



**AUDIT REPORT
ON THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
DISTRICT SHEIKHUPURA**

AUDIT YEAR 2016-17

AUDITOR GENERAL OF PAKISTAN

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	i
PREFACE	ii
EXECUTIVE SUMMARY	iii
SUMMARY TABLES & CHARTS	vi
Table 1: Audit Work Statistics	vi
Table 2: Audit observations regarding Financial Management.....	vi
Table 3: Outcome Statistics.....	vii
Table 4: Irregularities pointed out.....	viii
Table 5: Cost-Benefit	viii
CHAPTER 1	1
1.1 Tehsil Municipal Administrations of District Sheikhpura	1
1.1.1 Introduction	1
1.1.2 Comments on Budget and Accounts (Variance Analysis).....	2
1.1.3 Brief Comments on the Status of Compliance on MFDAC Audit Paras of Audit Report 2015-16.....	3
1.1.4 Brief Comments on the Status of Compliance with PAC Directives	3
1 AUDIT PARAS	4
1.2 TMA Sheikhpura	5
1.2.1 Non Production of Record	6
1.2.2 Irregularities and Non-compliance of Rules	7
1.2.3 Performance.....	21
1.3 TMA Ferozwala	23
1.3.1 Irregularities and Non-compliance of Rules	24
1.3.2 Performance.....	29
1.4 TMA Muridke	35
1.4.1 Irregularities and Non-compliance of rules.....	36
1.4.2 Performance.....	44
1.5 TMA Safadarabad	45
1.5.1 Non production of record	46
1.5.2 Irregularities and Non-compliance of rules.....	47

1.6	TMA Sharqpur Sharif	52
1.6.1	Non Production of Record	53
1.6.2	Irregularity and Non Compliance of Rules	54
1.6.3	Performance.....	64
ANNEXURE	73

ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Programme
CCB	Citizen Community Board
CFT	Cubic Feet
DAC	Departmental Accounts Committee
I&S	Infrastructure and Services
IPSAS	International Public Sector Accounting Standards
MB	Measurement Book
NAM	New Accounting Model
P&C	Planning & Coordination
PAO	Principal Accounting Officer
PCC	Plain Cement Concrete
PDG & TMA	Punjab District Governments & Tehsil Municipal Administration
PFR	Punjab Financial Rules
PLA	Personal Ledger Account
PLGO	Punjab Local Government Ordinance
RCC	Re-inforced Cement Concrete
RDA	Regional Director Audit
SAP	System Application Product
SFT	Square Feet
TMA	Town/Tehsil Municipal Administration
TO	Town Officer
TS	Technical Sanction
T&P	Tools & Plants
UA	Union Administration
UIP	Urban Immoveable Property

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 Tehsil / Town Municipal Administrations of the Districts is the responsibility of the Auditor General of Pakistan.

The Report is based on audit of accounts of various offices of Tehsil Municipal Administrations of District Sheikhpura 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 Annex-A of the Audit Report. The Audit observations listed in the Annex-A shall be pursued with the Principal Accounting Officer at the DAC level and in all cases where the PAO does not initiate appropriate action, the Audit observations will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized in the light of intimated responses without DAC meetings which the respondent entities did not convene despite repeated reminders.

The Audit Report is submitted to the Governor of the Punjab in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, 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, Tehsil / Town Municipal Administrations and Union Administrations of nineteen (19) districts. Its Regional Directorate of Audit, Lahore has Audit jurisdiction of District Governments, TMAs and UAs of five districts i.e. Lahore, Kasur, Sheikhupura, Okara and Nankana Sahib.

The Regional Directorate of Audit Lahore had a human resource of 23 officers and staff, with a total of 5,727 man days and annual budget of Rs 28.982 million for the Financial Year 2016-17. It had a mandate to conduct Financial Attest, 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 five (05) TMAs of District Sheikhupura for the Financial Year 2015-16.

Each Tehsil Municipal Administration in District Sheikhupura 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 TMAs of District Sheikhupura was carried out with a view to ascertaining that the expenditure was incurred with proper authorization and in conformity with laws / rules.

Audit of receipts was also conducted to verify whether the assessment, collection, reconciliation and accounting of revenues were made in accordance with Laws and Rules.

a) Scope of Audit

Total expenditure of five (5) TMAs of District Sheikhupura for the Financial Year 2015-16 under the jurisdiction of DG District Audit (North) Punjab was Rs 1,229.661 million covering five (5) PAOs and five entities. Out of this, the Directorate General Audit (North), Punjab audited an expenditure of Rs 860.763 million, which in terms of percentage, was 70% of the auditable expenditure.

Total own source receipts of the Tehsil Municipal Administrations of Sheikhpura District for the Financial Year 2015-16, were Rs 857.535 million. Directorate General (North) Punjab audited receipts of Rs 458.017 million which was 70% of total receipts.

b) Recoveries at the instance of Audit

Recovery of Rs 269.868 million was pointed out, which was not in the notice of executive before audit. However, no recovery was got affected till compilation of 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 the 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 controls mechanism of TMAs of District Sheikhpura 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 the entitlement of employees. Negligence on the part of District Government authorities may be captioned as one of important reasons for weak Internal Controls.

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

f) Key audit findings of the report

- i. Non-production of record of Rs 14.423 million was noted in three cases.¹

- ii. Irregularity & Non-Compliance of Rs 2710.934 million was noted in 70 cases.²
- iii. Recoveries of Rs 269.868 million were pointed out in 13 cases.³

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

g) Recommendations

- i. The PAO concerned needs to take appropriate action to promptly remedy non-production of record.
- ii. Departments need to comply with the Public Procurement Rules for economical and rational purchases of goods and services.
- iii. The PAO needs to make efforts for expediting the realization of various Government receipts.
- iv. Inquiries need to be held to fix responsibility for losses, unauthorized/irregular payments and wasteful expenditures.

¹Para 1.2.1, 1.5.1, 1.6.1.1

²Para 1.2.3.2, 1.2.3.3, 1.2.3.4, 1.2.3.5, 1.2.3.6, 1.2.3.8, 1.2.3.12, 1.2.3.13, 1.2.3.14, 1.2.3.15, 1.2.3.16 to 23, 1.3.1, 1.3.2, 1.3.4, 1.3.6 to 1.3.14, 1.4.1 to 1.4.6, 1.4.8 to 1.4.12, 1.5.2.1 to 1.5.2.4, 1.5.2.7, 1.6.2.1 to 1.6.2.7, 16.2.9 to 1.6.2.17, 1.6.2.19 to 1.6.2.21, 1.6.2.23 to 1.6.2.27

³Para 1.2.3.1, 1.2.3.7, 1.2.3.9, 1.2.3.10, 1.2.3.11, 1.3.3, 1.3.5, 1.4.7, 15.2.5, 15.2.6, 1.6.2.8, 1.6.2.18, 1.6.2.22

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budget		
			Expenditure	Receipts	Total
1	Total Entities (PAOs) under Audit Jurisdiction	5	1,374.772	857.535	2,232.307
2	Total formations under audit jurisdiction	5	1,374.772	857.535	2,232.307
3	Total Entities (PAOs) Audited	5	1,374.772	857.535	2,232.307
4	Total formations Audited	5	1,374.772	624.431	1,999.203
5	Audit & Inspection Reports	5	1,374.772	624.431	1,999.203
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports	-	-	-	-

Table 2: Audit observations regarding Financial Management

Rs in million

Sr. No.	Description	Amount Placed Under Audit Observation
1	Unsound Asset management	
2	Weak Financial management	810.934
3	Weak Internal controls relating to Financial Management	110.125
4	Others	206.243
Total		1,127.302

Table 3: Outcome Statistics**Rs in million**

Sr. No.	Description	Expenditure on Acquiring Physical Assets (Procurement)	Civil Works	Receipts	Others	Total Current year	Total last year
1	Outlays Audited	-	220.540	624.431	1,009.121	1,854.092	2,040.808
2	Amount Placed under Audit Observation / Irregularities of Audit	-	92.838	101.772	932.692	1127.302	338.249
3	Recoveries Pointed Out at the instance of Audit	-	92.838	101.772	75.258	269.868	100.554
4	Recoveries Accepted /Established at the instance of Audit	-	-	-	-	-	-
5	Recoveries Realized at the instance of Audit	-	-	-	-	-	-

* The amount mentioned against Serial No.1 in column of "Total Current Year" is the sum of Expenditure and Receipts whereas the total expenditure for the current year was Rs 1,229.661 million.

Table 4: Irregularities pointed out

		Rs in million
Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations, principle of propriety and probity in public operation	810.934
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	0
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.	0
4	Quantification of weaknesses of internal control systems.	110.125
5	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	101.772
6	Non-production of record	11.633
7	Others, including cases of accidents, negligence etc.	92.838
Total		1127.302

Table 5: Cost-Benefit

		Rs in million)
Sr. No.	Description	Amount
1	Outlays Audited (Items1 of Table 3)	2028.997
2	Expenditure on Audit	1.260
3	Recoveries realized at the instance of Audit	--
4	Cost Benefit Ratio	--

¹The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan.

CHAPTER 1

1.1 Tehsil Municipal Administrations of District Sheikhpura

1.1.1 Introduction

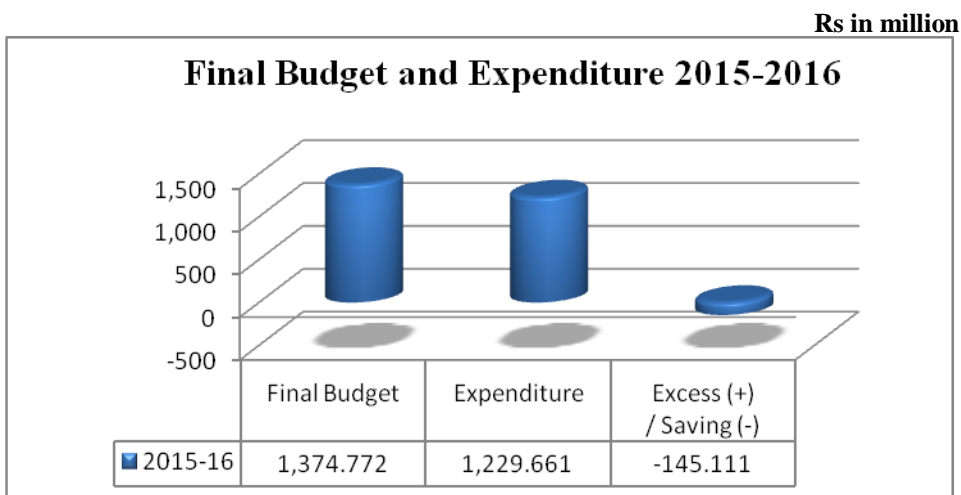
TMA consists of Tehsil Nazim, Tehsil Naib Nazim and Tehsil Municipal Officer. Each TMA comprises five Drawing and Disbursing Officers i.e. TMO, TO (Finance), TO (I&S), TO (Municipal Regulation), TO (P&C). As per section 54 of PLGO, 2001, the main functions of TMAs are as follows:

- i. To prepare spatial plans for the Tehsil including plans for land use, zoning and functions for which TMA is responsible;
- ii. To exercise control over land-use, land-subdivision, 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 Tehsil Municipal Administration;
- viii. To develop and manage schemes, including site development in collaboration with 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.

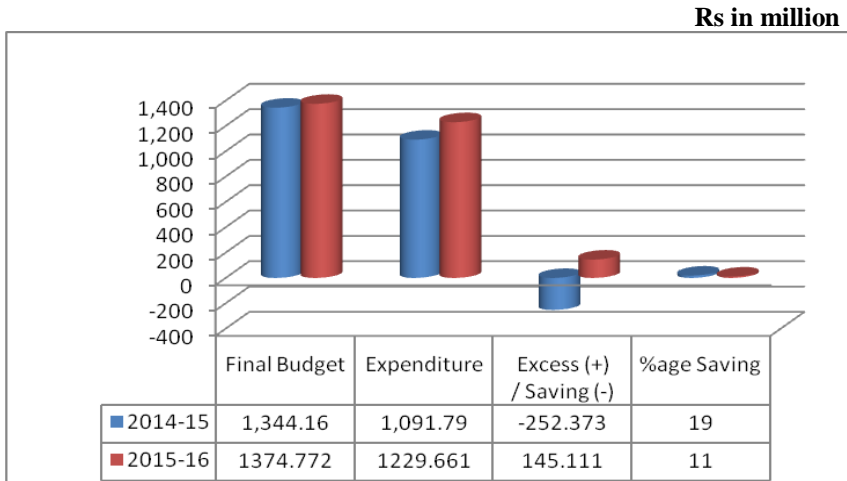
1.1.2 Comments on Budget and Accounts (Variance Analysis)

Total Budget of TMAs of District Sheikhpura was Rs 1,374.772 million (inclusive of Salary, Non-salary and development) whereas the expenditure incurred (inclusive of Salary, Non-salary and development) was Rs 1,229.661 million showing savings of Rs 145.110 million which in terms of percentage was 11% of the final budget. **Annex-B**

Rs in million				
2015-16	Budget	Expenditure	(+) Excess (-) Saving	%age of Savings
Salary	666.998	652.328	-14.670	2
Non Salary	451.146	356.793	-94.353	21
Development	256.628	220.540	-36.088	14
Total	1,374.772	1,229.661	-145.111	11



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



There was savings in the budget allocation of the financial years 2014-15 and 2015-16 as follows:

Financial Year	Budget (Rs in million)	Expenditure (Rs in million)	Savings (Rs in million)	%age of Savings
2014-15	1,344.162	1,091.789	-252.373	19
2015-16	1374.772	1229.661	145.111	11

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 Audit Paras of Audit Report 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 Annex-A.

1.1.4 Brief Comments on the Status of Compliance with PAC Directives

The Audit Reports pertaining to following years were submitted to the Governor of the Punjab:

Status of Previous Audit Reports

Sr. No.	Audit Year	No. of Paras	Status of PAC Meetings
1	2009-12	10	Not convened
2	2012-13	09	Not convened
3	2013-14	42	Not Convened
4	2014-15	13	Not convened
5	2015-16	37	Not convened

1 AUDIT PARAS

1.2 TMA Sheikhupura

1.2.1 Non Production of Record

1.2.1.1 Non-production of record – Rs 8.843 million

According to Section 14(1)(b) of 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, according to Section-115(5) & (6) of PLGO 2001, at the time of audit, the official 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 expedition.

Management of TMA Sheikhpura did not provide the following auditable record relating to expenditure and receipts for audit scrutiny.

Sr. No.	Description	Amount (Rs in million)
1	Bank Statements	-
2	Rent of property record for CO Unit Farooqabad and Mananwala	8.265
3	Lifter fine record	0.341
4	Enforcement fine record	0.237
5	Encroachment record	-
6	Kachi Abadi record	-
7	Housing schemes record	-
Total		8.843

Audit was of the view that the relevant record was not maintained and hence was not produced to Audit for verification which may lead to misappropriation and misuse of public resources.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends prompt production of the record besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2 Irregularities and Non-compliance of Rules

1.2.2.1 Non-recovery of water charges and rent of shops – Rs 50.714 million

According to the Rule 76 (1) of the Punjab District Government & TMA (Budget) Rules 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head.

Management of TMA Sheikhpura realized Rs 17.796 million against the demand / target of Rs 68.510 million on account of Water Charges and Rent of Shops during 2015-16 resulting in less collection of Rs 50.714 million.

Sr. No.	Description	Rs in million		
		Demand	Receipt	Amount not realized
1	Water rates	39.200	9.578	29.622
2	Rent of shops	1.810	0	1.810
3	Rent of shops	27.500	8.218	19.282
Total		68.51	17.796	50.714

Audit was of the view that non recovery of government receipt was due to weak internal controls and poor financial management.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery of the amount outstanding besides fixing responsibility against the officers/ officials at fault under intimation to Audit.

1.2.2.2 Irregular payment to daily paid staff - Rs 43.576 million

As per wage rate 2007 the appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment vide para 11 of recruitment policy issued by the S&GAD vide No. SOR-IV (S&GAD)10-1/2003 dated 17.9.2004.

TMO Sheikhpura incurred expenditure of Rs 43.576 million on account of salaries to the contingent paid staff during 2015-16. Expenditure was held irregular due to the fact that staff was appointed without fulfilling codal formalities as mentioned in the

recruitment policy and amount was withdrawn from accounting head pay of staff instead of relevant head payment to contingent paid staff.

Rs in million

Sr. No.	DDO Name	Expenditure
1	COs (H/Q) & Non (H/Q)	32.127
2	TO (I&S) Water Supply	9.389
3	TO (I&S) Disposal Works	2.060
Total		43.576

The engagement of contingent paid employees perpetuated with their span of engagement encompassing the whole financial year. The 89 days spells of engagement were mechanically renewed. This turned out to be a covert attempt to circumvent the binding condition of recruitment based on open advertisements.

Audit was of the view that due to poor financial discipline and weak administrative controls, irregular expenditure was incurred.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility for improper maintenance of record against the officers/ officials at fault under intimation to Audit.

1.2.2.3 Un-authentic receipt of TTIP - Rs 146.191 million

According to Rule 3(2) of Punjab Local Governments (Tax on Transfer of Immovable Property) Rules, 2001, the rate of the tax shall be fixed as a percentage of the amount of consideration of transfer of property. For the purpose of this rule “consideration” means the price paid for the transfer of the immovable property and where no price is paid the market value as assessed by the authority competent to collect the tax.

TMA Sheikhpura realized Rs 146.191 million on account of Tax on Transfer of Immovable Property (TTIP) during 2015-16. The receipt was held unauthentic as supporting files were not available on record to verify the basis for tax calculations. Only the deposited challans were provided in support of the realized amount. Moreover, Tax on Transfer of Immoveable Property was also not got reconciled with the Revenue Department. The assessed demand of leviable tax was not on the basis of invocation of consideration value of the immoveable properties.

Audit holds that due to non-compliance of Rules and financial indiscipline, reconciliation with the Revenue Department was not made

resulting in non-verification of receipts and assessment of taxable proceeds also remained divorced from consideration value on actual basis.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends production of supporting documents to verify the basis of tax calculations besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.4 Non-reconciliation of receipts – Rs 248.87 million

According to Rule 77 of PDG and TMA Budget Rules 2003, the collecting officers shall furnish monthly reconciled statements of actual collections under the heads for which they are responsible to the head of office in forms BM-3 and BM-4. Further according to Rule 78 of PDG and TMA Budget Rules 2003, the collecting officer shall reconcile his figure of receipts with the record maintained by the accounts officer by the 10th day of the month following the month to which the statement relates.

During scrutiny of record of TMA Sheikhpura for financial year 2015-16 it was observed that following receipts worth Rs 248.87 million were shown realized during 2015-16 but the same was not got reconciled with the Tehsil Account Office.

Rs in million			
Description of Receipt	Income shown as per record of Budget Book	As per record of TO (Finance)	Difference
PFC Share	245.451	220.451	25.00
Other Misc/Solid Waste etc	3.419	2.609	0.81
Total	248.87	223.06	25.81

Audit was of the view that reconciliation of receipt was not made due to weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends reconciliation of the receipt with Tehsil Account Office besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.5 Non-achievement of receipt targets – Rs 43.494 million

According to Rule 16(1) and 79(3) of PDG and TMA Budget Rules

2003, on receiving the estimates of receipts from the Collecting Officer, each Head of Offices concerned shall finalize and consolidate the figures furnished by his Collecting Officers. The Head of Offices and Collecting Officers shall be responsible for the correctness of all figures supplied to the Finance and Budget Officer and the sanction of the competent authority is necessary for the remission of, and abandonment of claims to revenue. Further, Rule 91 of the said Rule states that the Provincial Finance Department shall communicate the final estimates of local government share in June each year.

TMA Sheikhpura collected Rs 35.706 million against the receipt target of Rs 79.200 million on account of following types of income during 2015-16 resulting in less realization of receipts amounting to Rs 43.494 million.

Rs in million				
Sr. No.	Description	Target	Income realized	Less Realization
1	Parking Fee/Fork Lifter	1.000	0.341	0.659
2	License Fee	4.000	3.504	0.496
3	Sewerage Connection Fee	1.000	0.467	0.533
4	Fee for slaughtering of animals	6.000	4.074	1.926
5	Magistrate Fine	0.800	0.237	0.563
6	Fire services	0.400	0.023	0.377
7	Registration/Enlistment Fee	1.000	0.661	0.339
8	Advertisement Fee	9.000	6.868	2.132
9	Road Cutting Charges	1.000	0.728	0.272
10	Water rate	28.000	9.578	18.422
11	Other Fees	4.000	0.124	3.876
12	Other Misc/Solid waste receipts	8.000	2.609	5.391
13	Fee for approval of building / construction plan	15.000	6.492	8.508
	Total	79.200	35.706	43.494

Audit was of the view receipt target was not achieved due to poor financial management and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recovery of the outstanding amount besides prompt realization of shortfall of receivables under intimation to Audit.

1.2.2.6 Non-reconciliation of expenditure - Rs 515.216 million

According to Rule 67 of Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, during the first week of each month, the respective Accounts Officer shall provide for the previous month, a schedule showing the numbers, dates and amounts of vouchers paid during that month, and supply copy of each such schedule to the concerned Drawing and Disbursing Officer (DDO). Upon receipt of the schedule from the Accounts Officer, the Drawing and Disbursing Officer (DDO) shall compare such schedule with the statement prepared by him and reconcile expenditure with Accounts Officer by 10th day of every following month for the previous month.

TMA Sheikhpura incurred expenditure worth Rs 515.216 million during financial year 2015-16 but the same was not reconciled with the Tehsil Accounts Office and bank. Besides the non-compliance of rules, the authenticity of expenditure could not be verified by audit.

Audit holds that due to non-compliance of Rules and financial indiscipline, reconciliation was not made. This resulted in unauthentic expenditure of Rs 515.216 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends ensuring reconciliation besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.7 Less recovery than the reserve price – Rs 1.641 million

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive.”

During audit of TMA Sheikhpura, it was noticed that the reserve price for auction of collection rights for “Advertisement / Board Fee” was fixed at Rs 4.571 million, calculated on the basis of actual receipt of last three years despite the fact that rate of collection was increased from Rs 25 to Rs 50 / square feet. Instead of enhancing the reserve price from Rs 4.571 million to 9.142 million, the collection rights were auctioned for

Rs 4.571 million and actual recovery was Rs 7.500 million resulting in less collection of Rs 1.641 million. Moreover, the bid for Rs 7.500 million was accepted despite being less than the reserve price of Rs 9.142 million. No effort was made to re-tender to get better price.

Audit was of the view that auction of collection rights at less than actual reserve price was due to poor financial planning and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed and recovery of the amount besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.8 Loss to Govt. on account of slaughter house Fee – Rs 1.585 million

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

TMA Sheikhpura, auctioned the collection rights for “Slaughter House Fee” City Sheikhpura for Rs 5.00 million during 2015-16. The management of the TMA cancelled the tender in August 2015 and started self-collection. TMA only collected Rs 3.865 million against the bid of Rs 5.000 million based on fair assessment of likely collection of proceeds of the slaughter house fee resulting in less collection amounting to Rs 1.135 million.

Audit was of the view that due to financial indiscipline, self collection was opted without fulfilling the conditions of the rules resulting in loss of revenue of Rs 1.135 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery for the loss sustained besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.9 Loss on account of parking stand fee - Rs 2.063 million

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

TMA Sheikhpura auctioned “Parking Stand Fee” of District Sheikhpura for Rs 2.986 million during 2015-16. The management of the TMA cancelled the tenders in 2015 and started self-collection, due to this reason Rs 2.063 million was not realized as detailed below;

(Rs in million)

Locations of Parking Stands	Amount of auction	Income recovered till June 2016 (self collection)	Less amount recovered in 2015-16	Income Tax to be recovered in 2015-16	Recovery pointed out /Loss to Govt.
Khadim Hussain Road Skp	0.700	0.170	0.530	0.070	0.599
Behind Qureshi Hospital Skp	0.490	0.182	0.308	0.049	0.357
Opp. Umar Marriage Hall Skp	0.460	0.236	0.231	0.046	0.270
Sharqpur Chowk Skp	0.456	0.130	0.325	0.045	0.370
Chatri Chowk Railway Station	0.505	0.303	0.201	0.050	0.252
Bhikhi Road Skp	0.375	0.197	0.178	0.037	0.215
Total	2.986	1.218	1.773	0.297	2.063

The procedure of auction of collection rights for “Parking Stand Fee” was not transparent due to the fact that the response time as per advertisement published in newspaper was just 5 days whereas the minimum 15 days of response time is required as per PP Rules rules 2014 and tender was opened in the absence of representative of LG&CD Department.

Audit holds that due to financial indiscipline, collection of fee was undertaken with the work allotted without fulfilling the legal requirements resulting in loss of revenue of Rs 2.063 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery for the loss sustained besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.10 Less collection of solid waste charges - Rs 1.115 million

According to the Rule 76 (1) of the Punjab District Government & TMA (Budget) Rules 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head.

During audit of TMA Sheikhpura, it was noticed that “Solid waste” was auctioned @ Rs 40/ metric ton with 5% increase per annum for ten years in 2012 to M/S Bismillah Energy. TMA Sheikhpura realized Rs 1.560 million for the period of seven months from July, 2015 to January, 2016 whereas no amount was realized for the period from February 2016 to June 2016 resulting in loss of revenue to the tune of Rs 1.115 million (Rs 0.223 x 5).

Audit was of the view that due to financial indiscipline and weak internal controls, less collection of solid waste charges was made.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recovery of the outstanding amount besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.11 Unauthorized expenditure on POL – Rs 24.551 million

According to serial No. 3 of Punjab Delegation of Financial Powers Rules, 2006, sanctioned strength of vehicles as approved by the Finance Department should be maintained in the department and no purchase of new vehicle should be made unless the strength of vehicles in the Department has been sanctioned by the Financial Department or the purchase / replacement is required for keeping up the sanctioned strength and the vehicle to be replaced has been condemned by the competent authority. Para 20 of west Pakistan staff vehicle (use and maintenance) Rule 1969 laid down that log book containing petrol account, history sheet and all expenditure incurred thereon should be maintained for each Government vehicle.

During scrutiny of record of the TMA Sheikhpura for the period 2015-16, it was observed that expenditure amounting to Rs 24.551 million was incurred on account of POL for consumption in vehicles and generator but fuel consumption certificates and sanction strength for vehicle was not got approved from Finance Department. Further log books of vehicles were not provided.

Sr. No.	DDO Name	Expenditure (Rs in million)
1	COs (H/Q) & Non (H/Q)	13.441
2	TO (I&S) Fire Brigade	1.973
3	TO (I&S) Disposal for Generators	5.912
4	TO (I&S) Gardens	.488
5	TO (I&S) Street Light	.343
6	TO (I&S)	.297
7	TMO Branch	.261
8	TO (Finance)	.146
9	TO (Regulation)	1.499
10	TO (Planning)	.191
Total		24.551

Audit was of the view that due to non-compliance of rules and financial indiscipline, unauthorized payment was made

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.12 Unauthorized approval of development schemes - Rs 9.00 million

According to Rule 16(1) Punjab Tehsil/Town Municipal Administration (Works) Rules, 2003, the schemes costing above rupees five million but not exceeding rupees twenty million shall be submitted to the District Development Committee, as notified by the Planning and Development Department, for administrative approval.

During audit of TMA Sheikhpura, it was noticed that development scheme titled "Construction of Nallah from approach road near Lassani School Farooqabad" costing Rs 9.0 million approved by TDC was split into Phase-I and Phase-II in order to avoid approval from District Development Committee.

Audit was of the view that splitting of the scheme was done due to non-compliance of rules and financial indiscipline.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.13 Unauthorized expenditure without sanction of competent authority - Rs 3.652 million

According to Rule 18.15(a) of PFR Vol-I, the sanction to the incurring of the expenditure (recurring or non-recurring) accorded within the financial year under the powers delegated by the Finance Department will lapse on 30th June.

During the audit of TMA Sheikhpura for the period 2015-16, it was noticed that expenditure of Rs 3.652 million, as detailed below, had earlier been sanctioned during financial year 2014-15 but the same was charred from appropriations for the financial year 2015-16 without revalidating the sanction in the next financial year resulting in unauthorized expenditure as follows:

V. No. & Date	Description	Sanction Date	Amount (Rs)
114/8-2015	Rent of transport for dengue survey	18-04-15	96,000
116/8-2015	Rent of transport for dengue survey	20-04-15	32,000
122/8-2015	Purchase of copper wire	30-05-15	24,554
124-125/8-2015	Repair of transformer	10-06-15	99,300
126-127/8-2015	Repair of transformer	20-05-15	49,980
128-129/8-2015	Pipe for jetting machine	02-06-15	98,500
299/9-2015	Street lights material	11-08-14	71,981
300/9-2015	Street lights material	08-08-14	83,672
155/10-2015	CCTV Cameras	21-02-15	60,140
161/10-2015	CCTV Cameras	20-05-15	99,950
2015-16	Lighting, generator at Moharam-ul-Haram	2014-15	2,936,000
Total			3,652,077

The expenditure for dengue campaign was falling under the purview of the Health Department of the District Government. The repair of the transformers was also devoid of legal cover as it was in violation of

the mandatory condition of approaching WAPDA designated reclamation workshops.

Audit was of the view that clearance of previous financial year's liability was due to poor financial discipline and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for seeking regularization in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.14 Non-completion of schemes within the stipulated period – Rs 6.329 million

According to Rule 42 of Punjab District Government and Tehsil Municipal Administration (Budget) Rules, 2003, as far as possible development projects shall be completed within the financial year. In exceptional circumstances a project may be phased over two financial years. Multi-year planning shall reflect and cater for the operation and maintenance costs of completed development projects and shall ensure that such costs are considered by the Budget and Development Committee when approving development projects.

During audit of TMA Sheikhpura for the financial year 2015-16, it was observed that three schemes costing Rs 6.329 million were not got completed within the same financial year rather procrastinated competition of the same were extended beyond the period of two years in violation of rules ibid.

(Rs in million)					
Name of Scheme	Financial Year	Date of work order	Approved cost	Physical Progress	Financial Progress
Const. of boundary wall, sewer pipe line, PCC floor, Capri Park UC 66	2014-15	12-9-2014	3.554	40%	36%
Laying tuff tile Nawaz Sharif Park	2013-14	14-6-2014	1.675	60%	58%
Making CR Paint, Art work center medial Bati Chowk to DHQ Hospital Sheikhpura	2013-14	21-6-2014	1.100	45%	0%
Total			6.329		

Audit holds that due to non-compliance of Rules and poor planning, development schemes were not completed depriving the community of desired benefits.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.15 Splitting of job orders to avoid advertisement on PPRA's website – Rs 3.276 million

According to Rule 12(1) read with Rule 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. A procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

TMA Sheikhpura incurred expenditure of Rs 3.276 million on account of procurement of different items during the financial year 2015-16 by splitting the job orders to avoid advertisement at PPRA's website as detailed at **Annex-C**

Audit was of the view that splitting of job orders was made due to negligence on the part of TMA management and to avoid adherence to the competitive bidding pre-conditions resulting in irregular expenditure of Rs 3.276 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.16 Expenditure of non-scheduled Items without approval - Rs 1.001 million

According to Government of the Punjab, Finance Department Notification No.RO(TECH)FD 18-23/2004 dated 21-09-2004, the rate analysis for the item rates (non-standardized) shall be prepared by the Executive Engineer clearly giving the specifications of the material used

and approved by the competent authority to accord Technical Sanction (not below the rank of S.E) before the work is undertaken.

TMA Sheikhpura made payment of Rs 1.001 million for non-scheduled items during 2015-16 while executing following schemes without the approval of the competent authority. The expenditure incurred was without the sanction of the competent authority i.e.

Sr. No.	Name of Work	Item Description	Quantity	Rate (Rs)	Amount (Rs)
1	P/L Tuff tile Nawaz Sharif Park	Tuff paver 60 mm	10,011 sft	76.00	760,836
2	P/F kerb stone Pehlwi road	Kerb stone	1,169 rft	205.10	239788

Audit was of the view that expenditure had been incurred without approval of the competent authority due to non-compliance of rules and weak internal controls, resulting in unauthorized expenditure of Rs 1.001 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.2.17 Irregular payments out of PLA account without post audit – Rs 318.900 million

According to the provisions set forth in term of para 2.3(a) of SDA policy circular read with para 2.2(b) of the rule *ibid*, vouched account of PLA funds are required to be post audited prior to disbursement of new releases. Para 4.2.7.1 of APPM stated that every claim voucher (bill) must be certified by an officer in the relevant District Account Office/Accountant General Office/Accountant General Pakistan Revenue Office and who shall be deemed to be the certifying officer.

During the Audit of TMA Sheikhpura for the financial year 2015-16, it was observed that out of PLA account of TMA, payments amounting to Rs 318.900 million were made. Payments were held irregular because the account of PLA was not got post audited by the competent authority. In the absence of the post audit, the authenticity and validity of the payments could not be ensured.

Audit was of the view that due to weak financial control, post audit of expenditure was not carried out. This resulted in irregular payments of Rs 318.900 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.2.3 Performance

1.2.3.1 Non-classification of land under the jurisdiction of TMA

According to Rule 4 of Land Use Rules 2009 “A City District Government or a Tehsil Municipal Administration shall classify and sub-classify the areas under its control into the following land use classes: (a) residential; (b) commercial (including institutional); (c) industrial; (d) peri-urban; (e) agricultural; and (f) notified area.

During audit of TMA Sheikhpura, it was observed that the area of TMA was not classified and sub classified in residential, commercial, industrial, peri Urban and agriculture. Due to non-classification of the land / area serious violations of the land use could not be stopped. Non-compliance of the rules resulted in development of un-planned and illegal housing schemes, commercial areas. Cost of the food items have also increased due to decrease in agriculture land around the city. Serious environmental hazardous have been generated in the areas. The problems in handling / addressing / management of solid and liquid waste have become strongly challenging in the municipal areas of TMA.

Audit was of the view that due to weak internal and financial controls, classification of land under the jurisdiction was not carried out.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends that poor planning and non-compliance of the rules needs to be investigated under intimation to audit.

1.2.3.3 Unauthorized management of government properties

According to Rule 8 of The Punjab Local Government (Property) Rules 2003, the designated Committee shall be constituted to identify, prepare and send report to the Government and dispose of the Redundant/Encroached Property.

During audit of TMA Sheikhpura, it was observed that there existed no property registers. Manager of the government property was oblivious of the existence, valuation, ownership and demarcation of the properties. In violation of the property rules, demarcation of landed properties was not done at all.

Audit holds that the government property had to be subjected to demarcation to take stock of properties encroached or mis-used.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends the investigation of matter and identification and demarcation of government property under intimation to audit.

1.2.3.4 Evasion of environmental impact assessment (EIA) leading to unsecure dumping of solid wastes

According to Section 11 of PEPA 1997 , no person shall discharge or emit or allow the discharge or emission of any effluent or waste or air pollutant or noise in an amount, concentration or level which is in excess of the National Environmental Quality Standards.

Audit scrutiny revealed that the TMA Sheikhpura was doing open dumping of solid waste collected from the community. Environmental Impact Assessment (EIA) was not obtained by the TMA from the Environment Protection Department in violation of PEPA 1997. The open dumping caused air pollution, land pollution and water pollution etc., against which no action was taken. The quantum of solid waste dumping unaccounted for in illegal heaps coupled with non collection and non transportation of additional unattended waste evidently inimical to hygiene, health as well as environmental safeguards for population.

Audit holds that non-compliance of the aforementioned provisions of PEPA 1997 may have serious repercussions for the lives and well being of the people.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends that matter needs to be investigated and responsibility ought to be fixed against the person(s) at fault under intimation to audit.

1.3 TMA Ferozwala

1.3.1 Irregularities and Non-compliance of Rules

1.3.1.1 Loss due to non-collection of receipts - Rs 13.783 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.

TMA Ferozwalla collected Rs 15.966 million contrary to the target of Rs 29.750 million against the following heads of receipt during financial year 2015-16, resulting in less collection of receipts amounting to Rs 13.783 million.

Rs in million				
Sr. No.	Receipts Heads	Target	Recovery	Less Recovery
1	Water Rate charges	18.500	9.824	8.676
2	Building Fee	10.000	5.342	4.657
3	NOC Towers	0.250	0	0.250
4	Registration fee	1.000	0.800	0.200
	Total	29.75	15.966	13.783

Audit was of the view that non-achievement of collection of established dues was attributable to poor financial and internal controls.

This resulted in loss of Rs 13.783 million to the Local Fund.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends early imposition of recovery of the outstanding amount besides fixing responsibility against the officers /officials at fault under intimation to Audit.

1.3.1.2 Non-transparent purchase of jetting machinery - Rs 5.778 million

Rule 37 (a) read with 36 (b)(ix) and 2 (h) of Public Procurement Rules 2014 envisage that in case of single stage two envelop method, bids are evaluated on technical and financial grounds and price is taken into account after technical evaluation. Moreover, lowest evaluated bid would be accepted. Lowest Evaluated Bid means a bid which is closely conforming to the evaluation criteria and having lowest evaluated cost. Lowest Evaluated Cost means lowest cost in comparison from all competitors and without competitor, lowest evaluated cost could not be achieved.

TMA Ferozwala, purchased Jetting Machine amounting to Rs 5.778 million. Purchase was held unauthorized because generic specification, gauge size, capacity were not predetermined and were not the part of the bidding document. Contractor profit and overhead charges were unduly conceded as admissible portion of the settled payment claim in this case.

Audit holds that non-compliance of the aforementioned provisions had serious repercussions on bringing value for money against this procurements.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.1.3 Overpayment to contractor - Rs 1.943 million

Para 127 (6) and 129 (i) of PWD code provides that 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 Chapter 24-Flooring (Page-415) Book of Specification, thickness of PCC varies with the requirement. In common practice, the thickness varies from 1 inch to 3 inches. As per Section 511-4(a) (b) (c) of Book of Specification, prior to start of works, contractor will carry out test of soils to be used to determine the exact percentage cement to be used and to determine thickness of the cement concrete.

TMA Ferozwala made over payment to contractor amounting to Rs 1.943 million in connection with the awarded civil works due to reckoning admissible of unjustified specification of material. Scrutiny of record revealed that the item of PCC 1:7:20 was paid under PCC of 1:2:4 for narrow streets where no large vehicles traffic was to run. Only brick ballast was required in such streets under the PCC. This resulted in overpayment of Rs 1.943 million being the difference of rate of brick / stone ballast and PCC @Rs 4,394.2 % cft (Rs 8343.7 – Rs 3949.5) for 4,4227 cft PCC as detailed below:

Sr. No.	Name of work	Qty	Amount (Rs)
1	Construction of PCC and Sewerage Lasani Chowk to Sui Gas Chowk UC 32	7,227	317,569
2	Construction of PCC Karol UC 24	5,534	243,175
3	Construction of Village Wandala Syal Shah	5,446	239,308

4	Construction of soling PCC Shehzad Town	5,670	249,151
5	Construction of street drain main Bazar Burj Attari	7,478	328,598
6	Construction of street drain main Bazar Nizam Pura	9,672	425,007
7	Construction of street drain main Raheem Town	3,200	140,614
Total		44,227	1,943,422

Audit was of the view that due to weak internal controls, government interest was not watched which resulted in excess payment of Rs 1.943 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recovery of amount overpaid to the contractors besides fixing responsibility against the persons at fault under intimation to Audit.

1.3.1.4 Unjustified expenditure on VVIP visits - Rs 1.508 million

According to Rule 64(1)(ii) & (2)(i)(ii) of PDG & TMA (Budget) Rules 2003, each Local Government shall ensure that authorized budget allocations are spent in conformity with the Schedule of Authorized Expenditure. According to Section 16(3) of PLGO 2001, the District Government shall be responsible to the people and the Government for improvement of governance and delivery of services within the ambit of the authority decentralized to it under this Ordinance. According to Section 109 (1) of PLGO, 2001, monies credited to a Fund shall be expended by local government in accordance with the annual budget and Supplementary Budget approved by its Council.

TMA Ferozwala, incurred expenditure of Rs 1.507 million during the visit of Prime Minister at Bhikhi. The expenditure was held irregular as the work did not fall within the ambit of TMA. Funds released were not recouped from the quarter concerned.

Audit holds that due to weak internal control, expenditure was incurred for the purpose which was not under the ambit of TMA.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recoupage of amount from the government of the Punjab besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.1.5 Overpayment to contractor – Rs 1.149 million

Para 127 (6) and 129 (i) of PWD code provide that 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 Rule 2.9(d) of D.F.R, the Divisional Officer is required to maintain clear accounts of all stores received by him and to make these accounts available for audit.

TMA Ferozwala made overpayment to contractor admitting the claim of unjustified items. Scrutiny of the record revealed that in connection with the awarded works, unjustified items of works were paid. Sewerage was laid in streets where, as per specifications, manhole was to be constructed at every 80 feet but payments were made for excess manholes.

Sr. No.	Name of work	RCC Pipe Length	Manhole required	Manhole constructed	Excess	Rate (Rs)	Amount (Rs)
1	Construction of streets drain PCC Mauza Rana Bhatti UC 33	456	6	35	29	9,180	266,220
2	Construction of streets drain PCC Kot Khadim Hussain	911	12	25	13	11,404	148,252
3	Construction of streets drain PCC Village Kalashah Kaku	167	3	7	4	9,307	37,228
4	Construction of streets drain PCC street manj wala Amamia Colony	409	6	13	7	4,243	29,700
5	Construction of PCC Main Bazar Kot Abdul Malik	1444	18	71	53	4,629	245,314
6	Construction of PCC Wandala Dial Shah	945	13	53	40	10,567	422,680
	Total						1,149,394

Audit holds that due to weak internal controls, expenditure was incurred which was not in accordance with the specifications.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery of the amount for excess construction of manholes besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.1.6 Non reconciliation of receipts - Rs 306.989 million

According to Rule 77 of PDG and TMA Budget Rules 2003, the collecting officers shall furnish monthly reconciled statements of actual collections under the heads for which they are responsible to the head of

office in forms BM-3 and BM-4. Further according to Rule 78 of PDG and TMA Budget Rules 2003, the collecting officer shall reconcile his figure of receipts with the record maintained by the accounts officer by the 10th day of the month following the month to which the statement relates.

During scrutiny of the record of TMA Ferozwala for financial year 2015-16, it was observed that receipts were reflected worth Rs 306.989 million but the same was not recorded in cash book by the DDOs and there was no reconciliation of receipts with the Tehsil Account Office and same was the fate of deposits remitted with the bank account.

Audit was of the view that reconciliation of receipt was not made due to weak internal controls and negligence on the part of TMA management.

Non-reconciliation of receipts may lead to mis-appropriation of government funds.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends prompt reconciliation of the receipts besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.2 Performance

1.3.2.1 Loss due to construction of illegal buildings – Rs 3.475 million

According to section 144 & 145 and fourth schedule of PLGO 2001, minimum of Rs 15,000, fine will be imposed on person who carried out construction of building without prior permission of TMA. Further according to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

TMA Ferozwala did not recover fine amounting to Rs 3.150 million @ Rs 15,000 for the construction of 210 buildings without approval of competent authority. Further minimum building fee for 2000 Sq. ft @ Rs 5 Sq. ft was not collected from 139 buildings which resulted in non-collection of building fee worth Rs 1.390 million. Scrutiny of record revealed that notices were served but the maps/ building plans of the constructed and built up sites were not submitted by the owners and no further action was taken against the owners. No efforts were on record to stop the construction of illegal buildings and enforce recovery of fine.

Audit was of the view that non-collection of building plan fee and fine for illegally constructed buildings was due to poor financial management and weak internal controls.

This resulted in loss of Rs 4.540 million to the public exchequer.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends prompt imposition of recovery of the outstanding amount from the owners of illegally constructed buildings besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.2.2 Unauthorized and doubtful collection of building plan fee - Rs 5.339 million

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an

officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

There are 17 schemes in territory of TMA Ferozwala, District Sheikhpura which are Basit Town (Mouza Darghai Gill Qasim and Chak-38), Buksh Town (Mouza Bhullay Androon Kot Noor), Green Farm (Mouza Dhinga, Bansi Nagar and Khanuwal), Lahore Garden Phase-2 (Main Sharaqpure Road), New Lahore Garden (Main Sharaqpur Road), Gulshan-e-Dawood (Mouza Chak 41), Revenue Garden (Mouza Kallar), Royal View (Mouza Rana Bhatti), Syed Shah Jamal City (Ahdian Road), SA Garden Phase-I Extension (Main GT Road), SA Garden Phase-II Extension (Main GT Road), Ansaar Model City (Ahdian Road), Ahmed Garden (Main GT Road, Near Rana Town), Al-Mustafa Garden (Mouza Rana Bhatti, Main Sharaqpur Road), Premier Housing Scheme (Mouza Chak no. 43), Rehmat View (Main GT Road) and Azeem Garden Phase-III (Main Bazar, Ferozwala).

Audit was of the view that illegal development of housing schemes and non transfer of property in the name of TMA were due to poor asset management and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends holding of an inquiry into the matter and regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.2.3 Unauthorized management of government properties

According to Rule 8 of the Punjab Local Government (Property) Rules 2003, the designated Committee shall be constituted to identify, prepare and send report to the Government and dispose of the Redundant/Encroached Property.

During audit of TMA it was observed that there was no property registers for the account of different classes of government properties. Manager of the government property does not know about the existence valuation ownership and demarcation of the properties. In violation of the property rules monitoring was not done at all and the valuable government property was left at the stake. Audit holds that the government property might have been encroached or mis-used and needs to be managed properly.

Audit was of the view that unauthorized management of government properties was due to poor asset management and weak internal controls. This resulted in unauthorized management of government properties.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends investigation of matter and identification and demarcation of government property under intimation to audit.

1.3.1.4 Loss to local fund due to non-auction of solid Waste

According to the Rule 76 (1) of the Punjab District Government & TMA (Budget) Rules 2003, the primary obligation of the Collecting Officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head.

During audit of TMA it was observed that no efforts were made by the manager of government authority to generate the revenue from the auction / sale of solid waste. A huge sum was expended by the TMA to manage the waste in the territory of TMA but the revenue realization from the management of solid waste was not warranted. This is a case of negligence and poor management. All pre-requisites were in place, cost had been paid for collection of waste and transportation. TMA did not realize the revenue after bearing cost which is a serious lapse on the part of authority.

Audit was of the view that due to weak internal and financial controls revenue generation was not materialized from solid waste. This resulted in loss of government revenue for want of sale of solid waste.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends holding of investigation into government loss may be recovered from those responsible under intimation to audit.

1.3.1.5 Non-classification of land under the jurisdiction of TMA

According to Rule 4 of Land Use Rules 2009 “A City District Government or a Tehsil Municipal Administration shall classify and sub-classify the areas under its control into the following land use classes: (a)

residential; (b) commercial (including institutional); (c) industrial; (d) peri-urban; (e) agricultural; and (f) notified area.

During audit of TMA Ferozwala it was observed that the area of TMA was not classified and sub classified in residential, commercial, industrial, peri Urban and agriculture. Due to non-classification of the land / area serious violations of the land use could not be stopped. Non-compliance of the rules resulted in development of un-planned and illegal housing schemes, commercial areas. Serious environmental hazardous have been generated in the areas. The problems in handling / addressing / management of solid and liquid waste have become strongly challenging in the municipal areas of TMA.

Audit was of the view non-classification of land under the jurisdiction of TMA was made due to defective financial management and internal controls. This resulted in non-classification of land under the jurisdiction of TMA.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends that poor planning and non-compliance of the rules needs to be investigated under intimation to audit.

1.3.1.6 Loss of local fund due to non-receipt of conversion fee

According to Rule 19 of Land use Rules 2009 “A City District Government or a Tehsil Municipal Administration shall, within six months from the notification of these rules: (a) prepare a land use classification map of the area under its control in accordance with the land use classification and sub-classification under rule 4 i.e residential commercial industrial and peri Urban; (b) prepare a land use classification map using satellite imagery of the area; and (c) digitize the satellite imagery of the area and use it as a base map for the required field survey to complete the land use classification map but such map may be prepared in parts, each part map may be prepared for a part of the area under its control:

During the Audit of TMA for it was observed that no plan was formulated for implementation of land use plan within six months of the promulgation of these rules. Due to negligence of the authorities and non-compliance of the rules an important function of town planning was seriously ignored Due to non-implementation of plan and violation of the above rules conversion fee was not received from the land owners which also resulted in loss of local fund receipt.

Audit was of the view that no plan was prepared and approved for the implementation of land use plan due to defective financial management and internal controls.

This resulted in unauthorized running of illegal schemes and loss of conversion fee.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends prompt remedial action and seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.3.1.7 Unauthorized and doubtful payments to incomplete CCBs

According to rule 18 of CCB Rules 2003. Project monitoring and evaluation.- (1) Projects of CCB shall be subject to monitoring and evaluation by the respective Monitoring Committee constituted under the Ordinance or by any other agency/official(s) notified by the local government concerned. (2) The Monitoring Committee shall prepare a monitoring and evaluation report of the CCB Projects and shall submit the same to the Council and the Nazim concerned. (3) The Monitoring Committee shall neither interfere in the day to day affairs of the CCB nor shall it stop the work of the CCB. (4) The CCBs shall provide access, to all its record, to the Monitoring Committee or any other agency/official(s) notified by the local government concerned. Further according to rule 17. Project implementation by CCB.- (1) A CCB, upon receipt of approved project budget estimates, shall submit the following documents to the concerned CCB official dealing with CCBs:- (i) certificate of a bank or post office showing evidence of deposit of twenty percent share of the CCB; (ii) copy of duly executed agreement with the local government concerned as per CCB Form-5; and (iii) request for first installment as per CCB Form-6. (2) A CCB shall implement duly approved projects as specified in the project agreement by itself. (3) A CCB shall implement the project within the allocated funds and within the allowed time frame. (4) Upon submission of the documents to be filed under sub-rule (1) above the CCB official shall, in accordance with the disbursement schedule in the agreement referred to in sub rule (1) (ii) above, transfer the first installment into the account specified by the CCB under sub rule (1) (i) above. (5) Subsequent transfer of installments by the local government

concerned shall be made in accordance with the schedule agreed to between the CCB and the local government concerned. (6) The release of subsequent installment shall be subject to the approval of the concerned local government.

TMA made payments to CCBs as 1st and 2nd installments to the CCBs. Payment made out of local fund was wasted / likely embezzled due to non-monitoring of the progress of the CCBs. CCBs deposit 20% share and got the 1st installment released from local fund without execution of works.

Audit was of the view that due to defective financial and internal controls ongoing CCB schemes were not completed.

This resulted in wasteful expenditure on CCB schemes.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends the investigation of incomplete CCB schemes and recovery of amount besides fixing responsibility against the officers officials at fault under intimation to Audit.

1.4 TMA Muridke

1.4.1 Irregularities and Non-compliance of rules

1.4.1.1 Non-realization of water rates – Rs 19.282 million

As per Rule 76(1) of the PDG & TMA (Budget) Rules 2003, the Collecting Officer is to ensure that all revenue due to be claimed, is realized and credited to local government fund.

During audit, it was observed that TMA Muridke did not realize an amount of Rs 19.282 million on account of fee of water supply up to the year 2015-16 as detailed below:-

Name of CO Unit	Year	Total Recovery Due (Current)	Actual Amount Recovered	Less Recovery (Current)	Total Recoverable upto date (Opening + Current)
Muridke				Upto Jun 11	8,841,531
	2011-12	6,231,600	2,918,935	3,312,665	12,154,196
	2012-13	4,269,600	2,992,216	1,277,384	13,431,580
	2013-14	4,292,100	3,527,825	764,275	14,195,855
	2014-15	4,293,900	3,890,768	403,132	14,598,987
	2015-16	4,293,900	3,311,091	982,909	15,581,796
Narang Mandi				Upto June 11	3,195,667
	2011-12	1,675,800	1,617,328	58472	32,54,139
	2012-13	1,703,700	1,721,199	17499	32,36,640
	2013-14	1,704,600	1,496,587	208013	34,44,653
	2014-15	1,705,500	1,673,685	31815	34,12,838
	2015-16	1,705,500	1,418,198	287302	37,00,140
Total:-		31,876,200	24,567,832	7325968	19,281,936

Audit was of the view that due to weak financial management, arrears were not recovered resulting in loss of Rs 19.282 million to public exchequer

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

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

1.4.1.2 Non-transparent expenditure due to non-advertisement on PPRA Website - Rs 6.959 million

According to Rule 12(1) read with Rule 9 of Punjab Procurement Rules 2014, procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's website in the manner and format specified by PPRA regulation from time to time. A

procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting of the procurements so planned. The annual requirements thus determined would be advertised in advance on the PPRA's website.

TMO Muridke incurred expenditure worth Rs 6.969 million for procurements on various events during financial year 2015-16 but the same was not advertised on the PPRA website. The expenditure was held non-transparent as whole expenditure was incurred without advertisement as detailed at **Annex-D**.

Audit was of the view that non-transparent procurements were made due to weak internal controls on the part of the management.

This resulted in irregular expenditure of Rs 6.959 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for seeking regularization from competent authority in a manner prescribed besides fixing responsibility against the person at fault under intimation to Audit.

1.4.1.3 Unauthorized expenditure on account of polio and dengue – Rs 4.131 million

According to Tehsil Municipal Administration Rules of Business 2002 read with District Governments Rules of Business 2001, prevention and control of infectious and contagious diseases is the function of District Governments Health Department.

During scrutiny of record of TMA Muridke, it was observed that an amount of Rs 4.131 million was expended during financial year 2015-16 on account of dengue and Polio campaign. The payments were held unauthorized because the purpose meant to be served did not fall within the jurisdiction of TMA. **Annex-E**

Audit was of view that expenditure incurred on polio and dengue items was incurred beyond the mandate of law due to negligence and weak internal controls on the part of the management.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recoupment of funds from the Health Department of Government of Punjab besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.4.1.4 Irregular payment of non-schedule items - Rs 0.384 million

According to Government of the Punjab, Finance Department Notification No.RO (TECH)FD 18-23/2004 dated 21-09-2004, the rate analysis for the item rates (non-standardized) shall be prepared by the Executive Engineer clearly giving the specifications of the material used and approval by the competent authority to accord Technical Sanction (not below the rank of S.E) before the work is undertaken.

An audit scrutiny of accounts record of the TMA Muridke revealed that payment of non-schedule items worth Rs 1.923 million was made without having approval of the competent authority during 2015-16. Neither copies of the rates analysis nor approval of composite rates obtained from SE and sent to Secretary Standing Rates Committee in violation of above directions as detailed below:

Date	Deptt	Head of Account	Description	Amount (Rs)
08-01-16	CO MDK	Other Building	Main Hole	998,700
0	CO MDK	Other Building	Main Hole	499,450
0	CO (Narang)	Other Building (Main Hole)	Main Hole	100,000
0	CO (Narang)	Other Building (Main Hole)	Main Hole	99,920
0	CO (Narang)	Other Building (Main Hole)	Main Hole	98,700
0	CO (Narang)	Other Building (Main Hole)	Main Hole	88,800
0	CO (Narang)	Other Building (Main Hole)	Main Hole	37,718
Total:				1,923,288
20% overhead and profit				384,657

Audit was of the view that contractor's profit was paid due to poor financial discipline and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization in the manner prescribed besides fixing responsibility against the officers/ officials at fault under intimation to Audit.

1.4.1.5 Non reconciliation of TTIP income –Rs 63.261 million

According to Rule 77 of PDG and TMA Budget Rules 2003, the collecting

officers shall furnish monthly reconciled statements of actual collections under the heads for which they are responsible to the head of office in forms BM-3 and BM-4. Further according to Rule 78 of PDG and TMA Budget Rules 2003, the collecting officer shall reconcile his figure of receipts with the record maintained by the accounts officer by the 10th day of the month following the month to which the statement relates. According to Rule 3(2) of Punjab Local Governments (Tax on Transfer of Immovable Property) Rules, 2001, the rate of the tax shall be fixed as a percentage of the amount of consideration of transfer of property. For the purpose of this rule “consideration” means the price paid for the transfer of the immovable property and where no price is paid the market value as assessed by the authority competent to collect the tax.

During audit of TMA Muridke for the period 2015-16, it was observed that TMA income of TTIP receipt was shown worth Rs 63.261 million received during the year on account of Tax on Immovable Property but same was not got reconciled with the DDO (Revenue) Sheikhupura. This resulted in un-authentic receipt due to non-reconciliation of TTIP income.

Audit was of the view that due to poor financial discipline and weak administrative controls income from TTIP was not got reconciled with DDO (Revenue) on the basis of bench mark of market valuation.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for holding a detail inquiry into the assessment of leviable tax as per ‘consideration value’ besides reconciliation of tax receipts as well as fixing responsibility against the person at fault under intimation to audit.

1.4.1.6 Less / non-deduction of income tax and provincial sale tax - Rs 2.586 million

According to Section 153 (1) of Income Tax Ordinance 2001, every prescribed person making a payment in full or part including a payment by way of advance to a resident person:

- (a) For the sale of goods shall deduct tax @ 4.5% of the gross amount payable, if the person is a filer and 6.5% if the person is a non-filer.

- (b) For the rendering of or providing of services shall deduct tax @ 10% of the gross amount payable, if the person is a filer and 15% if the person is a non-filer;
- (c) According to second schedule of provincial sale tax in case of service rendered @16% Punjab Sale Tax will be deducted.

During audit of TMA Muridke for the period 2015-16, it was noticed that Income Tax amounting to Rs 1.417 million and Provincial Sales Tax amounting to Rs 1.169 million was less deducted resulting in overall loss of Rs 2.586 million to the public exchequer. **Annex-H**

Audit was of the view that less / non-deduction of Income Tax and Provincial Sales tax was due to poor financial management and negligence on the part of TMA authorities.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.4.1.7 Irregular expenditure on national events - Rs 1.589 million

According to Section (109) (3) of PLGO, 2001, no local government shall transfer monies to a higher level of Government except by way of repayment of debts contracted before the coming into force of this Ordinance or for carrying out deposit work. Moreover, According to rule of Business, it is not the function of TMA to arrange temporary Bakar Mandi, Ramdan Bazar and Muharram events etc,. According to rule 2.10(a) of PFR Vol-I, same vigilance should be exercised in respect of expenditure incurred from government revenues as a person of ordinary prudence would exercise in respect of the expenditure of his own money.

During the scrutiny of record of TMA Muridke during 2015-16, it was observed that expenditure of Rs 1.589 million stood incurred under head “National events” without observing the prescribed formalities as detailed at **Annex-F**

Audit was of the view that un-authorized expenditure was incurred due to poor financial discipline.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers/officials at fault also seeking recouplement of funds for expenses incurred under intimation to Audit.

1.4.1.8 Irregular re-appropriation of funds – Rs 22.750 million

As per Sr. No. 9 (8) of Punjab Delegation Power 2006 “No re-appropriations will be made out of the lump sum provisions without the prior approval of Finance Department”.

As per clause 4 of Punjab Local Government Ordinance 2001, “Local Government established under this Ordinance shall function within the provincial framework and adhere to the Federal and Provincial Laws”.

Contrary to the above re-appropriations were made valuing Rs 22.750 million from lump sum allocations by TMA Muridke during 2015-16, without the approval of Finance Department. **Annex-G**

Audit was of the view that un-authorized re-appropriation of funds was made due to poor financial discipline and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends the management to seek regularization of the matter in the manner prescribed from the competent authority besides fixing responsibility against the person(s) at fault under intimation to audit.

1.4.1.9 Irregular payment on account of PCC - Rs 1.810 million

As per specification No. 24 of PWD Standard specifications for Road and Bridges 1971, if PCC topping is required to be laid of more than 1 ½” thick, then it would be required to be laid in two layers and the lower layer should be of 1:3:6 ratio of cement concrete.

During scrutiny of record of TMA Muridke for the financial year 2015-16, it was observed that PCC 1:2:4 of 4” thickness was laid in one layer in the development scheme namely “Construction of Soling PCC & Sewerage Merowal”. PCC should have been laid in more than one layers of 1½ inch of 1:3:6 ratio of lower layers as required in the above quoted specification. The department did not bother to comply with instructions.

This resulted in irregular payment of Rs 1.811 million on account of PCC topping. The detail of PCC is as under:

MB #	Name of Scheme	Specification	Qty Cft	Rate	Amount
7561	Construction of Soling PCC & Sewerage Merowal	3" thick	4304	20275.2	872,645
4612	Rural Drainage Scheme Kitro, Muridke	3" thick	7879	5562.75	438,289
4612	Rural Drainage Scheme Kitro, Muridke	4" & 3" thick	2466	20275.2	499,986
	Total				1,810,920

Audit was of the view that payment was made due to negligence on part of the management and weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends the management to seek regularization of the matter in the manner prescribed from the competent authority besides fixing responsibility against the person(s) at fault under intimation to audit.

1.4.1.10 Non-imposition of penalty - Rs 1.195 million

According to C&W Department letter No.SOB II (C&W) 2-21/79-CE(PIII) dated 28/04/2009 read with clause 39 of contract agreement, if contractor does not complete the work within time limit, he would be liable to pay compensation 1 to 10% of the estimated cost or otherwise on the ground of per day basis for which the work remain incomplete and copy of extension in time limit would be submitted to Secretary C&W Department.

During scrutiny of record of TMA Muridke for the financial year 2015-16, it was observed that the department did not impose liquidated damages charges amounting to Rs 1.195 million @ 10% of total cost of Rs 11.950 million incurred on execution of six schemes as the schemes were not completed within the time limit nor time extension was granted.

Sr. No.	Name of Scheme	Cost	Date of Start	Time Limit	Penalty @ 10%
1	Construction of Soling from Bhundry village to Sahawa Road KuchilVirk	4,000,000	02-03-016	6 Months	400,000
2	Construction of Soling PCC & Sewerage Merowal	2,000,000	31-07-015	6 Months	200,000
3	Rural Drainage Scheme Kirto, Muridke	2,000,000	12-08-015	6 months	200,000
4	Construction of PCC & Culverts Dera	1,750,000	12-08-015	6 months	175,000

	Cheemaian Muridke				
5	Rural Drainage Scheme Narang Mandi	1,000,000	12-10-015	3 months	100,000
6	Const of Nallah FathayPuri	1,200,000	16-05-015	3 months	120,000
	Total	11,950,000			1,195,000

Audit was of the view that this inaction / non-imposition of penalty was because of weak internal controls and poor operational and financial management.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of liquidated damages and recovery thereof besides fixing responsibility against the person at fault under intimation to Audit.

1.4.2 Performance

1.4.2.1 Unauthorized and doubtful collection of building plan fee - Rs 1.001 million

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

During scrutiny of record of TMA Muridke, it was observed that building fee amounting to Rs 1.001 million was recovered under head CO388026-40 (fee from Building construction plan) from the building owners in the territory of TMA during financial year 2015-16. Collection was held doubtful because there was no survey of buildings when the TMA was constituted. Notices were not pre-numbered / machine numbered to verify the completion of notices served. No notice register and stock register of notice books were available. No efforts were on record to stop the construction of illegal buildings. This was the case of weak monitoring of the area which led to the construction of illegal buildings. **Annex-H**

Audit was of the view that due to poor financial discipline and weak administrative controls, survey was not conducted and resulted in loss to Government.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends the management to expedite conducting survey of buildings besides fixing responsibility against the officers / officials under intimation to Audit.

1.5 TMA Safadarabad

1.5.1 Non production of record

1.5.1 Non-production of record - Rs 2.79 million

According to Section 14(1)(b) of 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, according to Section-115(5) & (6) of PLGO 2001, at the time of audit, the official 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 expedition.

During scrutiny of record of TMO Safdarabad for the year 2015-16, it was observed that in the cases of four katchi abadies, recovery of spent funds worth Rs 2.79 million was not affected. However, record regarding residents of Katchi Abadies, documentation with respect to proprietary rights (cost of land), cash book of katchi abadi and accounts of development charges, indicating the area of each katchi abadi, and recovery statement of cost of land and progress report duly signed by Engineer in charge was not produced to audit.

Audit was of the view that relevant record of receipt was not maintained and, hence, not produced to Audit for verification which may lead to likely misappropriation and misuse of public resources.

The matter was also reported to PAO concerned 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 besides fixing responsibility on the delinquent officers / officials for non-production of record and promptly ensure submission of record to audit for scrutiny.

1.5.2 Irregularities and Non-compliance of rules

1.5.2.1 Non-achievement of receipt targets – Rs 8.129 million

According to Rule 76(1) read with Rule 77, 78 & 79 of PDG & 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 the local government fund under the proper receipt head.

TMA Safdarabad did not achieve the receipt targets and value assessed against collection rights under the following items of receipt heads during 2015-16.

Minor / Major / Detailed Receipt Heads	Budget Estimates for Year 15-16	Income Recovered Up to last Month	Less Recovery
Tax on Transfer of Immovable Property	20.000	14.749	5.251
License Fee (Dangerous Effensive Trade)	0.200	4.405	0.156
Fee for Slaughtering of Animals	0.150	0.082	0.068
Water Connection / Disconnection / Reconnection Fee	1.500	0.346	1.154
Sale of Sullage Waste Water	0.025		0.025
Advertisement Fee on Sign Board of Shops	0.250	0.123	0.127
Rent of Municipal Property Shops	3.300	22.130	1.170
Copying Fee	0.070	0.036	0.034
Others Misc	0.500	0.356	0.144
TOTAL:-	25.995	22.645	8.129

Audit holds that due to poor financial management receipt target was not achieved resulting in loss of Rs 8.129 million to the public exchequer.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.5.2.2 Non-approval of lead chart - Rs 1.042 million

According to Rule 3(2) of Punjab Local Governments (Tax on Transfer of Immovable Property) Rules, 2001, the rate of the tax shall be fixed as a percentage of the amount of consideration of transfer of property. For the purpose of this rule “consideration” means the price paid for the transfer of the immovable property and where no price is paid the market value as assessed by the authority competent to collect the tax.

During scrutiny of record of TMA Safdarabad for the financial year 2015-16, it was observed that the department paid the earth work amounting Rs 1.042 million to the contractors for four development schemes without approval of lead chart from the competent authority by violating the above rule. Moreover, the record did not exhibit Kassra and Khatuni numbers (as directed by Chief Engineer, Punjab Local Government Board Lahore) of the site from where the earth was carried to the site;

MB No.	Name of Scheme	Qty	Rate	Amount
18897	Const / Repair of metalled road from Sangla Hill Road to Barnala (Remaining Portion)	64838 Cft	7388.15	479,029
19170	Const of Drain / Soling Boundary Wall Graveyard Qila Mir Zaman	47708	5894.55	281,217
19009	Const of Soling, Culvert Dera Mansha Dogar Safdarabad	33643	6522.5	219,436
18814	Const of Drain / PCC Street M. Munawar, Majid Dokandar Mohallah Shafiqu Nagar, Safdarabad	9655	6522.5	62,974
Total				1,042,656

Audit was of the view that payment had been made without approval of lead chart due to weak administrative and financial discipline.

This resulted in irregular payment of earthwork amounting to Rs 1.042 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends that management ought to seek regularization of matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.5.2.3 Unauthorized execution of development scheme - Rs 1.274 million

According to para 2.82 of B&R Code, "No work shall be commenced unless administrative approval by competent authority is given and properly detailed design and estimates have been sanctioned, allotment of funds made and orders for its commencement are issued by competent authority" & According to para Nos. 2.19, 2.58 and 2.61 of B&R Code after accord of administrative approval and before accord of technically sanctioned estimate and award of work on contract, detailed design with proper report and a specification must be prepared under the

order of the Divisional Officer and should be got approved from the competent authority.

During scrutiny of record of TMA Safdarabad for the financial year 2015-16, it was observed that the department expended an amount of Rs 1.274 million on development scheme titled “Const of Drain / Soling Boundary Wall Graveyard Qila Mir Zaman” whereas the scheme had also not been got technically sanctioned in violation of the above rule.

Audit holds that due to poor financial discipline and weak monitoring, development schemes were executed in violation of rules / formalities resulting in unauthentic expenditure of Rs 1.274 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends that the management ought to seek regularization of expenditure in a manner prescribed besides fixing responsibility against the person(s) at fault under intimation to Audit.

1.5.2.4 Non-recovery of arrears – Rs 2.666 million

According to Rule 76(1) read with Rule 77, 78 & 79 of PDG & 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 the local government fund under the proper receipt head.

TMO Safdarabad did not recover an amount of Rs 2.666 million on account of Parking fee, AddaTanga fee, House Tax Fee, Building Fee, Slaughter House and Professional Tax from eleven contractors for the period 2003-04 to 2004-05 after lapsing of eight years. Demand & collection register and record of bank guarantor was not produced to audit.

Audit holds that due to poor financial discipline and weak management arrears were not recovered resulting in loss of Rs 2.666 million to the public exchequer.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of early recovery besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.5.2.5 Non-realization of shop rent and water rates – Rs 5.057 million

As per Rule 76(1) of the PDG & TMA (Budget) Rules, 2003, the Collecting Officer is to ensure that all revenue due is claimed, realized and credited to local government fund.

TMA Safdarabad did not realize an amount of Rs 5.057 million on account of rent of shops and water supply upto the year 2015-16. **Annex-J**

Audit holds that arrears on account of water charges were not recovered due to negligence on part of the management. This resulted in loss of revenue of Rs 5.057 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recovery of the outstanding amount besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.5.2.6 Non-reconciliation of TTIP income – Rs 14.739 million

According to Rule 77 of PDG and TMA Budget Rules 2003, the collecting officers shall furnish monthly reconciled statements of actual collections under the heads for which they are responsible to the head of office in forms BM-3 and BM-4. Further according to Rule 78 of PDG and TMA Budget Rules 2003, the collecting officer shall reconcile his figure of receipts with the record maintained by the accounts officer by the 10th day of the month following the month to which the statement relates.

TMA Safdarabad realized Rs 14.739 million on account of Tax on Transfer of Immovable Property (TTIP) during 2015-16. The receipt was held unauthentic as supporting files were not available on record to verify the basis for tax calculations. Only the deposited challans were provided in support of the realized amount. Moreover, Tax on Transfer of Immoveable Property was also not got reconciled with the Revenue Department.

Audit was of the view that due to poor financial discipline and weak administrative controls, income from TTIP was not reconciled with DDO (Revenue).

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends production of supporting documents to verify the basis of tax calculations besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6 TMA Sharqpur Sharif

1.6.1 Non Production of Record

1.6.1.1 Non production of record

According to Section 14(1)(b) of 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, according to Section-115(5) & (6) of PLGO 2001, at the time of audit, the official 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 expedition.

An audit scrutiny of accounts record of TMA Sharaqpur Sharif revealed that the TOs concerned did not produce the copies of FIRs, Notices issued to owners of illegal construction and other documentation for unlawful and illegal construction, housing schemes, shops rent files for audit verification. Classified register, budget control register, scheme wise expenditure register, pension contribution register, liability register, Income tax register, GST Register, Register for registered/un registered firms, Advance register for employees and contractor, DGPR Register, Benevolent Fund register, service books of staff, promotion cases, survey register, seniority list and all register as provided by business Accounts rules.

Audit was of the view that non-production of record was due to derelictions of duties on the part of the management. This resulted in doubtful and unauthentic financial transaction without verification.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault besides early production of record for verification.

1.6.2 Irregularity and Non Compliance of Rules

1.6.2.1 Illegal construction of special school and non-recovery of rent - Rs 7.200 million

According to Section 180 of PLGO 2001, the properties, assets and liabilities of the Municipal Corporations under the Punjab Local Government Ordinance, 1979 (VI of 1979), shall be succeeded by Tehsil Municipal Administration in the case of Municipal Corporations, as the case may be.

During scrutiny of the property record of TMA Sharqpur Sharif for the financial year 2014-16, it was observed that a school for special children was illegally constructed on the land of 6 kanal and 17 marla of TMA/Committee without any lawful authority (transfer of the title of property). The scheme was approved by District Development Committee Sheikhpura without confirmation of transfer of land title. On scrutiny of the record, it was further observed that Government of Punjab Revenue department allotted 12 acres of land for construction of the building for the special / mentally retarded children at another site. Administration of the TMA filed a petition and decision was made in the favor of TMA/Committee with the recommendation of Rs 300,000 / month rent from the date of occupation which amounts to Rs 7.200 million. (Rs 300,000 x12x2). The realization of the rent against TMA managed property now occupied by a facility of the district government had not been secured by the management.

Audit was of the view that illegal construction of school on land of TMA and non-recovery of rent was due to weak financial management and internal controls. This lead to Illegal construction of Special Education School on land of TMA and non-recovery of rent worth Rs 7.200 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery of rent besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.1.2 Irregular payments from PLA - Rs 55.776 million

Para 4.2.7.1 of APPM stated that every claim voucher (bill) must be certified by an officer in the relevant District Account

Office/Accountant General Office/Accountant General Pakistan Revenue Office and who shall be deemed to be the certifying officer.

During the Audit of TMA Sharqpur Sharif for the financial year 2014-16, it was observed that payment of Rs 55.776 million was made out of PLA account of TMA without post audit. In the absence of the post audit the authenticity of the payments could not be assured.

Audit was of the view that irregular payment was made out of PLA account without post audit due to defective financial management and internal controls.

This resulted in irregular disbursement out of PLA account without post audit.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.3 Non-reconciliation of expenditure and receipt Rs 216.476 million

According to Rule 77 of PDG and TMA Budget Rules 2003, the collecting officers shall furnish monthly reconciled statements of actual collections under the heads for which they are responsible to the head of office in forms BM-3 and BM-4. Further according to Rule 78 of PDG and TMA Budget Rules 2003, the collecting officer shall reconcile his figure of receipts with the record maintained by the accounts officer by the 10th day of the month following the month to which the statement relates.

Management of TMA Sharqpur Sharif did not reconcile an expenditure to the tune of Rs 76.137 million and receipt amounting to Rs 140.339 million with Tehsil Accounts Office and bank during the financial years 2014-16. It was further observed that receipts were not being entered in the cash book.

Audit was of the view that non-reconciliation of expenditure and receipts was due to defective financial management and poor internal controls.

Non-reconciliation of expenditure and receipts may lead to misuse of government funds to the tune of Rs 216.476 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends prompt reconciliation of expenditure and receipt with Tehsil Accounts Office and bank besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.4 Un-authorized expenditure on account of non-schedule item- Rs 14.66 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 Composite Schedule Rates.

TO (I&S) of TMA Sharqpur Sharif made payment of Rs 2.957 million on account of non-schedule items while executing following schemes during 2014-15 without obtaining approval of composite rates from SE also avoiding sending of the same to Secretary Standing Rate Committee in violation of above directions:

Rs in million

Sr. No.	Work	Contractor	T.S	Items	Amount
1	Construction of Rural Drainage Scheme Thata Bamian, Sharqpur Sharif	Mirza Allah Ditta	1.600	Drain	1.600
2	Construction of Water supply one qusic Sharqpur Sharif	Muhammad Shafiqe	4.497	Tube well	4.497
3	Construction of Water Filtration Plant City Sharqpur Sharif	Al Abbass construction Co	1.850	Filtration Plant	1.850
4	Extension and repair of Slaughter House City Sharqpur City	Shahzada Nasir Maqbool	1.630	Slaughter House	1.630
5	Renovation of Parks & Playground city Sharqpur Sharif	Shahzada Nasir Maqbool	1.000	Renovation of Parks	1.000
6	P/F Aluminum Studs speed breakers	Saeed ahmed	0.748	P/F Stud	0.748
7	Construction of soling at 23 Chak Tehsil Sharqpur sharif	Ali Raza & co	1.335	Soling	1.335
8	Rural drainage scheme kot mehmoood Sharqpur Sharif	Mirza Allah ditta	2.000	Rural Drainage	2.00
Total:					14.66

Audit was of the view that un-authorized expenditure on account of non-schedule item was incurred due to weak internal controls.

This resulted in unauthorized expenditure on account of non-schedule item worth Rs 14.66 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for seeking regularization of the expenditure in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.5 Unauthorized execution of development schemes – Rs 19.55 million

As per instructions contained in F.D letter No FD (F-R) ii 2/89 dated 27-03-1990, the number, date and amount of TS Estimate and name of authority who TS the estimates should be mentioned in the notice of press advertisement. Further, FD letter No RO (tech) 1-2/83-iv dated 29-03-2009 also laid down that a certificate should be obtained from end user that the repair / execution has been carried out satisfactory before releasing the final payment to the contractor.

While reviewing the execution record of the thirteen development schemes amounting to Rs 19.55 million during financial year 2014-16, it was noticed that amount of Technical Sanctioned Estimate and name of authority approving the technical sanction estimates was not mentioned in the tender notices advertised in the press. Further, requisite certificates of satisfactory repair / execution of schemes from the inhabitants of sites were also neither available on record nor shown to audit.

Audit was of the view that irregular execution of development schemes was due to defective financial management and weak internal controls.

This resulted in unauthorized execution of development schemes valuing Rs 19.55 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends for seeking regularization of the expenditure in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.6 Irregular release of security - Rs 1.466 million

According to District Coordination Officer's letter No.PS/DCO/SKP/198 dated 07-03-2016, it has been observed with great concern that incomplete cases for release of security for development schemes are forwarded. It is not only a waste of time but also causes problems for executing agencies, client departments and contractors. For a report from officer incharge of the executing agency with fulfillment of clauses of agreement, Incharge of the department shall visit the schemes personally and issue certificate and in furtherance thereof, PC-IV will also be attached along with photographs. Further, according to terms of Rule 66 PPRA Rules 2014 read with freedom of information Act,2014 as soon as contract has been awarded, the procuring agency shall make all documents related to the evaluation of the bid and award of contract should be uploaded on PPRA website as well.

Scrutiny of the accounts record of eight development schemes executed by TMA Sharqpur Sharif during financial period 2014-16 revealed that 10% security amounting to Rs 1.466 million was released without observing above instructions.

Rs in million

Sr. No.	Work	Contractor	T.S	Items	Amount
1	Construction of Rural Drainage Scheme Thata Bamian, Sharqpur Sharif	Mirza Allah Ditta	1.600	Drain	0.160
2	Construction of Water supply one quasic Sharqpur Sharif	Muhammad Shafiqe	4.497	Tube well	0.449
3	Construction of Water Filtration Plant City Sharqpur Sharif	Al Abbass construction Co	1.850	Filtration Plant	0.185
4	Extension and repair of Slaughter House City Sharqpur City	Shahzada Nasir Maqbool	1.630	Slaughter House	0.163
5	Renovation of Parks & Playground city Sharqpur Sharif	Shahzada Nasir Maqbool	1.000	Renovation of Parks	0.100
6	P/F Aluminum Studs speed breakers	Saeed ahmed	0.748	P/F Stud	0.075
7	Construction of soling at 23 Chak Tehsil Sharqpur sharif	Ali Raza & co	1.335	Soling	0.133
8	Rural drainage scheme kot mehmood Sharqpur Sharif	Mirza Allah ditta	2.000	Rural Drainage	0.200
Total:					1.465

Audit was of the view that irregular release of security of development schemes was due to defective financial management and internal controls.

This resulted in irregular release of security of development schemes Rs 14.66 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the expenditure in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.7 Doubtful appointment of daily wages staff - Rs 16.963 million

As per Wage Rate 2007, the appointment to a post included in the schedule shall be advertised properly in leading newspapers and recruitment to all posts in the schedule shall be made on the basis of merits specified for regular establishment vide para 11 of the Recruitment Policy issued by the S&GAD vide No. SOR-IV(S&GAD)10-1/2003 dated 17.9.2004.

Management of TMA Sharqpur Sharif incurred an expenditure of Rs 16.963 million on salary of eighteen members of staff engaged @ Rs 380 / day appointed during financial year 2014-15 without open advertisement in the press and observing codal formalities in violation of the above instructions. Documentation in pursuance of recruitment like appointment letters, joining reports, medical fitness certificates, CNIC No., domicile etc were not provided to audit for verification and authentication. Audit was of the view that doubtful expenditure on daily wages appointment was incurred due to defective financial management and internal controls.

Appointment of daily wage staff without observing codal formalities resulted in irregular expenditure of Rs 16.963 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.8 Irregular accord of technical sanction - Rs 14.66 million

According to Rule 44(1) of the PDG and TMA (Budget) Rules, 2003, expenditure can be incurred only on development projects for which administrative approval and technical sanction (for works) has been accorded and the development project has been included in the budget and has been approved by the Council. Further as per Finance Department, Government of the Punjab vide letter No. FD(FR)11-5/82 dated 2.04.2002 stated that Governor of the Punjab has approved TS powers. 1-TO(I&S) (BS-18) of District Headquarter TMA up to Rs 5.0 million.2-All schemes of other TMAs in the District up to Rs 5.0 million will be submitted to TO(I&S) of District Headquarter TMA, whereas schemes exceeding Rs 5.0 million and upto Rs 20.0 million will be submitted to EDO (W&S) of the concerned district for TS.

An audit scrutiny of accounts record of TMA Sharqpur Sharif revealed that the post of TO (I&S) remained vacant during 2015-16. The charge of the post was given to the Sub Engineer. Technical Sanction of the following schemes was not obtained from TO (I&S) of District Headquarter / EDO (W&S) Sheikhpura in violation of clear cut directions of the Finance Department.

Sr. No.	Work	Contractor	T.S
1	Construction of Rural Drainage Scheme Thata Bamian, Sharqpur Sharif	Mirza Allah Ditta	1.600
2	Construction of Water supply one quasic Sharqpur Sharif	Muhammad Shafiqe	4.497
3	Construction of Water Filtration Plant City Sharqpur Sharif	Al Abbass construction Co	1.850
4	Extension and repair of Slaughter House City Sharqpur City	Shahzada Nasir Maqbool	1.630
5	Renovation of Parks & Playground city Sharqpur Sharif	Shahzada Nasir Maqbool	1.000
6	P/F Aluminum Studs speed breakers	Saeed ahmed	0.748
7	Construction of soling at 23 Chak Tehsil Sharqpur sharif	Ali Raza & co	1.335
8	Rural drainage scheme kot mehmoood Sharqpur Sharif	Mirza Allah ditta	2.000
	Total		14.66

Audit was of the view that Technical Sanction from unauthorized authority was due to weak administrative and internal controls and resulted in irregular expenditure of Rs 14.660 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.9 Less realization of receipts - Rs 25.143 million

According to Rule 13 (i& ii) read with Rule 16 of the PDG & TMA Budget Rules 2003, the collecting officer shall prepare the estimates of receipts diligently and accurately and in relation to revised estimates, he shall take into consideration the actual receipts of the first eight months and head of office shall finalize and consolidate the figures. Moreover, according to the Para (1) of the Punjab District Government & TMA (Budget) Rules 2003, the primary obligation of the collecting officers shall be to ensure that all revenue due is claimed, realized and credited immediately into the local government fund under the proper receipt head.

TMA Sharqpur sharif, Sheikhpura realized Rs 41.557 million against the target of Rs 66.700 million during financial year 2014-16 resulting in less realization of Rs 25.143 million. **Annex-K**

Audit was of the view that less realization of government receipt was due to defective financial management and internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends imposition of recovery of outstanding amount besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.10 Non reconciliation of receipt of TTIP - Rs 57.568 million

According to Rule 77 of PDG and TMA Budget Rules 2003, the collecting officers shall furnish monthly reconciled statements of actual collections under the heads for which they are responsible to the head of office in forms BM-3 and BM-4. Further according to Rule 78 of PDG and TMA Budget Rules 2003, the collecting officer shall reconcile his figure of receipts with the record maintained by the accounts officer by the 10th day of the month following the month to which the statement relates. Para 4.2.7.1 of APPM stated that Every claim voucher (bill) must be certified by an officer in the relevant District Account

Office/Accountant General Office/Accountant General Pakistan Revenue Office and who shall be deemed to be the certifying officer.

TMA Sharqpur Sharif realized Rs 22.168 million and Rs 33.399 million on account of Tax on Transfer of Immovable Property (TTIP) during financial year 2014-15 and 2015-16 respectively. The receipt was held unauthentic as supporting files were not available on record to verify the basis for tax calculations. Only the deposited challans were provided in support of the realized amount. Moreover, Tax on Transfer of Immoveable Property was also not got reconciled with the Revenue Department and Tehsil Accounts Office.

Audit was of the view that due to poor financial discipline and weak administrative controls, income from TTIP was not reconciled with DDO (Revenue) and Tehsil Accounts Office.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends production of supporting documents to verify the basis of tax calculations besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.11 Irregular payment of non-schedule items - Rs 1.148 million

According to Government of the Punjab, Finance Department Notification No.RO (TECH)FD 18-23/2004 dated 21-09-2004, the rate analysis for the item rates (non-standardized) shall be prepared by the Executive Engineer clearly giving the specifications of the material used and approved by the competent authority to accord Technical Sanction (not below the rank of S.E) before the work is undertaken.

An audit scrutiny of accounts record of the TMA Sharqpur Sharif revealed that payment of non-schedule items worth Rs 1.148 million was made without having approval of the competent authority during FY 2015-16. Neither copies of the rates analysis nor approval of composite rates obtained from SE and sent to Secretary Standing Rates Committee in violation of above directions as detailed at Annex-L.

Audit was of the view that value for money principle was disregarded for these purchases due to defective financial management and internal controls resulting in overpayment of Rs 1.148 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends recovery of the amount overpaid and regularization of the matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.2.12 Irregular expenditure on Independence Day events - Rs 2.072 million

According to section (9) of Punjab Procurement Rules 2014, a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned the annual requirements has determined would be advertised in advance on the PPRA's website as well as on the website of the procuring agency, in case the procuring agency has its own website.

TMA Sharqpur Sharif, Sheikhpura incurred expenditure worth Rs 2.072 million on the eve of Takreebaate Azadi. The expenditure was incurred by splitting the indents in order to avoid advertisement on PPRA Website . Approval of program regarding ceremonies arranged from competent authority was not on record.

Sr. No.	T Date	Description	Suppliers	Amount (Rs)
1.	26-08-2014	Jashne Azadi taqreebaat arrangements	M/s Saeed Ahmad	1,530,189
2	21-09-2015	Purchase of flags, flexes and refreshment etc		542,083
		Total		2,072,272

Audit was of the view that irregular expenditure was made due to defective financial management and internal controls resulting in irregular expenditure amounting to Rs 2.072 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends seeking regularization of matter in a manner prescribed besides fixing responsibility against the officers / officials at fault under intimation to Audit.

1.6.3 Performance

1.6.3.1 Evasion of environmental impact assessment (EIA) leading to unsecure dumping of solid wastes

According to Section 11 of PEPA 1997 , no person shall discharge or emit or allow the discharge or emission of any effluent or waste or air pollutant or noise in an amount, concentration or level which is in excess of the National Environmental Quality Standards.

Audit scrutiny revealed that the TMA Sharqpur Sharif for the financial year 2014-16, was involved in open dumping of solid waste collected from the community. Environmental Impact Assessment (EIA) was not obtained from the Environment Protection Department in violation of PEPA 1997. The open dumping caused air pollution, land pollution and water pollution etc., against which no action was taken. The quantum of solid waste dumping unaccounted for continued to accumulate in illegal heaps evidently inimical to hygiene, health as well as environmental safeguards for population.

Audit was of the view that Evasion of Environmental Impact Assessment (EIA) leading to unsecure dumping of solid wastes due to defective financial management and internal controls. This resulted in evasion of Environmental Impact Assessment (EIA) leading to unsecure dumping of solid wastes.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault besides taking disciplinary action.

1.6.3.2 Non-addressing the management of liquid waste

According to section 54 –A(P)(iii) of PLGO 2001, the TMAs have certain functions to perform in respect of solid waste management including liquid waste.

During the Audit of TMA Sharqpur Sharif for the financial year 2014-16, it was observed that no plan was formulated for collection of liquid waste management. Liquid wastes were flowing into the drains and sewerage of the area and after collection through disposals polluted waste water was being used for irrigation of crops without treatment. This resulted in direct destruction of public health

Audit was of the view that non-addressing the management of liquid Waste was due to defective financial management and internal controls. This resulted in non-addressing the management of liquid Waste.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault besides taking strict action against the delinquents.

1.6.3.3 Construction of illegal buildings in the territory of TMA

According to section 144 & 145 and fourth schedule of PLGO 2001 minimum Rs 15, 000, fine will be imposed on person who carried out construction of building without prior permission of TMA. Further according to section 2(XVII)(b) of PLGO 2001 “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

TMA Sharqpur Sharif for the financial year 2014-16, it was observed that TMA did not recover fine amount for construction of building without prior approval of the competent authority from the building owners in the territory of TMA. Scrutiny of record revealed that the maps of the buildings were not approved being defective but no further action was taken against the owners, no efforts were on record to stop the construction of illegal buildings and recovery of fine. This is the case of weak monitoring of the area which allowed the construction of illegal buildings.

Audit was of the view that loss to local fund due to construction of illegal buildings in the territory of TMA due to defective financial management and internal controls. This resulted in loss to local fund due to construction of illegal buildings in the territory of TMA.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault.

1.6.3.4 Unauthorized and doubtful collection of building plan fee - Rs 1.225 million

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

TMA Sharqpur Sharif for the year 2014-16 recovered building fee amounting to Rs 1.255 million from the building owners in the territory of TMA. Collection was held doubtful because there was no survey of buildings when the TMA was constituted. Notices were not pre-numbered / Machine Numbered to verify the completion of notices served. It was observed that Excise and taxation department collected property tax from shops commercial units in the territory of TMA but no integration was done with PT-I register of excise department. There must be reconciliation between total commercial building plans received in TMA and PT –I register of Excise department. No notice register and stock register of notice books were available. No efforts were on record to stop the construction of illegal buildings.

Audit was of the view that unauthorized and doubtful collection of building plan was due to defective financial management and internal controls. This resulted in unauthorized and doubtful collection of building plan fee Rs 1.225 million.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault also to ensure remedial action to take stock of the situation.

1.6.3.5 Non-transfer of land in the name of TMA

According to section 2(XVII)(b) of PLGO 2001, “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

During audit of TMA Sharqpur Sharif for the period 2014-16, it was observed that in case of private housing schemes, the ownership of public areas like parks, graveyards, school and gymnasium etc were not transferred in the name of TMA. This resulted in violation of the rules. The chance of misappropriation of land and sale of area by the owners could not be ignored.

Audit was of the view that chances of mismanagement due to non-transfer of land in the name of TMA due to defective financial management and internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault besides taking disciplinary action against the delinquents.

1.6.3.6 Loss to the Govt. due to non-conduction of survey of manufacturer, vendor and trader – Rs 3.307 million

According to section 13 of the Tehsil/Town Municipal Administration Licensing Bylaws, 2007, the TO(R) shall cause the survey to be conducted at the beginning of each financial year to have complete list and particulars of all the manufacturers, vendors traders and the other persons carrying on any occupation or operation in the local area of the T.M.A and maintain a complete record on “form T.L.10” as appended to these bylaws.

Scrutiny of receipt record of the license and permit fee revealed that TO (R) TMA Sharqpur Sharif did not conduct the survey for the financial year 2014-16 for obtaining complete list and particulars of all the manufacturers, vendors traders, tyre shops and the other persons carrying on any occupation or operation in the local area of the T.M.A. Further, complete record was not maintained on “Form T.L.10”. The amount of Rs 3.307 million was shown collected and deposited into TMA account. No survey report was shown to the audit for any preceding financial year to verify the current year receipt and arrears.

Head of Account	Actual Receipts		Total Receipt
	2014-15	2015-16	
License and permits	1497600	1809600	3307200

Audit was of the view that non conducting of survey was due to weak internal controls.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault besides maintenance of register in consonance with the mandate of substantive Rules.

1.6.3.7 Non-classification of land under the jurisdiction of TMA

According to Rule 4 of Land Use Rules 2009 “A City District Government or a Tehsil Municipal Administration shall classify and sub-classify the areas under its control into the following land use classes: (a) residential; (b) commercial (including institutional); (c) industrial; (d) peri-urban; (e) agricultural; and (f) notified area.

During audit of TMA Sharqpur sharif for the year 2014-16, it was observed that the area of TMA was not classified and sub classified in residential, commercial, industrial, peri Urban and agriculture. Due to non-classification of the land / area serious violations of the land use could not be stopped. Non compliance of the rules resulted in development of un-planned, dangerous and illegal housing schemes, commercial areas. Cost of the food items have also increased due to decrease in agriculture land around the city. Serious environmental hazardous have been generated in the areas. The problems in handling / addressing / management of solid and liquid wastes have become strongly challenging in the municipal areas of TMA

Audit was of the view non-classification of land under the jurisdiction of TMA was made due to defective financial management and internal controls. This resulted in non-classification of land under the jurisdiction of TMA.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit was of the view that unauthorized land use in residential, commercial and industrial areas due to defective financial management and internal controls.

1.6.3.8 Unauthorized land use in residential, commercial and industrial area

According to Rule 7,8 and 9 of Land Use rules 2009, a City District Government or a Tehsil Municipal Administration shall ensure that land use provisions were inclusive of permitted, permissible and prohibited uses to be strictly followed in a residential area. A Tehsil Municipal Administration shall not allow a person to use a property in a residential area for a purpose which is neither permitted nor permissible..

During audit of TMA Sharqpur Sharif for the year 2014-16, it was observed that the residential area of the TMA was not protected from the prohibited uses. No policies were devised to identify and stop the prohibited use of residential, commercial and industrial areas of TMA. There was no reliable system in the TMA to identify the violation of land use rules in residential areas. There was no integration of TMA with LESCO and Excise and taxation department to systematically identify the commercial and prohibited use of land.

Audit was of the view non-classification of land under the jurisdiction of TMA was due to defective financial management and internal controls. This resulted in non classification of land under the jurisdiction of TMA.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit was of the view that unauthorized land use in residential, commercial and industrial areas due to defective financial management and internal controls.

1.6.3.9 Non observance of benchmark for the housing schemes

Rule 10 of the Punjab Private Housing Schemes and Land Sub-division Rules 2010, prescribe that (1) a Town Municipal Administration, a Tehsil Municipal Administration or a Development Authority shall ensure that a housing scheme is planned and sanctioned in accordance with the National Reference Manual on Planning and Infrastructure Standards, prepared by Ministry of Housing & Ministry of Environment Government of Pakistan. (2) Notwithstanding the generality of the sub-rule (1) above, the developer while planning a housing scheme shall adhere to following requirements: (a) open space or park, seven percent and above; (b) graveyard, two percent and above; (c) commercial area, fixed five percent; (d) public buildings from two percent to ten percent; As

Per Notification of TMA, approval fee for housing society is @ Rs 2,000 per Kanal and Conversion fee from agriculture to residential area @ 1% of average sale price.

During the Audit of TMA Shaqpur Sharif for the year 2014-16, it was observed that benchmark set for the private housing schemes was not observed by the authorities in TMA. In case of private housing schemes the total area of the schemes were not properly worked out. A large number of schemes remained unapproved and no action was taken against these illegal schemes.

Audit was of the view non-classification of land under the jurisdiction of TMA was made due to defective financial management and internal controls. This resulted in non classification of land under the jurisdiction of TMA.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends the management to expedite remedial action to take stock of mushrooming growth of illegal housing societies besides fixing responsibility against the officers / officials at fault.

1.6.3.10 Unauthorized running of illegal schemes

Rule 10 of the Punjab Private Housing Schemes and Land Sub-division Rules 2010, prescribe that (1) a Town Municipal Administration, a Tehsil Municipal Administration or a Development Authority shall ensure that a housing scheme is planned and sanctioned in accordance with the National Reference Manual on Planning and Infrastructure Standards, prepared by Ministry of Housing & Ministry of Environment Government of Pakistan. (2) Notwithstanding the generality of the sub-rule (1) above, the developer while planning a housing scheme shall adhere to following requirements: (a) open space or park, seven percent and above; (b) graveyard, two percent and above; (c) commercial area, fixed five percent; (d) public buildings from two percent to ten percent; As Per Notification of TMA Approval fee for housing society is @ Rs 2,000 per canal and Conversion fee from agriculture to residential area @ 1% of average sale price. Further according to section 2(XVII)(b) of PLGO 2001 “mal-administration means and includes delay, inaction, incompetence, inefficiency, ineptitude or neglect in the administration or discharge of duties and responsibilities or avoidance of disciplinary action against an officer or official whose action is held by a competent authority to be biased, capricious, patently illegal or vindictive”.

During scrutiny of the record of TMA Sharqpur Sharif for the year 2014-16 it was observed that following illegal schemes were running in the territory of following TMAs but no action was taken against the schemes. Conversion fee was not deposited by the owners. Land was not transferred in the name of TMA. Huge loss was sustained by the local fund. Audit holds that due to poor monitoring of the area illegal schemes got the chance to survive and after shelter of authorities illegal connections were provided by LESCO authorities and development works were also executed by the TMA in the unauthorized area which need to be recovered from the developers

Audit was of the view that unauthorized running of illegal schemes and loss amounting to Rs million due to defective financial management and internal controls. This resulted in unauthorized running of illegal schemes.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault.

1.6.3.11 Unauthorized management of government properties

According to Rule 8 of the Punjab Local Government (Property) Rules 2003, the designated Committee shall be constituted to identify, prepare and send report to the Government and dispose of the Redundant/Encroached Property requesting the Government to declare the Property as Redundant or Encroached, as the case may be, and grant permission for its disposal.

During audit of TMA Sharqpur Sharif for the year 2014-16 it was observed that there existed no property registers. Manager of the government property was oblivious of the existence valuation ownership and demarcation of the properties. In violation of the property rules monitoring was not done at all and the valuable government property was left at the stake. Audit holds that the government property was required to be subscribing to demarcation.

Audit was of the view that unauthorized management of government properties due to defective financial management and internal controls. This resulted in unauthorized management of government properties.

The matter was also reported to PAO concerned in March, 2017 but neither reply was furnished nor was DAC meeting convened till finalization of this report.

Audit recommends fixing responsibility against the officers / officials at fault.

ANNEXURE

Annex-A

MFDAC (AY 2016-17)

Sr. No .	Name of Formation	Description	Nature of observation	Amount (Rs in million)
1	TMA Sheikhpura	Unauthentic realization of License and Permit Fees due to non-conduction of survey	Recovery	3.504
2		Less Reserve as Closing Balance	Irregularity	21.563
3		Loss due to non-auction of Encroached Material	Recovery	2.000
4		Non-appointment of Internal Auditor	Irregularity	
5		Extra-Ordinary increase in Expenditure as “Exhibitions / Ramadan Bazaar”	Recovery	2.858
6		Unauthorized and Irrelevant Expenditure on lightening	Irregularity	1.86
7		Non-deduction of Income Tax and PST	Recovery	0.907
8		Unjustified Expenditure on Repair & Maintenance of Street lights	Irregularity	1.956
9		Unauthorized Repair of Transformer	Irregularity	0.631
10		Irregular purchase of store items	Violation of rules	0.208
11		Unauthorized closing the balance of CCB fund	Violation of rules	
12		Unauthorized Payments due to improper monitoring of CCBs	Violation of rules	
13		Unauthorized Expenditure on Polio and Dengue campaign	Irregularity	0.305
14		Irregular execution of schemes without PCI	Irregularity	
		Over payment due to adding the amount of Income Tax while Quoting Rates	recovery	.019
		Less allocation of funds for Sports & Youth Activities – Rs 20.610 million		20.610
15	TMA Ferozwala	Irregular expenditure on repairs due to non completion of record	irregularity	1.191
16		Unauthorized payment to contractors	Irregularity	6.504
17		Irregular payment for Kits	Irregularity	3.650
18		Unjustified expenditure for Ramzan bazar	Irregularity	2.356
19		non conduction of survey of manufacturer, vendor and trader	Irregularity	1.317
20		Irregular execution of schemes without PCI	Irregularity	
		Unauthorized closing the balance of CCB fund	Violation of rules	
21	TMA Safdarabad	Use of Substandard Steel Amounting	Irregularity	0.113
22		Non recovery of Enlistment and Renewal Fee Record of Contractor	Recovery	.390
23		Unauthorized Expenditure on Account of Polio and Dengue	Irregularity	0.421

24		Unauthorized and Doubtful Collection of building plan fee	Irregularity	0.377
		Irregular execution of schemes without PCI	Irregularity	
25	TMA	Unauthorized Repair of Transformers	Irregularity	0.137
26	Muridkay	Unauthorized Expenditure Beyond the Competency	Irregularity	0.461
27		Irregular payment of advertisement	Irregularity	0.597
28		Non-verification of General Sales Tax	Irregularity	0.441
29		Over payment due to Non deduction of shrinkage	Recovery	0.169
30		Unauthorized expenditure on account of non-schedule items	Irregularity	0.605
31		Irregular Expenditure	Irregularity	0.98
		Irregular execution of schemes without PCI	Irregularity	
32		Use of Substandard RCC Pipe	Irregularity	0.417
33	TMA	Unauthentic Govt. receipt due to non conducting of survey	Irregularity	0.675
34	Shariqpur	Non maintenance of register confiscated Material	Irregularity	1.000
35		Irregular execution of schemes without preparation of BDD-4	Irregularity	19.55
36		Non conducting of annual physical verification.	Irregularity	
37		Irregular expenditure of POL due to non c vehicles	Irregularity	0.983
38		Non-recovery of income from sale of stock and store	Recovery	0.700
39		Lead chart Not approved	Irregularity	1.863
40		Irregular expenditure	Irregularity	0.624
41		Uneconomical purchase of Hand Cart	Recovery	0.474
42		Irregular advance payment of tractor	Irregularity	0.725
43		Irregular expenditure on hire charges of Machinery	Irregularity	0.491
44		Loss to government due to non auction of Garbage	Recovery	0.821
45		Loss to government due to non-realization on account of water rates	Recovery	0.600
46		Irregular and doubtful Repair of Transformer	Irregularity	0.665
47		Irregular expenditure on tree cutting and repair of CCTV	Irregularity	0.336
48		Un-authorized and doubtful payment of electricity charges	Irregularity	
49		Poor Town Planning and Loss of Local fund due to non receipt of conversion fee	Irregularity	
50		Loss to local fund due to non-auction of solid Waste	Recovery	
51		Unauthorized closing the balance of CCB fund	Violation of rule	

52		Unauthorized and Doubtful Payments to incomplete CCBs	Irregularity	
53		Unauthorized Payments due to improper monitoring of CCBs	Irregularity	
54		Irregular execution of schemes without preparation of BDD-4	Irregularity	19.55
55		Irregular payment on Repair	Irregularity	1.078
56		Irregular expenditure on flood	Irregularity	1.147
		Irregular execution of schemes without PCI	Irregularity	
57		Loss to local fund due to non-auction of solid Waste	Recovery.	
58	-do-	Wasteful Expenditure on pay and allowances of Regulation Wing	recovery	
59	-do-	Unjustified expenditure on Itwar/Ramzan Bazar	Irregularity	4.567
60		Non keeping of DDO-wise Cash Books		76.137

MFDAC (AY 2015-16)

Sr. No.	Name of Formation	Description	Nature of observation	Amount (Rs in million)
1	TMA Sheikhpura	Non-verification of payment of GST.	Irregularity	0.968
2	-do-	Unjustified Purchase and Clearing Previous Year's Liabilities	Irregularity	2.500
3	-do-	Non Approval of Lead Chart	Irregularity	0.183
4	-do-	Loss due to less recovery on account of Slaughter House	Recovery	0.797
5	-do-	Splitting of development schemes	Irregularity	26.312
6	-do-	Execution of Scheme without Approval of Rate Analysis	Irregularity	4.500
7	-do-	Unauthorized Purchases	Irregularity	5.061
8	-do-	Execution of Schemes without technical sanction	Irregularity	13.261
9	-do-	Delayed provision of utility of Development Schemes	Irregularity	15.078
10	-do-	Less retention of closing balance	Irregularity	19.086
11	-do-	Non-utilization of Development Funds	Irregularity	15.595
12	-do-	Excess expenditure over and above the budget allocation	Irregularity	47.139
13	-do-	Un-even and un-realistic preparation of budget estimates	Irregularity	-
14	-do-	Non-conducting of post completion evaluation of development projects	Irregularity	11.641
15	-do-	Non certification of Development Schemes	Irregularity	14.600
16	-do-	Unjustified Expenditure of POL	Irregularity	16.369
17	-do-	Doubtful and Unjustified Expenditure	Irregularity	0.174
18	-do-	Unjustified Allocation for Unforeseen Expenditure	Irregularity	3.100
19	-do-	Loss due to Less realization of revenue	Recovery	56.443
20	-do-	Weak Internal Financial Controls resulting in Misc. Audit Observations	Irregularity	-

21	TMA Ferozwala	Doubtful and un-authorized allocation of funds under self control	Irregularity	28.700
22	-do-	Irregular re-appropriation of funds	Irregularity	11.725
23	-do-	Non transferred of lapsed security into TMA fund	Irregularity	0.289
24	-do-	Non allocation of Funds for Sports & Youth Activities	Irregularity	5.560
25	-do-	Non reconciliation of TTIP income	Irregularity	103.280
26	-do-	Irregular expenditure under head-13101- Repair of machinery	Irregularity	0.203
27	-do-	Irregular expenditure on removing of wall chalking	Irregularity	1.540
28	-do-	Unjustified expenditure on Cattle Mandi	Irregularity	1.770
29	-do-	Irregular payment of advertisement	Irregularity	1.040
30	-do-	Abnormal billing of electricity charges	Irregularity	8.030
31	-do-	Non reconcile of branch wise Income and Expenditure statements	Irregularity	249.950
32	-do-	Loss due to less targets achieved	Irregularity	7.490
33	-do-	Non Approval of Lead Chart by the Competent Authority for Earth work	Irregularity	5.083
34	-do-	Use of substandard Bitumen without obtaining documentary evidence	Irregularity	1.340
35	-do-	Over payment due to allowing excessive rate for RCC work	Recovery	0.029
36	-do-	Excess payment on account of Quantity Executed over and above of TS Estimates	Irregularity	0.994
37	-do-	Un-authorized expenditure on account of non schedule item	Irregularity	0.377
38	-do-	Non Deduction on Account of Price Variation on Diesel	Recovery	0.401
39	-do-	Premature Release of Securities	Irregularity	0.922
40	-do-	Non recovery of Enlistment and Renewal Fee Record of	Recovery	2.760

		Contractor		
41	-do-	Non recovery of Professional Tax from Contractors	Recovery	0.920
42	-do-	Non Recovery Tender Form Fee	Recovery	0.148
43	TMA Muridke	Irregular payment on account of sports festival	Irregularity	0.648
44	-do-	Loss due to non payment by the contractor	Irregularity	0.052
45	-do-	Doubtful pension payments	Irregularity	8.400
46	-do-	Unjustified Payment of Hiring of Tractor Trolleys	Irregularity	0.909
47	-do-	Non-Recovery for Delay in Completion of Work	Recovery	0.249
48	-do-	Loss due to Non-Deposit of Income Tax / General Sales Tax	Recovery	2.423
49	-do-	Unauthorized Expenditure Beyond the Competency	Irregularity	0.198
50	-do-	Loss due to non deduction of shrinkage	Recovery	0.145
51	-do-	Doubtful payment due to availability of acknowledgements of payee	Irregularity	12.589
52	-do-	Overpayment to contractors for MS Bars	Recovery	0.050
53	-do-	Un- authorized award of contracts	Irregularity	8.175
54	-do-	No collection of income under Fines / penalties / encroachment activities	Recovery	2.346
55	-do-	Overpayment for RCC by applying incorrect rates	Recovery	0.154
56	-do-	Unauthorized Expenditure	Irregularity	0.917
57	-do-	Non reconciliation cash balance and un-authentic receipts and payments	Irregularity	-
58	-do-	Un authorised expenditure due to removal of Malba	Irregularity	-
59	-do-	Loss to government due to non receipt of license fee	Recovery	2.500
60	-do-	Un authorized payment to Legal Advisor	Irregularity	0.180
61	TMA Safdarabad	Loss due to Non-Deposit of Income tax / General Sales Tax	Recovery	1.685
62	-do-	Loss due to non deduction of shrinkage on account of	Recovery	0.148

		earth filling		
63	-do-	No collection of income under Fines / penalties / encroachment activities	Recovery	1.000
64	-do-	Non reconciliation cash balance and un-authentic receipts and payments	Irregularity	-
65	-do-	Non allocation of funds for CCB development schemes	Irregularity	-
66	-do-	Loss to government due to non receipt of license fee	Recovery	1.000
67	-do-	Unauthorized Expenditure Beyond the Competency	Irregularity	2.494

Annex-B**Budget and Expenditure****Rs in million**

TMAs	Budget				Expenditure			
	Salary	N/Salary	Dev.	Total	Salary	N/Salary	Dev	Total
Sheikhupura	381.5	174.704	28.519	584.723	380.389	114.4	20.429	515.218
Ferozwala	74.36	132.504	154.156	361.018	64.78	101.389	145.33	311.499
Sharqpur Sharif	75.23	45.982	22.875	144.082	71.259	43.125	18.229	132.613
Safdaraabad	54.85	30.492	10.769	96.106	54.854	30.492	10.769	96.115
Muridkey	81.07	67.464	40.309	188.843	81.046	67.387	25.783	174.216
Total:	667	451.146	256.628	1374.772	652.328	356.793	220.54	1229.661

Annex-C

Date / period	Description	Amount (Rs)
114/8-2015	Rent of transport for dengue survey	96,000
116/8-2015	Rent of transport for dengue survey	32,000
124-125/8-2015	Repair of transformer	99,300
126-127/8-2015	Repair of transformer	49,980
335/2-2016	Lighting arrangements at Nawaz sharif park	99,029
337/2-2016	Lighting arrangements at Nawaz sharif park	55,566
493/2-2016	Arrangements for Sikh Yatries visit at Farooqabad	93,500
500/2-2016	Arrangements for Sikh Yatries visit at Farooqabad	96,000
201/9/15	Repair of Tents	70,632
203/9/15	Do	91,924
205/9/15	Do	76,441
207/9/15	Do	78,600
209/9/15	Do	97,000
211/9/15	Do	48,000
213/9/15	Do	90,000
215/9/15	Do	95,867
217/9/15	Do	91,878
219/9/15	Do	98,170
221/9/15	Do	32,000
223/9/15	Do	99,454
225/9/15	Do	99,454
227/9/15	Do	90,450
229/9/15	Do	16,200
231/9/15	Service of Generator for Ramzan Bazaar	71,900
233/9/15	Do	100,000
235/9/15	Loud Speaker for Ramzan Bazaar	33,000
237/9/15	CCTV Camaras for Ramzan Bazaar	72,400
239/9/15	Shopping Bags for Ramzan Bazaar	99,700
242/9/15	Shopping Bags for Ramzan Bazaar	99,700
421/5/16	Installation of CCTV Camaras	72,100
423/5/16	do	98,000
425/5/16	do	52,800
431/5/16	do	61,200
445/5/16	do	64,800
447/5/16	do	79,900
280/6/16	Installation and Repair of Lights	87,749
282/6/16	do	98,400
284/6/16	do	94,250
288/6/16	do	47,750
292/6/16	do	46,470
304/6/16	do	99,960
308/5/16	do	98,439
Total		3,275,963

Table:-A

Date	Deptt	Head of Account	Description	Amount (Rs)
23-11-15	TO (I&S)	Exhibition, Ramdan Bazar	bill for generator for Muharram	747,500
15-8-15	TO (I&S)	Exhibition, Ramdan Bazar	rent for CCTV cameras	169,416
23-11-15	TO (I&S)	Exhibition, Ramdan Bazar	bill for generator for Muharram	131,322
19-11-15	CO MDK	Maintenance of Parks	Fertilizer 217 trollies for Parks	651,000
31-12-15	CO MDK	Other Assets	Purchase of Safety Instruments	1,064,850
08-01-16	CO MDK	Other Hand Carts	Purchase of Bamboo 255	314,724
24-06-16	CO MDK	Other Road	Earth Filling	149,112
23-11-15	CO (Narang)	Purchase of Other Assets	purchase of LD Light of 60 Watts Qty 25	1,379,375
28-07-13	CO MDK	Purchase of plant and Machinery	Mechanical Sweeper	914,000
28-07-13	CO MDK	Purchase of plant and Machinery	Water Tanker	708,000
19-10-16	CO MDK	Transport Machinery Repair	Purchase of 06 Tyre for CO Unit MDK	351,786
23-05-16	CO MDK	Transport Machinery Repair	New tubes for Tractors etc	159,785
26-11-15	TO (I&S)	transport stand & terminals	installation of CCTV camera in GBS Muridke	218,646
			Total:-	6,959,516

Table:- B

Date	Head of Account	Description	Amount (Rs)
07-09-15	Exhibition, Ramdan Bazar	flexes Muridke on 14th August	99,750
07-09-15	Exhibition, Ramdan Bazar	flag ceremony 14th august TMA office	99,404
07-09-15	Exhibition, Ramdan Bazar	lighting in TMA office	99,150
09-11-15	Exhibition, Ramdan Bazar	rent of light for baker mandi Muridke	99,000
07-09-15	Exhibition, Ramdan Bazar	speech competition 14th august	98,525

07-09-15	Exhibition, Ramdan Bazar	big flag muridke & narang 150 on 14th August	98,400
07-09-15	Exhibition, Ramdan Bazar	lighting for old office of TMA	98,160
09-11-15	Exhibition, Ramdan Bazar	exp for baker mandi in various point	98,100
07-09-15	Exhibition, Ramdan Bazar	flexes narang on 14th August	97,750
09-11-15	Exhibition, Ramdan Bazar	exp for baker mandi in various point	95,200
07-09-15	Exhibition, Ramdan Bazar	small flag muridke & narang 600 no On 14th August	94,500
		Total:-	1077939

Annex-E

Vr./Date	H/account	Description	Amount (Rs)
28-07-15	Unforeseen (Other)	Rent of Vagon for Dangu Campaign (Narang to MDK for 4/6 to 20/6/15)	425000
05-08-15		Flexes for Dangu Campaign	73700
12-09-15		Rent of Vagon for Dangu Campaign (Narang to MDK for 21/6 to 31/6/15)	310000
17-09-15		Shredder for Dangu Campaign	99500
02-11-15		Dangu War	38800
12-11-15		Flexes for Dangu Campaign MDK	99000
		Flexes for Dangu Campaign Narang	99250
		Flexes for Dangu Campaign MDK	99500
26-11-15		Tent Rent for Polio Campaign	9500
21-12-15		Rent of Vagon for Dangu Campaign for Nov 15	370000
08-02-16		Flexes for Dangu Campaign MDK	62820
04-03-16		Flexes for Dangu Campaign MDK	75000
		Flexes for Dangu Campaign MDK	72000
20-04-16		Flexes for Dangu Campaign MDK	84900
28-04-16		Tent Rent for Polio Campaign Narang	9500
09-06-16		Sticker for Dangu Campaign	90000
		Flexes for Dangu Campaign MDK	65700
		Flexes for Dangu Campaign MDK	202500
10-06-16		Rent of Vagon for Dangu Campaign	225000
24-06-16		Flexes for Dangu Campaign MDK	70000
22-09-15		Van Bill for DanguNarang	310000
01-12-15		Preperation of Flexes for Dangu	99840
26-11-15	Unforseen (Other)	Polio Doctors etc	99840
		Tent Rent for Polio Campaign	9500
08-02-16		Tent Rent for Polio Campaign	9500
		Tent Rent for Polio Campaign	9500
04-03-16		Tent Rent for Polio Campaign	47475
28-04-16		Tent Rent for Polio Campaign Narang	9500
01-06-16		Tents Rent for Khidmat Card	379050
16-06-16		Tents Rent for Khidmat Card	379050
10-10-15	Unforseen	Salary of Entomologists (WaqasJaleel)	20000

Vr./Date	H/account	Description	Amount (Rs)
	(Other)		
04-11-15		Salary of Entomologists for dengue	27000
21-12-15		Salary of Entomologists for dengue for Nov 15	24000
18-01-16		Salary of Entomologists for dengue for Dec 15	23000
26-02-16		Salary of Entomologists for dengue for Jan 16	26000
11-05-16		Salary of Entomologists for dengue for Feb to Apr 16	76000
		Total: _	4130925

Annex-F

Date	Deptt	Head of Account	Description	Amount (Rs)
09-11-15	TO (I&S)	Exhibition,ramdan bazar	Exp for baker mandi in various point	96,800
23-11-15	TO (I&S)	Exhibition,ramdan bazar	rent for tent for Muharram	82,800
27-10-15	CO MDK	Maintenance of Parks	Installation of 07 Board for Green Belt	94,000
02-09-15	CO MDK	Maintenance of Parks	Installation of 06 Board for Green Belt	79,287
28-10-15	CO MDK	Maintenance of Parks	Installation of 03 Board for Green Belt	40,286
03-12-15	TO (I&S)	National Islamic Festival	Preparation of Flexes	60,604
24-6-16	TO (I&S)	Others	Exp for opening ceremony of agriculture record	98,600
26-11-15	TO (I&S)	Others	Purchase of multi media&scene	97,890
22-9-15	TMO	Others	preparation of flex	97,500
21-4-16	TO (I&S)	Others	flexes for 23rd march 2016	90,240
27-10-15	TMO	Others	preparation of flex	86,240
02-09-16	TMO	Others	preparation of flex	37,500
08-06-16	TMO	unfor seen(VVIP)	Tent charges for main pandal	80,000
16-6-16	TO (I&S)	Unfor seen(OTHERS)	rent for tents services for distribution of Khidmat card	379,050
24-6-16	TO (I&S)	Unfor seen(OTHERS)	printing of brochures 30000 no.	70,000
28-10-15	TO (I&S)	Unfor seen(VVIP)	Flexed for Power Plant	98,600
			Total:-	1,589,397

Annex-G

Sr. No.	Section	H of A/C	Budget	Revised Budget	Excess/ Re-App
1	Nazim	Others	250,000	350,000	100,000
2	TMO	Stationery		100,000	100,000
3	TMO	unfor seen(VVIP)	200,000	600,000	400,000
4	TMO	Others	300,000	400,000	100,000
5	TMO	Transport	100,000	300,000	200,000
6	TO (I&S)	adv& publicity	1,000,000	1,500,000	500,000
7	TO (I&S)	exhibition,ramdan bazaar	5,000,000	5,500,000	500,000
8	TO (I&S)	unfor seen (others)	3,000,000	3,500,000	500,000
9	TO (I&S)	others	1,000,000	1,500,000	500,000
10	TO (I&S)	Transport	100,000	200,000	100,000
11	TO (I&S)	machinery & equipment	100,000	150,000	50,000
12	TO (I&S)	other roads(M&R)	1,000,000	1,500,000	500,000
13	TO (I&S)	buildings (M&R)	1,000,000	1,200,000	200,000
15	TO (I&S)	unforseen(OTHERS)		3,800,000	3,800,000
19	TO(F)	Financial Assistance	1,000,000	1,500,000	500,000
21	TO(REG)	Transport	100,000	200,000	100,000
23	CO (Narang)	rent of machinery	500,000	800,000	300,000
24	CO (Narang)	Others	500,000	600,000	100,000
25	CO (Narang)	Purchase of Other Assets	2,000,000	3,000,000	1,000,000
26	CO (Narang)	Transport, Machinery & Repair	1,000,000	1,200,000	200,000
27	CO (Narang)	Other Building (Main Hole)	500,000	1,000,000	500,000
28	CO (Narang)	Repair	1,000,000	1,500,000	500,000
29	CO MDK	Rent of Machinery & Equipment	500,000	1,000,000	500,000
30	CO MDK	POL (Vehicles)	11,000,000	13,000,000	2,000,000
31	CO MDK	Other	1,000,000	1,500,000	500,000
33	CO MDK	Other Assets	500,000	1,100,000	600,000
34	CO MDK	Transport Machinery Repair	4,000,000	9,000,000	5,000,000
35	CO MDK	Other Building	1,500,000	2,500,000	1,000,000
36	CO MDK	Other Hand Carts	300,000	400,000	100,000
37	CO MDK	Other Road	500,000	600,000	100,000
38	CO MDK	Maintenance of Parks	1,000,000	1,200,000	200,000
39	CO MDK	POL	11,000,000	13,000,000	2,000,000
	Total:-				22,750,000

Annex-H

Date of Payment	Head of Account	Description	Amount (Rs)	IT Deducted	IT @15% to be deducted	Less Ded
21-8-15	Transport	Repair of Vehicle No. 8393	93,870	4224	14,080.50	9,856.50
12-09-15	Transport Machinery Repair	Repair of Turbine - Canal Park	359,941	13115	53,991.15	40,876.15
12-09-15	Transport Machinery Repair	Repair of Turbine-Basra Colony	351,925	12823	52,788.75	39,965.75
17-09-15	Transport Machinery Repair	Repair Tractor No 13 (Haydraulic Tanki New)	337,600	12303	50,640.00	38,337.00
13-06-16	Transport Machinery Repair	Repair of Mechanical Sweeper	99,965	6497	14,994.75	8,497.75
30-07-15	Transport Machinery Repair	Repair of Tractor No 13	98,800		14,820.00	14,820.00
17-09-15	Transport Machinery Repair	Repair of Tractor No 14	96,500	3519	14,475.00	10,956.00
17-09-15	Transport Machinery Repair	Motor Winding MDK Town	76,700	3452	11,505.00	8,053.00
17-09-15	Transport Machinery Repair	Motor Winding Nizam Park	76,700	3452	11,505.00	8,053.00
04-03-16	Transport Machinery Repair	Repair of Tractor No 14	64,500	4193	9,675.00	5,482.00
08-02-16	Transport, Machinery & Repair	Repair of Tractor No 20	91,615	4745	13,742.25	8,997.25
27-10-15	Transport, Machinery & Repair	Repair of Tractor No 20	24,000	1560	3,600.00	2,040.00
28-06-16	Repair	Repair of Tractor No 4208	93,480	4207	14,022.00	9,815.00
		Construction of Soling from Bhundry village to Sahawa Road Kuchil Virk	4,000,000	300,000	600000	300,000
		Construction of Soling PCC & Sewerage Merowal	2,000,000	150,000	300000	150,000
		Reh of Road Dera Fida Hussain Dhori	425,000	31,875	63750	31,875
		Rural Drainage Scheme Kirto, Muridke	2,000,000	150,000	300000	150,000
		Construction of PCC & Culverts Dera Cheemaian Muridke	1,750,000	131,250	262500	131,250

Date of Payment	Head of Account	Description	Amount (Rs)	IT Deducted	IT @15% to be deducted	Less Ded
		Construction of PCC & Sewerage Street Haji Hameed Rahman Pura, Muridke	325,000	24,375	48750	24,375
		Rural Drainage Scheme Narang Mandi	1,000,000	75,000	150000	75,000
		Rural Drainage Scheme Rattan Gujran	500,000	37,500	75000	37,500
		Rural Drainage Scheme Narang Mandi	1,000,000	75,000	150000	75,000
		Rural Drainage Scheme Jandiala Kalsan	1,000,000	75,000	150000	75,000
		Construction of Soling Bhudankay	400,000	30,000	60000	30,000
		Construction of Green Belt from Tehsil Head quarter to Mano GT Road Muridke	1,000,000	75,000	150000	75,000
		Construction of Jangla & Safety Grill Ralling Football Academy Muridke	750,000	56,250	112500	56,250
		Total:-				

Non Deduction of PST

payment date	section	H of A/C	Description	Amount
26-12-15	CO MDK	Others	Rent for Exavator	99,750
18-1-16	TO (I&S)	Others	lighting for Eid Milad Ul Nabi Muridke & Narang	99,552
24-6-16	TO (I&S)	Others	exp for opening ceremeny of agriculture record	98,600
08-02-16	CO MDK	Others	Rent for Exavator	97,500
08-02-16	CO MDK	Others	Rent for Exavator	97,500
19-12-15	CO MDK	Others	Rent for Exavator	96,250
30-12-15	CO MDK	Others	Rent for Exavator	94,500
04-03-16	CO MDK	Others	Printing of Notice Bill for water Recovery	30,000
05-03-16	CO	Others	Printing of Water Reading card 3500	

payment date	section	H of A/C	Description	Amount
	(Narang)			28,000
24-06-16	CO (Narang)	Others	Printing of Billing Card	24,857
29-8-15	TO (I&S)	Others	generator repair,pur energy saver,repair compressor	24,850
15-08-15	CO MDK	Others	Printing 200 Note Books for Water Recovery	24,800
05-09-15	TO(P&C)	Others	Photocopies of Maps	24,000
15-08-15	CO (Narang)	Others	Printing of Water Reading card 3500	20,625
24-6-16	TO (I&S)	Others	photo copy bill for maps	20,000
24-06-16	CO MDK	Rent fo Machinery & Equipment	Rent of Excavator Machine	167,500
08-10-15	CO MDK	Rent fo Machinery & Equipment	Rent of Excavator Machine	99,750
08-10-15	CO MDK	Rent fo Machinery & Equipment	Rent of Excavator Machine	99,750
08-10-15	CO MDK	Rent fo Machinery & Equipment	Rent of Excavator Machine	99,000
04-11-15	CO MDK	Rent fo Machinery & Equipment	Rent of Excavator Machine	98,000
30-07-15	CO MDK	Rent fo Machinery & Equipment	Rent of Excavator Machine	79,200
26-10-15	TO (I&S)	rent of M&E	rent for Excavator machine	99,750
09-09-15	TO (I&S)	rent of M&E	rent for Excavator machine	94,500
09-09-15	TO (I&S)	rent of M&E	rent for Excavator machine	91,000
09-09-15	TO (I&S)	rent of M&E	rent for Excavator machine	84,000
22-12-15	CO (Narang)	rent of machinery	Rent of Excavator	99,750
08-02-16	TO(REG)	rent of machinery	rent for Excavator for encroachment	98,750
08-10-15	CO (Narang)	rent of machinery	Rent of Excavator	98,700
08-10-15	CO (Narang)	rent of machinery	Rent of Excavator	98,000
21-12-15	CO (Narang)	rent of machinery	Rent of Excavator	98,000
30-07-15	CO (Narang)	rent of machinery	Rent of Excavator	97,500
18-1-16	TO(REG)	rent of machinery	rent for Excavator for encroachment	97,500
18-1-16	TO(REG)	rent of machinery	rent for Excavator for encroachment	97,500
13-06-16	CO (Narang)	Repair	Repair of Trolley Tractor No 6443	98,000
27-04-16	CO (Narang)	Repair	Repair of Dewatering Set 06	80,320
06-06-16	CO (Narang)	Repair	Repair of Water Motor	74,870
27-04-16	CO (Narang)	Repair	Repair of Transformer	68,000
02-06-16	CO (Narang)	Repair	Repair of Water Motor	55,000
13-06-16	CO	Repair	Repair of Tractor No 6443	

payment date	section	H of A/C	Description	Amount
	(Narang)			9,900
13-06-16	CO (Narang)	Repair	Repair of Tractor No 6443	9,800
30-06-16	CO (Narang)	Repair	Repair of Tractor No 6443	9,500
26-11-15	TO (I&S)	Transport	repair of vehicle no.SAG-8114	99,380
21-8-15	TMO	transport	Repair of Vehicle No. 8393	93,870
24-6-16	TO (I&S)	transport	repair of vehicle no.SAG-8114	45,480
24-6-16	TMO	transport	ROV No. 8393	24,980
12-09-15	CO MDK	Transport Machinery Repair	Repair of Turbine - Canal Park	359,941
12-09-15	CO MDK	Transport Machinery Repair	Repair of Turbine- Basra Colony	351,925
17-09-15	CO MDK	Transport Machinery Repair	Repair Tractor No 13 (Haydraulic Tanki New)	337,600
06-06-16	CO MDK	Transport Machinery Repair	Repair of Tractor No 21	204,427
05-11-15	CO MDK	Transport Machinery Repair	Brush for Mechanical Sweeper	158,800
13-06-16	CO MDK	Transport Machinery Repair	Repair of Mechanical Sweeper	99,965
30-07-15	CO MDK	Transport Machinery Repair	Tractor No 13	98,800
17-09-15	CO MDK	Transport Machinery Repair	Repair of Tractor No 14	96,500
26-11-15	CO MDK	Transport Machinery Repair	Repair of Motor	90,000
17-09-15	CO MDK	Transport Machinery Repair	Motor Winding MDK Town	76,700
17-09-15	CO MDK	Transport Machinery Repair	Motor Winding Nizam Park	76,700
12-09-15	CO MDK	Transport Machinery Repair	Repair of Transformer	69,000
04-03-16	CO MDK	Transport Machinery Repair	Repair of Tractor No 14	64,500
15-08-16	CO MDK	Transport Machinery Repair	Repair of Starter, Motor Winding MDK Town	42,000
08-06-16	CO MDK	Transport Machinery Repair	Puncture Bill for May 16	35,560
20-04-16	CO MDK	Transport Machinery Repair	Puncture Bill for Mar 16	34,500
08-01-16	CO MDK	Transport Machinery Repair	Repair of Trolley Tractor No 402	33,236
19-05-16	CO MDK	Transport Machinery Repair	Puncture Bill for Apr 16	29,080
30-07-15	CO MDK	Transport Machinery Repair	Tractor No 14	24,800
28-11-15	CO MDK	Transport Machinery Repair	Puncture Bill	22,410
22-09-15	CO MDK	Transport Machinery Repair	Puncture Bill July 15	19,520
30-07-15	CO MDK	Transport	Tractor No 14	

payment date	section	H of A/C	Description	Amount
		Machinery Repair		11,840
05-09-15	CO (Narang)	Transport, Machinery & Repair	Repair of Turbine Scheme Rafiq Abad	169,450
08-02-16	CO (Narang)	Transport, Machinery & Repair	Repair of Hand Cart (08)	98,352
08-02-16	CO (Narang)	Transport, Machinery & Repair	Repair of Tractor No 20	91,615
27-10-15	CO (Narang)	Transport, Machinery & Repair	Repair of Tractor No 20	57,100
27-10-15	CO (Narang)	Transport, Machinery & Repair	Repair of Hand Cart	25,200
27-10-15	CO (Narang)	Transport, Machinery & Repair	Repair of Tractor No 6443	24,400
27-10-15	CO (Narang)	Transport, Machinery & Repair	Repair of Tractor No 20	24,000
08-06-16	TMO	unfor seen(VVIP)	Tent charges for main pandal	80,000
08-06-16	TMO	unfor seen(VVIP)	Tent charges for main pandal	80,000
08-06-16	TMO	unforeseen(VVIP)	Tent charges for main pandal	53,500
16-6-16	TO (I&S)	unforeseen(OTHER S)	rent for tents services for distribution of Kidmat card	379,050
22-09-15	TO (I&S)	unforeseen(OTHE RS)	Van Bill for Dangué Narang	310,000
07-06-16	CO (HQ)	Repair	Repair of Water Supply Basra	25,645
13-06-16	CO (HQ)	Repair	Repair of Tractor No 14	53,890
28-06-16	CO (HQ)	Repair	Repair of Tractor No 4208	93,480
28-06-16	CO (HQ)	Repair	Repair of Tractor No 1003	28,380
28-06-16	CO (HQ)	Repair	Repair of Vehicle No 1425	24,580
			Total:-	7,304,480
			PST @ 16%	1,168,716.80

Annex-I

Sr. No.	Name of Scheme	Name of Contractor	Nominated Schemes by	Allocation 2015-16 (Million)
1	Construction of Drain / Soling Ghanian Ghazi	Abdul Rehman	Ch. BarjeesTahir, Fedral Minister	1.000
2	Construction of Drain / Soling Boundary Wall Graveyard Qila Mir Zaman	Rizwan	Ch. BarjeesTahir, Fedral Minister	1.500
3	Construction of Drain / Soling Chapanwali	Shindu Brothes	Ch. BarjeesTahir, Fedral Minister	1.000
4	Construction of Drain / Soling Ghanian Ghazi	Abdul Rehman	Ch. BarjeesTahir, Fedral Minister	1.000
5	Construction of Drain / Soling Boundary Wall Graveyard Qila Mir Zaman	Rizwan	Ch. BarjeesTahir, Fedral Minister	1.500
6	Construction of Drain / Soling Chapanwali	Shindu Brothes	Ch. BarjeesTahir, Fedral Minister	1.000
7	Construction of Boundary Wall Christian Graveyard Safdarabad		NA-135	1.000
8	Construction of Boundary Wall Graveyard Qila Mir Zaman		NA-135	1.000
9	Construction of Soling / Culvert at DairaManshaDogar, Tehsil Safdarabad		PP-170	1.600
10	Construction / Repair of Cannal Park, Fixing Iron JanglaSafdarabad		ADP	1.000
11	Construction of Municipal Hall, TMA Office Safdarabad		ADP	1.500
Total:-				13.100

Annex-J

F.Y	Previous Recoverable (Rs)	Current Due (Rs)	Total (Rs)	Recovered (Rs)	Balance Recoverable (Rs)
Shop (Safderabad) Rer	147988				
2012-13		285028	244972	40056	
2013-14		294845	211203	83642	
2014-15		407907	351793	5611	
2015-16		361206	283744	77462	405262
Shop (Khanqah Dogran) Rer	530042				
2014-15		2354259	1779227	575032	
2015-16		2654641	1896139	758502	1863576
					2268838

Water Rate

CO Unit Safdarabad	Total No of Connections	Rate (Rs)	Demand (Rs)	Collection (Rs)	Recoverable (Rs)
2013-14	270	200	648,000	90,000	558,000
2014-15	345	200	828,000	191,600	636,400
2015-16	331	200	794,400	255,050	539,350
			2,270,400	536,650	1,733,750

CO Unit Khanqah Dogran	Total No of Connections	Rate	Demand	Collection	Recoverable
2013-14	300	200	720,000	276,900	443,100
2014-15	300	200	720,000	376,500	343,500
2015-16	200	200	432000	164100	267,900
			1,872,000	817,500	1,054,500

Annex-K

2014-15

Head of Account	Target	Actual Receipts	Less Realization
TTIP Property Tax	28000000	22168750	
Water connection fee	150000	85045	
License Fee	500000	270759	
Fee for approval of building plan	3000000	475201	
Cattle pond	600000	91870	
Advertisement fee	600000	157000	
Rent of municipal properties	4000000	2702887	
Misc. Receipt	8250000	1985414	
Water rate	8000000	5525514	
Total	53100000	33462440	19637560

2015-16

Head of Account	Target	Actual Receipts	Less Realization
UIPT Property Tax	2000000	363452	
Water connection fee	150000	68727	
Fee for approval of building plan	1000000	649736	
Cattle pond	600000	387200	
Copying fee	150000	46000	
Parking fee	700000	508535	
Misc. Receipt	1500000	164458	
Water rate	7500000	5906637	
Total	13600000	8094745	5505255
Grand Total	6,67,00,000	4,15,57,185	2,51,42,815

Annex-L

Expenditure on Ramazan Bazars				
Date	Name of contractor	Description	Amount	Contractor profit @20%
03-07-2014	M/s Muhammad Shafiq	Providing of flex, banners, cables, lime, chairs, generators, Rexene, canopy, shamianay, qanaat etc	2,517,488	503,498
22-6-2015	M/s Saeed Ahmad	Shamiany, tables Rexene, pana flex, cctv camera etc	922,013	184,402
16-06-2016	M/s Muhammad Shafiq	Rexene, pana flex, flex, banners, cables, lime, ups, plastic bags, etc	1,127,832	225,566
Total			4,567,333	913,466

Purchase of manhole covers			
Vr. #/month	Head of A/C	Description	Amount (Rs)
18-07-2014	M/s Muhammad Shafiq	Purchase of manhole covers 22"	95,000
15-06-2015	Mirza Allah Ditta	-do-	49,192
20-02-2016	M/s Saeed Ahmad	-do-	96,835
22-04-2015	Mirza Allah Ditta	-do-	99,087
06-04-2015	Mirza Allah Ditta	-do-	49,900
01-01-2016	Saeed Ahmad	-do-	49,400
15-03-2016			89,572
03-03-2016			46,157
01-02-2016			92,359
04-12-15			45,037
01-12-2015			90,781
14-10-2015			88,571
14-10-2015			92,269
11-05-2015			90,086
01-06-2015			98,800
Total			1,173,046
Contractors' profit Rs 1173046*.20			234,609