



**AUDIT REPORT
ON
THE ACCOUNTS OF
TEHSIL/TOWN MUNICIPAL
ADMINISTRATIONS GUJRANWALA**

AUDIT YEAR 2016-17

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS & ACRONYMS

ACL	Audit Command Language
AIR	Audit Inspection Report
APR	Actual Payee Receipt
BTS	Base Transceiver Station
B&R	Building & Road
C&W	Communication and Works
CDG	City District Government
CPW	Central Public Department
DAC	Departmental Accounts Committee
DCO	District Coordination Officer
DDO	Drawing and Disbursing Officer
DDC	District Disposal Committee
DNIT	Detailed Notice for Inviting Tender
FD	Finance Department
F&P	Finance and Planning
HR	Human Resource
HRA	House Rent Allowance
MB	Measurement Book
MRS	Market Rate Schedule
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PDG & TMA	Punjab District Governments & Tehsil Municipal Administration
PFR	Punjab Financial Rules
PLGO	Punjab Local Government Ordinance
PPRA	Punjab Procurement Regulatory Authority
PW	Public Works
RDA	Regional Directorate of Audit
Rs	Rupees
SAP	System Application Product
S&GAD	Services and General Administration Department
TA	Travelling Allowance
TMA	Tehsil/Town Municipal Administration
TMO	Tehsil/Town Municipal Officer
TS	Technical Sanction
W&S	Works and Services

PREFACE

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 115 of the Punjab Local Government Ordinance, 2001 require the Auditor General of Pakistan to audit the accounts of the Provincial Governments and the accounts of any authority or body established by or under the control of the Provincial Government. Accordingly, the audit of all Receipts and Expenditures of the Local Fund and Public Accounts of Town / Tehsil Municipal Administrations of the Districts is the responsibility of the Auditor General of Pakistan.

The Report is based on audit of the accounts of various offices of the Town / Tehsil Municipal Administrations of the City District Gujranwala for the Financial Year 2015-16. The Directorate General of Audit, District Governments, Punjab (North), Lahore conducted audit during 2016-17 on test check basis with a view to reporting significant findings to the relevant stakeholders. The main body of the Audit Report includes only the systemic issues and audit findings carrying value of Rs 1.00 million or more. Relatively less significant issues are listed in the Annexure-A of the Audit Report. The audit observations listed in the Annexure-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized without responses of the entities because concerned departments did not convene DAC meetings despite repeated reminders.

The Audit Report is submitted to Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 to cause it to be laid before the Provincial Assembly of Punjab.

Islamabad
Dated:

(Javaid Jehangir)
Auditor General of Pakistan

EXECUTIVE SUMMARY

The Directorate General Audit (DGA), District Governments, Punjab (North), Lahore is responsible to carry out the Audit of District Governments, Town / Tehsil Municipal Administrations and Union Administrations of nineteen (19) districts. Its Regional Directorate of Audit, Gujranwala has audit jurisdiction of District Governments, TMAs and UAs of six (06) Districts i.e. Gujranwala, Gujrat, Hafizabad, Mandi Baha-ud-Din, Narowal and Sialkot.

The Regional Directorate of Audit Gujranwala has a human resource of 17 officers and staff, with a total of 4,760 man-days and the annual budget of Rs 25.199 million for the Financial Year 2016-17. It has a mandate to conduct Financial Attest Audit, Regularity Audit, Compliance with Authority and Performance Audit of programmes & projects. Accordingly, Directorate General Audit District Governments Punjab (North), Lahore carried out audit of various offices of six (06) TMAs of District Gujranwala for the Financial Year 2015-16.

Each Town/Tehsil Municipal Administration in City District Gujranwala conducts its operations under Punjab Local Government Ordinance, 2001. It comprises one Principal Accounting Officer (PAO) i.e. Tehsil Municipal Officer acting as coordinating and administrative officer, responsible to control land use, its division, development and to enforce all laws including Municipal Laws, Rules and Bye-laws. The Punjab Local Government Ordinance, 2001 requires the establishment of Tehsil/Town Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil / Town Nazim / Tehsil / Town Council / Administrator in the form of budgetary grants

Audit of Tehsil / Town Municipal Administrations of Gujranwala District was carried out with the view to ascertaining whether the expenditure was incurred with proper authorization and in conformity with laws / rules / regulations for 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.

a. Scope of Audit

Total expenditure of six (6) TMAs of District Gujranwala for the Financial Year under the jurisdiction of DG Audit, District

Governments, Punjab (North) was Rs 1263.87 million covering six (06) PAOs and six (06) entities. Out of this, the Directorate General Audit, Punjab (N) audited an expenditure of Rs 543.46 million which, in terms of percentage, was 43% of the auditable expenditure.

Total own receipts of Tehsil / Town Municipal Administrations of Gujranwala District for the Financial Year 2015-16 were Rs 808.933 million. Directorate General Audit, District Governments, Punjab (N) audited receipts of Rs 404.47 million which was 50% of total receipts.

b. Recoveries at the instance of audit

Recovery of Rs 64.154 million was pointed out which was not in the notice of executive before audit. However no recovery was effected till complication of this report.

c. Audit Methodology

Audit was performed through understanding the business processes of TMAs with respect to 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. Formations were selected for audit in accordance with risks analyzed. Audit was planned and executed accordingly.

d. Audit Impact

A number of improvements, as suggested by Audit, in maintenance of record and procedures, have been initiated by the concerned departments. However, audit impact in shape of change in rules has not been significant due to non-convening of regular PAC meetings.

e. Comments on Internal Controls and Internal Audit Department

Internal control mechanism of TMAs of District Gujranwala 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 like withdrawal of public funds without advertisement at PPRAs website. Negligence on the part of TMA authorities may be captioned as one of important reasons for weak Internal Controls.

Section 115-A (1) of PLGO, 2001 empowers Nazims / Administrator of each TMA to appoint an Internal Auditor but the same was not appointed in TMAs of District Gujranwala.

f. The Key Audit findings of the report

- i. Non-production of record of Rs 832.72 million was noted in three case¹
- ii. Irregularity / non-compliance of Rs 36.04 million was noted in twelve cases²
- iii. Internal Control Weakness of Rs 97.92 million was noted in nineteen cases³.

Audit paras for the audit year 2016-17 involving procedural violations including internal control weaknesses, poor financial management and irregularities not considered worth reporting are included in MFDAC (Annexure-A).

¹ Para 1.2.1.1, 1.3.1.1, 1.4.1.1

² Para 1.2.2.1, 1.2.2.2, 1.2.2.3, 1.3.2.1, 1.3.2.1, 1.3.2.2, 1.3.2.3, 1.5.1.1, 1.5.1.2, 1.6.1.1, 1.6.1.2, 1.6.1.3, 1.6.1.4

³ Para 1.2.3.1 to 1.2.3.3, 1.3.3.1 to 1.3.3.3, 1.4.2.1, 1.4.2.2, 1.4.2.3, 1.6.2.1 to 1.6.2.9 & 1.7.1.1

g. Recommendations

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

- i. Production of record to audit for verification.
- ii. Strengthening of internal controls.
- iii. Expediting the recoveries pointed out by Audit as well as other amounts pointed out by audit and conveyed to the management.

SUMMARY OF TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budgeted Figure FY 2015-16		
			Expenditure	Receipt	Total
1	Total Entities (PAOs) in Audit Jurisdiction	07	1,624.91	1,255.51	2,880.42
2	Total formations in audit jurisdiction	07	1,624.91	1,255.51	2,880.42
3	Total Entities (PAOs) Audited	06	1,263.87	808.93	2,072.8
4	Total formations Audited	06	--	--	--
5	Audit & Inspection Reports	06	--	--	--
6	Special Audit Reports	--	--	--	--
7	Performance Audit Reports	--	--	-	-
8	Other Reports	--	--	-	-

Table 2: Audit observation regarding Financial Management

(Rs. in million)

Sr. #	Description	Amount Placed under Audit Observations
1	Unsound Asset Management	----
2	Weak Financial Management	----
3	Weak internal controls relating to Financial Management	97.92
4	Others	868.76
TOTAL		966.68

Table 3: Outcome Statistics

(Rs in million)

Sr. #	Description	Expenditure on Acquiring of Physical Assets (Procurement)	Civil Works	Receipts	Others	Total current year	Total Last Year
1	Outlays Audited	-	437.24	808.93	826.63	2,072.80	1679.58*
2	Amount placed under audit observation / Irregularities of Audit	-	42.04	64.15	860.49	966.68	90.37
3	Recoveries pointed out at the instance of Audit	-	---	6.61	57.55	64.15	65.47

Sr. #	Description	Expenditure on Acquiring of Physical Assets (Procurement)	Civil Works	Receipts	Others	Total current year	Total Last Year
4	Recoveries accepted / established at the instance of Audit	-	-	6.61	57.55	64.15	-
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 for the current year was Rs 1263.87 million.

Table 4: Table of Irregularities pointed out

Sr. #	Description	Amount Placed under Audit Observations (Rs in millions)
1	Violation of Rules and regulations, principle of propriety and probity in public operations.	----
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	----
3	Accounting Errors ¹ (accounting policy, departure from NAM, misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	----
4	Quantification of weaknesses of internal control systems.	97.92
5	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	64.15
6	Non-production of record.	832.72
7	Others, including cases of accidents, negligence etc.	----
Total		966.68

Table 5: Cost-Benefit Ratio

(Rs in millions)

Sr. No.	Description	Amount
1	Outlays Audited (Items 1 of Table 3)	2072.80
2	Expenditure on Audit	2.099
3	Recoveries realized at the instance of Audit	----
4	Cost Benefit Ratio	1:0

¹The accounting Policies and procedures prescribed by the Auditor General of Pakistan

CHAPTER-1

1.1 TEHSIL/TOWN MUNICIPAL ADMINISTRATIONS, GUJRANWALA

1.1.1 INTRODUCTION

TMA consists of Town/Tehsil Nazim, Town/Tehsil Naib Nazim and Town/Tehsil Municipal Officer. Each TMA comprises five (05) Drawing & Disbursing Officers i.e. TMA, TO (Finance), TO (I&S), TO (Regulation), TO (P&C). As per Section 54 of PLGO, 2001 the main functions of TMAs are as follows:-

- i. To prepare spatial plans for the Town including plans for land use, zoning and functions for which TMA is responsible.
- ii. To exercise control over land-use, land-sub division, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
- iii. To enforce all municipal laws, rules and bye-laws governing TMA's functioning.
- iv. To prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils.
- v. To propose taxes, cess, user fees, rates, rents, tolls, charges, surcharges, levies, fines and penalties under Part-III of the Second Schedule and notify the same.
- vi. To collect approved taxes, cess, user fees, rates, rents, tolls, charges, fines and penalties.
- vii. To manage properties, assets and funds vested in the Town Municipal Administration.
- viii. To develop and manage schemes, including site development in collaboration with City District Government and Union Administration.
- ix. To issue notice for committing any municipal offence by any person and initiate legal proceedings for commission of such

offence or failure to comply with the directions contained in such notice.

- x. To prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction.
- xi. To maintain municipal records and archives.

1.1.2 Comments on Budget and Accounts (Variance Analysis)

Total Budget of six (06) TMAs selected for audit was Rs 1786.07 million (inclusive salary, non-salary and development) whereas, the expenditure incurred (inclusive salary, non-salary and development) was Rs 1263.87 million, showing savings of Rs 522.21 million which in terms of percentage was 29% of the final budget (detailed below). Less utilization of development budget (38%) deprived the community from getting better municipal facilities.

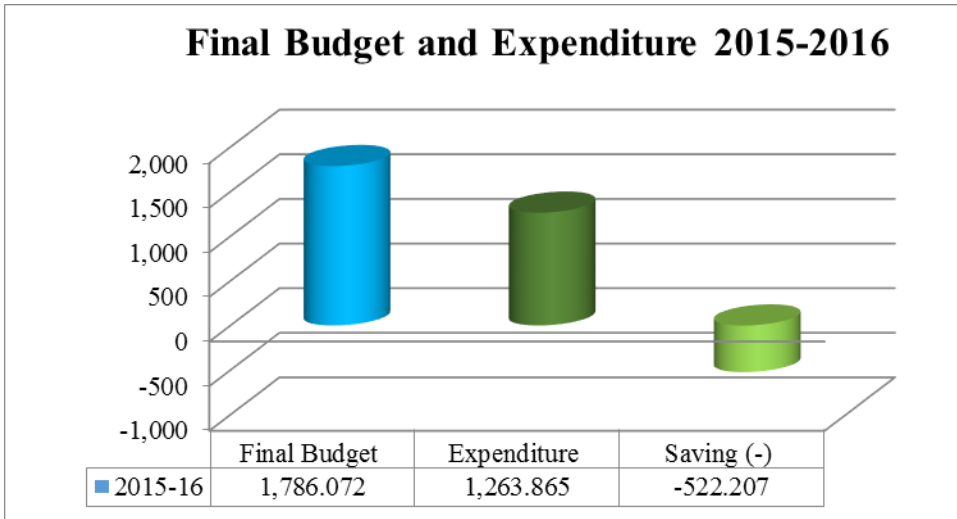
Financial Year 2013-14	Budget (Rs in million)	Expenditure (Rs in million)	Savings (-) (Rs in million)	%age of Savings
Salary	659.64	514.09	-145.56	22%
Non Salary	425.89	312.54	-113.36	27%
Development	700.54	437.24	-263.29	38%
TOTAL	1,786.07	1,263.87	-522.21	29%

The budgeted outlay was Rs 1,786.07 million of six (06) TMAs includes PFC award of Rs 419.94 million whereas total expenditure incurred by the TMAs during 2015-16 was Rs 1,263.87 million with a savings of (-) Rs 522.21 million (detailed below). This is indicative of the fact that the TMAs had sufficient funds to meet the expenditure from their own sources and there was lesser need of injection of PFC award.

(Rs in million)

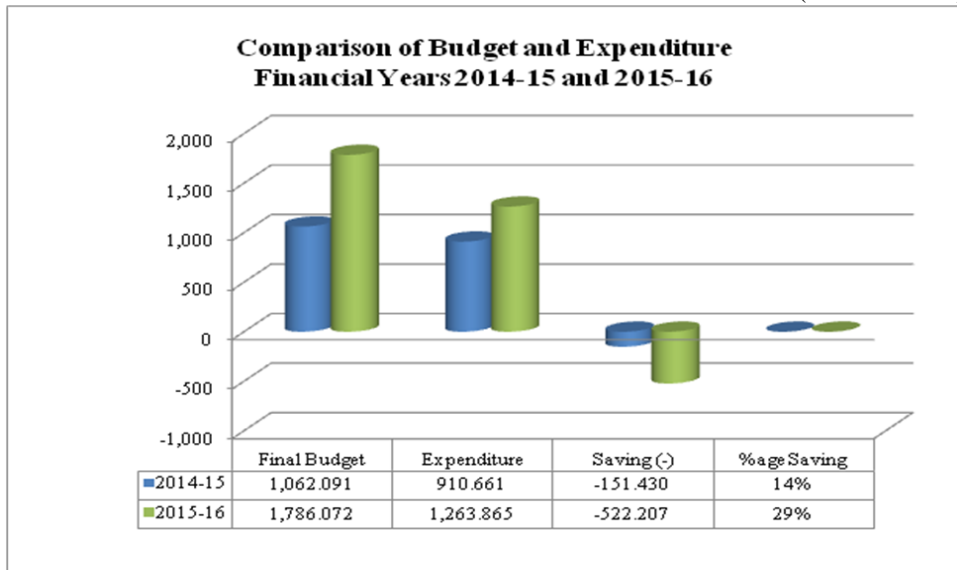
Name of TMAs	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Savings	%age of Savings
	Own receipt including OB	PFC award	Total Receipts				
TMA Khiali Shah Pur	94.64	66.83	161.47	492.77	237.00	255.77	52%
TMA Nandi Pur Town	170.13	34.45	204.58	260	197.00	63.00	24%
TMA Aroop Town	202.28	39.37	241.65	348.03	298.56	49.47	14%
Kamoke	91.09	72.03	163.12	164.18	149.69	14.49	9%
Wazirabad	297.75	140.43	438.18	290.7	248.10	42.6	15%
Noshera Virkan	94.64	66.83	161.47	141.00	134.00	7.00	5%
Total	950.528	419.94	1370.47	1,786.07	1,263.87	522.21	29%

(Rs in millions)



The comparative analysis of the budget and expenditure of current and previous Financial Years is depicted as under:

(Rs in millions)



There was saving in the budget allocation of the Financial Years 2014-15 and 2015-16 as follows:

(Rs in million)

Financial Year	Budget	Expenditure	(-) Savings	%age of savings
2014-15	1,062.09	910.66	-151.43	14
2015-16	1,786.07	1,263.87	-522.21	29

The management needs to justify the saving when the development schemes have remained incomplete.

1.1.3 Brief Comments on the Status of Compliance on MFDAC Paras of Audit Year 2015-16

Audit paras reported in MFDAC of last year audit report which have not been attended in accordance with the directives of DAC have been reported in Part-II of Annexure-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:

Status of Previous Audit Reports

Sr. #	Audit Year	No. of Paras	Status of PAC Meetings
1	2009-10 to 2011-12	14	Not convened
2	2012-13	12	Not convened
3	2013-14	35	Not convened
4.	2014-15	16	Not convened
5.	2015-16	18	Not convened

1.2 AUDIT PARAS

1.2.1 TMA KHALI SHAH PUR TOWN

1.2.1 Non Production of Record

1.2.1.1 Non production of record – Rs 84.30 million

According to Section 14 (1) (b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further, Section 115 (5) & (6) of PLGO 2001, at the time of audit, the officials concerned shall provide all record for audit inspection and comply with any request for information in as complete a form as possible and with all reasonable expedition.

Management of TMA Khiali Shahpur, Gujranwala incurred an expenditure of Rs 84.308 during the Financial Years 2014-2016, but the relevant record was not produced to audit for scrutiny despite repeated requests. In the absence of record, audit was unable to verify the expenditure as detailed below:-

(Rs in millions)

Sr.#	Particulars	Establishment	Contingencies	Amount
1.	Administrator	4.86	3.20	8.06
2.	TMO, Branch	12.110	5.26	17.37
3.	TO Regulation Branch	18.99	8.36	27.351
4.	TO P&C Branch	7.37	0.368	7.74
5.	TMO (CO Unit Eimanabad)	18.35	5.42	23.778
Total		61.68	22.608	84.308

Audit held that non production of records may have lead to misuse of public funds and misappropriation / fraud.

It resulted into un-authentic expenditure of Rs.84.308 million.

The observation was discussed with the management but no reply was submitted. The matter was reported to the TMO/PAO in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for non-production of record, and ensure submission of record to audit for scrutiny.

[AIR Para No.10]

1.2.2 Irregularity and Non compliance

1.2.2.1 Non imposition of fine for unauthorized construction of building Rs 8.34 million

According to Rule 76 of the PDG and TMA (Budget) Rules, 2003, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head. Furthermore, according to sec 144 & 145 and Fourth Schedule of PLGO 2001 minimum fine of Rs15,000 will be imposed on person who carried out construction of building without prior permission of TMA.

TO (P&C) Khiali Shah Pur Town did not collect fine Rs 8,340,000 from the defaulters / illegal constructors, the TMA received 1,189 applications of commercial and residential maps during Financial Years 2014-16, but only 633 building plans were approved whereas 147 building plans were rejected and balance 409 remained unattended by the competent authority due to unknown reasons but no action was taken to stop the unauthorized construction of buildings and no penalty was imposed on the defaulters who carried out construction without prior approval of the competent authority.

Period	No. of building plans received	No. of building plans Approved	No. of building Plans rejected	No. of building plans unattended
2014-15	572	301	80	191
2015-16	617	332	67	218
Total	1189	633	147	409

$$147+409=556 \times 15000 = \text{Rs } 8,340,000$$

Audit held that due to non compliance of rules, penalty was not imposed which resulted in unauthorized construction.

It resulted into loss of Rs. 8.340 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends for imposition of penalty against the defaulters for unauthorized construction under intimation to Audit.

[AIR Para No.04]

1.2.2.2 Irregular expenditure of POL – Rs 4.07 million

As per Rule 49 Appendix 14(i) to (vi) of PFR Volume-II states that “the petrol, oil, lubricants and spare parts should be maintained separately for each vehicle, full particulars of journey and distances between two places should be correctly exhibited, the purpose of journey indicating the brief particulars of the journey performed should be recorded. The term “official” is not sufficient, average consumption of petrol, oil and lubricants should be worked out and recorded in the Log Books at the close of each month, the Log Books should be maintained in the prescribed form, the Officers using the Government vehicles should sign the relevant entries in the Log Book, the matters of the vehicles should always be kept in order.

TMA Khiali Shahpur made payment of Rs 4,065,044 on account of POL during the period 2014-16. The expenditure was held irregular due to the following irregularities:

- i. Average Consumption Certificate was not obtained from the competent authority.
- ii. Consumption was recorded on estimated basis and meter reading was not recorded on log books.
- iii. The consumption of POL in Tractors and other heavy machiney was shown in Kilo meters instead of hourly basis.
- iv. Daily fixed running was recorded on log book.
- v. The routes and milage of tractors were not approved.

Name of DDOs	Vehicle Nos.	POL Consumed (Rs)	
		2014-15	2015-16
TMO	GAJ 6826	382,305	490,905
TO Finance	GAG 1028& Motor cycle	217,151	277,731
TO Regulation	1029 jeep,1030 mini Shahzor, TractorGA-51 & Motor cycle	766,865	980,069
TO I&S	GAS 4252, TractorGA-52& Motor cycle	691,064	520,673
TO P&C	GAG,1028 & Motor cycle	82,409	176,545
Total		2,139,794	1,925,250

Audit held that POL expenditure was incurred in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs.4.07 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO

in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends for fixing of responsibility against the person at fault under intimation to Audit.

[AIR Para No.20]

1.2.2.3 Non Approval of Lead Chart by the Competent Authority for Earth work Rs 3.27 million

According to Para 4(iii & iv) of CSR. the rates for various components of the Non-Scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of composite rates sanctioned by the Superintending Engineer for non-Schedule items shall be sent to the Secretary, Standing Rates Committee, Further in order to arrive at the rate analysis of non-schedule items the standard format on website has been prescribed which is to be filled from MRS and the market rates.

TMA Khiali Shahpur Town in the Financial Years 2014-16, paid Rs 3,266,328 for earth filling and lead to the contractors without getting approval of lead chart from the competent authority thus violating the above rule. Moreover, department did not attach “Fard Malkiyat” showing particulars of land owner from where the earth was carried to the site. The detail is **Annexure-C**.

Audit held that due to non observance of rules and regulations, payment for earth filling amounting Rs 3.27 million was made which resulted in irregular payment.

It resulted into irregular expenditure of Rs.3.27 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

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

[AIR Para No.15]

1.2.3 Internal Control Weaknesses

1.2.3.1 Loss due to non-realization of arrears of receipts Rs 20.79 million

According to Section 118 of the Punjab Local Government Ordinance 2001, read with Rule 12 of the Punjab Local Government (Taxation Rules) 2001, Failure to pay any tax and other money claimable under this Ordinance was an offence and the arrears were recoverable as Land Revenue.

TMA Khiali Shahpur failed to collect the receipts arrears of Rs 20,792,000 under various heads of income since 2010. Furthermore, TMA budgeted these expected incomes in their budget and booked expenditure against these expected receipts, as detailed below

Head of Budgeted Income	Arrears (Rs)
Arrear of TIP	13,826,000
Fee for License and permit Arrears for 2010-11	485,000
Arrear of Cattle Mandi from cantonment board	3,200,000
Government grants Arrear	3,281,000
Total	20,792,000

Audit held that due to internal control weakness, arrears of various receipts amounting Rs 20.79 million were not realized.

It resulted into loss of Rs.20.79 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility, besides swift process for recovery of arrears under intimation to Audit.

[AIR Para No.5]

1.2.3.2 Non recovery of performance Securities Rs 5.67 million

As per instruction issued by finance Department as well as incorporated in the standard format of contract agreement / contract document 26-A laid down that in case the tendered cost is less than 5% of the DNIT. The lowest bidder shall have to deposit such security / bank guaranty in the shape of performance security @ equal to the percentage quoted in his tender.

TMA Khiali Shahpur for Financial Year 2014-16, awarded various development works to the contractors but the performance security amounting to Rs 5,672,871 was not collected from contractors who tendered at rate below 5% estimated cost as detailed at **Annexure-D**.

Audit held that due to non compliance of rules performance security was not recovered from the contractors who tendered below the cost.

It resulted into irregular expenditure of Rs.5.673 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility against the person (s) at fault under intimation to Audit.

[AIR Para No.12]

1.2.3.3 Non realization of NOC fee from various trades Rs 1.08 million

According to Clause 9 of Gazette Notification of Taxes in respect of TMA Khiali Shahpur Town Gujranwala NOC fee is required to be collected from various trades and profession.

TO (Regulation) of TMA Khiali Shahpur did not charge the NOC fee of Rs 1.08 million from various traders and professionals whose entries were newly recorded in the collection register (as evident from comparison between collection register of 2014-15 with 2015-16). Furthermore, no separate record such as NOC register, applications of the unit was maintained by the concerned department, as detailed at **Annexure-E**.

Audit is of the view that due to weak internal control an important head of income was not properly maintained.

This resulted in non realization of NOC fee of Rs 1.08 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to the TMO/PAO in March, 2017. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of NOC fee from various trade professions under intimation to Audit.

[AIR Para No.08]

1.3.1 TMA NANDI PUR TOWN

1.3.1 Non Production of Record

1.3.1.1 Non production of record – Rs 249.094 million

According to Section 14 (1) (b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further, Section 115 (5) & (6) of PLGO 2001, at the time of audit, the officials concerned shall provide all record for audit inspection and comply with any request for information in as complete a form as possible and with all reasonable expedition.

TMO, TO (P&C) and TO (Regulation), TMA Nandi Pur Town, Gujranwala incurred an expenditure of Rs 149.77 million and receipts amounting Rs 99.324 million were realized in various heads during the Financial Years 2013-2016, the accounts related record was not produced for audit verification despite repeated requests. In the absence of accounts record, audit was unable to verify the expenditure as detailed below:-

(Rs in million)

S.#	Particular	TMA Branch	Financial Years	AIR para #	Amount
1.	Contingent Expenditure	TO (P & C)	2013-16	03	12.069
2.	Pay & Allowances	TO Finance	2013-16	15	109.106
3.	TTIP Receipts	TO Regulation	2013-16	16	80.097
4.	Receipts Heads	TO Regulation	2013-16	17	19.252
5.	Canteen of TMA, Liaqat Bag and City Park	TO Regulation	2013-16	22	0
6.	Contingent Bills, Purchase Bills and Allied Record	TMA Departments & Tehsil Account Officers	2013-16	31	28.570
Total					249.094

Audit held that non production of expenditure records may lead to misuse of public funds and misappropriation / fraud.

It resulted into un-authentic expenditure of Rs.249.094 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the

TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for non-production of record, and ensure submission of record to audit for scrutiny.

[AIR Para No.03, 15, 16, 17, 22, 31]

1.3.2 Irregularity / Non-compliance

1.3.2.1 Unauthorized expenditure on non-scheduled item – Rs 5.336 million

According to para 4(iii & iv) of CSR, the rates for various components of the non-scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of composite rates sanctioned by the Superintending Engineer for non-Schedule items shall be sent to the Secretary, Standing Rates Committee.

Audit of TMA Nandipur Town revealed that non scheduled items were executed and paid for development schemes without approval of rates by SE, furthermore was also not sent to Secretary Standing Rate Committee for technical evaluation as detailed at **Annexure-F**.

Audit held that due to non compliance of rules, resulted in unauthorized payment for Rs 5.336 million for non schedule items.

It resulted into irregular expenditure of Rs.5.336 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends investigation of matter and fixing of responsibility against the person (s) at fault under intimation to Audit.

[AIR Para No.29]

1.3.2.2 Overpayment on account of canal silt filling Rs 1.173 million

According to para 4(iii & iv) of CSR, the rates for various components of the non-scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of composite rates sanctioned by the Superintending Engineer for non-Schedule items shall be sent to the Secretary, Standing Rates Committee.

Audit of TMA Nandi Pur Town for Financial Years 2013-16, revealed that the work improvement of Green belts, horticulture work at Sheranwala bagh Part-I and Green belts Iqbal High School GT road Gujranwala was allotted to Mr. Qurban Ali Contractor and paid vide first final bill entered in MB no. 19680 page 84-90 for Rs 1,280,629. The estimate sanctioning authority has obtained a certificate from District Forest officer stating that rates in TS estimates are scheduled rates but payment has been made on non-schedule rates. For example, silt rates are available in MRS, Item no.1 chapter earth work and item no.17 of chapter Carriage. On adding both items, silt rates comes out Rs 4.071/cft but it has been paid Rs 12/50 per cft which was too much.

Audit held that due to non compliance of rules, unauthorized payment for non schedule items was made.

It resulted into loss of Rs.4.07 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends investigation of matter and fixing of responsibility against the person (s) at fault under intimation to Audit.

[AIR Para No.29]

1.3.2.3 Irregular expenditure on account of POL Rs 1.162 million

Rule 49 Appendix 14(i) to (vi) of PFR Volume-II states that “the petrol, oil, lubricants and spare parts should be maintained separately for each vehicle, full particulars of journey and distances between two places should be correctly exhibited, the purpose of journey indicating the brief particulars of the journey performed should be recorded. The term “official” is not sufficient, average consumption of petrol, oil and lubricants should be worked out and recorded in the Log Books at the close of each month, the Log Books should be maintained in the prescribed form, the Officers using the Government vehicles should sign the relevant entries in the Log Book, the matters of the vehicles should always be kept in order.

TMO TMA Nandi Pur Town, drew an amount of Rs 1,162,358 on account of POL of vehicle No.GAX-335 on doubtful consumption because mileage certificate from MVE, tour diary notes, movement register,

minutes of meeting, detail of inspection of development/ non development works was not on record. Moreover meter reading, time of departure, kilometers covered and arrival was not recorded and log book was unsigned by the TMO as the name and signatures were not recorded on log book which made the expenditure doubtful detailed at **Annexure-G**.

Audit held that POL expenditure was incurred in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs.1.162 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends investigation of matter and fixing of responsibility against the person (s) at fault under intimation to Audit.

1.3.3 Internal Control Weakness

1.3.3.1 Loss to Government due to non collection of receipts - Rs 2.746 million

According to Section 118 of the Punjab Local Government Ordinance 2001, read with Rule 12 of the Punjab Local Government (Taxation Rules) 2001, Failure to pay any tax and other money claimable under this Ordinance was an offence and the arrears were recoverable as Land Revenue. According to Rule 76 of PDG and TMA (Budget) Rules, 2003, the primary obligation of the Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately into Local Government Fund under the proper receipt head.

Audit of TMA Nandi Pur Town Gujranwala, revealed that:

- i. An amount of Rs 694,000 was collected in various receipts heads during Financial Year 2013-14, but not a single penny was collected during F.Y 2014-15 and 2015-16 and no justification was given for non collection of receipts. This resulted in loss to local Govt. revenue amounting Rs 1.38 million.
- ii. Cycle stand fee collection during 2013-14 was Rs 1,109,335 but in the following Financial Years i.e. 2014-15 and 2015-16 it declined to 72% and 50% of the base year i.e 2013-14, without any cogent reason. This resulted in loss to Govt. of Rs 798,541 in F.Y 2014-15 and Rs 554,373 in F.Y 2015-16 total Rs 1,352,914 .The chances of leakages of revenue could not be ignored as detailed below.

Description	Financial Years (Rs)		
	2013-14	2014-15	2015-16
Fine for encroachment	200,000	0	0
Rent of municipal property urban land (fun land)	228,800	0	0
Canteen fee	266,000	0	0
Total	694,800	0	0
Loss to Govt. = Rs694,800 x 02 years =		Rs1,389,600	
Description	Amount collected during Financial Years		
	2013-14 (Rs)	2014-15 (Rs)	2015-16 (Rs)
Cycle stand fee Collected	1,109,335	310,794	554,962
Loss of Revenue in Cycle Stand fee in F.Ys 2014-15 & 2015-16			1.352 Million
Total loss of revenue			2.746 Million

Audit held that due to internal control weaknesses, and mismanagement the receipts were either not collected or declined which resulted in loss of revenue to the local fund.

It resulted into loss of Rs.2.746 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was reported to the TMO/PAO in March, 2017. However, no reply was furnished by the TMA and DAC meeting was also not convened till finalization of this Report.

Audit recommends investigation of matter and fixing of responsibility against the person (s) at fault under intimation to Audit.

[AIR Para No.19, 20]

1.3.3.2 Overpayment due to purchase of plants at exorbitant rates Rs 1.612 million

According to rule 64 of PDG & TMA (Budget), Rules, 2003, each Local Govt. shall manage the resources made available to it efficiently and effectively.

During scrutiny of record of TMA Nandipur Town, it was observed that different kinds of plants were purchased for plantation under flyover GT Road Gujranwala. The overpayment Rs 1.618 million was made for purchase of plants on exorbitant rates as detailed at **Annexure-H**.

Audit held that due to internal control weakness, purchase of plants was not made at economical rates.

It resulted into loss of Rs 1.612 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends investigation of matter and fixing of responsibility against the person (s) at fault under intimation to Audit.

[AIR Para No.30]

1.3.3.3 Less deduction of Income Tax Rs 1.037 million

Every prescribed person making a payment in full or part including a payment by way of advance to a resident person or permanent

establishment in Pakistan of a non-resident person shall, at the time of making the payment to other than a company, deduct tax from the gross amount @ 4.5%, 10% and 7.5% on account of supplies, services and execution of contract respectively, in case of filer and 6.5%, 15% and 10% on account of supplies, services rendered and execution of contract respectively, in case of non-filer, other than company according to Section 153 of I.Tax Ordinance, 2001 duly amended vide Finance Act 2014.

TO (I&S) TMA Nandi Pur Town Gujranwala during F.Y 2015-16, made payment on account of execution of works but Income Tax of Rs 1,037,580 was less deducted due to others (non-filer) at the prescribed rates as detailed below.

Description	No. of schemes	Amount paid	I.Tax deducted @ 7.5% (Rs)	I.Tax to be deducted @ 10%	Less Deducted (Rs)
ADP 2015-16	62	41,503,203	3,112,740	4,150,320	1,037,580

Audit held that due to internal control weakness, deduction of income tax at the prescribed rate was not made.

It resulted into loss of Rs1.037 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends investigation of matter and fixing of responsibility against the person (s) at fault under intimation to Audit.

[AIR Para No.32]

1.4.1 TMA AROOP TOWN

1.4.1 Non Production of Record

1.4.1.1 Non production of record Rs 499.33 million

According to Section 14 (1) (b) of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, the Auditor General shall have authority to require that any accounts, books, papers and other documents which deal with, or form, the basis of or otherwise relevant to the transactions to which his duties in respect of audit extend, shall be sent to such place as he may direct for his inspection. Further, Section 115 (5) & (6) of PLGO 2001, at the time of audit, the officials concerned shall provide all record for audit inspection and comply with any request for information in as complete a form as possible and with all reasonable expedition..

TMA Aroop Town, Gujranwala during the Financial Years 2014-2016, expenditure and receipts were incurred / collected worth Rs 499.33 million by TMO, Town Administrator, TO (Regulation) and TO Finance but no record was produced for audit verification despite repeated requests. In the absence of such record, audit was unable to verify the expenditure and receipts as detailed below

S.#	Particulars	Branch	F.Y 2014-15 (Rs)	F.Y 2015-16 (Rs)	Total (Rs)
01.	Expenditure	TMO Branch	12,295,000	12,560,000	24,855,000
02.	Expenditure	Town Admin.	2,595,000	4,183,000	6,778,000
03.	Expenditure	TO Regulation	6,874,000	10,668,000	17,542,000
04.	Expenditure	TO Finance	10,175,000	36,740,000	36,740,000
05.	Receipts	TO Finance	171,770,381	241,647,000	413,417,381
Total					499,332,381

Audit held that non production of expenditure and receipts records may lead to misuse of public funds and misappropriation / fraud.

It resulted into loss of Rs.499.332 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for non-production of record, and ensure submission of record to audit for scrutiny.

[AIR Para No.24, 25, 26, 27]

1.4.2 Internal Control Weakness

1.4.2.1 Irregular expenditure on Ramazan Bazar worth Rs 3.46 million

According to Rule 12 (1) of PPRA 2014, subject to Rule 59, a procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper.

TMA Aroop Town District Gujranwala hired different services worth Rs 2861,600 from Three Star Foods to conduct Ramazan Bazars Financial Year 2015-16, the advertisement was not placed on PPRA to make the competition healthy. Further sealed quotations, comparative statements, vouchers etc. were not available which made the expenditure irregular, as detailed below:

S. No.	Name of contractor	Dated	Amount (Rs)
01	Three star foods	August 2015	586,400
02	Three Star Foods	--do--	2,275,200
03.	Three star foods	--do--	300,000
04.	Three star foods	--do--	300,000
05.	Three star foods	--do--	300,00
Total			3,461,900

Audit is of the view that expenditure was incurred in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs 3.46 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility, besides regularization of expenditure.

[AIR Para No.01, 02]

1.4.2.2 Wasteful expenditure on development scheme Rs 10.45 million

According to Rule 63 of PLG (Budget) Rules, 2001 the development budget shall be a performance budget and it shall make due

provisions to ensure that the standard of performance in the various activities rises progressively and is not allowed to fail or deteriorate.

TO (I&S), TMA Aroop town Gujranwala awarded the various works amounting Rs 10.45 million to various government contractors during the Financial Year 2014-15 and 2015-16. After the lapse of considerable time the works still could not be completed and incomplete schemes are deteriorating and losing their values day by day.

Sr. No	Name of schemes	A.A & T.S Amount (Rs)	Allocation / Work Order Amount (Rs)	Status
1	Const. of Sewerage scheme MandialaWaraich	618,499	618,499	Running
2	Const. of Lawn Tennis Court and Balance Work at Basket Ball Court Sports Complex Jinnah Rd. GRW	4,265,000	4,265,000	Running
3	Const. of Brick wall 40' long and fixing fiber glass , electric work spot light, 99 names of Allah Almighty along GT Road west Side near Alfalah Bank	2,350,000	2,350,000	Running
4	Shift/ Fixing of Filtration plant from Mohallah western side to Tax Stand Trigri	900,000	900,000	Running
5	Const. of PCC Streets Gull Zaib Mughal wali Dr. Mushtaq wali gali etcKhokhar Ki	1,535,000	1,531,162	Running
6	Const of PCC Drains Village Jalal Balaghan	10,00,000	784,500	Running
Total			10,449,161	

Audit is of the view that non completion of schemes in time shows weak monitoring and internal control of the department and deprived the community from economic benefit.

It resulted into irregular expenditure of Rs.10.449 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for non-production of record, and ensure submission of record to audit for scrutiny.

[AIR Para No.03]

1.4.2.3 Less deduction of Income Tax Rs 1.29 million

Every prescribed person making a payment in full or part including a payment by way of advance to a resident person or permanent establishment in Pakistan of a non-resident person shall, at the time of making the payment to other than a company, deduct tax from the gross amount @ 4.5%, 10% and 7.5% on account of supplies, services and execution of contract respectively, in case of filer and 6.5%, 15% and 10% on account of supplies, services rendered and execution of contract respectively, in case of non-filer, other than company according to Section 153 of Income Tax Ordinance, 2001 duly amended vide Finance Act 2014.

Scrutiny of record of TMA Aroop Town District Gujranwala for the Financial Year 2015-16, it was observed that TO (I&S) made payment on account of execution of work but Income Tax was deducted @7.5% instead of 10% as contractor is non filer. This resulted in less deduction of income tax Rs 1.29 million as detailed below.

Description	No. of schemes	Total Expenditure 2015-16 (Rs)	I.Tax deducted @ 7.5% (Rs)	I. Tax to be deducted @ 10% (Rs)	Less Deducted (Rs)
ADP 2015-16 and ongoing schemes including MNAs, MPAs Grants	32	51,986,027	3,898,952	5,198,603	1,299,651

Audit is of the view that due to weak internal controls, deduction of income tax at prescribed rates was made which resulted in loss of revenue to the government.

It resulted into loss of Rs.1.300 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report

Audit recommends fixing of responsibility, besides recovery.

[AIR Para No.03]

1.5.1 TMA KAMOKE

1.5.1 Irregularity / Non-compliance

1.5.1.1 Unauthorized payment of Rs 2.346 million

Rule 2.10 (b) 5 read with Rule 15.4 (a)(b) of PFR Vol-I, lays down that no money shall be withdrawn from the treasury unless it is required for immediate disbursement. Moreover, at the time of making payment, it should be seen that the quantities of material are correct and their quality is good and suitable notes of payment are recorded against the indent and invoices to avoid double payment.

Audit of TMO Kamoke District Gujranwala for Financial Year 2015-16, revealed that Rs 2.346 million was paid to the M/s Iron Fabricators Lahore for the purchase of tyres and machinery/equipment for sanitation staff but neither the technical proposal nor financial bids were produced to audit for verification. Further Inspection Committee did not certify the specifications of items.

Month	Contractor	Description	GST (Rs)	Amount(Rs)
11.2015	Iron Fabricators Lahore	Tyres purchased for Truck No. 1 & 2, Tractor Ford, Tractor No. 6, 7, 8	34,305	1,180,500
3.2016	-do-	Purchase of items for Sanitation Staff including Fresh Air System Manual, Oxygen Cylinder, Multi gas detector, life rope, flood light, etc	33,878	1,165,800
Total				2,346,300

Audit held that due to weak internal control, unauthorized payment on account of purchase of tyres, machinery/equipment was made.

It resulted into irregular expenditure of Rs.2.346 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report

Audit recommends fixing of responsibility, against the person at fault under intimation to audit.

[AIR Para No.03]

1.5.1.2 Unjustified payment on account of earth filling/work - Rs 1.22 million

As per specification 411-4-1 (General) that embankment shall be constructed in successful layer not more than 9” loose and 6” thick compacted (SOH-II/C & W) 2.25/2009.

TO (I&S), TMA Kamoke District Gujranwala paid Rs 1.22 million on account of earth work in ordinary soil in the following schemes without deduction of road curst. Earth work was measured and paid without X/L sections. Lead chart was also not approved by the competent authority. Quantity of earth work was recorded in MBs without deduction @ 10% due to non compaction in layer, further exact site / location / RD or any reference was not shown. Therefore payment of earth work was unjustified.

Scheme	Contractor	Month	Description	Qty	Rate (Rs)	Amount (Rs)
Constn. Of Gallah PCC Tehsil Office Kamoke	Ray Construction Services	2.2016	E/F lead upto 3 mile	11720 cft	7880	92353
Constn. Of street drain PCC Gali Haltiwala Graveyard Kamoke	Muhammad Ibrar	2.2016	do	17704	7880	139507
Constn. Of tuff tile Gate Jangla Children Park GT Road Kamoke	Ray Construction Services	3.2016	do	69743	6882.3	479992
Constn. Of street drain PCC Madina Town Kamoke	Zafarullah Traders	3.2016	do	40352	6882.3	277714
Constn. Of street drain PCC Gali School wali Mouza Nadha	Muhammad Khalid	3.2016	E/F lead upto 1 mile	19175	6576	126094
Constn. Of street, drain .PCC Mouza Kotli Moharan	Attiq Khan & Co.	6.2016	do	15872	6576	104374
Total						1,220,034

Audit is of view that payment of earth work in ordinary soil was made in violation of rules due weak internal controls.

It resulted into irregular expenditure of Rs.1.220 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for earth work in ordinary soil and recovery may be effected under intimation to Audit.

[AIR Para No.06]

1.6.1 TMA WAZIRABAD

1.6.1 Irregularity / Non-compliance

1.6.1.1 Irregular payment on account Sign Boards Rs 3.00 million

The rates for various components of the Non-Scheduled items of work shall be based on Composite Schedule of Rates (CSR) 1998 Vol-III, Part-II, (now MRS) and where such components of item of work are not contained in the CSR 1998 Vol-III, Part-II (MRS) average prevailing market rates shall be made basis for arriving at the Non-Schedule Rate. Copies of the analysis and of composite rates sanctioned by the Superintending Engineer for non-Schedule items shall be sent to the Secretary, Standing Rates Committee, according to para 4(iii & iv) of CSR. In no case, the procurement shall be made without getting the specification of stores vetted / approved by the competent authority as per para 5 of the Purchase Manual. Further in order to arrive at the rate analysis of non schedule items the standard format on website has been prescribed which is to be filled from MRS and the market rates.

Audit of TMA Wazirabad District Gujranwala revealed that scheme, P/F Sign boards for Parks, Roads, Streets, Offices etc. was awarded to Govt. Contractor with the provision of non scheduled item. Sign Boards was provided and fixed at site without approval of rate analysis by the competent authority. Neither quotations were called nor comparative statement was prepared to calculate most economical rate.

Description	Amount in Rs
P/F Sign Boards	3,000,000

Audit is of view that expenditure was incurred in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs.3.000 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be regularized under intimation to Audit.

[AIR Para No.19]

1.6.1.2 Unauthorized Expenditure due to Non Advertising - Rs 2.60 million

The Government of the Punjab Services & General Administration Department has circulated Punjab Procurement Rules, 2009 vide Notification No. MD. PPRA/1-1/2009 dated 2-10-2009. According to Rule 12 of PPRA Rules 2009, procurement 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 the PPRA from time to time. In cases if procuring agency has its own website it may also post all advertisement concerning procurement on that website as well.

TMA Wazirabad District Gujranwala purchased following items amounting Rs 2.60 million during the Financial Year 2015-16, by calling quotations instead of advertising tender on PPRA website. Rates charged by the supplier were more than the market rates as the rates of same were compared with the specifications. Economical rates were not achieved and Govt. has to pay more than the actual expenditure due to non competition.

Vr. No.	Month	Description	Contractor	Amount	Amount (Rs)
47	10.2015	Supply of equipment for street lights	M/s Muhammad Adnan	Switch, bulb, holders, energy saver, tape, sockets etc	800,000
49	10.2015	Prov. Of PVC Jabal Joints TMA wazirabad	-do-	Provision of PVC Jabal Joint 3",4",6" & 8"	336,400
52	10.2015	Prov. Of lime stone for CO units Wazirabad	M/s Abdullah & Co.	Lime stone @ 39/kg	1,166,000
53	10.2015	Prov. Of bamboo for sanitation Wazirabad	-do-	200 Nos. bamboo @ Rs1800 each	300,000
Total					2,602,400

Audit held that due to weak internal control, unauthorized payment of Rs 2.60 million paid without advertising and prequalification of the contractors through PPRA website.

It resulted into irregular expenditure of Rs.2.602 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for earth work in ordinary soil and recovery may be effected under intimation to Audit.

[AIR Para No.28]

1.6.1.3 Unauthorized expenditure on account of PCC Rs 1.85 million

As per clause 41 of Revised Contract Form for Execution of Work no deviation from specification stipulated in the contract or additional items of work shall be carried out by the contractor unless the rate of the substituted , altered or additional items have been approved in writing failing which government will not be bound to entertain any claim on this account. The interpretation of the engineer incharge in the event of any dispute due to any ambiguity in the specification or nomenclature shall be binding and final

Audit of TMA Wazirabad District Gujranwala revealed that expenditure of Rs 1.85 million was incurred for providing and laying of PCC in following schemes. However, the payment was made to the contractors without cube test reports.

Scheme	Contractor	Qty. paid	Rate paid (Rs)	Amount paid (Rs)
Constn. Of drain PCC/Nallah City Wazirabad	M/s Javaid Iqbal Bhatti	2994 cft	20544.50	615,102
Constn. Of Drain, PCC/ Nallah, Tuff Tile Bagrian	M/s Abdul Rasheed Chohan	1334 cft	20544.50	274,063
Constn. Of Drain, PCC/ Nallah, Tuff Tile Bharoki Cheema	M/s Muhammad Hanif	1872 cft	20544.50	384,593
Constn. Of Drain, PCC/ Nallah, Tuff Tile Chora	M/s Muhammad Hanif	2803 cft	20544.50	575,862
Total				1,849,620

Audit is of view that expenditure was incurred in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs.1.850 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO

in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, fix responsibility for earth work in ordinary soil and recovery may be effected unauthorized expenditure under intimation to Audit.

[AIR Para No.18]

1.6.1.4 Irregular payment without TS Estimate Rs 1.699 million

According to Para-2.20 of B&R Code the divisional officer shall get the estimate sanctioned, will then order the immediate execution of the work.

TO (I&S), TMA Wazirabad District Gujranwala paid 2nd/final contractor bill vide MB No. 674 at page 99 amounting Rs 1,699,881 to M/s Abdullah Hameed & Co. for the scheme, Cleaning of Saim Nullah Ali Pur Chattha without Technically Sanctioned Estimate. The Estimate having the non scheduled item and need to be Technically Sanctioned by Chief Engineer LG & CD but the same was not approved. Rate analysis of Excavation of Slush/daldal and dewatering with lead 2 mile was also not prepared and approved.

Audit is of view that expenditure was incurred in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs.1.699 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, regularized under intimation to Audit.

[AIR Para No.22]

1.6.2 Internal Control Weakness

1.6.2.1 Non recovery of water rate Rs 22.599 million

According to section 118 of the Punjab Local Government Ordinance 2001, read with Rule 12 of the Punjab Local Government (Taxation rules) 2001, failure to pay any tax and other money claimable under this ordinance was an offence and the arrears were recoverable as Land Revenue. Furthermore as clause 12 (C) of (c) of Local Rate (Assessment & Collection) rules 2001 the Nazim of the Local Government may direct that tax with costs of recovery shall be recovered as arrears of Land Revenue.

TMA Wazirabad District Gujranwala did not recover the total amount of water charges against the budgeted amount for the Financial Year 2015-16. Further no serious efforts were made for the recovery of the outstanding Govt. dues. TMA did not recover the arrear of water rate which was still outstanding for the last few years plus new water supply connections were granted in CO unit (HQ) without approval of TO (I&S). In addition to this Sub-Engineer report regarding street cut charges and plumber fees was also not available in record as detailed at Annexure-I.

S.#	Particulars	AIR Para No.	Amount (Rs)
1.	Arrears of F.Y 2015-16	07	12,184,152
2.	Arrears of Previous Years	07	9,400,038
3.	Security and plumber fee	08	285,345
4.	Arrears from Disconnected Users	08	729,900
Total			22,599,435

Audit held that due to weak internal controls, the local Government dues were not collected.

It resulted into loss of Rs 22.599 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends early recovery besides fixing of responsibility under intimation to Audit.

[AIR Para No.22]

1.6.2.2 Unauthorized payment of pay and allowances to sanitary workers on daily wages Rs 11.348 million

As per preface of Schedule of Wage Rates, 2007 issued by the Government of the Punjab Finance Department, the appointment of contingent staff may be made by competent authority subject to the following conditions;

- a) The posts shall be advertised properly in leading newspapers.
- b) The recruitment to all posts in the Schedule shall be made on the basis of merit specified for regular establishment vide para 11 the Recruitment policy issued by S&GAD vide No. SOR-IV (S&GAD) 10-1/2003 dated 17.09.2004

TMA Wazirabad paid Rs 8.75 million to sanitary workers for CO Unit (HQ) on daily wages during Financial Year 2015-16. All the appointments were made without advertising the daily wage post in press. Appointment orders were repeated after 89 days throughout the year. Receipt of daily wages to the sanitary workers was also not shown to audit, therefore expenditure on account of wages of sanitary workers on daily basis cannot be verified. Likewise, TMA Wazirabad District Gujranwala paid Rs 2.598 million to sanitary workers for the following CO Units on daily wages during Financial Year 2015-16. Receipt of daily wages to the sanitary workers was also not shown to audit, therefore expenditure on account of wages of sanitary workers on daily basis cannot be verified.

S.#	CO Unit	AIR Para No.	Amount (Rs)
01.	CO Unit (HQ)	34	8,750,000
02.	Ghakhhar	37	1,788,440
03.	Ali Pur Chattha	37	381,331
04.	Sohdra	37	251,432
05	Rasool Nagar	37	176,598
Total			11,347,801

Audit is of view due to weak internal control rules were not followed for daily wages staff.

It resulted into irregular expenditure of Rs.11.348 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, responsibility fixed against the person at fault.

[AIR Para No.34 & 37]

1.6.2.3 Unauthorized Expenditure Rs 3.752 million

According to para 4.5 of B&R code the measurement book must be looked upon as a most important record since it is the basis of all of the accounts of quantities, whether work done by labor or by the piece or by contract or of material received which have to be counted or measured.

Audit of TMA Wazirabad District Gujranwala, revealed that 13 Nos. development schemes (construction/repair) were awarded to the contractors after calling quotations. The works were executed by the contractors and payment was made without recording the quantities in Measurement Books. This resulted in unauthorized expenditure of Rs 3.752 million as detailed at **Annexure-J**.

Audit held that due to weak internal control, expenditure was incurred without record entry in Measurement Book.

It resulted into irregular expenditure of Rs 3.752 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, besides fixing of responsibility under intimation to Audit.

[AIR Para No.26]

1.6.2.4 Non recovery of rent of shops Rs 3.11 million

According to Rule 4(a)(f) of PLG (Property) Rules 2003, the manager shall take as much the 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, and prevent the use of property for any purpose and in any manner other than specified.

Tehsil Municipal Administration Wazirabad District Gujranwala did not recover Rs 3.11 million on account of rent of shops for the Financial Year 2015-16. No serious efforts were put into to recuperate the outstanding rent from the lessees.

CO Unit	Demand (Rs)	Recovery (Rs)	Balance Amount (Rs)
(HQ) Wazirabad	6,777,858	4,429,785	2,348,073
Ali Pur Chattha	1,185,800	913,644	272,156
Ghakhar	633,000	218,150	414,850
Sohdra	203,500	124,180	79,320
Total			3,114,399

Audit is of the view that non-recovery of rent of shops was due to weak internal control and poor financial management.

This resulted into non-recovery of Rs 3.11 million of local Government revenues.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends early recovery besides fixing of responsibility against the person at fault under intimation to Audit.

[AIR Para No.15]

1.6.2.5 Unjustified payment on account of earth filling/work Rs 2.481 million

As per specification 411-4-1 (General) that embankment shall be constructed in successful layer not more than 9” loose and 6” thick compacted (SOH-II/C & W) 2.25/2009.

TO (I&S), TMA Wazirabad District Gujranwala paid Rs 2.481 million on account of earth work in ordinary soil in the development schemes without deduction of road curst. Earth work was measured and paid without X/L sections. Lead chart was also not approved by the competent authority. Quantity of earth work was recorded in MBs without deduction @ 10% due to non compaction in layer, further exact site / location / RD or any reference was not shown. Therefore payment of earth work was unjustified as detailed at **Annexure-K**.

Audit is of view that payment of earth work in ordinary soil was made in violation of rules due to weak internal controls.

It resulted into irregular expenditure of Rs.2.481 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends that matter may be investigated, regularized under intimation to Audit.

[AIR Para No.05, 17]

1.6.2.6 Irregular Expenditure on Ramzan Bazar Rs 1.21 million

The Government of the Punjab Services & General Administration Department has circulated Punjab Procurement Rules, 2009 vide Notification No. MD. PPRA/1-1/2009 dated 2-10-2009. According to Rule12 of PPRA Rules 2009, procurement 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 the PPRA from time to time. In cases if procuring agency has its own website it may also post all advertisement concerning procurement on that website as well.

Audit of TMA Wazirabad District Gujranwala revealed that quotations were called for the arrangement of Ramzan Bazar on account of hiring of tentage and other items. Work order was issued to the contractor without calling advertising tender on PPRA website worth Rs1.21 million. Further the stock entry regarding steamer, penaflex, cooler, DSL, Shopping bag, UPS with batteries etc. were also not shown to audit.

Audit held that due to weak internal control, irregular expenditure was made without calling advertisement on PPRA website.

It resulted into irregular expenditure of Rs.1.21 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of penalty under intimation to Audit.

[AIR Para No.40]

1.6.2.7 Non-imposition of Penalty for Delay in Completion of Project worth Rs 2.627 million

According to clause 39(a) of the Contract Agreement, the time frame given for completion of work is required to be observed and in case of failure to complete the work within stipulated time, a maximum penalty of 10% shall be imposed of agreement amount.

TO (I&S), TMA Wazirabad District Gujranwala awarded development schemes during the Financial Year 2015-16 to various Govt.-Contractors. The works could not be completed within stipulated time. Further the after lapse of considerable time period, contractors did not apply for extension in time limit to the Engineer-in-charge. Neither any case for extension in time limit was processed nor penalty was imposed on the contractors on account of delay. This resulted in non-recovery 10% penalty amounting Rs 2.627million besides delaying the desired benefits to the general public due to non-completion of the schemes within the stipulated period as detailed at **Annexure-L**.

Audit held that expenditure was incurred in violation of rules due to weak internal control.

It resulted into irregular expenditure of Rs 2.627 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of penalty under intimation to Audit.

[AIR Para No.16, 20]

1.6.2.8 Less-deduction of Income Tax Rs 1.168 million

According to Section-153(1)(c) of Income Tax ordinance 2001, withholding income tax @ 10% incase of non-active taxpayer and @ 7.5% in case of active taxpayer on gross amount of payment at the time of payment should be deducted as withholding income tax.

TO (I&S), TMA Wazirabad District Gujranwala deducted income tax @7% or 7.5% as withholding tax from non filer contractors instead of @ 10%. This resulted in less deduction of income tax amounting to Rs 1.168 million.

Financial Year	No. of schemes	Total Amount (Rs)	Income Tax deducted @ 7.5% (Rs)	Income Tax to be deducted @ 10% (Rs)	Less deduction of Income Tax (Rs)
2015-16	62	46.72	3.504	4.672	1.168

Audit is of the view that due to non compliance of rules and dereliction on the part of the financial management, less amount of income tax was deducted from non filers.

It resulted into loss of Rs.1.168 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of penalty under intimation to Audit.

[AIR Para No.30]

1.6.2.9 Overpayment to the contractor Rs 1.06 million

Every DDO signing and authorizing payment of salaries, bonus, contingent and work bills etc shall be personally responsible for any erroneous payment and claim of bill according to Rule 29 of PLG (Account) Rules, 2001. Further, Payment for all work done should be made on the basis of measurement recorded in M.B in accordance with the work actually done at site, measured in person by the S.D.O and he will be responsible for the general correctness of the bill as a whole according to Para 127 (6) and 129 (i) of PWD Code.

Audit of TMA Wazirabad District Gujranwala revealed that TO (I&S) awarded scheme, Lifting / Shifting Garbage and Cleaning of Nallah Model Colony Palkhu Nallah and Nallah Sohdra to M/s Abdullah Hameed during the Financial Year 2015-16. The contractor executed an item Earth Work Excavation in ashes sand and soft soil or silt clearance at site after preparation of rate analysis. However an item Extra for Slush or Daldal i/c Dewatering was included in rate analysis which was not admissible.

Description	Rate	Qty.	Amount (Rs)
Extra for slush or daldal i/c dewatering	Rs3970.55 /cft	268204 Cft	1,064,917

Audit held that due to weak internal controls, overpayment was made to the contractor on account of Extra for slush or daldal i/c dewatering.

It resulted into loss of Rs.1.064 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility, besides recovery of penalty under intimation to Audit.

[AIR Para No.21]

1.7.1 TMA NOSHERA VIRKAN

1.7.1 Internal Control Weakness

1.7.1.1 Irregular expenditure on M&R of Roads - Rs 1.44 million

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

Audit of TMA Noshera Virkan for the period 2015-16, revealed that a sum of Rs 1,442,716 was incurred on account of maintenance & repair of roads but the following observations were noticed:

- i. M&R register was not maintained.
- ii. Vouched accounts for the same were not maintained.

Audit held that due to weak internal controls the related accounts record was not maintained.

It resulted into irregular expenditure of Rs 1.44 million.

The observation was discussed with the management but no reply was submitted. Afterwards, the matter was also reported to the TMO/PAO in March, 2017 but neither reply was submitted nor was DAC meeting convened till finalization of this Report.

Audit recommends fixing of responsibility against the person at fault for non-maintenance of accounts record under intimation to Audit.

[AIR Para No.17]

ANNEXURES

PART-I

**Memorandum for Departmental Accounts Committee
Paras Pertaining to Current Audit Year 2015-16**

Sr. #	Formation	AIR Para No.	Description of Paras	Nature of Paras	Amount (in Rs)
1.	TMA Khiali Shah Pur Town	01	Un- authentic Govt. receipt of due to non conduction of survey of manufacturer, vendor and trader	Inter Control Weaknesses	3,767,800
2.		02	Irregular provision of block allocation	Inter Control Weaknesses	140.600 M
3.		03	Less Collection of Receipt Targets	Inter Control Weaknesses	4121572
4.		06	Mis Interpretation of Receipt figure in income statement the difference thereof	Inter Control Weaknesses	1,245,400
5.		07	Non realization of License Fee	Inter Control Weaknesses	485,000
6.		09	Short Realization of Rent of Shops and Income Tax	Irregular/Non-compliance	621,738
7.		11	Non-recovery of liquidated damages due to delay in completion of work –	Inter Control Weaknesses	534,840
8.		13	Non deduction of Shrinkage on earth work	Irregular/Non-compliance	399,620
9.		14	Recovery on account of non-deduction of brick rate due to using bricks of less measurement and less PSI Rs 49,045	Irregular/Non-compliance	49,045
10.		16	Less deduction of Income Tax	Irregular/Non-compliance	493,958
11.		17	Loss to the Govt. due to less recovery of income tax Rs. 43,572	Inter Control Weaknesses	43,572
12.		18	Unauthorized & Overpayment for removal of Malba Rs 52,321	Irregular/Non-compliance	52,321
13.		19	Unauthorized expenditure on TA/DA Charges to Legal Advisor Recovery Thereof -Rs 360,000	Irregular/Non-compliance	360,000
14.		21	Doubtful payment on repair of transport Rs 711,090	Irregular/Non-compliance	711,090
15.		22	Over Payment of Conveyance allowance	Irregular/Non-compliance	----
16.	TMA Nandi PUr Town	01	Non-reconciliation of receipts and expenditure	Irregular/Non-compliance	458.299 million
17.		02	Unauthorized payments in cash Rs1.885 million	Irregular/Non-compliance	1.885 MILLION

Sr. #	Formation	AIR Para No.	Description of Paras	Nature of Paras	Amount (in Rs)
18.		04	Doubtful retention of Rs2.718 million in the DDOs Accounts	Irregular/Non-compliance	2.718
19.		06	Irregular expenditure on repair of vehicle	Inter Control Weaknesses	228,230
20.		07	Unauthorized expenditure on purchase of Magazines	Inter Control Weaknesses	48600
21.		08	Un-authorized expenditure on POL Rs194642 and repair Rs32838 due to unjustified allotment of vehicle	Irregular/ Non-compliance	194,642
22.		09	Un-authorized use of air conditioner-loss to govt. Rs.105,000	Irregular/Non-compliance	105,000
23.		10	Doubtful expenditure of Rs572,453 due to unauthorized use of vehicle andPOL	Irregular/Non-compliance	572,453
24.		11	Non-collection of fee on account of installation of BTS Towers Rs 3.00 million	Internal Control Weakness	3.00 Million
25.		12	Irregular expenditure on Jashn-e-Baharan Rs867,787	Irregular/Non-compliance	867,787
26.		13	Doubtful expenditure on Cricket match	Irregular/Non-compliance	150,000
27.		14	Irregular expenditure on Tentage Rs70100	Irregular/Non-compliance	70,100
28.					
29.		18	Unjustified drawl of POL and repair Rs374556 and poor performance of TO (Regulation)	Inter Control Weaknesses	374,556
30.		21	Loss to Govt. due to Non-collection of arrears of cycle stand contract	Inter Control Weaknesses	694,815
31.		23	Irregular payment of Rs819000 and overpayment of Rs118233	Inter Control Weaknesses	819,000
32.		24	Irregular expenditure on earth filling Rs154335	Irregular/Non-compliance	154,335
33.		26	Irregular payment of Rs383110 without approval of non schedule items	Inter Control Weaknesses	383,110
34.		27	Irregular payment	Inter Control Weaknesses	74,665
35.		28	Irregular payment	Inter Control Weaknesses	195,816
36.	TMA Aroop Town	03	Wasteful expenditure on development Schemes	Irregular/Non-compliance	10.45
37.		04	Unjustified drawl of House Rent Allowance	Inter Control Weaknesses	97,504
38.		05	Unjustified drawl of House rent allowance worth Rs.106,272	Irregular/Non-compliance	106,272
39.		07	Wasteful expenditure on development Scheme Rs.511,692	Irregular/Non-compliance	511,692

Sr. #	Formation	AIR Para No.	Description of Paras	Nature of Paras	Amount (in Rs)
40.		08	Unjustified drawal of House Rent Allowance	Irregular/Non-compliance	110,000
41.		09	Unjustified of Payment of Pay and Allowances worth		1.44
42.		10	Unjustified expenditure of worth	Inter Control Weaknesses	245,413
43.		11	Unjustified drawl of Conveyance allowance worth Rs.120,000	Irregular/Non-compliance	120,000
44.		12	Irregular Repair of Vehicle worth	Irregular/Non-compliance	91,618
45.		13	Unauthorized expenditure Law Charges to Legal Advisor Recovery Thereof –Rs.540,000	Irregular/Non-compliance	540,000
46.		14	Non recovery of performance Securities	Irregular/Non-compliance	285,345
47.		15	Non Approval of Lead Chart by the Competent Authority for Earth work	Inter Control Weaknesses	782,728
48.		16	Irregular expenditure on purchase of Dewatering Sets	Irregular/Non-compliance	444,000
49.		17	Non-deduction of shrinkage on earth work	Irregular/Non-compliance	19,303
50.		18	Less deduction of Income Tax	Irregular/Non-compliance	360,726
51.		19	Irregular enhancement / revision of Work	Irregular/Non-compliance	209,496
52.		20	Irregular provision of block allocation Rs.115.88 million	Irregular/Non-compliance	115.88
53.		21	Unjustified expenditure on hire of generators worth Rs.94,000	Irregular/Non-compliance	94,000
54.		22	Unauthorized execution of Development schemes – Rs51.9860 millio	Irregular/Non-compliance	51.986
55.		28	Un authorized drawl of POL		124,100
56.		01	Non recovery of Rent of Shops	Irregular/Non-compliance	217,490
57.		02	Non imposition of penalty	Non-deduction of Harrow Sand	590,000
58.		04	Irregular expenditure	Inter Control Weaknesses	120,000
59.		05	Irregular expenditure	Irregular/Non-compliance	197,450
60.		07	Non recovery of water rate	Internal Control Weaknesses	186,093
61.	TMA Kamonke	08	Unauthorized Expenditure by Splitting	Irregular/Non-compliance	158,400
62.		09	Excess payment of quantity executed over and above estimate quantities	Internal Control Weaknesses	34,042
63.		10	Excess payment of quantity executed over and above estimate quantities	Internal Control Weaknesses	18,165
64.		11	Overpayment to the contractor amounting	Internal Control Weaknesses	33,424

Sr. #	Formation	AIR Para No.	Description of Paras	Nature of Paras	Amount (in Rs)
65		12	Unauthorized repair of vehicle	Irregular/Non-compliance	149,050
66		13	Overpayment due non approval of lead char	Irregular/Non-compliance	451,533
67		14	Non conduction of post completion evaluation of building plans resulted loss of Govt. Revenues	Internal Control Weaknesses	35,500
68	TMA Wazirabad	01	Overpayment to the Contractor Amounting	Irregular/Non-compliance	157,728
69		02	Excess payment of quantity executed over and above estimate quantities	Internal Control Weaknesses	470,752
70		03	Overpayment to the Contractor Amounting	Internal Control Weaknesses	81,419
71		04	Unjustified payment	Irregular/Non-compliance	144,275
72.		06	Overpayment due non approval of lead chart	Internal Control Weaknesses	428,677
73.		09	Non recovery of composition charges Rs160,000	Irregular/Non-compliance	160,000
74.		10	Non conduction of post completion evaluation of building plans resulted loss of Govt. Revenues	Irregular/Non-compliance	74,500
75.		11	Unauthorized expenditure on account of tuff tiles	Internal Control Weaknesses	263,363
76.		12	Unjustified payment	Irregular/Non-compliance	718,665
77.		13	Unauthorized Expenditure Rs339,450	Internal Control Weaknesses	339,450
78.		14	Unauthorized Expenditure	Irregular/Non-compliance	445,980
79.		23	Excess payment of	Irregular/Non-compliance	818,441
80.		24	Overpayment of Rs203,091 due non approval of lead chart	Non compliance of Ruels	203,091
81.		25	Unauthorized Expenditure	Irregular/Non-compliance	152,726
82.		27	Non approval of building plans	Irregular/Non-compliance	----
83.		29	Unauthorized expenditure on account of street light	Irregular/Non-compliance	1.10 million
84.		31	Unauthorized Repair of Vehicle	Irregular/Non-compliance	129,551
85.	32	Unauthorized Consumption of POL amounting	Irregular/Non-compliance	4.14 million	
86.	33	Drawl of POL without Maintenance of Log Books	Internal Control Weaknesses	3.315 million	
87.	35	Doubtful Deposit of Gattar Fee	Irregular/Non-compliance	1.607	
88.	36	Doubtful Deposit of Building Plan, Conversion Fee	Internal Control Weaknesses	4.326 million	
89.	38	Loss of Govt. Revenues	Irregular/Non-compliance	595,841	
90.	39	Drawl of POL without Maintenance of Log Books	Irregular/Non-compliance	828,023	

Sr. #	Formation	AIR Para No.	Description of Paras	Nature of Paras	Amount (in Rs)
91.	TMA Noshera Virkan	1	Non Transparent Process of Fee for Approval of building / Construction plans	Non compliance of Ruels	----
92.		02	Non-recovery of liquidated damages due to delay in completion of work	Internal Control Weaknesses	199,600
93.		03	Non-deduction of shrinkage on earth work	Internal Control Weaknesses	66,939
94.		04	Non recovery due to de-escalation of diesel	Irregular/Non-compliance	49,038
95.		05	Non Approval of Lead Chart by the Competent Authority for Earth work	Internal Control Weaknesses	669,390
96.		06	Irregular expenditure on purchase of Electronic Rate Board for Ramzan Bazar	Irregular/Non-compliance	210,000
97.		07	Irregular expenditure on purchase of LCDs for Ramzan Bazar	Irregular/Non-compliance	282,000
98.		08	Irregular expenditure on movie making charges	Non compliance of Ruels	228,000
99.		09	Irregular expenditure on CCTV Cameras	Internal Control Weaknesses	194,250
100.		10	Irregular expenditure due to misclassification	Irregular/Non-compliance	293,600
101.		11	Irregular expenditure out of A13101 R&M Machinery due to misclassification	Internal Control Weaknesses	101,360
102.		12	Irregular expenditure out of A09602 Purchase of Plant & Machinery due to misclassification	Irregular/Non-compliance	669,600
103.		13	Irregular expenditure on repair of tractor	Irregular/Non-compliance	55,580
104.		14	Unauthorized Repair of Transformers	Non compliance of Ruels	50,900
105.		15	Irregular provision of block allocation	Internal Control Weaknesses	52.102 million
106.		16	Doubtful expenditure on ramzan bazaar	Internal Control Weaknesses	588,441
107.		18	Non preparation of Annual Accounts and non preparation of monthly expenditure/receipt statement	Irregular/Non-compliance	----
108.		19	Non appointment of Internal Auditor	Internal Control Weaknesses	----

PART-II

**Memorandum for Departmental Accounts Committee
Paras Pertaining to previous Audit Year 2014-15**

Sr. #	Formation	AIR Para #	Description of Paras	Amount (Rs)	Nature of Paras
65.	TMA, Aroop Town	01	Less Collection of Receipts Targets	3,143,000	Inter Control Weaknesses
66.		05	Unjustified drawl of HRA and Conveyance Allowance -	106,326	Inter Control Weaknesses
67.		06	Un-authentic Govt. receipt due to non-conduct of survey of manufacturer, vendor and trader .	1,927,000	Irregular/Non-compliance
68.		08	Non-cooperation and non-production of records.	0	Inter Control Weaknesses
69.		09	Overpayment of and undue favor-	156,979	Irregular/Non-compliance
70.		10	Loss to Government -	74,565	Irregular/Non-compliance
71.		11	Irregular expenditure –	828,000	Irregular/Non-compliance
72.		12	Irregular payment (s)	246,829	Inter Control Weaknesses
73.		13	Irregular payment without rate analysis -	126,446	Irregular/Non-compliance
74.		15	Doubtful payment	427,150	Irregular/Non-compliance
75.		17	Irregular acceptance of single tender -	989,000	Irregular/Non-compliance
76.		18	Wasteful expenditure -	184,455	Irregular/Non-compliance
77.		20	Unjustified drawl of POL and repair -	512,393	Inter Control Weaknesses
78.		23	Irregular expenditure on purchase of manhole covers -	273,278	Irregular/Non-compliance
79.		24	Irregular expenditure on account tent-age supplies -	6,297,000	Inter Control Weaknesses
80.	TMA, Kamoki	02	Overpayment due to non deduction -	556,957	Inter Control Weaknesses
81.		03	Overpayment due to non-approval of lead chart	548,125	Inter Control Weaknesses
82.		04	Doubtful purchaseon various items / materials	381,657	Irregular/ Non-compliance
83.		05	Unjustified payment	369,000	Irregular/Non-compliance
84.		06	Non-recovery of water rate charges from defaulters	336,882	Irregular/Non-compliance
85.		07	Doubtful purchase of materialfor	293,900	Irregular/Non-

Sr. #	Formation	AIR Para #	Description of Paras	Amount (Rs)	Nature of Paras
			Sasta Bazar		compliance
86.		08	Irregular expenditure on Sasta Bazar	293,900	Irregular/Non-compliance
87.		09	Overpayment due to non-approval of lead chart	256,749	Irregular/Non-compliance
88.		10	Doubtful expenditure on advertisement -	134,300	Inter Control Weaknesses
89.		11	Doubtful expenditure on advertisement items -	60,400	Inter Control Weaknesses
90.		03	Irregular expenditure on Youth Festival -	749,800	Irregular/Non-compliance
91.		06	Doubtful expenditure on Sports Items -	592,050	Inter Control Weaknesses
92.		07	Wasteful expenditure on account of plants -	447,360	Irregular/Non-compliance
93.		09	Undue favor to contractor	372,900	Irregular/Non-compliance
94.		10	Wasteful expenditure on account of PCC (1:2:4)	347,992	Irregular/Non-compliance
95.		11	Overpayment due to charging of excess rate	268,035	Irregular/Non-compliance
96.		08	Unjustified late transfer of balance income tax	404,487	Internal Control Weaknesses
97.		12	Balance in DDO Bank Account -	257,501	Irregular/Non-compliance
98.		14	Unjustified late transfer of Income Tax to FBR -	183,000	Irregular/Non-compliance
99.		13	Unjustified payment -	250,000	Irregular/Non-compliance
100.		15	Doubtful expenditure on Sports Festival -	151,625	Irregular/Non-compliance
101.	TMA, Khiali Shah Pur	16	Overpayment due to non approval of lead chart -	149,677	Internal Control Weaknesses
102.		17	Excess payment of quantity executed over and above estimate quantities --	145,007	Internal Control Weaknesses
103.		18	Unjustified payment to Enforcement Inspector -	137,125	Irregular/Non-compliance
104.		19	Unauthorized expenditure on removal of excavated earth lead upto 2 mile -	125,438	Irregular/Non-compliance
105.		20	Irregular expenditure on repair of various items -	108,505	Irregular/Non-compliance
106.		21	Non- recovery of penalty -	100,000	Irregular/Non-compliance
107.		22	Undue favor to contractor -	100,000	Irregular/Non-compliance

Sr. #	Formation	AIR Para #	Description of Paras	Amount (Rs)	Nature of Paras
108		23	Non-adjustment of temporary advances -	100,000	Irregular/Non-compliance
109		24	Doubtful expenditure on flex, sign board, banners / advertisement -	94,500	Irregular/Non-compliance
110		25	Doubtful Payment on various Purchases -	73,850	Irregular/Non-compliance
111		26	Expenditure on purchases	44,995	Irregular/Non-compliance
112	TMA, Nowshera Virkan	01	Non-deduction of Harrow Sand	200,680	Irregular/Non-compliance
113		02	Non-deduction of Shrinkage charges	220,677	Non-deduction of Harrow Sand
114		04	Doubtful expenditure on purchase of plants -	99,250	Inter Control Weaknesses
115		05	Irregular expenditure on purchase Hand Trolleys - Rs.105,000	105,000	Irregular/Non-compliance
116		06	Irregular expenditure on repair - Rs.39,650	39,650	Internal Control Weaknesses
117		09	Irregular expenditure on Kerry	96,000	Irregular/Non-compliance
118		10	Less recovery of receipts	322,844	Internal Control Weaknesses
119		13	Un-authentic Govt. receipt due to non-conduction of survey of manufacturer, vendor and trader -	200,000	Irregular/Non-compliance
120		14	Loss to Government	200,000	Irregular/Non-compliance
121		15	Non-auction of removed material	50,000	Irregular/Non-compliance
122	TMA, Wazirabad	02	Excess payment earth filling	111,135	Internal Control Weaknesses
58		03	Irregular generation of liabilities Rs30.923 million	30,923,000	Internal Control Weaknesses
59		04	Doubtful expenditure	382,521	Irregular/Non-compliance
60		05	Doubtful expenditure	94,948	Irregular/Non-compliance
61		06	Doubtful expenditure on repair of transformers	263,600	Internal Control Weaknesses
62		07	Loss to Government		Irregular/Non-compliance
63		09	Irregular payment of Advertisement Expenditure	48,946	Internal Control Weaknesses
64		10	Loss to government due to less recovery of Lease	35,880	Internal Control Weaknesses
65		11	Less transfer of NADRA share -	60,758	Irregular/Non-compliance

Annexure-B

**TMA of Gujranwala District
Budget and Expenditure Financial Year 2015-16**

1. TMA, Khiali Shah Pur Town(Rs in millions)

Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	127.09	108.16	-18.930	-15%	-
Non Salary	83.38	32.43	-50.950	-61%	-
Development	282.3	96.36	-185.940	-66%	-
Total	492.77	237	(256)	-52%	-

2. TMA, Nandi Pur Town (Rs in millions)

Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	85	57.583	-27.417	-32%	-
Non Salary	65	47.325	-17.675	-27%	-
Development	110	91.785	-18.215	-17%	-
Total	260.00	197	(63)	-24%	-

3. TMA, Aroop Town (Rs in millions)

Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	120	104.496	-15.504	-13%	-
Non Salary	93.033	74.64	-18.393	-20%	-
Development	135	119.424	-15.576	-12%	-
Total	348.03	298.56	-49.473	-14%	-

4. TMA, Kamonke (Rs in millions)

Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	103	82.332	-20.668	-20%	-
Non Salary	56.76	44.9082	-11.852	-21%	-
Development	18.122	22.4541	4.332	24%	-
Total	164.183	149.694	-28.188	-17%	-

5. TMA, Wazirabad(Rs in millions)

Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	187.052	124.05	-63.002	-34%	-
Non Salary	100.721	86.835	-13.886	-14%	-
Development	78.188	37.215	-40.973	-52%	-
Total	290.700	248.100	-117.861	-41%	-

6. TMA, Noshera Virkan(Rs. in millions)

Head	Budget	Expenditure	Excess / Savings	%age	Comments
Salary	37.5	37.466	-0.034	0%	-
Non Salary	27	26.4	-0.600	-2%	-
Development	76.926	70.002	-6.924	-9%	-
Total	141	134	-7.558	-5%	-

Grand Total	1,786.072	1,263.865	-522.207	29%	-
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Annexure-C**Para 1.2.2.3**

Name of Scheme	Contractor	Description	Amount (Rs)
Construction of Street Jamia Masjid Fatima wali Hashmi Colony	M.Afza	Earth filling with lead	44071
Construction of PCC Street & Drain Malkan Wali Malik Sadique Wali Atava	Noman Raza	Earth filling with lead	44696
Construction of PCC Street & Drain Bilal Sindho goshi wali Aamnabad more	M. Imran	Earth filling with lead	38292
Construction of PCC Street Bazar Ghulam Rasool Gali yousaf wali	Jamil Ali	Earth filling with lead	65012
Construction of PCC Street & drain gali no.1 raheem park	M.Asif khan	Earth filling with lead	139623
Construction of PCC Street & drain Moza Khowsra	M.Nawaz	Earth filling with lead	2030441
Construction of PCC Street & drain main bazar mukthar colony	Umair Construction & b	Earth filling with lead	114866
Construction of street noor town	Umair Construction & bui	Earth filling with lead	106033
Construction of street mohala muhammad pura more aimnabad	Musa Traders	Earth filling with lead	96559
Construction of street no.1 Sadique colony	Saltanat colony	Earth filling with lead	59649
Construction of street no. 6 madina colony	B.F Enterprises	Earth filling with lead	33919
Construction of PCC Street & drain at village sanay wala	M.Afzal	Earth filling with lead	49343
Construction of PCC Street & drain umer colony	M.Waqas	Earth filling with lead	63290
Construction of PCC Street & drain village kot shara	Musa traders	Earth filling with lead	43310
Construction of PCC Street & drain baba dhillo wala abbas	Musa traders	Earth filling with lead	160842
Construction of PCC Street & drain saleem malik wali nosheran road	Imran yousaf	Earth filling with lead	21625
Construction of PCCstreet no 2 noor town	M.S trader	Earth filling with lead	154757
TOTAL			3,266,328

Annexure-D**Para 1.2.2.2****Non recovery of Performance Securities for Rs.5.67 Million**

Name of Scheme	Contractor	Work Order	Date	Below %	Amount of Agreement	Performance Security (Rs)
tender date 17-03-2016	Rana M.You	3	21-01-16	21.75	2000000	435000
tender date 17-03-2016	M.S Trader	1	21-01-16	18.23	3000000	546900
tender date 09-03-2016	Amir Shahza	2	21-01-16	22.25	900000	200250
tender date 09-03-2016	Amir Enterp	1	21-01-16	22.09	1000000	220900
Construction of PCC Street arshad answari wali check post bazaar	Naeem Javeed	2	11-02-15	15.35	775000	118963
Construction of PCC Street near masjid hashmicolony near muslim nala	M. Munir	3	11-02-15	21.1	1000000	211000
Construction of PCC Street	United Eng.	5	11-02-15	18.5	700000	129500
Construction of PCC Street 12-A	Zia Ur Rehm	6	11-02-15	18.5	625000	115625
Construction of PCC Street ghulam abass gali No.9, Asghar colony	Naeem Javeed	8	11-02-15	15.2	635000	96520
Construction of PCC Street abadi sundar s	Naeem Jave	10	11-02-15	15.1	800000	120800
Construction of PCC Street Ajmal town Noshran Sanasi	Naeem Javeed	11	11-02-15	16.25	750000	121875
Construction of PCC Street hashmi colony	Tariq Mehm	13	11-02-15	19	1200000	228000
Construction of PCC Street Bazar No.2 Karma bad	Tariq Mehmood	14	11-02-15	19.85	3800000	754300
Construction of PCC Street ahmad shah wal I qila nohad singh	M.Asif Khan	17	11-02-15	22.05	3240000	714420
Construction of PCC Street Moza Khowas	M.Nawaz	19	11-02-15	16.85	1500000	252750
Construction of PCC Street & drain Village Dhariwan	M. Afzal	46	11-02-15	26	1000000	260000
Construction of street mohala muhammad pura more aimnabad	Musa Traders	66	11-02-15	20	1000000	200000
Construction of dera tabu wala	Rana M. Waqas	35	11-02-15	10.9	1000000	109000
Construction of street no. 6 madina colony	B.F Enterprises	44	11-02-15	7	823000	57610
Construction of PCC Street & drain at village sanay wala	M.Afzal	34	11-02-15	28	530000	148400

Name of Scheme	Contractor	Work Order	Date	Below %	Amount of Agreement	Performance Security (Rs)
Construction of PCC Street & drain village kot shara	Musa traders	69	11-02-15	20	1100000	220000
Construction of PCC Street & drain baba dhillo wala abbas	Musa traders	68	11-02-15	21.29	1300000	276770
Construction of PCCstreet no 2 noor town	M.S trader	65	11-02-15	15.26	880000	134288
			Total			5672871

Annexure-E

1.2.3.3

Non realization of NOC fee from various traders of Rs.1.082

Description	Particulars	Amount
Hassan Industry electroplating	Sr No 2 of collection Register 2015-16	50000
Crescent sanitary Industry	Sr No 131 of collection Register 2015-16	50000
Ghulam Qadir electroplating	Sr No132 of collection Register 2015-16	50000
Adsole Sanitary fitting	Sr No 141 of collection Register 2015-16	50000
Mehmood electoplatin	Sr No145 of collection Register 2015-16	50000
Nawab Geezer Tanki	Sr No139of collection Register 2015-16	50000
Shoukat Soap Factory	Sr No60of collection Register 2015-16	50000
Supper Asia Muhammad Din	Sr No27 of collection Register 2015-16	50000
Citizen Electrical	Sr No81of collection Register 2015-16	50000
Citizen Plastic	Sr No 82of collection Register 2015-16	50000
New Shaheen Flour Mills	Sr No 06of collection Register 2015-16	70000
Hameed Daal Mills	Sr No 72of collection Register 2015-16	15000
Kashif Daal Mills	Sr No 148 of collection Register 2015-16	15000
Haji Muhammad Ramzan Proteen	Sr No 77 of collection Register 2015-16	20000
Hunza Ghee Mills	Sr No 18of collection Register 2015-16	50000
Shukat Ghee Oil Factory	Sr No 61of collection Register 2015-16	50000
Bismillah Sri Pai	Sr No 26 of collection Register 2015-16	70000
Real State Resturent	Sr No 59 of collection Register 2015-16	70000
Sunny Pack Resturent	Sr No 87of collection Register 2015-16	70000
Haji Arshad Tenery	Sr No 69of collection Register 2015-16	72000
Siakot Sweets	Sr No 157of collection Register 2015-16	15000
Shaheen Industry Electroplating	Sr No118 of collection Register 2015-16	50000
National Foods Limited	Sr No of collection Register 2015-16	15000
	TOTAL	1,082,000

Annexure-F

1.3.2.1

Unauthorized expenditure on non-scheduled item - Rs5.336 million

Sr. No.	Name of scheme	Contractor	work order no.	dated	Bill No.	Item	Rate Paid	Quantity	Amount (Rs)
1	Horticulture work under Flyover GT Road Gujranwala	Qurban ALi	447/TO (I&S)	21.9.13	2nd running bill	fycus hawai 18"	1490	150	223500
2						U. forbia 14"	245	1625	398125
3						Dry seena red 10"	78	1000	78000
4						Foar caria 18"	1950	70	136500
5						Raveena Palm 18"	1480	150	222000
6						Silver gamla	19.5	5450	106275
7						golden dranta	19.5	20000	390000
8						Sufaid Iris	38	20000	760000
9	Improvement of green belts opposite Iqbal High School Sheranwala Bagh GT Road	Qurban Ali	455 / TO (I&S)	22.11.13	Ist and final bill	Kono corpus 14"	300	560	168000
10						Pilkon 18"	1250	20	25000
11						Fonax palm 18"	980	100	98000
12						Fycus hawai, golden, black 18"	1450	50	72500
13						Lajistonia 14"	300	50	15000
14						Habiscus 14"	300	50	15000
15						Foar caria 18"	1950	15	29250
16						Marry Gold 10"	50	1500	75000
17						U. forbia 10"	100	500	50000
18	Plantation/ Horticulture work in flowers beds under flyover GT road Gujranwala	Qurban Ali	449/TO (I&S)	25.9.13	Ist and final bill	Fycus golden 18"	1480	51	75480
19						marva 10"	38	2754	104652

Sr. No.	Name of scheme	Contractor	work order no.	dated	Bill No.	Item	Rate Paid	Quantity	Amount (Rs)
20						Fonix Palm 18"	980	51	49980
21						Iris White	38	2754	104652
22						Fycus Black 18"	1480	51	75480
23						Clorofantum 10"	38	2754	104652
24						Fycus Hawaii	1480	51	75480
25						Dry seena red 10"	78	2754	214812
26	Plantation/ Horticulture work in flowers beds under flyover GT road Gujranwala	Qurban ALi	579 / TO (I&S)	5.4.14	Ist and final bill	Fycus golden 18"	1480	25	37000
27						marva 10"	38	1332	50616
28						Fonix Palm 18"	980	25	24500
29						Iris White	38	1332	50616
30						Fycus Black 18"	1480	25	37000
31						Clorofantum 10"	38	1332	50616
32						Fycus Hawaii	1480	25	37000
33						Dry seena red 10"	78	1332	103896
34	Improvement of green belts Adda Younas Pehlwan GT Road Gujranwala	Qurban ALi	580 / TO (I&S)	5.4.14	Ist and final bill	Kono corpus 14"	300	250	75000
35						Habiscus 14"	300	25	7500
36						Lajistonia 14"	300	25	7500
37						bottle brush dwarf	300	75	22500
38						yoka	300	100	30000
39						china Rose	100	950	95000
40						Fonix Palm 18"	980	25	24500
41						koronda dwarf	98	80	7840
42						Sumbhalo	100	200	20000
43	Beautification of Flyover GT Road Gujranwala	Qurban ALi	581/ TO (I&S)	5.4.14	Ist and final bill	Sangonium	100	500	50000
44						Sapura Grass	100	1000	100000

Sr. No .	Name of scheme	Contractor	work order no.	dated	Bill No.	Item	Rate Paid	Quantity	Amount (Rs)
45						Amarcan Daisy	100	150	15000
46						Ninthra	10	1000	10000
47						Faran Double	100	400	40000
48						Bambay craper	100	40	4000
49	Improvement of horticulture work Gondlanwala GT Road Gujranwala	Qurban ALi	582 / TO (I&S)	5.4.14	Ist and final bill	U. forbia 10"	100	1390	139000
50						marva 10"	38	1000	38000
51						Fycus Hawai golden	100	2000	200000
52						Aso caria	80	1000	80000
53						Gardenia	60	200	12000
54						Dranta Golden	19	500	9500
55	Mazeed plantation of green belts under flyover GT road	Qurban Ali	578/ TO (I&S)	5.4.14	Ist and final bill	Day senia Margenta 10"	78	500	39000
56						Uni per veri gatled 14"	245	500	122500
57						Khena Double 10"	60	200	12000
58						Mala Looka 14"	575	20	11500
59						Sapara grass 10"	100	200	20000
60						Chnadni Marble 14"	295	200	59000
61						Golden fycus 10"	100	200	20000
62						Goandinia verigatl 10"	46	140	6440
63									533636 2

Annexure-G

1.3.2.3

Doubtful expenditure of Rs.1.162 million on account of POL

Cheque No.	Dated	Contractor	Description	Amount (Rs)
79218889	22.8.13	M/s Younas & Co.	POL GAX-335	27102
79853314	24.9.13	M/s Younas & Co.	POL GAX-335	28522
79853343	31.10.13	M/s Younas & Co.	POL GAX-335	27300
79853376	26.11.13	M/s Younas & Co.	POL GAX-335	27907
130553604	31.12.13	M/s Younas & Co.	POL GAX-335	27172
130553621	7.1.14	M/s Younas & Co.	POL GAX-335	121670
130553627	24.1.14	M/s Younas & Co.	POL GAX-335	34700
130553656	19.2.14	M/s Younas & Co.	POL GAX-335	32760
130553674	1.4.14	M/s Younas & Co.	POL GAX-335	28372
131570004	2.5.14	M/s Younas & Co.	POL GAX-335	29727
131570024	27.5.14	M/s Younas & Co.	POL GAX-335	32167
131570038	19.6.14	M/s Younas & Co.	POL GAX-335	9665
131570045	2.7.14	M/s Younas & Co.	POL GAX-335	27981
131570097	10.9.14	M/s Younas & Co.	POL GAX-335	96216
1303017806	2.9.14	M/s Younas & Co.	POL GAX-335	39019
1303017850	21.11.14	M/s Younas & Co.	POL GAX-335	32250
1303017878	2.12.14	M/s Younas & Co.	POL GAX-335	38300
1303017898	12.1.15	M/s Younas & Co.	POL GAX-335	42127
1304265040	7.3.15	M/s Younas & Co.	POL GAX-335	22390
1304265051	21.3.15	M/s Younas & Co.	POL GAX-335	32208
1304265074	10.4.15	M/s Younas & Co.	POL GAX-335	19348
1304265082	30.4.15	M/s Younas & Co.	POL GAX-335	13793
1305469209	29.5.15	M/s Younas & Co.	POL GAX-335	20504
1305469233	11.6.15	M/s Younas & Co.	POL GAX-335	42062
1305469254	29.6.15	M/s Younas & Co.	POL GAX-335	34063
1305469291	28.8.15	M/s Younas & Co.	POL GAX-335	12707
1305469294	3.9.15	M/s Younas & Co.	POL GAX-335	18224
1306408744	28.10.15	M/s Younas & Co.	POL GAX-335	22559
1306408768	13.11.15	M/s Younas & Co.	POL GAX-335	51127
1306408788	17.12.15	M/s Younas & Co.	POL GAX-335	22207
1307154111	18.1.16	M/s Younas & Co.	POL GAX-335	32710
1307154134	15.2.16	M/s Younas & Co.	POL GAX-335	26838
1307154185	20.4.16	M/s Younas & Co.	POL GAX-335	24145
1308264401	12.5.16	M/s Younas & Co.	POL GAX-335	26182
1308264414	24.5.16	M/s Younas & Co.	POL GAX-335	20957
1308264440	21.6.16	M/s Younas & Co.	POL GAX-335	17377
				1162358

Annexure-H

1.3.3.3

Overpayment due to purchase of plants at exorbitant rates Rs1.612 million

Name of scheme	Contract or	work order no.	dated	Bill No.	Item	Rate Paid	Rate to be paid	Excess paid	Quantity	Recovery (Rs)
Horticulture work under Flyover GT Road Gujranwala	Qurban ALi	447/TO (I&S)	21.9.13	2nd running bill	fycus hawai 18"	1490	1200	290	150	43500
					U. forbia 14"	245	80	165	1625	268125
					Raveena Palm 18"	1480	450	1030	150	154500
					golden dranta	19.5	5	14.5	20000	290000
Improvement of green belts opposite Iqbal High School Sheranwala Bagh GT Road	Qurban Ali	455 / TO (I&S)	22.11.13	Ist and final bill	Kono corpus 14"	300	80	220	560	123200
					Pilkon 18"	1250	1000	250	20	5000
					Fycus hawai, golden, black 18"	1450	800	650	50	32500
					Lajistonia 14"	300	150	150	50	7500
					Habiscus 14"	300	100	200	50	10000
					U. forbia 10"	100	50	50	500	25000
					Plantation/ Horticulture work in flowers beds under flyover GT road Gujranwala	Qurban Ali	449/TO (I&S)	25.9.13	Ist and final bill	Fycus golden 18"
Fycus Black 18"	1480	800	680	51						34680

Name of scheme	Contract or	work order no.	dated	Bill No.	Item	Rate Paid	Rate to be paid	Excess paid	Quantity	Recovery (Rs)
					Clorofantum 10"	38	30	8	2754	22032
					Fycus Hawai	1480	1200	280	51	14280
Plantation/Horticulture work in flowers beds under flyover GT road Gujranwala	Qurban ALi	579 / TO (I&S)	5.4.14	Ist and final bill	Fycus golden 18"	1480	800	680	25	17000
					Fycus Black 18"	1480	800	680	25	17000
					Clorofantum 10"	38	30	8	1332	10656
					Fycus Hawai	1480	1200	280	25	7000
Improvement of green belts Adda Younas Pehlwan GT Road Gujranwala	Qurban ALi	580 / TO (I&S)	5.4.14	Ist and final bill	Kono corpus 14"	300	80	220	250	55000
					Habiscus 14"	300	100	200	25	5000
					Lajistonia 14"	300	150	150	25	3750
					bottle brush dewarf	300	150	150	75	11250
					yoka	300	50	250	100	25000
					china Rose	100	35	65	950	61750
					koronda dewarf	98	35	63	80	5040
					Sapura Grass	100	20	80	1000	80000
					Ninthra	10	3	7	1000	7000
					Faran Double	100	70	30	400	12000
					Bambay craper	100	20	80	40	3200

Name of scheme	Contract or	work order no.	dated	Bill No.	Item	Rate Paid	Rate to be paid	Excess paid	Quantity	Recovery (Rs)
Improvement of horticulture work Gondlanwala GT Road Gujranwala	Qurban ALi	582 / TO (I&S)	5.4.14	Ist and final bill	U. forbia 10"	100	50	50	1390	69500
					Aso caria	80	35	45	1000	45000
					Dranta Golden	19	5	14	500	7000
Mazeed plantation of green belts under flyover GT road	Qurban Ali	578/ TO (I&S)	5.4.14	Ist and final bill	Day senia Margenta 10"	78	50	28	500	14000
					Uni per veri gatled 14"	245	100	145	500	72500
					Mala Looka 14"	575	125	450	20	9000
					Sapara grass 10"	100	20	80	200	16000
										1618643

Annexure-I

1.6.2.1

Sr. No.	Unit	Current Balance Amount on 30-6-2016
1	CO Unit (HQ) Wazirabad	5446892
2	CO Unit Ali Pur Chattha	91520
3	CO Unit Ghakhar	1949735
4	CO Unit Sohdra	2958355
5	CO Unit Rasul Nagar	1737650
Total		12184152
Sr. No.	Unit	Arrears carry forward
1	CO Unit (HQ) Wazirabad	8348567
2	CO Unit Ali Pur Chattha	109291
3	CO Unit Ghakhar	201679
4	CO Unit Sohdra	521631
5	CO Unit Rasul Nagar	218870
Total		9400038

$$I+II = \text{Rs}12,184,152 + \text{Rs}9,400,038 = \text{Rs}21,584,190$$

Year	Category	No. of new water connections	Security as well as plumber fee		
2015-16	Residential	373 x 765	285345		
Water Connection	Rate	Year	No. of disconnections	Rate per year	Recoverable Amount
Residential		2015-16	319	2100	669900
Commercial		-do-	5	12000	60000
Total					729900

$$I + II = \text{Rs}285,345 + \text{Rs}729,900 = \text{Rs}1,015,245$$

Annexure-J

1.6.2.3

Vr. No.	Month	Scheme	Contractor	Description	Amount
42	10.2015	Providing of AC Jabal Joint at TMA Wazirabd	M/s Muhammad Adnan	provision of AC Jabal Joints 3",4" & 8"	111384
43	10.2015	Providing of PVC pipe at TMA Wazirabad	do	Provision of PVC pipe 3",4",6" & 8"	217800
44	10.2015	Providing of PVC solution box TMA Wazirabad	do	Provision of solution box	245700
45	10.2015	Providing of AC pipe at TMA Wazirabad	do	Provision of AC pipe 3",4",6",8"	41950
46	10.2015	Prov. Of Yellow Jackets for Sanitation TMA Wazirabad	do	Provision of Yellow Jackets @ Rs960	224640
47	10.2015	Supply of equipments for street lights	do	Switch, bulb, holders,energy saver, tape, sockets etc	800000
48	10.2015	Prov. Of Orange Jackets for Sanitation TMA Wazirabad	do	Provision of Orange Jackets @ Rs1050	61425
49	10.2015	Prov. Of PVC Jabal Joints TMA wazirabad	do	Provision of PVC Jabal Joint 3",4",6" & 8"	336400
52	10.2015	Prov. Of lime stone for CO units Wazirabad	M/s Abdullah & Co.	Lime stone @ 39/kg	1166000
53	10.2015	Prov. Of bamboo for sanitation Wazirabad	M/s Abdullah & Co.	200 Nos. bamboo @ Rs1800 each	300000
68	10.2015	Laying of water supply pipe line near rest house, leather factory	M/s Shamshad Khan	repair of water supply line	63000
74	10.2015	P/F of goldamatic pump park near double phatak Wazirabad	M/s Abdullah & Co.	P/F of Goldamatic pump i/c boring	85000
75	10.2015	P/F of cable at Motor Disposal GT road Gakhar	M/s Muhammad Adnan	Cable 19/96 copper 800 rft @ 330/rft	99000
Total					3752299

Annexure-K

1.6.2.5

TO (I&S), TMA Wazirabad District Gujranwala paid Rs1.10

Scheme	Contractor	Bill No.	Item	Qty.	Rate	Amount
Contn. Of drain PCC/ Nallah Chak Dadan	Abdul Rasheed Chohan	2nd/final	earth filling watering ramming 1 mile lead	9616	5896.86	56703
Laying of tuff tiles main bazar Jamke Chattha	M/s Rauf Aziz & Co.	2nd/running	-do-	25286	5078	128402
constn. Of drain PCC/ Nallah Kot Qadir Bukhash	M/s Chattha Traders	2nd/final	-do-	11169	5896.87	65862
Constn. Of drain PCC/ Nallah Kot Mehtar Ali, Dehlan Dogran etc	M/s Muhammad Riaz	2nd/final	-do-	57562	5896.86	339435
Constn. Of drain PCC / Nallah at Ladhay wala Cheema	M/s Al- Murtaza	1st/	-do-	17477	5896.85	103050
Constn. Of drain PCC / Nallah/ Tuff tiles Ojla	M/s Asad Enterprizes	2nd/final	-do-	17940	5896.8	105789
Constn. Of drain PCC / Nallah, Tuff tile Chak Satia	M/s Shamshad Khan	1st/Final	-do-	19326	5896.86	113962
Constn. Of drain, PCC / Nallah Kalaskay	do	2nd / Final	-do-	36799	5078	186865
Total						1100068

TO (I&S), TMA Wazirabad District Gujranwala paid Rs1.381

Scheme	contractor	Description	Qty.	Rate	amount
Constn. Of Drain, PCC/ Nallah, Tuff Tile Bharoki Cheema	M/s Muhammad Hanif	E/F lead upto 1 mile	28090 cft	5896.86	165502
Constn. Of Drain, PCC/ Nallah, Tuff Tile Sadhan wali	M/s Al- Murtaza	E/F lead upto 1 mile	8203 cft	5896.86	48372
Constn. Of Park Near Vegetable and Fruit Market Ghakhar	M/s Farhan Shabir	E/F lead upto 3 mile	163757 cft	7233.75	1184577
Constn. Of Drain, PCC/ Nallah, Tuff Tile Chora	M/s Muhammad Hanif	E/F lead upto 1 mile	20625 cft	5896.86	121622
Constn. Of Drain, PCC/ Nallah, City Wazirabad	M/s Javaid Iqbal Bhatti	E/F lead upto 3 mile	16062 cft	7138.05	114651
Constn. Of Drain, PCC/ Nallah, Tuff Tile Bagrian	M/s Abdul Rasheed Chohan	E/F lead upto 1 mile	7281 cft	5896.86	42935
Total					1677659

Annexure-L

1.6.2.7

Scheme	Contractor	Work Order No. & Date	Agreement Amount in million	Penalty amount in million
Construction of Dump for Garbage City Wazirabad	M/s Aitmad Construction & Co.	1822 dt 31-8-2015	599880	59988
Cleaning of Saim Nullah Ali Pur Chattha	M/s Abdullah Hameed	1608 dt 31-8-2015	1699881	169988
Constn. Of Drain, PCC/ Nallah, Tuff Tile Bharoki Cheema	M/s Muhammad Hanif	1678 dt 31-8-2015	1499250	149925
Constn. Of Drain, PCC/ Nallah, Tuff Tile Sadhan wali	M/s Al- Murtaza	1642 dt 31-8-2015	399900	39990
Constn. Of Park Near Vegetable and Fruit Market Ghakhar	M/s Farhan Shabir	1843 dt 31-8-2015	2083000	208300
Constn. Of Drain, PCC/ Nallah, Tuff Tile Chora	M/s Muhammad Hanif	1682 dt 31-8-2015	899550	89955
Lifting/Shifting Garbage and Cleaning of Nallah Model Colony Palkhu Nallah and Nallah Sohdra	M/s Abdullah Hameed	1612 dt 31-8-2015	1799910	179991
Constn. Of Drain, PCC/ Nallah, City Wazirabad	M/s Javaid Iqbal Bhatti	1750 dt 31-8-2015	995000	99500
Constn. Of Drain, PCC/ Nallah, Tuff Tile Bagrian	M/s Abdul Rasheed Chohan	1626 dt 31-8-2015	500000	50000
Sub Total			10,476,371	1,047,637
Scheme	Description	Estimated Cost	Penalty amount	
Old Schemes Liability Schemes for the FY 2015-16	Schemes related to the FY 2014-15	15.80 million	1.58 million	
Grand Total			2.627	