



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

AUDIT YEAR 2016-17

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Program
B&R	Buildings and Roads
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
DDC	District Development Committee
FD	Finance Department
LG &CD	Local Government & Community Development
MFDAC	Memorandum for Departmental Accounts Committee
PAC	Public Accounts Committee
PDG	Punjab District Governments
PLG	Punjab Local Government
PLGO	Punjab Local Government Ordinance
PPRA	Punjab Procurement Regulatory Authority
PHE	Public Health Engineering
TDC	Tehsil Development Committee
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Regulation)
TTIP	Tax on Transfer of Immoveable Property
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 expenditure of the Local Fund and Public Accounts of Tehsil Municipal Administrations of the Districts is the responsibility of the Auditor General of Pakistan.

The report is based on audit of the accounts of various offices of the Tehsil Municipal Administrations of District Attock 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 observations of serious nature. 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 frame work 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, District Governments, Punjab (North), Lahore is responsible to carry out the audit of District Governments, Tehsil Municipal Administrations and Union Administrations of nineteen (19) districts. Its Regional Directorate of Audit, Rawalpindi has audit jurisdiction of District Governments, Town / Tehsil Municipal Administrations and Union Administrations of four Districts i.e. Rawalpindi, Jhelum, Chakwal and Attock.

The Regional Directorate of Audit Rawalpindi had a human resource of sixteen officers and staff, total 3,984 man-days and the annual budget of Rs 19.22 million for the Audit Year 2016-17. It had the mandate to conduct Financial Attest audit, Regularity Audit and Compliance with Authority & Performance Audit of entire expenditure including programs / projects & receipts. Accordingly, the Directorate General of Audit District Governments Punjab (North), Lahore carried out audit of the accounts of Six (06) Tehsil Municipal Administration of District Attock for the Financial Year 2015-16.

Each Tehsil Municipal Administration, in District Attock conducts its operation under Punjab Local Government Ordinance, 2001. Tehsil Municipal Officer is the Principal Accounting Officer (PAO) and acts as coordinating and administrative officer, responsible to control land use, its division and development and to enforce all laws including Municipal Laws, Rules and Bye-laws. The Punjab Local Government Ordinance, 2001 requires the establishment of Tehsil Nazim, / Tehsil Council / Local Fund and Public Account for which Annual Budget Statement is authorized by the Tehsil Nazim /Tehsil Council / Administrator in the form of Budgetary Grants.

Audit of Tehsil Municipal Administrations of District Attock was carried out with a view to ascertaining that the expenditure was incurred with proper authorization and in-conformity with laws / rules / regulations, economical procurement of assets and hiring of services etc.

Audit of receipts/ revenue was also conducted to verify whether or not the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules.

a. Scope of Audit

Total budget of six TMAs of District Attock for the Financial Year 2015-16 was Rs 762.811 million. Total expenditure was Rs 591.168 million covering six PAOs and six entities. Out of this, DG District Audit (N) Punjab audited an expenditure of Rs 498.52 million which in terms of percentage was 84.32% of auditable expenditure.

Total budgeted receipts of District Attock for the Financial Year 2015-16 were Rs 553.895 million. Total actual receipts of six TMAs were Rs 524.24 million. DG Audit, District Government (N) Punjab, Lahore audited receipts of Rs 417.35 million which was 79.61% of total receipts.

b. Recoveries at the instance of audit

Recovery of Rs 164.65 million was pointed out through various audit paras, out of which Rs 1.08 million was not in the notice of the executive before audit but no recovery was effected till the compilation of this Report.

c. Audit Methodology

Audit was performed through understanding the business process of TMAs with respect to functions, control structure, prioritization of risk areas by determining their significance and identification of key controls. This helped auditors in understanding the systems, procedures, environment, and the audited entity before starting field audit activity. Formations were selected for Audit in accordance with Risks Analyzed. Audit was planned and executed accordingly.

d. Audit Impact

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

e. Comments on Internal Controls and Internal Audit Department

Internal controls mechanism of the TMAs of District Attock was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes Non reconciliation of annual accounts, Non reconciliation of expenditure by DDO with Tehsil Accounts Officer, Non reconciliation of receipts with bank and TAO, Non reconciliation of tax on transfer of immoveable property (TTIP) with Revenue staff. Negligence on the part of TMAs authorities may be captioned as one of important reasons for weak Internal Controls.

Section 115-A (1) of PLGO, 2001, empowers Tehsil Municipal Administration to appoint an Internal Auditor but the same were not appointed in eight (08) Tehsil Municipal Administrations of District Attock.

f. Key Audit Findings of the Report

- i. Irregularity and non-compliance of Rs 468.40 million was noted in eighteen cases¹.
- ii. Issues of poor performance of Rs 7.62 million were noted in two cases²
- iii. Internal Controls Weaknesses of Rs 1,283.624 million were noted in twenty cases³

Audit paras for the audit year 2016-17 involving procedural violations including internal controls weaknesses, and irregularities not considered worth reporting to the PAC have been included in Memorandum For Departmental Accounts Committee (**Annex-A**).

g. Recommendations

Audit recommends that the PAO / Management of TMAs should ensure the following:

- i. Strengthening of internal controls
- ii. Holding of DAC meetings well in time
- iii. Expediting recoveries pointed-out by Audit

- iv. Compliance of relevant laws, rules, instructions and procedures, etc.
- v. Taking appropriate action against officers/officials responsible for violation of rules and losses.

1 Para 1.3.1.1 to 1.3.1.4, 1.4.1.1 to 1.4.1.7, 1.5.1.1 to 1.5.1.2, 1.6.2.1 to 1.6.2.3 & 1.7.1.1 to 1.7.1.2

2 Para 1.3.2.1 & 1.4.2.1

3. Para 1.2.1.1 to 1.2.1.3, 1.3.3.1 to 1.3.3.4, 1.4.3.1 to 1.4.3.4, 1.5.2.1 to 1.5.2.2, 1.6.3.1 to 1.6.3.3 & 1.7.2.1 to 1.7.2.4

SUMMARY TABLES & CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budgeted Figure Financial Year 2015-16		
			Expenditure	Receipt	Total
1	Total Entities (PAOs) in Audit Jurisdiction	6	762.81	553.89	1,316.70
2	Total formations in audit jurisdiction	6	762.81	553.89	1,316.70
3	Total Entities (PAOs) Audited	6	591.168	524.24	1115.408
4	Total formations Audited	6	591.168	524.24	1115.408
5	Audit & Inspection Reports	6	591.168	524.24	1115.408
6	Special Audit Reports	-	--	-	-
7	Performance Audit Reports	-	--	-	-
8	Other Reports	-	--	-	-

Figures at Serial No.03, 04 & 05 represent expenditure.

Table 2: Audit Observations Regarding Financial Management

(Rs in million)

Sr. No.	Description	Amount Placed under Audit Observations
1	Unsound asset management	-
2	Weak financial management	468.40
3	Weak internal controls relating to financial management	1,283.624
4	Others	7.62
Total		1,759.64

Table3: Outcome Statistics

(Rs in million)

Sr. No.	Description	Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last year
1	Outlays Audited	0	112.73	524.24	478.438	1115.408*	1,248.71
2	Amount Placed under Audit	0	51.85	164.64	1,543.15	1,759.64	881.25

Sr. No.	Description	Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last year
	Observation/ Irregularities of Audit						
3	Recoveries Pointed Out at the instance of Audit	0	1.08	163.57	0	164.65	64.62
4	Recoveries Accepted/ Established at the instance of Audit	0	0	0	0	0	0
5	Recoveries Realized at the instance of Audit	0	0	0	0	0	0

* The amount serial No 1 in column "total 2015-16" is the sum of expenditure and receipts, whereas the total expenditure for the year 2015-16 was Rs 611.17million

Table4: Irregularities Pointed Out

(Rs in million)

Sr. No.	Description	Amount Placed under Audit Observation
1	Violation of Rules and regulations and violation of principle of propriety and probity in public operations.	468.40
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	0
3	Accounting errors (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 statement.	0
4	Quantification of weaknesses of internal controls systems	1,118.97
5	Recoveries and overpayments, representing cases of established overpayment of misappropriation of public money.	164.65
6	Others, including cases of accidents, negligence etc.	7.62
	Total	1759.64

Table 5: Cost-Benefit

(Rs in million)

Sr No	Description	Amount
1	Outlays Audited(Items 1 of Table 3)	1115.408
2	Expenditure on Audit	0.98
3	Recoveries realized at the instance of Audit	0
4	Cost Benefit Ratio	1:0

CHAPTER 1

1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, DISTRICT ATTOCK

1.1.1 Introduction

TMA consists of Tehsil Nazim, Tehsil Naib Nazim and Tehsil Municipal Officer. Each TMA comprises of five Drawing and Disbursing Officers i.e. TMO, TO (Finance), TO (I&S), TO (Regulation), TO (P&C). As per Section 54 & 54-A of the 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, commercial 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 by-laws governing TMA's functioning;
- iv. To prepare budget, long term and annual municipal development program 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 six TMAs of District Attock was Rs 762.81 million including salary component of Rs 393.61 million, non-salary component of Rs 211.36 million and development component of Rs 157.84 million. Expenditure against salary component was Rs 336.11 million, non-salary component was Rs 142.33 million and development component was Rs 112.74 million. Overall saving was Rs 171.64 million which was 22.5% of total budget.

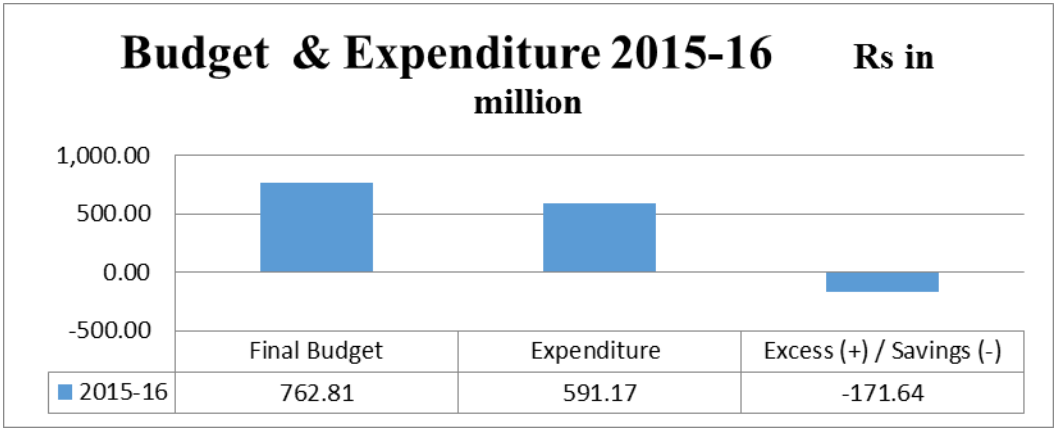
(Amount in million)

Financial Year 2015-16	Budget	Expenditure	Excess (+) / Saving (-)	% (Saving)
Salary	393,605,171	336,108,956	57,496,215	14.61
Non-salary	211,362,263	142,326,693	69,035,570	32.66
Development	157,843,878	112,732,831	45,111,047	28.58
Total	762,811,312	591,168,480	171,642,832	22.5

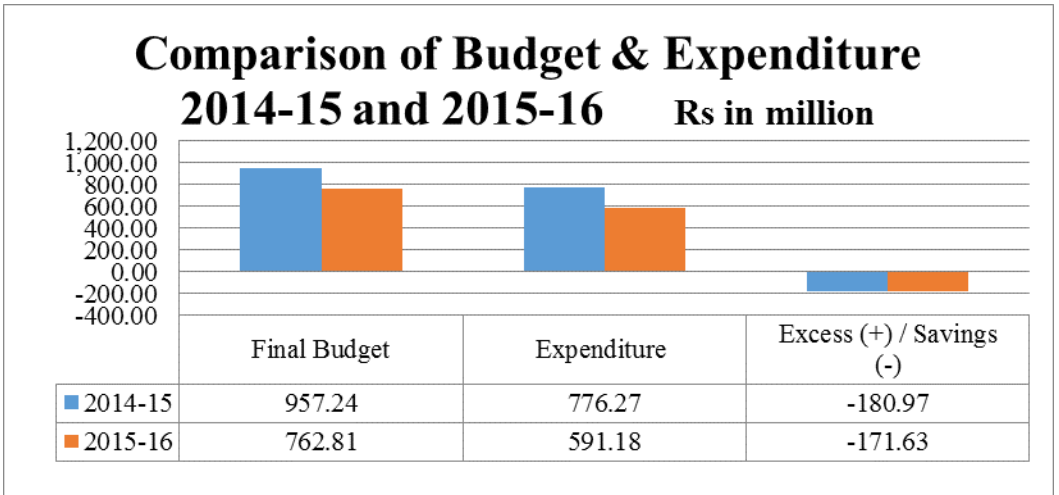
The budget outlays of Rs 762.81 million of six TMAs of District Attock includes PFC award of Rs 210.45 million whereas total expenditure incurred by the TMAs during 2015-16 was Rs 591.17 million with saving of Rs 171.64 million (detailed below).

(Rs in million)

Name of TMAs	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Saving	%age of saving
	Own receipt including OB	PFC award	Total Receipts				
TMA Attock	60.27	16.13	76.40	264.24	231.91	32.33	12.24
TMA Jand	23.06	41.00	64.06	102.78	57.38	45.40	44.17
TMA Hassan Abdal	69.23	27.24	96.47	137.19	94.43	42.76	31.17
TMA Hazro	67.21	49.34	116.55	56.46	19.41	17.04	30.18
TMA Pindigheb	46.06	36.10	82.16	85.00	76.66	8.35	09.82
TMA Fateh Jang	77.61	40.64	118.25	117.14	111.38	5.76	4.92
Total	343.44	210.45	553.89	762.81	591.17	171.64	19.88



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



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

(Rs in million)

Financial Years	Budget Allocation	Expenditure	Saving	% of Saving
2014-15	957.24	776.27	180.97	18.91
2015-16	762.81	611.17	151.64	19.88

The justification of saving when the development schemes have remained incomplete is required to be provided, explained by PAOs and TMOs concerned.

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

Audit paras reported in MFDAC of last year audit report, which have not been attended in accordance with the directives of DAC, have been reported in Part-II of **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	29	Not convened
2	2012-13	9	Not convened
3	2013-14	25	Not convened
4	2014-15	9	Not convened
5	2015-16	45	Not convened

**1.2. TEHSIL MUNICIPAL ADMINISTRATION
ATTOCK**

1.2.1 Weak Internal Control

1.2.1.1 Non-reconciliation with tehsil accounts officer expenditure - Rs 196.99 million and income - Rs 119.72 million

According to para No.3 (iv) to the Government of the Punjab Finance Department Letter No. F.D.(FR)III-5/82(P) dated 30th June, 2009 “periodical reconciliation of accounts with TAOs must be done.

TMO Attock, incurred an expenditure of Rs 196.99 million and collected receipt amounting to Rs 119.72 million during Financial Year 2015-16 but neither the cash book had been signed by the concerned DDO nor annual accounts had been reconciled with the Tehsil Accounts Officer (TAO) as detailed below:

Head of account	Description	Amount in Rs
Income	As per monthly account	119,719,765
Expenditure	As per final account	196,987,726

Audit holds that due to poor internal control and mismanagement, expenditure and receipt was not reconciled resulting in non verification of accuracy of expenditure and receipts.

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

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

[AIR Para No.07]

1.2.1.2 Short recovery of water rate - Rs 18.22 million

According to Section 118 of the Punjab Local Government Ordinance 2001, read with Rule 12 of the Punjab Local Government (Taxation rules) 2001, “failure to pay any tax and other money claimable under this Ordinance was an offence and the arrears were recoverable as Land Revenue”. Further, as per clause 12(c) of Local Rate (Assessment & Collection) Rules, 2001, “the Nazim of the Local Government may direct

that the tax with costs of recovery shall be recovered as arrears of land revenue”.

Scrutiny of Demand and Collection register and deposit challans of TMA Attock for the Financial Year 2015-16 revealed that TMA did not make efforts to recover the outstanding amounts on account of water rates. This resulted in short realization of Rs 18.22 million as detail below.

(Amount in Rs)

Financial Year	Receipts Head	Budgeted Receipts	Actual Receipts	Short Recovery
2015-16	Water Rate Charges (residential)	20,160,000	11,419,603	8,740,397
	Water rate Commercial	960,000	701,812	258,188
	Water rates arrear	15,117,000	5,897,875	9,219,125
Total		36,237,000	18,019,290	18,217,710

Audit holds that due to poor internal control and mismanagement, water rates amounting to Rs 18.22 million were not recovered.

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

Audit recommends Inquiry and fixing of responsibility of the person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.06]

1.2.1.3 Unlawful Transfer of Local Fund-Rs 1.05 million

No local Government shall transfer monies to a higher level except by way of re payment of debts contracted before the coming into force of this ordinance, as per section 109(3) of PLGO, 2001.

TMA Attock transferred an amount of Rs 1.05 million to Punjab Local Government Board during 2015-16 as contribution from income, in violation of above rules.

Audit holds that due to weak internal controls and negligence, the funds were transferred without observing the codal formalities which might lead to misuse of public money.

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

Audit recommends regularization besides fixing responsibility of person(s) at fault under intimation to Audit.

[AIR Para No.2]

1.3 TEHSIL MUNICIPAL ADMINISTRATION HASSAN ABDAL

1.3.1 Irregularity and Non-compliance

1.3.1.1 Irregular maintenance of record – Rs 2.81 million

According to article 170 of Account code Volume-III and para 346(a)(i) of Audit Manual, unclaimed balances for more than 3 years should be credited into Govt. Revenue. According to clause 57 Part-X of Local Government Account Manual, “each Local Government shall maintain a separate deposit register at form-LA-23 for securities deposits”. Furthermore, as per clause 75 of TMA Works Rules 2003, “for the purpose of accounts of Tehsil/Town Municipal Administration works, such registers and forms shall be maintained as are in use in the Communication and Works Department”.

TMA Hassan Abdal had shown closing balance of Rs 2,811,563 on account of securities of the contractors on 30.06.2016. Audit had noticed following short comings.

- i. Neither contractor ledger for amount paid to the contractors nor for securities deducted was maintained properly
- ii. Aging of the securities was not made to ensure deposit/transfer of securities to treasury lying in excess of three years.
- iii. The balance of the securities account was not reconciled with the bank on monthly basis.

The record was not being maintained as per approved registers mentioned above. The detailed of closing balance of securities is as below:

(Amount in Rs)		
A/C No	Period as on	Amount
2589-8	30-06-2016	2,811,375
10948-5	30-06-2016	188
Total		2,811,563

Audit holds that due to weak internal controls and financial mis-management, record of securities deducted and paid was not made properly.

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

Audit recommends regularization besides proper maintenance of record under intimation to Audit.

[AIR Para No.06]

1.3.1.2 Unauthorized expenditure on petrol oil and lubricant (POL) & repair of vehicle – Rs 2.54 million

Provision under serial No. 3 of Punjab Delegation of Financial Powers Rules, 2006 stipulates that 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 Finance 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.

TMO Hassan Abdal incurred expenditure amounting to Rs 2,535,937 on account of POL charges and repair of vehicle. The expenditure was held unauthorized because sanctioned strength of vehicle, average consumption certificate and history sheet were not available in the record of TMA. This resulted in irregular expenditure as detailed below.

(Amount in Rs)

Sr No	Branch	POL Charges	Repair	Total
01	TMO	221,184	54,050	275,234
02	TO I&S-Sanitation	1,998,457	262,246	2,260,703
	Total Rs	2,219,641	316,296	2,535,937

Audit is of the view that due to weak internal control, irregular payment of POL charges and on repair of vehicles was made due to non availability of sanctioned strength of vehicle, average consumption certificate and history sheet.

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

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

[AIR Para No.16]

1.3.1.3 Non-accountal of petrol oil lubricant and doubtful consumption of fuel – Rs 2.22 million

According to para 20 of the West Pakistan Staff Vehicles (Use and Maintenance Rules 1969), Log Book, History Sheet and Petrol Account Register has to be maintained for each Government owned vehicle.

TMA Hassan Abdal did not maintain the log books of various vehicles and machinery as detailed in **Annex-C**.

Further, POL in following vehicles had been utilized without meter readings.

- | | |
|--------------|--------------|
| 1. AKG 14-14 | 3. AKG-14-17 |
| 2. AKG-14-18 | 4. AKG 14-19 |

This resulted in un-authentic consumption of POL worth Rs 2.22 million which could not be verified.

Audit is of the view that due to negligence, POL was consumed without maintaining log books

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

Audit recommends recovery and action against the person(s) at fault under intimation to Audit.

[AIR Para No.13]

1.3.1.4 Irregular expenditure without advertisement - Rs 1.07 million

According to Rule 12 (1)&(2) of PPRA Rules, 2014, “procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA’s website in the manner and format specified by regulation by the PPRA from time to time. In case of procurements valuing above rupees two million, advertisement in two national dailies, one English and other Urdu, will appear in addition to on PPRA website.

TMA Hassan Abdal incurred expenditure amounting to Rs 1,070,816 during 2015-16, without calling tenders as required under PPRA Rules 2014 mentioned above. This resulted in irregular expenditure of Rs 1,070,816 as detailed in **Annex-D**.

Audit holds that due to weak internal controls and negligence, the expenditure was incurred without observing the codal formalities which might lead to misuse of public money.

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

Audit recommends regularization besides fixing responsibility against person(s) at fault.

[AIR Para No.05]

1.3.2 Performance

1.3.2.1 Non-utilization of Government funds - Rs 2.25 million

According to Rule 64(ii) of the TMA Budget Rule, 2003, the resources of the Govt. should be utilized efficiently & effectively.

Funds amounting to Rs 2.25 million were retained and remained unutilized by TMO Hassan Abdal, under head development budget for the Financial Year 2015-16. These funds should be utilized on the development schemes for the welfare of general public but TMA did not utilize these funds to achieve the desired objective through service delivery of the socio-economic and development schemes. This resulted in non-utilization of Rs 2.25 million as detailed below.

(Amount in Rs)

Description	Non Salary		Saving
	Budget	Expenditure	
TMO Office	4,569,000	3,645,829	923,171
Development budget	2,679,069	1,350,200	1,328,869
Total			2,252,040

Audit is of the view that due to poor managerial controls, funds were not utilized for the benefit of the general public.

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

Audit recommends regularization besides fixing responsibility against the person(s) at fault for non utilization of development funds under intimation to Audit.

[AIR Para No.15]

1.3.3 Internal Controls Weakness

1.3.3.1 Non-reconciliation of receipts and expenditure - Rs 199.73 million

According to para No.3 (iv) to the Government of the Punjab Finance Department Letter No. F.D.(FR)III-5/82(P) dated 30th June, 2009 “periodical reconciliation of accounts with TAOs must be done.

TMA Hassan Abdal did not reconcile the receipts / expenditure with the Tehsil Accounts Office on monthly basis during the Financial Year 2015-16. Receipts like TIP/ UIP Taxes were not got reconciled with the respective departments. Moreover, the balance of PLA Account was also not reconciled with the DAO / treasury as detailed below.

Sr. No.	Heads / Item	Amount (Rs)
1	Receipts	105,303,428
2	Payments/ Expenditure	94,426,618
Total		199,730,046

Audit holds that due to financial mismanagement and weak internal controls, reconciliation was not carried out resulting in unauthorized expenditure.

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

Audit recommends for early reconciliation besides fixing responsibility of persons at fault under intimation to audit.

[AIR Para No.17]

1.3.3.2 Loss to local Government on accounts of water charges – Rs 18.58 million

As per instructions contained in LG & CD letter No.SO(Insp) 3-4 dated 15.11.1983, water supply schemes was to run on “ No profit No loss” basis. Further, according to rule 15.20(c)(2) of PFR Volume-I, losses due to neglect on the part of Government servants must be duly recorded and adjusted where necessary.

TMA Hassan Abdal, operated water supply schemes on loss basis during 2015-16 in violation of above. Total expenditure of Rs 25.46 million was incurred on water supply schemes against the income of Rs 6.88 million which resulted in loss to local Government for Rs 18.58 million as detailed in **Annex-E**.

Audit holds that due to poor internal controls and mismanagement, amount of Rs 18.58 million was irregularly paid resulting in loss to the public exchequer.

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

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

[AIR Para No.08]

1.3.3.3 Loss due to non-realization of receipt targets – Rs 14.65 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.

TMA Hassan Abdal, fixed budget target of receipts heads at Rs 30.32 million on account of current year demand and arrears, but recovery of Rs 15.67 million was effected during the Financial Year 2015-16. This

resulted in less / non realization of receipts amounting to Rs 14.65 million as detailed in **Annex-F**.

Audit holds that due to weak internal controls, receipt targets were not achieved.

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

Audit recommends fixing responsibility for lapses and negligence against the person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.04]

1.3.3.4 Unlawful Transfer of Local Fund-Rs 1.109 million

No local Government shall transfer monies to a higher level except by way of re payment of debts contracted before the coming into force of this ordinance, as per section 109(3) of PLGO, 2001.

TMA Hassanabdal transferred an amount of Rs 1.109 million to Punjab Local Government Board during 2015-16 as contribution from income, in violation of above rules.

Audit holds that due to weak internal controls and negligence, the funds were transferred without observing the codal formalities which might lead to misuse of public money.

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

Audit recommends regularization besides fixing responsibility of person(s) at fault under intimation to Audit.

[AIR Para No.10]

1.4 TEHSIL MUNICIPAL ADMINISTRATION FATEH JANG

1.4.1 Irregularity and Non-compliance

1.4.1.1 Un-justified approval of the schemes by tehsil development committee (TDC) without site clearance - Rs 22.00 million

According to Clause 7 of the Tender Guide lines (PWD) tenderer will examine the site visit on his own expense and responsibility and will give his decision. Further, according to Section 2.85 of B&R Code “No work should be commenced on land which has not been duly made over by the responsible civil officers”

TMA Fateh Jang had awarded the following development schemes costing Rs 22.00 million with the approval of TDC during 2015-16. The works could not be started for the construction of schemes as site was not cleared by the client department which was the duty of responsible authority to see whether land was available/clear or not. The approval of schemes from TDC and tendering process as well as release of funds amounting to Rs 22.00 million was held un-justified as detailed below.

Sr. No.	Name of schemes	DDC Date of Approval	Cost (Rs)	Work Order	Expenditure	Contractor
1	Filling Ban Chasan Wali Dhari UC Fateh Jang-I	07.11.14	500,000	151/ 20.01.15	NIL	Muhammad Younis
2	Const. of road khatrian /Culver UC Dherek	--do-	20,000,000	193/ 20.01.15	NIL	Haji Hayyat Muhammad
3	Cons. Of Nallah Govt. Girls College Fateh Jang	--do-	500,000	210/ 20.01.15	NIL	Try Star
4	P/L Tuff Tiles old road lari Adda Fateh jang	--do-	1,000,000	228/ 20.01.15	NIL	M. Abid Rafique
Total			22,000,000			

Audit is of the view that due to weak internal controls and defective managerial planning, the works were allotted without site clearance resulting in non commencement of works.

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

Audit recommends regularization besides fixing responsibility of person(s) at fault and to take steps to clear sites so that the works could be completed.

[AIR Para No.03]

1.4.1.2 Un-authentic completion of works without satisfactory end users certificate -Rs 8.10 million

According to Rule 46 of PDG & TMA Budget rules, 2003 “Post completion evaluation of each development project shall be undertaken jointly by the planning officer in collaboration with concerned head of offices and report submitted to council”. Furthermore, Finance Department 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.

TMA Fateh Jang executed the various development schemes costing Rs 8.10 million during Financial Year 2014-15 but completion certificate from end users were neither obtained nor shown to audit for authenticity of expenditure /funds drawn for given purpose . Non-obtaining the completion certificate from end users/ institutions resulted in doubtful incurrence of expenditure of Rs 8.10 million as detailed in **Annex-G**.

Audit is of the view that without end users certificates, completion of works was un-authenticated.

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

Audit recommends regularization and Inquiry for fixing responsibility against the person(s) at fault besides production of satisfactory end user completion certificates under intimation to Audit.

[AIR Para No.04]

1.4.1.3 Extravagant expenditure on street light & petrol oil & lubricant - Rs 5.79 million

As per instruction of Government of the Punjab Finance Department Austerity/ Economy Measures for the Financial Year 2015-16, “the expenditure should be curtailed in POL charges and electricity account”.

TMA Fateh Jang incurred expenditure amounting to Rs 5.79 million on account of electricity charges of street light and POL charges on sanitation during 2015-16, ignoring the Government instructions regarding energy saving resulting in loss to TMA as well as wastage of energy due to non adopting austerity measures to overcome the energy crises. Detail of expenditure is as below.

(Rs in million)

Financial Year	Electricity charges on Street Light	POL Charges of Sanitation	Total
2014-15	1.35	1.66	3.01
2015-16	1.10	1.68	2.78
Total	2.45	3.34	5.79

Audit holds that due to weak internal controls and financial mismanagement, instructions of Finance department were not followed resulting in irregular expenditure of Rs 5.79 million.

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

Audit recommends regularization besides fixing responsibility of the person(s) due to ignoring the govt., instruction under intimation to Audit.

[AIR Para No.09]

1.4.1.4 Irregular payment - Rs 4.33 million

As per Notification of Government of Punjab C&W Department No.SOH-II(C&W)/2-15/2007 dated 26.03.2007 “before finalization of work, Sub Divisional Officer to Chief Engineer would certify to the extent

as mentioned against each that the work has been executed as per laid down specifications”

SDO (TO I&S)	100%
Executive Engineer (TMO)	75%
Superintending Engineer (PHE)	50%
Chief Engineer	25%

TMA Fateh Jang made payments amounting to Rs 4.33 million on account of different schemes for the year 2014-15 & 2015-16, but works were not certified by the Superintending Engineer and Chief Engineer in violation of rule ibid. Therefore, payment for Rs 4.33 million was held irregular as detailed in **Annex-H**.

Audit is of the view that due to poor managerial controls, payment was made without approval of Competent Authority.

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

Audit recommends regularization besides action against the concerned under intimation to Audit

[AIR Para No.01]

1.4.1.5 Un-authorize payment without cubic test of concrete - Rs 2.43 million

As per condition No.6 of the agreement, the contractor will perform the laboratory test on his own costs if required and considered essential by the Municipal In charge.

TMA Fateh Jang paid amount of Rs 2.43 million on the execution of different schemes during Financial Year 2015-16. Scrutiny of record revealed that maximum cost of schemes was paid for lying of PCC 1:2:4 but as per rule the cubic test to check the concrete workability was not got done from the Government Laboratory. In absence of said test, the payment made for PCC was considered un-authorized as detailed below.

Sr No	Name of work	Quantity	Amount (Rs)
01	Const. of Street & Drain , Gaggan Nawan Garan Gulial & Gadda 1:2:4	4328 Cft	764,330
02	Const of street village kharala khurd	3724 Cft	649,508

03	Rehabilitation of Road Kamal Pur Maiyan to Bahgvi Phase-I	5836 Cft	1,017,860
Total			2,431,698

Audit is of the view that due to weak managerial controls, the payment of PCC was made without performing cubic test to check the concrete workability.

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

Audit recommends for regularization and carrying out PCC test besides fixing responsibility of persons at fault under intimation to Audit.

[AIR Para No.19]

1.4.1.6 Unauthorized payment without approval of rate from the chief engineer (highways) – Rs 2.20 million

According to Finance Department's letter No.RO(Tech) FD.18-23/2004 dated 21st September, 2004 "Rate for item of carpeting shall be fixed and approved by the Chief Engineer concerned on the basis of different stages of bitumen i.e. 3% to 6% and payment will be made to the contractor as per job mix formula or bitumen used in the work".

Scrutiny of paid vouchers of following scheme of TMA Fateh Jang revealed that an item "Plant Premix Bitumen Carpeting" was executed and payment of Rs 2.20 million was made to the contractors without obtaining approval of rate for the item from the Chief Engineer (Highways) in violation of above instructions. This resulted in unauthorized payment of Rs 2.20 million as detailed below.

Date	Scheme Details	Qty in cft	Amount (Rs)
FR-6318/70, 2 nd R-6318/83, 3 Rd -6318/97, 4 th F-9045/47	Rehabilitation of Burj Road Dhok Ayoub UC Shah Rai Sadullah (TST) using 79 lbs bitumen and 750 cft bajri for %sft area	46,800	2,197,400

Audit is of the view that due to weak managerial and financial discipline, expenditure was incurred without approval of competent authority.

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

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

[AIR Para No.16]

1.4.1.7 Irregular payment for ramzan bazar & non-accountal of stores items – Rs 1.21 million

According to rule 2.10(b)(3) of PFR Volume-I, that all charges incurred are drawn and paid at once and are not held up for want of funds and allowed to stand over to be paid from the grant of another year; that money indisputably payable is not left unpaid: and that all inevitable payments are ascertained and liquidated at the earliest possible date. Further, as per Rule 15.4 (a) & 15.7 of PFR Volume-1, all material must be examined, counted, weighed or measured as the case may be and recorded in an appropriate stock register.

TO(I&S) of TMA Fateh Jang had incurred expenditure of Rs 1.21 million on account of pending liabilities of rent of tentage for Ramzan Bazar, generator & graders and also for purchase of store items during 2014-15 & 2015-16. Neither, approval for payment of previous liabilities was obtained nor stock entries of items purchased was made in respective stock register. This resulted in irregular expenditure and non accountal of stores amounting to Rs 1.21 million as detailed below.

VR date	Financial Years	Description	Amount (Rs)	Remarks
24.12.2014	2014-15	Ramzan Bazar, fans, generators for 2013	699,517	Un-economic as certificate of charging exorbitant rates was not obtained
24.12.2014	2015-16	(Ramzan Bazar) Iron sheet	428,700	Stock entries not made
24.12.2014	2015-16	(Ramzan Bazar) Iron graders	81,381	-do-
Total			1,209,598	

Audit is of the view that due to weak internal control, irregular expenditure was incurred and items were not accounted.

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

Audit recommends regularization besides fixing responsibility for lapses and negligence under intimation to Audit.

[AIR Para No.12]

1.4.2 Performance

1.4.2.1 Defective preparation of revised budget – Rs 5.76 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 expended in conformity with the Schedule of Authorized Expenditure and that there must be an appropriation of funds for the purpose besides sanction of an authority competent to sanction expenditure.

TMA Fateh Jang, prepared revised budget estimates for the Financial Year 2015-16 amounting to Rs 117,141,820 but actual expenditure against the budget was Rs 111,378,211 resulting in defective/ overestimated preparation of revised budget estimates by Rs 5,763,609. This resulted in defective preparation of revised budget

Head of account	Revised Budget 2015-16	Actual Expenditure 2015-16	Difference
Pay & Development	117,141,820	111,378,211	5,763,609

Audit is of the view that due to poor financial managerial control, defective revised budget was prepared.

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

Audit recommends for regularization besides revision of budget figures at realistic level under intimation to Audit.

[AIR Para No.06]

1.4.3 Internal Controls Weakness

1.4.3.1 Non - reconciliation of receipt with bank - Rs 243.11 million

According to para 6.3.4.1 of Accounting Policies and Procedures Manual chapter Bank Reconciliation “A monthly reconciliation with bank accounts is a necessary part of financial management and is also an effective measure for detecting and deterring fraud and irregularities”. Further, according to Para 5 of local Government Accounts Manual, the cash balance of each local Accounts Officer should reconcile with the Bank on daily and Monthly Basis.

Scrutiny of record of TMA Fateh Jang revealed that receipts amounting to Rs 243.11 million were not reconciled with the bank during F.Ys 2014-15 & 2015-16. In absence of reconciliation, transactions amounting to Rs 243.11 million could not be considered authentic and valid as detailed below.

Sr. No.	Financial Year	Actual Receipt (Rs)
1.	2014-15	122,327,839
2.	2015-16	120,785,970
Total		243,113,809

Audit holds that due to weak internal controls and negligence, the receipts figures did not reconcile / match.

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

Audit recommends Inquiry and fixing responsibility against the person(s) at fault besides reconciliation under intimation to Audit.

[AIR Para No.14]

1.4.3.2 Loss due to less realization of receipt than receipt targets - Rs 34.84 million

According to Rule 13 (i & ii) read with 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.

TMA Fateh Jang fixed budget targets of receipts heads at Rs 274.17 million but recovery of Rs 239.33 million was effected during the year 2014-15 & 2015-16. This resulted in less/ non realization of receipts amounting to Rs 34.84 million as detailed below.

(Amount in Rs)

Sr. No.	Financial Year	Target	Actual Recovery	Less Recovery
1.	2014-15	136,858,888	121,077,800	15,781,088
2.	2015-16	137,314,968	118,253,721	19,061,247
Total		274,173,856	239,331,521	34,842,335

Audit holds that due to weak internal controls, receipt targets were not achieved.

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

Audit recommends fixing responsibility for lapses and negligence against the person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.13]

1.4.3.3 Non-recovery of shop rent - Rs 2.03 million

According to Section 118(2) of PLGO, 2001, failure to pay any tax and other money claimable under the Ordinance shall be an offence and arrears shall be recovered as arrear of land revenue, Further, 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 Fateh Jang District Attock did not recover amount of Rs 2.03 million on account of rent of shops from the different lessees during 2015-16. This resulted in short recovery of rent of shops Rs 2.03 million as detailed given in **Annex-I**.

Audit holds that due to weak internal control, rent of shops was not recovered from the defaulters.

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

Audit recommends fixing responsibility for lapses and negligence of the person(s) at fault besides recovery under intimation to Audit

[AIR Para No.05]

1.4.3.4 Unlawful Transfer of Local Fund-Rs 2.465 million

No local Government shall transfer monies to a higher level except by way of re payment of debts contracted before the coming into force of this ordinance, as per section 109(3) of PLGO, 2001.

TMO Fatehjang transferred an amount of Rs 2.465 million to Punjab Local Government Board during 2015-16 as contribution from income, in violation of above rules.

Audit holds that due to weak internal controls and negligence, the funds were transferred without observing the codal formalities which might lead to misuse of public money.

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

Audit recommends regularization besides fixing responsibility of person(s) at fault under intimation to Audit.

[AIR Para No.7]

**1.5 TEHSIL MUNICIPAL ADMINISTRATION
PINDIGHEB**

1.5.1 Irregularity and Non-compliance

1.5.1.1 Irregular payment of electricity bills of street light - Rs 4.44 million

As per instruction of Government of the Punjab Finance Department Austerity/ Economy Measures for the Financial Year 2015-16, “the expenditure should be curtailed in electricity account”. Further according to the Rule 2.32 (a) of PFR Vol-I, it is essential that the records of payments and transactions in general must be clear, explicit and self contained.

TMO Pindi Gheb paid an amount of Rs 4.44 million on account of electricity charges (bills) of street light for the Financial Year 2015-16, it was observed that payment was made without observing the following formalities.

- i. No meter was installed and all the payment was made without any meter readings.
- ii. Street wise energy consumption register was not shown to audit.
- iii. Acknowledgement of payment was not obtained.
- iv. Copy of demand notice regarding street wise electricity meter was not shown to Audit

Audit is of the view that due to poor managerial controls, payment of electricity charges was held irregular.

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

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

[AIR Para No.02]

1.5.1.2 Unjustified expenditure without calling tenders – Rs 1.98 million

According to Rule 12 (1)&(2) of PPRA Rules, 2014, “procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA’s website in the

manner and format specified by regulation by the PPRA from time to time. In case of procurements valuing above rupees two million, advertisement in two national dailies, one English and other Urdu, will appear in addition to on PPRA website.

TMA Pindi Gheb incurred expenditure of Rs 1.98 million during F.Y 2015-16, without calling tenders as required under PPRA Rules 2014 as detailed below.

Sr. No	Financial Year	Description	Amount (Rs)
1	2015-16	Others for (I & S) Branch	447,785
2		Purchase of Machinery	728,939
3		Others for finance	182,645
4		Un foreseen	141,387
5		Repair from Others	178,966
6		Other assets	300,636
		Total	1,980,358

Audit holds that due to weak internal controls and negligence, the expenditure was incurred without observing the codal formalities which might lead to misuse of public money.

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

Audit recommends regularization besides fixing responsibility against person(s) at fault.

[AIR Para No.09]

1.5.2 Internal Controls Weakness

1.5.2.1 Non reconciliation of receipt with bank - Rs 68.17million

According to para 6.3.4.1 of Accounting Policies and Procedures Manual chapter Bank Reconciliation “A monthly reconciliation with bank accounts is a necessary part of financial management and is also an effective measure for detecting and deterring fraud and irregularities”. Further, according to Para 5 of Punjab Local Government Accounts Manual, the cash balance of each local Accounts Officer with the Bank on daily and Monthly Basis.

TMA Pindi Gheb collected Government receipts amounting to Rs 68.17 million during the Financial Year 2015-16 which was not reconciled with the bank. In absence of reconciliation, receipt transactions of Rs 68.17 million of TMA Pindi Gheb were not verified.

Audit holds that due to weak internal controls and negligence, the receipt figures were not got reconciled with bank.

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

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

[AIR Para No.03]

1.5.2.2 Non-realization of revenue in arrears - Rs 35.88 million

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

Scrutiny of Budget Book (Estimates & Revised) for the Financial Year 2015-16 and other allied record of TMA Pindi Gheb, revealed that neither the recoverable amount of Rs 35.88 million on account of different receipts heads of account was realized from defaulters nor any effort was made for realization of the amount since long period. This resulted in short realization of Rs 35.88 million as detail below.

(Amount in Rs)

Sr. No	Receipt Head	To Be recovered	Recovered	Loss
1	Water rate arrears	3,600,000	143,518	35,856,482
2	Slaughter house	100,000	79,000	21,000
Total				35,877,482

Audit holds that due to poor internal control and mismanagement, receipts amounting to Rs 35.88 million were not recovered.

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

Audit recommends inquiry and fixing of responsibility of the person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.10]

1.6 TEHSIL MUNICIPAL ADMINISTRATION HAZRO

1.6.1 Irregularity and Non-compliance

1.6.1.1 Irregular budget estimates - Rs 218.82 million

During the scrutiny of Annual Budget of Tehsil Municipal Administration Hazro for the year 2015-15, following omissions were observed:

- i) The budget estimate for the year 2015-16 was not prepared on the prescribed forms as required under the PDG & TMA (Budget) Rules 2003.
- ii). The Budget call letters were not served with the budget as required under rule II *ibid*.
- iii). The statement of outstanding liabilities was also not prepared on form BDO-5 as required under rule 24, *ibid*.
- iv). The development projects undertaken through development budget were not prepared on the form of BDO-4 as required under rule 30 of PDG & TMA (Budget) Rules 2003. Further the same including Annual Development Programme was not processed in accordance with rule 31 *ibid*.
- v). The performance targets along with the financial figures in the Budget estimate for the year 2013-14 were not provided as required under rule 94 of PDG & TMA (Budget) Rules 2003.
- vi). Form BDC-3 regarding establishment budget by function & designation and form BDC-4 regarding establishment strength by designation as required under rule 19, 28, 52, and 54 of the aforesaid rules were not prepared/ annexed with the budget.
- vii). During examination of the Budget, it had been observed that the income from arrears of various heads relating to the previous years had been shown as income of current year in the budget estimate for the year 2015-16.
- viii) Receipt figures provided by the TMA were not matched with the figures incorporated in Annual Accounts 2015-16 compiled by the Tehsil Accounts Officer.

Detail of budget figure is as below.

Budget Financial Year	Total (Rs)
Salary Budget	50,893,161
Non salary Budget	21,533,000
Development Budget	29,836,000
Total Budget	102,262,161
Budgeted Receipts	116,553,882

TMA Hazro had been deliberately reducing the income target at the time of revision of the budget in order to conceal the short fall of income or the budget targets could not be achieved due to negligence on the part of officer/ official concerned.

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

Audit recommends regularization and the omission may please be justified and needful may be done under intimation to audit.

[AIR Para No.07]

1.6.1.2 Non-earmarking budget and non-utilization through citizen community boards (CCB) – Rs 6.25 million

According to Section 109(5)(a) of the Punjab Local Government Ordinance, 2001, “Twenty five (25) percent of the development budget is required to be earmarked for execution of schemes through Citizen Community Boards(CCBs).

TMA Hazro did not earmark Budget amounting to Rs 6.250 million for execution of development schemes through Citizen Community Boards in violation of above provision of law as detailed below.

(Amount in Rs)

Period	Development Budget	25 % allocation required
2015-16	25,000,000	6,250,000

Audit is of the view that due to poor managerial controls, funds were not utilized for the benefit of the community.

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

Audit recommends regularization and Inquiry for fixing responsibility against the person(s) at fault for non utilization of development funds with public participation thorough CCBs under intimation to audit.

[AIR Para No.10]

1.6.1.3 Irregular execution of Plain Cement Concrete in violation of specifications – Rs 1.09 million

According to the Public Health Engineering Department Drains cunet circulated by the Government of the Punjab LG & CD Department vide No.(DG(I&M)-Standing Committee242/2014 dated 13.08.2014”, “PCC 1:7:20 is being provided in the bed of PCC topping in the streets & roads where as PCC 1:6:12 is specified in the bed.

TMO Hazro executed the following development schemes during 2015-16. It was noticed that in schemes of the construction of PCC streets, 14,130 cft of PCC 1:7:20 was executed in the bed instead of 1:6:12, in violations of the specifications amounting to Rs 1.09 million during FY 2015-16 as detailed below.

Sr. No	Scheme	PCC 1:7:20 (cft)	Rate per 100 cft (Rs)	Total (Rs)
1	Construction of street H/o Jamshed etc jalalia TMA Hazro	1851	8099.50	149,921
2	Const of street drain Talabut Shahbaz Garh	1039	8099.50	84,153
3	Constriction of main path kotha	7312	8099.50	555,235
4	Constriction Of street drain dera akhtar khan	1987	8099.50	160,937
5	Const. of Street/ drain Ghulam fareed Ajoon	1941	8099.50	139378
	Total	14,130		1,089,624

Audit holds that due to weak internal controls and negligence, the expenditure was incurred without observing the codal formalities which might lead to misuse of public money.

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

Audit recommends regularization besides fixing responsibility against person(s) at fault for irregular expenditure.

[AIR Para No.02]

1.6.2 Internal Controls Weakness

1.6.2.1 Non-reconciliation of receipts and expenditure - Rs 93.82 million and Rs 89.48 million respectively

According para No.3 (iv) to the Government of the Punjab Finance Department Letter No.F.D.(FR)III-5/82(P) dated 30th June, 2009 “periodical reconciliation of accounts with TAOs must be done.

TMO Hazro collected the receipts on account of Tax on Immovable Property (Transfer of Land) amounting to Rs 31,239,732 during 2015-16. However, the subsidiary record “Sealed copy of registration/ deed documents” to verify the receipt along-with valuation table was not maintained. Further, it was noticed that all other receipts amounting to Rs 62,575,673 were also not reconciled with Tehsil Accounts Officer. Moreover, expenditure of Rs 89,478,992 was also not got reconciled with TAO. The Bank account statements were not found on record. Therefore, collection of receipts and expenditure could not be verified as detailed below.

Sr No	Description	Amount (Rs)
01	Tax on Transfer of Immoveable Property / TTIP	31,239,732
02	Other Receipts	62,575,673
03	Total Receipt	93,815,405
	Total Expenditure	89,478,992

Audit holds that due to poor internal control and mismanagement, expenditure and receipt was not reconciled resulting in non verification of accuracy of expenditure and receipts.

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

Audit recommends regularization besides fixing responsibility against the person(s) at fault and early reconciliation under intimation to Audit.

[AIR Para No.05]

1.6.2.2 Non-recovery of Government receipts - Rs 24.36 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 Hazro realized amount of Rs 56.02 million against the total recoverable amount of Rs 80.38 million during Financial Year 2015-16 on account of Government receipts under different heads of account. This resulted in less recovery of receipts amounting to Rs 24.36 million as detailed in **Annex-J**.

Audit is of the view that due to weak internal controls and financial mismanagement, outstanding dues were not recovered.

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

Audit recommends fixing responsibility for lapses and negligence of the person(s) at fault besides recovery of arrears under intimation to Audit.

[AIR Para No.04]

1.6.2.3 Non-recovery of arrears of Government revenue – Rs 2.30 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 Hazro realized only amount of Rs 6.19 million against the total recoverable amount of Rs 8.49 million on account of arrears of Government receipts up to 30.06.2016. This resulted in non-recovery of Rs 2.30 million as detailed below:-

(Amount in Rs)

Sr No	Head	Period	Budgeted Target	Recovery as per Annual Account	Less Recovery
01	Water rates (Residential)	2015-16	406,994	153,978	253,016
02	Water rates (Commercial)	2015-16	192,000	85,090	106,910
03	Rent of Properties	2015-16	6,729,925	5,048,855	1,681,070
04	Rehri Bazar	2015-16	1,159,473	905,074	254,399
		Total	8,488,392	6,192,997	2,295,395

Audit is of the view that due to weak internal controls and financial mismanagement, outstanding dues were not recovered.

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

Audit recommends fixing responsibility for lapses and negligence of the person(s) at fault besides recovery of arrears under intimation to Audit.

[AIR Para No.03]

1.7 TEHSIL MUNICIPAL ADMINISTRATION JAND

1.7.1 Irregularity and Non-compliance

1.7.1.1 Irregular budget estimates - Rs 166.84 million

During the scrutiny of Annual Budget of Tehsil Municipal Administration Jand for the year 2015-16, following omissions were observed:

- i) The budget estimate for the year 2015-16 was not prepared on the prescribed forms as required under the PDG & TMA (Budget) Rules 2003.
- ii). The Budget call letters were not served with the budget as required under rule II *ibid*.
- iii). The statement of outstanding liabilities was also not prepared on form BDO-5 as required under rule 24, *ibid*.
- iv). The development projects undertaken through development budget were not prepared on the form of BDO-4 as required under rule 30 of PDG & TMA (Budget) Rules 2003. Further the same including Annual Development Programme was not processed in accordance with rule 31 *ibid*.
- v). The performance targets along with the financial figures in the Budget estimate for the year 2013-14 were not provided as required under rule 94 of PDG & TMA (Budget) Rules 2003.
- vi). Form BDC-3 regarding establishment budget by function & designation and form BDC-4 regarding establishment strength by designation as required under rule 19, 28, 52, and 54 of the aforesaid rules were not prepared/ annexed with the budget.
- vii). During examination of the Budget, it had been observed that the income from arrears of various heads relating to the previous years had been shown as income of current year in the budget estimate for the Financial Year 2015-16.
- viii) Receipt figures provided by the TMA were not matched with the figures incorporated in Annual Accounts 2015-16 compiled by the Tehsil Accounts Officer.

The detail of budget figure is as below.

Description	Total (Rs)
Salary Budget	37,921,541
Non salary Budget	47,951,280
Development (Liability) Budget	16,905,076
Total Budget	102,777,897
Budgeted Receipts	64,059,821

Audit was of the view, the TMA functionaries had been deliberately reducing the income target at the time of revision of the budget in order to conceal the short fall of income or the budget targets could not be achieved due to negligence on the part of officer/ official concerned.

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

Audit recommends regularization and needful may be done under intimation to Audit.

[AIR Para No.07]

1.7.1.2 Non-execution of annual development plan despite incurring expenditure on pay – Rs 14.29 million

According to rule 9(1) PDG & TMA budget Rules, 2003 “the budget shall be prepared in accordance with Chart of Classification of accounts issued by the Auditor General of Pakistan. The expenditure shall be classified into Development and Current expenditure”.

Scrutiny of accounts of TMA Jand revealed that ADP was not included in Annual Budget Estimates during Financial Year 2015-16, while expenditure of Rs 14.29 million was incurred on the Pay & Allowances of TO (I&S) Branch without executing any development scheme.

Audit is of the view that due to poor managerial controls, neither ADP was included in Annual Budget Estimates nor any scheme was executed during the year 2015-16 despite payment of pay & allowances.

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

Audit needs justifications besides fixing responsibility against the person(s) at fault under intimation to Audit.

[AIR Para No.05]

1.7.2 Internal Controls Weakness

1.7.2.1 Non-reconciliation of receipts - Rs 52.22 million and expenditure – Rs 51.13 million

According to para No.3 (iv) to the Government of the Punjab Finance Department Letter No.F.D.(FR)III-5/82(P) dated 30th June, 2009 “periodical reconciliation of accounts with TAOs must be done.

TMA Jand collected receipts amounting to Rs 52,217,872 and incurred expenditure amounting to Rs 51,131,499 which were not reconciled with Tehsil Accounts Officer. The Bank account statements were not found on record. Due to which Audit could not verify the collection of receipts and expenditure incurred during the Financial Year 2015-16 as detailed below.

Financial Year	Description	Amount (Rs)
2015-16	Total Receipt	52,217,872
2015-16	Total Expenditure	51,131,499

Audit holds that due to poor internal control and mismanagement, expenditure and receipt was not reconciled resulting in non verification of accuracy of expenditure and receipts.

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

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

[AIR Para No.11]

1.7.2.2 Non-recovery of Government receipts – Rs 10.18 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 Jand realized only Rs 33.12 million against the total recoverable amount of Rs 43.30 million on account of receipts heads. This resulted in less recovery of Rs 10.18 million up to 30.06.2016 as detailed in **Annex-K**.

Audit is of the view that due to weak internal controls and financial mismanagement, Government receipts were less recovered.

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

Audit recommends fixing responsibility for negligence of the person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.02]

1.7.2.3 Non-recovery of arrears – Rs 2.53 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 Jand only realized amount of Rs 0.17 million against the total recoverable amount of Rs 2.70 million on account of arrears of different receipts head pertaining to previous year. This resulted in less recovery of Rs 2.53 million up to 30.06.2016 as detailed below.

(Amount in Rs)

Sr No	Head	Recoverable	Recovered	Difference
01	Water Rate Arrears	1,500,000	166,110	1,333,890
02	Misc Arrears	1,045,963	0	1,045,963
03	License Fees Arrears	150,998	0	150,998
	Total	2,696,961	166,110	2,530,851

Audit is of the view that due to weak internal controls and financial mismanagement, arrears of different receipts head was not fully recovered.

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

Audit recommends fixing responsibility for negligence of the person(s) at fault besides full recovery of arrears under intimation to Audit.

[AIR Para No.03]

1.7.2.4 Non-recovery of penalty – Rs 1.08 million

According to Clause 39 read with Clause 37 of contract agreement, if a contractor fails to complete the work within stipulated period, he is liable to pay compensation @ 1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer in-charge to be worked out per day but not exceeding maximum of 10% of the cost of contract.

Scrutiny of record of TMA Jand revealed that eleven schemes costing Rs 10.83 million prior to the year 2015-16 were not completed up to June 2016. TMA authorities did not make solid efforts to improve the municipal infrastructure and services delivery despite incurring of expenditure of Rs 4.45 million up to June 2016. Further, penalty amounting to Rs1.08 million @ 10% was not imposed on contractors due to delay in completion of schemes as detailed in **Annex-L**.

Audit is of the view that due to weak managerial controls and poor performance, engineering staff were unable to get the work done from contractor within stipulated time.

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

Audit recommends regularization besides fixing responsibility against the person(s) at fault, early completion of works and recovery of penalty under intimation to Audit.

[AIR Para No.09]

ANNEXURE

Annex-A

Part-I

Current Audit Year 2016-17 Memorandum for Departmental Accounts Committee

(Rs in million)

Sr No	Name of TMA	Description	Nature of Para	Amount
1	TMA Attock	Unjustified Expenditure without Calling Tenders / Advertisement	Irregularity and non-compliance	0.616
2		Irregular Expenditure on Repair of Vehicle	-do-	0.189
3		Un-authorized Release of Securities	-do-	0.957
4		Irregular Expenditure due to Defective Tendering	-do-	0.267
5		Non-accountal of Stores Items	Weak Internal Control	0.703
6		Un-authorized and Un-justified Drawl of POL	Irregularity and non-compliance	0.398
7		Irregular drawl of POL for Generator	-do-	0.426
8		Non-passing of Building Plans and Illegal Receipt of Fee	-do-	0.061
9		Non-recovery of Shop Rent	Weak Internal Control	0.264
10		Non-recovery of TTIP	-do-	0.016
11	TMA Hassan Abdal	Un-authorized Execution of Work without Administrative Approval and Approved Budget Allocation	Irregularity and non-compliance	0.191
12		Non-imposition of Penalty due to Extra Ordinary Delay	Weak Internal Control	0.091
13		Non-recovery of Performance Security	-do-	0.081
14		Non-verification of GST and non Deposit of Government Receipts against Purchase	-do-	0.350
15		Non-approval of Building Maps/ Plans	Performance	0.803
16		Irregular Payment on account of Financial Assistance	-do-	0.400
17		Non-accountal of Cash Maintained by TOR in the Final Accounts	-do-	0.077
18		Blockage of Government Resources	-do-	1.200
19		Irregular Purchases from Un-registered Firms	-do-	0.968
20	TMA Fateh Jang	Non-imposing of Penalty due to Delay in Completion of Work	Weak Internal Control	0.850
21		Irregular Expenditure on Repair of Vehicle	-do-	0.360
22		Non-deposit of Tax on Transfer of	Weak Internal	0.343

Sr No	Name of TMA	Description	Nature of Para	Amount
		Immovable Property Tax	Control	
23		Non-transparent Purchases without Advertisement on the PPRA's Website	Irregularity and non-compliance	0.698
24		Non-obtaining of Additional Performance Security	Weak Internal Control	0.650
25		Loss to the Govt Due to Non-auction of Collection Rights of Adda Fee	-do-	0.665
26		Non passing of Building Plans	Performance	-
27	TMA Pindi Gheb	Un-authentic Government Receipts due to Non-conducting Survey of Manufacturer, Vendor and Trader	Weak Internal Control	0.146
28		Wastage of Public Money due to Non-completion of Schemes	Irregularity and non-compliance	0.905
29		Non imposition of Penalty due to Delay in Completion of Development Schemes	-do-	0.146
30		Irregular/ Un-authorized Award of Work due to Site Dispute	-do-	0.150
31		Irregular / Un-authorized Release of Securities	Weak Internal Control	0.669
32		Overpayment on account of Conveyance Allowance	Weak Internal Control	0.289
33		Irregular Payment of Funds to PLGB	Irregularity and non-compliance	0.600
34	TMA Hazro	Non Production of record	Non Production of record	4.38
35		Irregular Expenditure on Ramzan Bazar	-do-	0.116
36		Unlawful Transfer of Local Fund	-do-	0.618
37		Irregular expenditure in violation of PPRA rules -	-do-	0.688
38		Un justified Payment of GST	-do-	0.034
39		Un-matched Departmental Figures with Annual Account	Weak Internal Control	0.004
40		Loss to local Government Due To Non-auction of TMA Canteen	-do-	-
41	TMA Jand	Non-recovery on Account of Water Rates	-do-	0.466
42		Non Production of record	Non Production of record	0
43		Irregular Expenditure on account of Ramzan Bazar	Irregularity and Non compliance	0.285
44		Un-matched Departmental Figures with Annual Accounts	Weak Internal Control	0.754
48		Non-earmarking in Budget and Its Utilization through Citizen Community Boards	Irregularity and Non compliance	-

Part-II
[Para 1.1.3]

**Memorandum for Departmental Accounts Committee Paras
pertaining to Previous Audit Year 2015-16**

(Rs in million)

Sr No	Name of TMA	Description	Nature of Para	Amount
1	TMA Attock	Non- Credit of Lapsed Securities to Government Revenue	Non compliance of Rule	0.157
2		Delay in the Approval of Building Plan Causing Loss of Revenue	Poor performance	0.275
3		Irregular Transfer of Funds to PLGB	Non compliance of Rule	2.350
4	TMA Hassnaabdal	Non- Credit of Lapsed Securities to Government Revenue	-do-	0.749
5		Non allocation of 2% Sports Fund from Development Fund	-do-	0.052
6		Non approval of building maps/plans	Poor performance	0.442
7		Non Deduction of Income Tax		0.123
8		Non-maintenance of realistic survey of License / Permit fee & Taxes causing loss to Government	Internal Controls Weakness	0.000
9		Irregular Payment of Funds to PLGB	Non compliance of Rule	2.148
10		TMA Jand	Unjustified Approval of Map with less open area	-do-
11	Irregular expenditure on purchases		-do-	0.120
12	Irregular expenditure on procurements		-do-	0.100
13	Un-authentic receipt on account of licence fee due to non conduct of survey of manufacturers, vendors and traders		Poor performance	0.043
14	Less Recovery of Commercialization Fee		Poor performance	0.024
15	Irregular Transfer of Funds to PLGB			0.999
16	TMA Pindigheb	Unlawful Transfer to PLGB	Non compliance of Rule	0.996
17	TMA Hazro	Non clearance of suspense account	-do-	0.815
18		Irregular Procurement of Electric Items & Tentage without Specification and Tender	-do-	0.388
19		Over payment due to Rich Specification	-do-	0.633
20		Irregular Rich Execution	Non compliance of Rule	0.142
21		Irregular Transfer of Funds to PLGB		1.509

Annex-B
TMA of District Attock
Budget and Expenditure Statement for Financial Years 2015-16

(Amount in Rs)

1.TMA, HASSANABDAL				
Financial Year 2015-16				
Head	Budget	Expenditure	Excess / Savings	%age
Salary	99,101,932	74,462,735	24,639,197	24.86
Non Salary	24,775,483	18,615,683	6,159,800	24.86
Development	13,313,769	1,350,200	11,963,569	89.86
Head	Budgeted	Achieved		
Revenue	96,471,553	95,494,206	977,347	1.01
Total	233,662,737	189,922,824	43,739,913	18.72
2.TMA, PINDIGHEB				
Financial Year 2015-16				
Head	Budget	Expenditure	Excess / Savings	%age
Salary	44,467,200	44,929,856	(462,656)	(1.04)
Non Salary	24,720,000	14,076,865	10,643,135	43.05
Development	15,817,708	17,652,603	(1,834,895)	(11.60)
Head	Budgeted	Achieved		
Revenue	82,156,000	69,392,763	12,763,237	15.54
Total	167,160,908	146,052,087	21,108,821	12.63
3. TMA, ATTOCK				
Financial Year 2015-16				
Head	Budget	Expenditure	Excess / Savings	%age
Salary	150,177,560	131,938,837	18,238,723	12.14
Non Salary	71,186,000	65,048,889	6,137,111	8.62
Development	42,873,627	34,918,652	7,954,975	18.55
Head	Budgeted	Achieved		
Revenue	76,399,563	92,529,813	(16,130,250)	(21.11)
Total	340,636,750	324,436,191	16,200,559	4.76
4. TMA, FATEH JANG				
Financial Year 2015-16				
Head	Budget	Expenditure	Excess / Savings	%age
Salary	56,847,622	55,115,205	1,732,417	3.05
Non Salary	21,196,500	17,171,470	4,025,030	18.99
Development	39,097,698	39,091,536	6,162	0.02
Head	Budgeted	Achieved		
Revenue	118,253,721	120,785,970	(2,532,249)	(2.14)
Total	235,395,541	232,164,181	3,231,360	1.37
5. TMA, HAZRO				
Financial Year 2015-16				
Head	Budget	Expenditure	Excess / Savings	%age
Salary	5,089,316	4,756,470	332,846	6.54
Non Salary	21,533,000	1,188,140	344,860	1.60
Development	29,836,000	13,470,064	16,365,936	54.85

Head	Budget	Achieved		
Revenue	116,553,882	93,815,406	22,738,476	19.51
Total	173,012,198	133,230,080	39,782,118	22.99
6. TMA, JAND				
Financial Year 2014-15				
Head	Budget	Expenditure	Excess / Savings	%age
Salary	37,921,541	24,905,853	13,015,688	34.32
Non Salary	47,951,280	26,225,646	21,725,634	45.31
Development	16,905,076	6,249,776	10,655,300	63.03
Head	Budgeted	Achieved		
Revenue	64,059,821	52,217,872	11,841,949	18.49
Total	166,837,718	109,599,147	57,238,571	34.31

Annex-C

Para 1.3.1.3

Sr. No.	Type of vehicle	Registration No.
1	Tractor 640	AKA 3376
2	Tractor 640 Special Fiat	N.A.
3	Road Sweeper 02 Nos	N.A.
4	Water Tanker 03 Nos	N.A.
5	Garbage Carrier 01 No.	N.A.
6	Dewatering Pump 05 Nos	N.A.
7	Fog Machine	N.A.
8	Generator	N.A.
10	N.A	AKG 31

Annex-D

Para 1.3.1.4

Date	Detail of Item	Amount (Rs)
20.06.2015	Sanitation Material-Chand & Malik Bros.	99,500
16.01.2016	ABN-Systems-Coconut, Lime stone	99,992
29.03.2016	Generator/ ABN Systems	99,614
11.01.2016	WS repair / Ideal Pumps	97,872
04.02.2016	WS repair / Ideal Pumps	74,000
04.03.2016	WS repair / Ideal Pumps	68,000
05.03.2016	WS repair / Ideal Pumps	68,000
28.07.2015	Rent Generator	99,000
28.07.2015	Rent sogo light	70,000
17.12.2015	Rent Generator / ABN Systems	98,484
15.06.2016	Rent Generator / ABN Systems	99,448
12.10.2015	Street light material / ABN Systems	96,906
	Total	1,070,816

Annex-E

Para 1.3.3.2

Expenditure on Water Supply	Amount (Rs)
Pay & Allowances	10,911,715
Electricity	13,812,846
POL	91,901
Telephone	29,611
Misc. items	100,160
Repair of machinery	514,550
Total Expenditure	25,460,783
Receipt of Water Connections-Current	6,876,252
Loss	18,584,531

Annex-F

Para 1.3.3.3

(Amount in Rs)

Arrears as on 01-07-2015				
Account Code	Description of receipt head	Budget	Actual Receipt	Short fall
CO 388016	General Bus Stand (Halt Fee Arrear)	820,500	0	820,500
CO 388047	Arrears on sale of water residential	11,000,000	3,505,415	7,494,585
CO 388081	Rent of Municipal Shops	1,000,000	237,318	762,682
CO 388091		12,820,500	3,742,733	9,077,767
Current Demand and Receipt 2015-16				
Account Code	Description of receipt head	Budget	Actual Receipt	Short fall
CO 388047	Sale of water residential	12,000,000	6876252	5,123,748
CO 388081	Rent of Municipal Shops	5,500,000	5054766	445,234
		17,500,000	11,931,018	5,568,982
	Grand Total	30,320,500	15,673,751	14,646,749

Annex-G

Para 1.4.1.2

(Amount in Rs)

Sr. No	Name of schemes	DDC date of Approval	Cost Estimate	Work Order	Expenditure	Contractor
1	Repairing of Road Jnazgah Baba Ibrahim wali Ban UC Fateh Jang-II	07.11.14	1,000,000	159/ 20.01.15	788,000	Malik M. Younis

Sr. No	Name of schemes	DDC date of Approval	Cost Estimate	Work Order	Expenditure	Contractor
2	Const. of street & Drain Dhok Sello UC-Ajjuwala	07.11.14	900,000	180/20.01.15	676,000	M. Abid Rafique
3	Const. of street & Drain Ameer Khan to House Mehboob Sumbel UC-Jhang	07.11.14	1,000,000	183/20.01.15	760,000	Rizwan Zafar
4	Const. of street & Drain Munir Khan to main Road Bahter UC Jang	07.11.14	1,000,000	190/20.01.15	740,000	M. Razzaq Behlol
5	Const. of road dhok awan/ bhal syedan uc-ajjwala c/o siddique awan advocate	07.11.14	800,000	361/17.04.15	800,000	Taj khan
6	Rehabilitation of old water supply scheme	07.11.14	2,000,000	229/20.01.15	1,301,000	Malik m. younis
7	Const. of path gagga, nawa gran gulil & Gadda	07.11.14	1,000,000	233/20.01.15	789,000	Danish danyal
8	Repair of street qazi javed village sadkal	07.11.14	400,000	207/20.01.15	329,000	Eahsan yousaf
Total			8,100,000		6,183,000	

Annex-H

Para 1.4.1.4

Amount in Rs

Sr. No	Name of schemes	DDC Date of Approval	Cost Estimate	Work Order	Expenditure	Name of Contractor
1	Repairing of Road Jnazgah Baba Ibrahim wali Ban UC Fateh Jang-II	07.11.14	1,000,000	159/20.01.15	788,000	Malik M. Younis
2	Const. of Street & Drain Dhok Sello UC-Ajjuwala	07.11.14	900,000	180/20.01.15	676,000	M. Abid Rafique
3	Const. of Street & Drain Ameer Khan to House Mehboob Sumbel UC-Jhang	07.11.14	1,000,000	183/20.01.15	760,000	Rizwan Zafar
4	Const. of Street & Drain Munir Khan to main Road Bahter UC Jang	07.11.14	1,000,000	190/20.01.15	740,00,0	M. Razzaq Behlol
5	Const. of Road dhok awan/ bhal syedan uc-ajjwala	07.11.14	800,000	361/17.04.15	800,000	Taj khan

Sr. No	Name of schemes	DDC Date of Approval	Cost Estimate	Work Order	Expenditure	Name of Contract or
	c/o siddique awan advocate					
6	Rehabilitation of old water supply scheme	07.11.14	2,000,000	229/ 20.01.15	1,301,000	Malik M. younis
Total			6,700,000		4,325,740	

Annex-I

Para 1.4.3.3
(Rs in million)

Sr. No	Name of Allotted	Due Rent	Recovered	Recoverable
1	Khuda Baksh S/O Ellahi Baksh	70,087	20,000	50,087
2	M.Rafiq S/O Bagh Ali	69078	14,652	54,426
3	Maqsood Ahmed S/O M.Sarwar	69,443	0	69,443
4	Muhammad Shabbir S/O Hussain Baksh	51,636	23,993	27,643
5	M.Sabir S/O Faiz Din	175,191	0	175,191
6	M. S/O Fateh mohammad	49,818	38,166	11,652
7	Muhammad Maqbool S/O Fazal	111,860	0	111,860
8	M.Maqbool	53,670	0	53,670
9	Chan Baig S/O M.Sadiq	63,457	0	63,457
10	Asif waheed S/O Muhammad Nazir	67,144	15,536	51,608
11	Muhammad Banaris S/O Muhammad Sabir	78,790	7,768	71,022
12	Muhammad Maqbool S/O Fazal	83,284	0	83,284
13	City Police Co	779,735	0	779,735
14	Rescue 15	422,683	0	422,683
Total		2,145,876	120,115	2,025,761

Annex-J

Para 1.6.2.2
Amount in Rs

Head	Budgeted Target	Recovery as per Annual Account	Less Recovery
Water rate (Residential)	1,248,000	858,091	389,909
Water rate (Commercial)	192,000	85,090	106,910
Rent of Municipal Properties	6,729,925	5,048,855	1,681,070
Rent of Rehri Bazar	1,007,200	383,377	623,823
Sale of Forms and registers	10,000	1,990	8,010
Sale of stores and material	20,000		20,000

Head	Budgeted Target	Recovery as per Annual Account	Less Recovery
Salary from lease contractor	212,093		212,093
General Bus Stand	1,578,000	1,551,956	26,044
Fee from Housing Colony	2,000,000	803,000	1,197,000
Fee for change in land use	600,000	514,747	85,253
Water Connection / Dis connection	20,000		20,000
Registration fees of contractors	20,000		20,000
Renewal Fees	250,000	192,000	58,000
Advertisement fees	6,750,000	94,927	6,655,073
Sale of Stock	10,000		10,000
Other Fee	80,000	59,130	20,870
Suspense Account	1,000,000	167,070	832,930
Bank profit	200,000	91,849	108,151
Road cutting	20,000	10,010	9,990
UIP Tax	9,100,000	6,046,503	3,053,497
Govt., Grant	49,336,000	40,114,000	9,222,000
Total	80,383,218	56,022,595	24,360,623

Annex-K

Para 1.7.2.2
(Amount in Rs)

Sr No	Heads	Recoverable	Recovered	Non recovery
01	Building Construction Plan	700,000	2,545	697,455
02	Copying Fee	500	100	400
03	License Fees	50,000	45,100	4,900
04	Rent of Shops	510,000	59,480	450,520
05	Registration of Contractors	200,000	8,000	192,000
06	Advertisement and Taxes	200,000	8,000	192,000
07	Govt Grants	41,000,000	32,854,250	8,145,750
08	HBA Advance	240,000	10,000	230,000
09	Other Misc. Income	400,000	131,558	268,442
	Total	43,300,500	33,119,033	10,181,467

Annex-L

Para 1.7.2.4
Amount in Rs

Sr. No.	Name of scheme	Estimate	Exp. prior to 2015-16	Liability	Paid	Total Exp.	10% penalty
1	Const. of Culvert Rasta Zairat Bela	475,000	346,429	128,571	Nil	346,429	47,500
2	Rehabilitation Water Supply	5,000,000	3,094,709	1,905,291	289,295	3,384,004	500,000

Sr. No.	Name of scheme	Estimate	Exp. prior to 2015-16	Liability	Paid	Total Exp.	10% penalty
	Scheme Dhoke Kanati						
3	Remaining Work Water Supply Scheme Kanati Main Tanki & Pipe Line	1,000,000	625,639	374,361	Nil	625,639	100,000
4	Repair & Const. of street from High School to Darbar Shawsawar Bhatiout	350,000	90,000	260,000	Nil	90,000	35,000
5	Const. of Rasta from Pacca Road to Dhoke Noor Khan Dakhli Khunda	770,000	0	770,000	Nil	0	77,000
6	Const. of Rasta Graveyard & Boring & Installing Hand Pump (02) Nos. village Khunda	596,000	0	596,000	Nil	0	59,600
7	Boring & Installing Hand Pump Dhoke Choi (03) Nos.	459,000	0	459,000	Nil	0	45,900
8	Improvement of Public Park TMA Jand (Sector Park & Garden)	600,000	0	600,000	Nil	0	60,000
9	Providing & Laying Pipe Line from House Hamash Khan to Dhoke Haji Abdul Wahad Chountra	150,000	0	0	Nil		15,000
10	Const. of Rasta from Battiout Hotel to Girl Elementary School	265,000	0	0	Nil		26,500
11	Const. of Rasta from Village Kali Dilly to Dhoke Mohammad	1,162,000	0	0	Nil		116,200

Sr. No.	Name of scheme	Estimate	Exp. prior to 2015-16	Liability	Paid	Total Exp.	10% penalty
	Iqbal Dhakly Killi Dilly						
	Total	10,827,000	4,156,777	5,093,223	289,295	4,446,072	1,082,700