record

1.5.1.1 Non production / maintenance of record – Rs 6.263 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 requests for information in as complete a form as possible and with all reasonable expedition”.

TMO Minchinabad did not produce / maintain record of receipt and expenditure of Rs 6.263 million for the period 2013-14 under different heads of accounts as detailed below.

(Amount in Rupees)		
Sr. No.	Particulars	Amount
1	Auction of Cattle Mandi Minchin Abad city	1,030,000
2	Auction of Cattle Mandi Macloard Ganj	210,000
3	Auction of General Bus Stand	574,080
4	Auction of Slaughter House Minchin Abad city	95,000
5	Auction of sale of bones of dead animals	53,000
6	Advertisement fee on billboards / hoardings	96,000
7	Auction of Disposal Ganeeh Pura	12,500
8	Log books of vehicles and generator	3,275,650
9	Repair of vehicles, Machinery and Disposal	916,650
Total		6,262,880

Audit is of the view that due to weak internal controls, record was not maintained and produced for audit verification.

Non production / maintenance of record created doubt about the legitimacy of the expenditure and receipt amounting to Rs 6.263 million.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that the record was available. Reply was not tenable as no record was provided. DAC, in its meeting held on 20.03.2015, directed to get the record verified from audit. The issue of non production of record was also brought into the notice of the Administrator as well as the DCO but no progress was reported till finalization of this Report.

Audit recommends that responsibility be fixed and strict disciplinary action taken against the officials concerned for non-production / maintenance of record, under intimation to Audit, and to ensure that the record is produced to Audit for scrutiny.

[AIR Para: 4, 15 & 27]

1.5.2 Irregularities and Non Compliance

1.5.2.1 Non obtaining of additional performance security – Rs 1.387 million

According to Clause 26(A) of tender form “in case the total tender amount is less than 5% of the approved cost, the lowest bidder has to deposit additional performance security from the scheduled bank ranging from 5% to 10% as under within fifteen days of issue of notice or within expiry period of bid, whichever is earlier”.

TMO Minchinabad did not obtain additional performance security amounting to Rs 1.387 @ 10 % million from the contractors whose bids were below 5% or more from the technically sanctioned estimates in 18 different development works amounting to Rs 13.872million. (**Annex–E**)

Audit is of the view that due to weak internal control, additional performance security was not obtained from contractors.

Non-obtaining of additional performance securities resulted in violation of rules.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that additional performance security was collected as per the Government instruction. The reply is not tenable as no documentary evidence was produced. DAC, in its meeting held on 20.03.2015, directed to get the expenditure regularized from the competent authority within one month. No progress was reported till finalization of this Report.

Audit recommends regularization of the expenditure from competent authority besides taking appropriate action against the concerned, under intimation to Audit.

[AIR Para: 8]

1.5.2.2 Non verification of Sales Tax deposit – Rs 1.019 million

According to Clause # 04 Sub Clause # (ii) of letter No. (42) STM / 2009 / 99638 - R dated 24.11.2013, “In case of Public Works, it may be ensured that the

contractors engaged make purchases only from sales tax registered persons, since contractors carrying out the Government works against public tender are required to have a BOQ (Bill of Quantity), the contracting department/organization ,must require such contractors to present sales tax invoices of all the material mentioned in the BOQ as evidence of its legal purchase before payment is released to them”

TMO Minchinabad made payment of Rs 7.012 million to different contractors during 2013-14 without verification of Sales Tax deposit amounting to Rs 1.019 million. (**Annex-F**)

Audit is of the view that due to weak internal control, Sales Tax deposits were not verified.

Non verification of Sales Tax amounting to Rs 1.019 million resulted in violation of the Government instructions.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that Sales Tax was not imposed to the Government contractor, but no rule was shown to audit regarding such relaxation. DAC, in its meeting held on 20.03.2015, directed to verify the Sales Tax deposit within one month. No progress was reported till finalization of this Report.

Audit recommends that the relevant record be got verified and the responsibility be fixed against the concerned, under intimation to Audit.

[AIR Para: 9]

1.5.3 Performance

1.5.3.1 Non realization / recovery of the Government dues – Rs 7.090 million

According to Rule 76 (I) of the PDG & TMA (Budget) Rules, 2003, “the collecting officer shall ensure that all revenue due is claimed and deposited into relevant head of account.”

TMO Minchinabad did not recover arrears of receipts amounting to Rs 7.090 million under different heads of receipts during 2013-14 as detailed below:

(Amount in Rupees)

Income Head	Period	Arrears	Recovered	Balance
Sewerage Tax (2000 domestic connection @ Rs 50 monthly per connection)	2013-14	1,200,000	-	1,200,000
Rent of Shops (28 units)	2013-14	800,340	-	800,340
License / permit fee	2013-14	1,320,000	-	1,320,000
Conversion / Map fee (30 Schools)	2013-14	3,000,000	-	3,000,000
Water Rates (2603 Connection)	2013-14	603,817	-	603,817
Lease Rent from NADRA Office	2012-14	165,600	-	165,600
Total				7,089,757

Audit is the view that due to weak internal control system, TMA receipts remained unrealized.

Non-realization of TMA receipts resulted in loss amounting to Rs 7.090 million to TMA funds.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that sewerage facilities were not available in Tehsil Minchinabad; therefore, sewerage tax was not imposed and no recovery had been involved regarding rent of shop and permit fee. Replies were not tenable as arrears of receipts had been reflected monthly accounts. DAC, in its meeting held on 20.03.2015, directed to inquire the matter from TO (P) and TMO regarding non collection of sewerage tax. DAC further directed to recover the outstanding amount and deposit it in relevant account. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 7.090 million besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Paras: 6, 7, 17, 23 & 26]

1.5.3.2 Non recovery of pay pension contribution & fringe benefits – Rs 1.680 million

According to Section 23 (5) of Auctioning and Collection Rights Rules 2003, the contractor shall not be authorized to appoint his personal staff for collection of income. All collections shall be carried out by him through the staff of Local Government concerned assigned to him for this purpose. Moreover, Section 18 (2) the contractor shall be responsible for deposit of salaries, pension contribution, premium of group insurance, leave salary, all allowances and other fringe benefits permissible to the employees of a Local Government handed over to him for administration and collection of respective income.

TMO Minchinabad auctioned and awarded seven contracts for collection rights to different persons during 2013-14, but TMO had not deputed his staff for recovery and the contractor collected income through his personal staff in the light of above quoted rule. The contractor neither got written approval for the use of his personal staff for collection of the fee nor deposited the amount of pay and other contribution of TMO staff due to which TMA sustained loss of Rs 1.680 million on account of salary, pension contribution, premium of group insurance, leave salary, all allowances and other fringe benefits of his own staff as a collecting clerk received a minimum salary of (20,000*12*7=1.680 million) for the contract period of 1 year.

Audit is of the view that due to negligence, pay and fringe benefits were not recovered from the contractors.

Non recovery of pay and fringe benefits resulted in loss amounting to Rs 1.680 to TMA.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that no recovery clerk was available as per schedule of establishment;

however, all contractual dues had been recovered, but no documentary evidence was shown to audit regarding such recovery. DAC, in its meeting held on 20.03.2015, directed to recover the amount from concerned within one month. No progress was reported till finalization of this Report.

Audit recommends recovery amounting to Rs 1.680 million besides responsibility against the concerned, under intimation to Audit.

[AIR Para: 5]

1.6 Tehsil Municipal Administration, Fort Abbas

1.6.1 Irregularities and Non Compliance

1.6.1.1 Irregular expenditure due to non-compliance of PPRA rules – Rs 1.283 million

According to Rule 9 and 12 (1) of the PPRA Rules 2009, procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned and annual requirements thus determined would be advertised in advance on the PPRA's web site. Procurement opportunities over Rs 100,000 and up to Rs 2,000,000 shall be advertised on the PPRA's website in the manner and format specified by the PPRA from time to time.

TMO Fort Abbas incurred expenditure amounting to Rs 1.283 million during 2013-14 for procurement of stationery, tyres, tents, manhole cover, track suits etc. The expenditure was held irregular as purchases were made through splitting, without annual demand and without advertisement of procurement opportunities on the website of PPRA. Detail is given below:

(Amount in Rupees)

Sr. No.	Account Head Used	Voucher No.	Total Expenditure	Description of Expenditure
1	A-03940 Unforeseen Expenditure	306	222,559	Purchase of Tentage Items
2	A-03901 Purchase of Stationery by TO (P&C)	-	115,090	Purchase of Stationery
3	A-12303 Purchase of Manhole Covers	-	509,067	Purchase of Manhole Covers
4	A-03970 Others, Sports and Cultural activities	494	55,200	Purchase of Track Suits and other sports items
		496	62,980	
		497	80,000	
		497	53,950	
		497	90,000	
		497	94,350	
Total			1,283,196	

Audit is of the view that due to financial mismanagement, PPRA's instructions were violated.

Non observance of PPRA rules resulted into non-transparent and uneconomical purchases of different items worth Rs 1.283 million.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that expenditure was incurred on monthly basis; so, there was no need for advertisement in any newspaper. Reply was not tenable as the advertisement had to be made on PPRA website. DAC, in its meeting held on 17.03.2015, directed to produce the relevant record for verification. No progress was reported till finalization of this Report.

Audit recommends regularization from the competent authority besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 29]

1.6.2 Performance

1.6.2.1 Non / less realization of revenue and arrears – Rs 30.761 million

According to Rule 76 of the PDG & TMA (Budget) Rules, 2003, collecting officers should see that all revenue due is claimed, realized and checked against demands and that they are deposited into relevant head of account.

TMO Fort Abbas did not recover revenue and arrears of revenue worth Rs 30.761 million during 2013-14 on account of the following various head of receipts:

(Amount in Rupees)

Sr. No.	Particulars	Arrears 2012-13, 2013-14	Recovery of Arrears 2012-13	Balance Amount
1	Conversion fee	1,500,000	-	1,500,000
2	License & Permit fee	1,686,324	-	1,686,324
3	Registration of Private Housing Schemes	8,274,721	-	8,274,721
4	Rent of Shops (457 Shops)	5,896,424	342,950	5,553,474
5	Sludge Water of Disposal No.3	50,000	25,000	25,000
6	Water Rates	8,377,237	386,819	7,990,418
7	Sewerage Tax	4,719,970	-	4,719,970
8	Charge and Cost of development charges of 5 Kachi Abadi	1,011,468	-	1,011,468
Total				30,761,375

Audit is of the view that due to negligence, TMA receipts remained less realized.

Less realization of the TMA receipts resulted in loss amounting to Rs 30.761 million to TMA funds.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that efforts were being made for recovery of outstanding amount. Auction price of shops increases @10% p.a. as per The Government instructions. Sewerage tax and permit fee for all types of shops were not included in schedule of taxes. DAC, in its meeting held on 17.03.2015, directed to recover the amount from concerned within one month. Further, DAC directed to inquire the matter by TO (P) and TMO regarding non collection of permit fee. No progress was reported till finalization of this Report.

Audit recommends that amount of Rs 30.761 million be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Paras: 8, 10, 17, 18, 20, 22, 24 & 25]

1.6.2.2 Auctioning on less rates – Rs 5.105 million

According to Rule 2.33 of Punjab Financial Rules Vol-I, every Government servant should realize fully and clearly that he will be held personally responsible for any loss sustained by The Government through fraud or negligence on his part.

TMO Fort Abbas awarded contract of sludge water (disposal no. 05) to a contractor for just Rs 755,000, whereas disposals pumps had been running 24 hours continuously throughout the year; water had been pumped throughout the year for 8,760 hours (365 days x 24 hours = 8760). Further, 37 acres of agricultural land was also awarded to the contractor within the same auction amount by ignoring lease amount of the land valuing Rs 1.480 million (37 acres x Rs 40,000 lease rate per acre in the region). In this way, net loss of Rs 5.105 million (8760 hours x Rs 500 rate of tube well water per hour = 4.380 million + 1.480 million - 0.755 million) occurred in this contract.

Audit is of the view that financial mismanagement; auction was not made on competitive market rates.

Non auctioning on competitive market rates resulted in loss of Rs 5.105 million to TMA funds.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that contract was awarded to contractor after fulfilling all codal formalities, hence, no irregularity occurred. DAC, in its meeting held on 17.03.2015, directed to inquire the matter from TO (P) and TMO. No progress was reported till finalization of this Report.

Audit recommends that amount of Rs 5.105 million be recovered from the concerned and deposited into relevant head of account besides taking disciplinary action against the concerned, under intimation to Audit.

[AIR Para: 14]

**1.6.2.3 Less charging of rates under the head “lease of agricultural land”–
Rs 2.175 million**

According to Rule 4(a) of the Punjab Local Government (Property) Rules 2003, the manager shall take as much care of the Property entrusted to him as a man of ordinary prudence would, under similar circumstances, take of his own property of like nature.

TMO Fort Abbas leased 100 acres (800 kanals) agricultural land to a lessee at a cost lease amount of Rs 325,000 (Rs 3,250 per acre per year) which was very nominal / less than the actual prevailing market rates (Rs 25,000 to 40,000 per acre per year). The management did not make efforts to claim the market rates during 2013-14.

Audit is of the view that due to financial indiscipline, agricultural land was not re-auctioned at competitive market rates.

Non auctioning of agricultural land at competitive rates resulted in loss amounting to Rs 2.175 million to TMA funds.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that TMA followed all codal formalities for auction of agriculture land at highest price. Reply was not tenable as auction was not done on competitive prevailing market rates. DAC, in its meeting held on 17.03.2015, directed to inquire the matter from TO (P) and TMO. No progress was reported till finalization of this Report.

Audit recommends re-auctioning of plots at competitive market rates besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 19]

1.6.2.4 Non imposing of penalty for late completion of development work – Rs 1.859 million

According to direction “7” of the General Directions for Guidance of the tenderers, “The tenderer shall, at his own expense, inspect and examine the site and surroundings and obtain for himself, on his own responsibility, all information that may be necessary for preparing tender. The tenderer shall also satisfy him before submitting his tender as to the nature of grounds, hydrological and climatic conditions, the form and nature of the site, the nature and lay out of the terrain, availability of labour, water, electric power and transporting facilities in the area”. Moreover, as per clause 39 of tender form, “1% per day maximum 10% of the estimated cost of work shall be imposed as penalty if the contractor fails to complete the work within due period.

TMO Fort Abbas did not impose penalty of Rs 1.859 million against the contractors who did not complete development works. These contractors failed to complete these schemes within specified time, but TMO imposed very nominal amount of Rs 1,000 only which became just 0.016% that was very nominal. The contractors got time extensions on baseless grounds. (**Annex–G**)

Audit is of the view that due to weak internal controls, penalty was not/less imposed for late completion of works.

Non/less imposition of penalty resulted in loss amounting to Rs 1.859 million.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that time extensions were granted to contractors by the competent authority. DAC, in its meeting held on 17.03.2015, directed to verify the relevant record within one month. No progress was reported till finalization of this Report.

Audit recommends recovery of penalty amounting to Rs 1.859 million, besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 5]

1.6.2.5 Non auction of shops / plots – Rs 1.071 million

According to Section 16 (a) of chapter V of Punjab Local Government Property Rules 2003, the immovable Property shall be given on lease through competitive bidding. The procedure prescribed in sub rule (2) of rule 9, shall be followed, mutates mutandis, in case of lease of the Property; further, section 16(b) stipulates that the period of such lease shall be up to five years at a time.

TMO Fort Abbas did not auction 53 shops / plots amounting to Rs 1.071 million which were lying vacant during 2013-14. (**Annex-H**)

Audit is of the view that due to weak internal controls, the shops were not auctioned.

Non auctioning of shops resulted in irrecoverable loss amounting to Rs 1.071 million to TMA fund.

The matter was reported to TMO and Administrator during February, 2015. TMO replied that TMA advertised several times for auction of shops / plots but no party was ready for bidding. DAC, in its meeting held on 17.03.2015, directed to get the irregularity condoned from competent authority. No progress was reported till finalization of this Report.

Audit recommends auction of shops / plots besides fixing of responsibility against the concerned, under intimation to Audit.

[AIR Para: 13]

ANNEX

Annex – A

Part-I

**Memorandum for Departmental Accounts Committee (MFDAC) Paras pertaining to
Current Audit Year 2014-15**

(Rupees in Million)

Name of TMA	Sr. No.	Para No.	Subject	Amount
TMA Bahawalnagar	1	2	Irregular Expenditure on Sports Activities	0.762
	2	3	Loss to Government due to rental expenditure of Ramzan Bazar and other events	1.440
	3	4	Loss due to Non-recovery of Risk & Cost Expenses and Income Tax	0.413
	4	6	Loss to the Government due to Auction than the Auction of Waste of Animals	0.101
	5	8	Un-Authorized Payment of Holiday Allowance	0.787
	6	9	Conducting of Stock Taking	0
	7	10	Un-Authorized Payment to Contingent Paid Staff	2.233
	8	11	Non verification of site and sale value	1.500
	9	13	Loss to Government due to Purchase of POL at Higher rates than the Rates Fixed by OGRA	0.167
	10	14	Irregular Expenditure on Purchase of General Store Items	0.094
	11	15	Irregular Expenditure on Repair of Water Supply	0.852
	12	18	Irregular Expenditure on Repair of Vehicle	0.151
	13	19	Ambiguous / Doubtful Expenditure on same Disposal by Different Names	0.483
	14	20	Loss to Government due to less Recovery than the Reserve Price	0.452
	15	21	Irregular Expenditure on Maintenance of Park	0.414
	16	23	Loss to Government due to Non achievement of Targets	14.030
	17	24	Non-imposing of Penalty due to delay in Completion of Works	0.164
	18	25	Loss to Government in millions due to Non classification of land	0
	19	28	Irregular expenditure on repair of Machinery	0.829
	20	30	Misclassification of Expenditure	0.109
	21	32	Irregular Purchase & Expenditure of Electricity Items	0.136
	22	33	Non production of record	0
TMA Chishtian	23	1	Improper Maintenance of Accounts / Financial Statement	0
	24	2	Unauthorized Appointment and Expenditure on Contingent Paid Staff	1.175
	25	3	Non-achievement of Targets Resulting in Loss of Revenue	6.247
	26	4	Loss due to Non / Less Deposit of Government money	0.124
	27	6	Loss due to Less Deposit of Government Money	0.964
	28	7	Non acquisition of land	416.00

Name of TMA	Sr. No.	Para No.	Subject	Amount
	29	14	Loss due to Non Recovery of NOC and Map Fee from Owners of BTS Towers	0.245
	30	15	Loss due to purchase of POL at higher rates than the rates fixed by OGRA	0.138
	31	17	Irregular expenditure due to irregular tendering process	2.430
	32	19	Loss due to Non Recovery of Liquidated Damages	0.622
	33	20	Unauthorized Expenditure on POL due to Non-registration of Government Vehicles	0.150
	34	21	Irregular Expenditure on Civil Works	0
	35	22	Unauthorized Expenditure on Repair of Official Car No.BNB 6777	0.317
TMA Fort Abbas	36	3	Loss to Government Treasury due to Non-Deposit of House Rent Allowance and R&M Charges	0.106
	37	4	Loss to Government due to Misappropriation of Used Mobil Oil	0.015
	38	6	Irregular Execution of Works without NOC,	0
	39	7	Loss to Government due to not deducting Shrinkage	0.162
	40	9	Loss to Government due to Non-Collection of Income Tax from Contractors (Auction of Collection Rights)	0.401
	41	11	Loss to Government Treasury due to Awarding Benefit to Desired Person by Awarding More Than one Shop & Charging Less Rates under the Head of "Rent of Shops"	0.659
	42	12	Loss to Government Treasury due to Unjustified Usage of Fire Brigade Vehicles	0.329
	43	15	Loss to Government by awarding contract of Disposal Water on low rates	18.999
	44	16	Loss to Government due to Omission of important Conditions from Contract Papers	0.994
	45	21	Non availability of backup record of receipt of transfer of immoveable property	19.966
	46	23	Misappropriation of Funds by showing Fictitious "Repair of Transformers" Expenditure	0.085
	47	28	Loss to Government due to Purchase of POL at Higher Rates than the Rates Fixed by OGRA	0.092
TMA Haroonabad	48	31	Non production of record	0
	49	7	Irregular payment to work charge / contingent paid staff	4.846
	50	9	Loss to Government Due to inefficiency of collection staff	31.885
	51	10	Non accountal of stock	0.618
	52	11	Doubtful expenditure on sports activities	0.487
	53	13	Irregular expenditure beyond the jurisdiction of TMA recovery	0.111
	54	14	Irregular Payment of Holiday Allowance	2.652
	55	18	Misappropriation of stationary	0.082
	56	20	Irregular purchase of tyres	0.113
	57	22	Loss to Government treasury due to unjustified usage of fire brigade vehicles	0.278

Name of TMA	Sr. No.	Para No.	Subject	Amount
	58	23	Misappropriation in sale of sludge water	6.470
	59	24	Loss to Government due to misappropriation of used mobile oil	0.120
	60	25	Doubtful/ bogus repair of vehicle/machinery	0.245
TMA Minchin Abad	61	1	Loss of revenue to Government due to non-achievement of targets	9.643
	62	2	Irregular payment to work charge / contingent paid staff	5.839
	63	3	Irregular payment of holiday allowance	0.427
	64	10	Irregular execution of roads works	1.550
	65	11	irregular expenditure on construction of culverts	0.228
	66	12	Loss to Government due to not deduction of	0.174
	67	13	Irregular grant of contractor profit @ 20 % to the contractor for tuff tile work. recovery	0.110
	68	14	Loss of revenue to TMA due to non obtaining of performance security	0.226
	69	16	Non recovery of professional tax	0.060
	70	18	Loss to Government by misappropriation/ misuse of funds on sports event	0.530
	71	19	Irregular purchase of tyres	0.048
	72	20	Loss due to non-imposing of penalty on late completion of work	0.276
	73	21	Loss to Government due to purchase of POL at higher rates than the rates fixed by OGRA	0.079
	74	22	Non-maintenance of separate books of accounts and classified accounts of expenditure	0
	75	24	Unjustified exercising of powers / wrong payments	0.617
76	25	Non provision of record pertaining to security deposits. and non credit of unclaimed security & bank profit to Government	0	
77	28	Loss to Government due to non auction/non collection of disposal works and solid waste and misappropriation in license fee/permit fee	0.027	

Part-II
[Para 1.1.3]

**Memorandum for Departmental Accounts Committee Paras not attended in Accordance
with the Directives of DAC Pertaining to Audit Year 2013-14**

(Rupees in Million)

Name of TMA	Sr. No.	Para No.	Description	Amount	Nature
TMA Fortabbas	1	12	Loss to TMA due to Mis-use of the Fire Brigade	0.251	Recovery
TMA Minchinabad	2	22	Fraudulent drawl for Sports Material	0.874	Misappropriation

TMA's of District Bahawalnagar
Consolidated Budget and Expenditure for TMA's District Bahawalnagar

Tehsil Municipal Administration Bahawalnagar

(Rupees in Million)

2013-14	Budget	Actual	Excess (+) / Savings(-)	% savings
Salary	133.818	156.318	(+)22.500	17%
Non-salary	106.216	43.725	(-)62.491	-59%
Development	13.500	4.204	(-)9.296	-69%
Revenue	265.506	121.236	(-)144.270	-54%
Total	519.040	325.483	(-)193.557	-37%

Tehsil Municipal Administration Chishtian

(Rupees in Million)

2013-14	Budget	Actual	Excess (+) / Savings(-)	% savings
Salary	128.926	107.312	(-)21.614	-17%
Non-salary	75.985	68.087	(-)7.898	-10%
Development	12.363	4.926	(-)7.437	-60%
Revenue	201.969	76.353	(-)125.616	-62%
Total	419.243	256.678	(-)162.565	-39%

Tehsil Municipal Administration Haroon Abad

(Rupees in Million)

2013-14	Budget	Actual	Excess (+) / Savings(-)	% savings
Salary	99.918	98.494	(-)1.424	-1%
Non-salary	52.561	43.724	(-)8.837	-17%
Development	1.000	0.850	(-)0.150	-15%
Revenue	148.159	128.212	(-)19.947	-13%
Total	301.638	271.280	(-)30.358	-10%

Tehsil Municipal Administration Fort Abbas

(Rupees in Million)

2013-14	Budget	Actual	Excess (+) / Savings(-)	% savings
Salary	37.881	37.785	(-)0.096	0%
Non-salary	35.743	26.986	(-)8.757	-24%
Development	93.004	5.153	(-)87.851	-94%
Revenue	101.991	101.991	-	-
Total	268.619	171.915	(-)96.704	-36%

Tehsil Municipal Administration, Minchinabad

(Rupees in Million)

2013-14	Budget	Actual	Excess (+) / Savings(-)	% savings
Salary	53.075	46.226	(-)6.849	-13%
Non-salary	35.525	19.205	(-)16.320	-46%
Development	34.725	10.017	(-)24.708	-71%
Revenue	110.518	96.474	(-)14.044	-13%
Total	233.843	171.922	(-)61.921	-26%

Annex – C
[Para 1.3.3.1]

Non /Less Realization of Revenue and Arrears – Rs 24.118 Million

Rent of Shops

(Amount in Rupees)

Number of Shops	Auctioned (Last time)	Loss to Government due to charging of less rates
91	2002	7,006,272

License & Permit fee

(Amount in Rupees)

Sr. No.	Unit Name	Total Units as per document provided by relevant department	Recovery affected Units	Diff.	Schedule Rate	Period of non realization (years) since 2001 period taken from 2009-10	Less Realization
1	Medical Stores (Retailer)	159	44	115	350	03	120,750
2	Pesticide dealers	325	0	325	350	03	341,250
Total							462,000

Conversion Fee

(Amount in Rupees)

Total No. of Schools	Area(Marlas)	Rate per marla	Total Cost	Conversion Fee	Remarks
83	415	100000	41,500,000	4,150,000	The schools were not approved by TMA

Private Housing Schemes

(Amount in Rupees)

Sr. #	Name of Scheme	Location	Total TMA Dues
1	Model Town Chack 49/3R	Chack 49/3R	1,250,000
2	Alfath town		1,250,000
3	Alkhair Town	Chack 71/4R	1,250,000
4	Eden City	Chack 73/4R	1,250,000
5	Raja Town	Chack 71/4R	1,250,000
6	Ans Town	Highway road faqeerwali	1,250,000
7	Riaz u-din City		1,250,000
8	Ghous-e-Azem	49/3R	1,250,000
9	Model Avenue	Chack 73/4R	1,250,000
10	Misri town	Chack 73/4R	1,250,000
Total			12,500,000
Grand Total of all Tables			24,118,272

Non Vacation of Encroached Property – Rs 20.568 Million**Encroached by Offices**

(Amount in Rupees)

Sr. No.	Description / Use of Encroached Property	Area Encroached (Marlas)	Value @ Rs 100,000/ Marla	Rent / Year @ Rs 1000/Month
1	o/o the Dy. DO (Agriculture) Hasilpur Road	160	16,000,000	1,920,000
2	Godowns established by Food Deptt. at Highway Road	98	9,800,000	1,176,000
3	Residence of DSP Chishtian	200	20,000,000	2,400,000
4	Civil Club	96	9,600,000	1,152,000
5	Offices of Project Manager, UA No.33,36	51	5,100,000	612,000
	Total	605	60,500,000	7,260,000

Encroached for Residential Purposes

(Amount in Rupees)

Area / Muraba No.	Description / Use of Encroached Property	Area Encroached (Marlas)	Value @ Rs 50,000/ Marla	Rent / Year @ Rs 100/Month
35	Basti Jaluka Chack No.4/FW	240	12,000,000	288,000
40	Basti Isaian Chack No.15/G	160	8,000,000	192,000
58	Behind Government College of Commerce Chack No.46/F	4,000	200,000,000	4,800,000
55,56	Behind Government College of Commerce Chack No.46/F	1,520	76,000,000	1,824,000
50,63,64	Jinnah Colony, Chack No.46/F	5,120	256,000,000	6,144,000
	Total	11,040	552,000,000	13,248,000

Encroached for Agriculture Purposes

(Amount in Rupees)

Area / Muraba No.	Description / Use of Encroached Property	Area Encroached	Value @ Rs 3,000,000/ acre	Rent / Year @ Rs 40,000/Acre/ Year
28	Agricultural Land near Dahrnwala Road	01Acre and 04 Kanals	4,500,000	60,000
Grand Total				20,568,000

Annex – E

[Para 1.5.2.1]

Non Obtaining of Additional Performance Security – Rs 1.387 Million

(Amount in Rupees)

Sr. No.	Name of Scheme	TS Cost Date	Agreement Amount	Below estimate %	10 % additional security
1	Cons. of Tuff Tiles Abubakar Chowk to Old Green Market Minchinabad	3,053,000	2,350,000	23	305,300
2	Cons. of Metalled Road Head Sulemanki to Sardar Road Meclord Gunj	2,000,000	1,550,000	23	200,000
3	Cons. of Drain Soling etc. Street Mohammad Khan Press Reporter Gunaish Pura Minchinabad	518,000	404,040	22	51,800
4	Cons. of PCC Street Akhtar Baloch Minchinabad	700,000	140,000	80	70,000
5	Cons. of Soling Street Mian Rashid Wattoo Mohammad Pur Sanasaran	400,000	311,000	22	40,000
6	Cons. of Soling Street Daira Syed Mohammad Asghar Shah Minchinabad	350,000	287,000	18	35,000
7	Cons. of Drain soling etc Street Faryaad Ali Near Hospital Mandi Sadiq Gunj	370,000	77,000	79	37,000
8	Cons. of Soling etc Hassan Wala Darbari Road to Ropiya Wala	1,200,000	894,000	26	120,000
9	Cons. of Soling Basti Bateka Mouza Karam Pur Gadhoka	600,000	451,000	25	60,000
10	Providing Laying PVC pipe etc AbadGirs School / Janaza Gah Madhani Wala	643,000	488,000	24	64,300
11	Cons. Of Soling etc Bheni Haji Maqbool Ahmad Mirzeka	500,000	392,000	22	50,000
12	Cons. of Soling Drain etc Street Masjid Wali Abadi Ali Ahmad Kharal Bareka	430,000	339,000	21	43,000
13	Cons. Of Soling etc Sultan pur Qazian	500,000	384,000	23	50,000
14	Cons. Of Soling etc Abadi Ghaus Arain Mangu Pura	500,000	442,000	12	50,000
15	Cons. Of Soling Drain etc Rattan Pura	640,000	485,000	24	64,000
16	Cons. Of Soling etc Bonga Mari Akbar Nihaal	400,000	297,000	26	40,000
17	Cons. Of Soling etc Basti MohlaanWali	668,000	514,000	23	66,800
18	Cons. Of Soling etc Basti Gardial Pur	400,000	307,000	23	40,000
Total		13,872,000	10,112,040		1,387,200

Annex – F
[Para 1.5.2.2]

Non Verification of Sales Tax Deposit – Rs 1.019 Million

(Amount in Rupees)

Sr. No	Name of Scheme	Name of Contractor	TS Cost Date	Agreement Amount	Expenditure	S. Tax
1	Cons. of Tuff Tiles Abubakar Chowk to Old Green Market Minchinabad	Ch. Construction Company	3,053,000	2,350,000	873,000	126,846
2	Cons. of Metalled Road Head Sulemanki to Sardar Road Mec Leod Gunj	Ch. Construction Company	2,000,000	1,550,000	1,548,000	224,923
3	Cons. of Soling Street Mian Rashid Wattoo Mohammad Pur Sanasaran	Muzammal Saeed	400,000	311,000	310,000	45,043
4	Cons. f Soling etc Hassan Wala Darbari Road to Ropiya Wala	Ali Builders	1,200,000	894,000	894,000	129,897
5	Cons. of Soling etc Basti Bateka Mouza Karam Pur Gadhoka	Mohammad AzamJoiya	600,000	451,000	450,000	65,385
6	Providing Laying PVC pipe etc Abadi Girs School / Janaza Gah Madhani Wala	Maqbool Ahmad Rateka	643,000	488,000	443,000	64,368
7	Cons. of Soling etc Bhenni Haji Maqbool Ahmad Mirzeka	Khalid Ismail Joiya	500,000	392,000	392,000	56,957
8	Cons. of Soling etc Sultan pur Qazian	Maqbool Ahmad Rateka	500,000	384,000	367,000	53,325
9	Cons. of Soling etc Abadi Ghaus Arain Mangu Pura	Shahzad Maqsood Inter Prizez	500,000	442,000	433,000	62,915
10	Cons. of Soling Drain etc Rattan Pura	Khalid Ismail Joiya	640,000	485,000	483,000	70,179
11	Cons. Of Soling etc Bonga Mari Akbar Nihaal	Mohammad AzamJoiya	400,000	297,000	294,000	42,718
12	Cons. Of Soling etc Basti Mohlaan Wali	Mohammad AzamJoiya	668,000	514,000	514,000	74,684
13	Cons. Of Soling etc Basti Gardial Pur	Ch. Khalid Hussain	400,000	307,000	11,400	1,656
Total			11,504,000	8,865,000	7,012,400	1,018,896

Annex – G

[Para 1.6.2.4]

**Loss to Government due to Non Imposing Penalty to Contractors for Late
Completion – Rs 1.859 Million**

(Amount in Rupees)

Sr. No.	Name of Projects	Agreement Amount	Date of Work Order	Time Limit (Month)	Actual Date of Completion	Late Period (Months)	10% Penalty
1	Metalled Road Chak No.231/9R Colony to Chak No. 262/HR	4,098,000	5/9/2012	6	30-03-2014	12	409,800
2	Metalled Road Chak No. 212/9R (Remaining Portion)	3,524,100	5/9/2012	6	20-05-2013	2	352,410
3	Metalled Road from Maroot Road to Chak No. 273/HR	3,507,150	5/9/2012	6	5/8/2013	5	350,715
4	Diggi & Soling Chak No. 213/9R(AB)	670,000	5/9/2012	3	5/7/2013	7	67,000
5	Warehouse TMA, Fort Abbas	1,000,000	10/11/2012	2	19-06-2013	5	100,000
6	Approach Road Chak No. 204/HB (For Bridge Hakra Canal)	889,200	5/9/2012	6	25-06-2014	15	88,920
7	Pacci Diggi & Pacca Khal Chak No. 310/HR (Allah Yar	1,497,000	5/1/2013	6	Running	19	149,700
8	Metalled Road House Muhammad Saeed to Masque Aqsa	438,000	5/9/2012	3	5/7/2013	7	43,800
9	Metalled Road Awan Town Kitchi Wala	926,250	1/9/2012	3	5/9/2013	9	92,625
10	Metalled Road Chak No. 222/9R	2,037,000	5/9/2012	6	15-07-2013	4	203,700
Total		18,586,700					1,858,670

Annex – H
[Para 1.6.2.5]

Non-Auction of Shops / Plots– Rs 1.071 Million

(Amount in Rupees)

Sr. No. in D&C Register	Venue	Shop No.	Name of Allotted	Monthly Rent	Maximum Rent Rate Charged by TMA in this Market	Per Month Loss	Total Loss for
35	Rilway Bazar Malba Wali	35	Empty Shop	-	2,912	2,912	34,944
184	General Bus Stand P	1	Empty Shop	-	1,527	1,527	18,324
187	General Bus Stand P	4	Empty Shop	-	1,527	1,527	18,324
189	General Bus Stand P	6	Empty Shop	-	1,527	1,527	18,324
191	General Bus Stand P	8	Empty Shop	-	1,527	1,527	18,324
248	Building Chunge	4	Empty Shop	-	2,285	2,285	27,420
266	General Bus Stand Malba Wali	7	Empty Shop	-	1,322	1,322	15,864
272	General Bus Stand Malba Wali	13	Empty Shop	-	1,322	1,322	15,864
279	General Bus Stand Malba Wali	20	Empty Shop	-	1,322	1,322	15,864
280	General Bus Stand Malba Wali	31	Empty Shop	-	1,322	1,322	15,864
289	General Bus Stand Malba Wali	40	Empty Shop	-	1,322	1,322	15,864
290	General Bus Stand Malba Wali	41	Empty Shop	-	1,322	1,322	15,864
293	General Bus Stand Malba Wali	44	Empty Shop	-	1,322	1,322	15,864
304	General Bus Stand Malba Wali	55	Empty Shop	-	1,322	1,322	15,864
308	General Bus Stand Malba Wali	59	Empty Shop	-	1,322	1,322	15,864
309	General Bus Stand Malba Wali	60	Empty Shop	-	1,322	1,322	15,864
310	General Bus Stand Malba Wali	61	Empty Shop	-	1,322	1,322	15,864
311	General Bus Stand Malba Wali	62	Empty Shop	-	1,322	1,322	15,864
313	General Bus Stand Malba Wali	64	Empty Shop	-	1,322	1,322	15,864
314	General Bus Stand Malba Wali	65	Empty Shop	-	1,322	1,322	15,864
319	General Bus Stand Malba Wali	70	Empty Shop	-	1,322	1,322	15,864
329	General Bus Stand Malba Wali	79	Empty Shop	-	1,322	1,322	15,864
364	Miscallince Malba Wali	1	Empty Shop	-	2,142	2,142	25,704
370	Miscallince Malba Wali	7	Empty Shop	-	2,142	2,142	25,704
375	Miscallince Malba Wali	12	Empty Shop	-	2,142	2,142	25,704
377	Miscallince Malba Wali	14	Empty Shop	-	2,142	2,142	25,704
454	Haroon Abad Road Malba Wali	71	Empty Shop	-	1,786	1,786	21,432
455	Haroon Abad Road Malba Wali	71-A	Empty Shop	-	1,786	1,786	21,432

Sr. No. in D&C Register	Venue	Shop No.	Name of Allotted	Monthly Rent	Maximum Rent Rate Charged by TMA in this Market	Per Month Loss	Total Loss for
457	Haroon Abad Road Malba Wali	73	Empty Shop	-	1,786	1,786	21,432
458	Haroon Abad Road Malba Wali	74	Empty Shop	-	1,786	1,786	21,432
461	Haroon Abad Road Malba Wali	77	Empty Shop	-	1,786	1,786	21,432
462	Haroon Abad Road Malba Wali	78	Empty Shop	-	1,786	1,786	21,432
463	Haroon Abad Road Malba Wali	79	Empty Shop	-	1,786	1,786	21,432
469	Haroon Abad Road Malba Wali	85	Empty Shop	-	1,786	1,786	21,432
479	Haroon Abad Road Malba Wali	95	Empty Shop	-	1,786	1,786	21,432
481	Haroon Abad Road Malba Wali	97	Empty Shop	-	1,786	1,786	21,432
482	Haroon Abad Road Malba Wali	98	Empty Shop	-	1,786	1,786	21,432
483	Haroon Abad Road Malba Wali	99	Empty Shop	-	1,786	1,786	21,432
484	Haroon Abad Road Malba Wali	100	Empty Shop	-	1,786	1,786	21,432
485	Haroon Abad Road Malba Wali	101	Empty Shop	-	1,786	1,786	21,432
486	Haroon Abad Road Malba Wali	102	Empty Shop	-	1,786	1,786	21,432
487	Haroon Abad Road Malba Wali	103	Empty Shop	-	1,786	1,786	21,432
489	Haroon Abad Road Malba Wali	105	Empty Shop	-	1,786	1,786	21,432
494	Haroon Abad Road Malba Wali	110	Empty Shop	-	1,786	1,786	21,432
495	Haroon Abad Road Malba Wali	111	Empty Shop	-	1,786	1,786	21,432
496	Haroon Abad Road Malba Wali	112	Empty Shop	-	1,786	1,786	21,432
498	Haroon Abad Road Malba Wali	114	Empty Shop	-	1,786	1,786	21,432
499	Haroon Abad Road Malba Wali	115	Empty Shop	-	1,786	1,786	21,432
500	Haroon Abad Road Malba Wali	116	Empty Shop	-	1,786	1,786	21,432
501	Haroon Abad Road Malba Wali	117	Empty Shop	-	1,786	1,786	21,432
504	Haroon Abad Road Malba Wali	120	Empty Shop	-	1,786	1,786	21,432
505	Haroon Abad Road Malba Wali	121	Empty Shop	-	1,786	1,786	21,432
507	Haroon Abad Road Malba Wali	123	Empty Shop	-	1,786	1,786	21,432
Total						89,247	1,070,964