



**AUDIT REPORT
ON
THE ACCOUNTS OF
TEHSIL MUNICIPAL ADMINISTRATIONS
DISTRICT MIANWALI
AUDIT YEAR 2016-17**

AUDITOR GENERAL OF PAKISTAN

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ABBREVIATIONS & ACRONYMS

CCB	Citizen Community Board
CO	Chief Officer
DAC	Departmental Accounts Committee
DDO	Drawing & Disbursing Officer
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Department Accounts Committee
M&R	Maintenance and Repair
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Cement Concrete
PDG	Punjab District Government
PFC	Provincial Finance Commission
PLG	Punjab Local Government
PLGO	Punjab Local Government Ordinance
POL	Petroleum, Oil & Lubricants
S&GAD	Services & General Administrations Department
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TTIP	Tax on Transfer of Immoveable Property
UAs	Union Administrations
UIPT	Urban Immoveable Property Tax

PREFACE

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

The Report is based on audit of the accounts of various offices of Tehsil Municipal Administrations of District Mianwali 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 observation will be brought to the notice of the Public Accounts Committee through the next year's Audit Report.

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

The observations included in this Report have been finalized after discussion of Audit paras with the management. However, no Departmental Accounts Committee meeting by PAO was convened despite repeated requests.

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, Town/Tehsil Municipal Administrations and Union Administrations of nineteen Districts. Its Regional Directorate of Audit, Sargodha has audit jurisdiction of District Governments, TMAs and UAs of four Districts i.e. Sargodha, Khushab, Mianwali and Bhakkar.

The Regional Directorate of Audit Sargodha had a human resource of 11 officers and staff, total 2,739 man-days and the budget of Rs 14.220 million for the Financial Year 2016-17. It had the mandate to conduct Financial Attest Audit, Compliance with Authority Audit and Performance Audit of entire expenditure including programmes / projects & receipts. Accordingly, Directorate General Audit District Governments Punjab (North), Lahore carried out Audit of accounts of three Tehsil Municipal Administrations of District Mianwali for the Financial Year 2015-16.

Each Tehsil Municipal Administration in District Mianwali conducts its operations 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 PLGO, 2001 requires the establishment of Tehsil 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 Mianwali District was carried out with a view to ascertaining whether the expenditure was incurred with proper authorization, in-conformity with laws/ rules /regulations, economical procurement of assets and hiring of services etc.

Audit of receipts/ revenues was also conducted to verify whether the assessment, collection, reconciliation and allocation of revenues were made in accordance with laws and rules.

a) Scope of Audit

All three TMAs of District Mianwali were audited. The expenditure of three TMAs of District Mianwali for the Financial Year 2015-16 under the jurisdiction of DG District Audit (N) Punjab was Rs 446.099 million, covering three PAOs and three entities. Out of this, DG District Audit (N) Punjab audited an expenditure of Rs 173.979 million which in terms of percentage, was 39% of the auditable expenditure.

Total receipts of three Tehsil Municipal Administrations of Mianwali District for the Financial Year 2015-16 were Rs 222.201 million. DG District Audit Punjab (N) audited receipts of Rs 99.990 million which was 30% of total receipts.

b) Recoveries at the Instance of Audit

Recovery of Rs 87.110 million was pointed out during audit. However, no recovery was effected till compilation of 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 the 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 Control and Internal Audit Department

Internal control mechanism of Tehsil Municipal Administrations of District Mianwali was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit. Negligence on the part of authorities of TMAs of District Mianwali 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 was not appointed in Tehsil Municipal Administrations.

f. Key Audit Findings

- i. Non production of record for Rs 130.396 million was noted in four cases¹.
- ii. Misappropriation / Fraud of Rs 14.544 million was noted in four cases².
- iii. Irregularities and Non-compliance of Rules and Regulations amounting to Rs 149.098 million were noted in eighteen cases³.
- iv. Weaknesses of Internal Controls valuing Rs 342.425 million were noted in nine cases⁴ and
- v. Recovery of Rs 87.110 million was noted in thirteen cases⁵.

Audit paras involving procedural violations including Internal Control weaknesses, poor Asset Management and irregularities not considered worth reporting are included in MFDAC. (**Annex-A**)

¹ Para : 1.2.1.1,1.3.1.1, 1.4.1.1-1.4.1.2

² Para: 1.2.2.1, 1.3.2.1, 1.3.2.2 & 1.3.2.3

³Para: 1.2.3.1-1.2.3.4, 1.2.4.1, 1.3.3.1-1.3.3.7, 1.4.2.1-1.4.2.6

⁴Para: 1.2.4.6, 1.2.5.1, 1.3.4.1-1.3.4.3, 1.3.5.1, 1.4.3.1-1.4.3.2 & 1.4.4.1

⁵Para: 1.2.4.1-1.2.4.4, 1.2.4.6-1.2.4.7, 1.3.4.3-1.3.4.6, 1.3.5.2, 1.4.3.2-1.4.3.3

g) Recommendations

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

- i. Production of record to audit for scrutiny
- ii. Holding of investigations for wastage, fraud, misappropriation and losses, and take disciplinary actions against the person (s) at fault
- iii. Expediting recoveries pointed out by Audit
- iv. Realizing and reconciling of various receipts and
- v. Strengthening of Internal Controls.

SUMMARY TABLES AND CHARTS

Table 1: Audit Work Statistics

(Rs in million)

Sr. No.	Description	No.	Budget (F.Y. 2015-16)		
			Budget	Receipt	Total
1	Total Entities (PAOs) in Audit Jurisdiction	03	490.643	222.201	712.844
2	Total formations in audit jurisdiction	03	490.643	222.201	712.844
3	Total Entities (PAOs) Audited	03	490.643	222.201	712.844
4	Total formations Audited	03	490.643	222.201	712.844
5	Audit & Inspection Reports	03	490.643	222.201	712.844
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	87.110
3	Weak Internal Controls relating to Financial Management	282.330
4	Violation of Rules	101.814
5	Others	144.940
Total		616.194

Table 3: Outcome Statistics

(Rs in million)

Sr #	Description	Physical Assets	Civil Works	Receipt	Others	Total	Total last year
1	Outlays audited	2.200	27.785	222.201	416.114	668.300*	900.54
2	Amount placed under audit observation/irregularities of audit	2.200	18.067	87.110	508.817	616.194	435.96
3	Recoveries pointed out at the instance of Audit	-	0.625	86.485	-	87.110	5.37
4	Recoverable accepted/established at the instance of Audit	-	0.625	86.485	-	87.110	5.37
5	Recoveries realized at the instance of Audit	-	-	-	-	-	17.37

*The amount in serial No.1 column of "total" is the sum of Expenditure and Receipts whereas the total expenditure for the current year was Rs 446.099 million.

Table 4: Irregularities Pointed Out

(Rs in million)

Sr. No.	Description	Amount under Audit observation
1	Violation of Rules, Regulations and principle of propriety and probity in public operations	101.814
2	Reported cases of fraud, embezzlement, theft, misappropriations and misuse of public resources.	14.544
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	If possible quantify weaknesses of internal control system.	282.330
5	Recoveries and overpayments representing cases of established overpayment of misappropriations of public money	87.110
6	Non-production of record	130.396
7	Others, including cases of accidents, negligence etc.	0
Total		616.194

Table 5: Cost-Benefit

(Rs in million)

Sr. No.	Description	Amount
1	Outlays Audited (Item 1 of Table 3)	668.300
2	Expenditure on Audit	1.777
3	Recoveries realized at the instance of Audit	
4	Cost Benefit Ratio	

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

CHAPTER-1

1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, DISTRICT MIANWALI

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 (Regulation) and TO (P&C). As per Section 54 of PLGO 2001, the functions of TMAs are as follows:

- i. Prepare spatial plans for the Town including plans for land use, zoning and functions for which TMA is responsible
- ii. Exercise control over land use, land sub-division, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations
- iii. Enforce all municipal laws, rules and by-laws governing TMA's functioning
- iv. Prepare budget, long term and annual municipal development programmes in collaboration with the Union Councils
- v. 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. Collect approved taxes, cess, user fees, rates, rents, tolls, charges, fines and penalties
- vii. Manage properties, assets and funds vested in the Town Municipal Administration
- viii. Develop and manage schemes, including site development in collaboration with District Government and Union Administration
- ix. 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. Prosecute, sue and follow up criminal, civil and recovery proceedings against violators of Municipal Laws in the courts of competent jurisdiction and
- xi. Maintain municipal records and archives.

1.1.2 Comments on Budget and Accounts (Variance Analysis)

Total Budget of TMAs of District Mianwali was Rs 490.643 million (Salary, Non-salary and Development) whereas the expenditure incurred (Salary, Non-salary and Development) was Rs 446.099 million showing saving of Rs 44.544 million which in terms of percentage was 09% of the final Budget as detailed below:

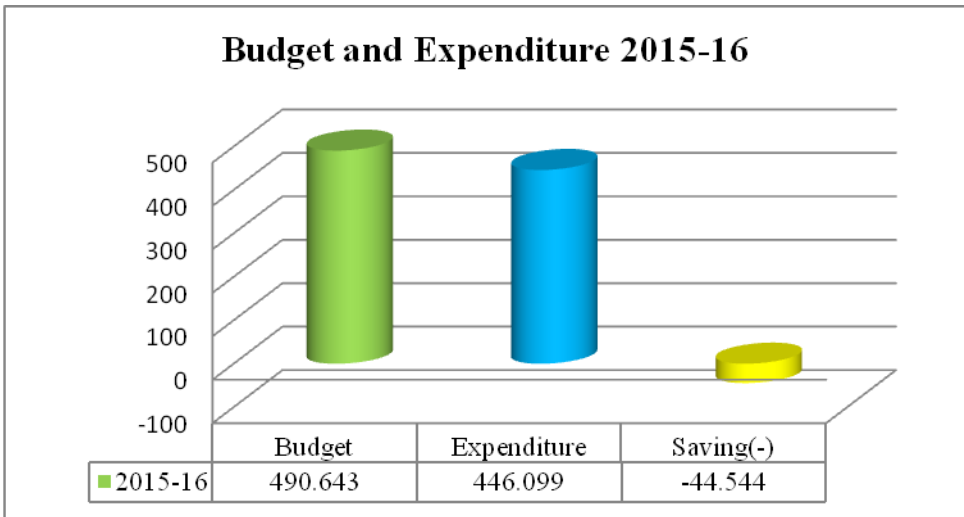
(Rs in million)

F.Y. 2015-16	Budget	Expenditure	Excess (+) / Saving (-)	% age (Saving)
Salary	313.573	301.872	(-) 11.701	04
Non-salary	140.802	116.442	(-) 24.360	17
Development	36.268	27.785	(-) 8.483	23
Total	490.643	446.099	(-) 44.544	09

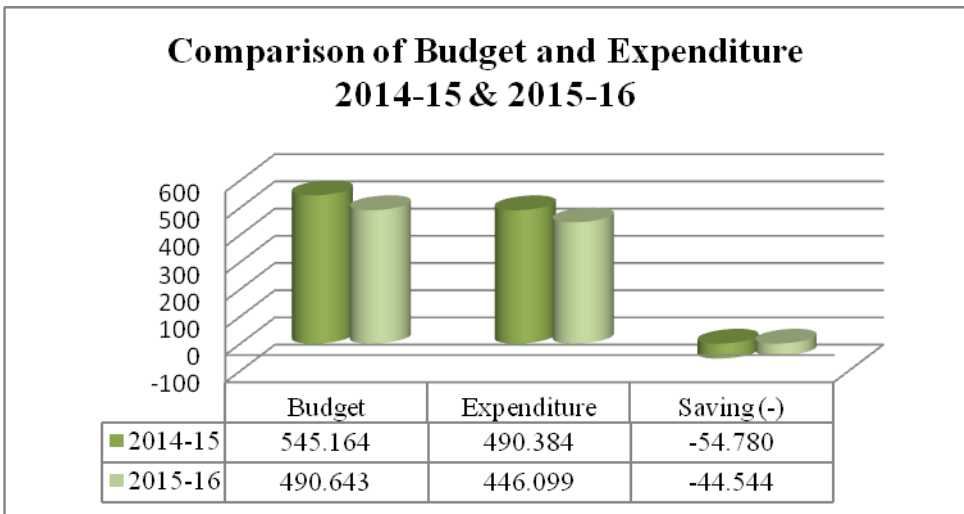
The budget outlays of Rs 490.643 million of three TMAs includes PFC award of Rs 194.635 million whereas total expenditure incurred by the TMAs during 2015-16 was Rs 446.099 million with a saving of Rs 44.544 million (detailed below). This indicated that either the PFC award was allocated over and above the actual needs or the management failed to achieve the developmental targets for the welfare of masses during the financial year.

(Rs in million)

TMA	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Saving	%age of Saving
	Own receipt including OB	PFC Award	Total Receipts				
Mianwali	148.245	90.811	239.056	227.754	220.355	7.399	03
Piplan	47.329	51.212	98.541	98.373	93.884	4.489	05
Isa Khel	123.212	52.612	175.824	164.516	131.860	32.656	20
Total	318.786	194.635	513.421	490.643	446.099	44.544	09



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 Year	Budget	Expenditure	Saving	%age of Saving
2014-15	545.164	490.384	54.780	10
2015-16	490.643	446.099	44.544	09

The justification of saving when the development schemes remained incomplete besides poor Public Service Delivery is required to be provided, explained by PAOs and TMO 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	32	Not convened
2	2012-13	05	Not convened
3	2013-14	23	Not convened
4	2014-15	13	Not convened
5	2015-16	14	Not convened

AUDIT PARAS

1.2 TMA Mianwali

1.2.1 Non Production of Record

1.2.1.1 Non-maintenance / non-production of auction/ collection record of contractors – Rs 20.289

As per auction collection rules 2003, “a contractor shall keep the record relating to accounts of the income as well as other documents in proper order as provided in the respective rules, byelaws and procedures.

All such record shall be the property of respective local government. The contractor may have an attested copy thereof from the respective local government.

The Nazim or any other person authorized by him and officers/officials of Revenue Department of respective local government may inspect such record.

Contractor shall be bound by the said procedures, rules and byelaws of respective local government in collection of taxes.

The contractor shall not be authorized to appoint his personal staff for collection of income. All collections shall be carried out by him through the staff of local government concerned assigned to him for this purpose.

TMO Mianwali auctioned collection rights of following receipts head to contractors during 2015-16. Audit has noticed following irregularities in collection of receipts by the contractors with the collaboration of management.

Sr. No.	Title of Receipt Head	Amount (Rs)
1	Datson, Dala, Taxi Wagon	911,617
2	Parking General Bus Stand Daud Khel	1,627,160
3	Slaughter Hous Mianwali	363,360
4	Parking Fees General Bus stand Mianwali	11,455,564
5	Bhoosa mandi Mianwali	306,400
6	Latrin Fee Genral Bus Stand, Mianwali	577,400
7	Adda Patri Chink chi raksha	2,850,569
8	Advertisement Fee	2,197,834
Total		20,289,904

- i. Receipts were collected by the contractors through his private staff instead of local Government staff in violation of rules.
- ii. For collection of receipts no prescribed receipts books were provided to contractor. Collections were made by contractors on their own receipt books.

- iii. No record of receipt collection i.e. counter foil of contractor receipt record was maintained/ available with TMA for audit verification.
- iv. Salary of the required staff was not paid by the contractor.
- v. Due to non-provision of receipt collection books to contractor and receipt collection through his private staff actual income of the receipts heads was not known to TMA for future planning and auction.

Audit is of the view that due to weak internal controls contractor not maintained the receipt record.

This resulted in irregular collection of receipts by the contractors amounting to Rs 20.289 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends production of receipt record of contractor under intimation to audit besides fixing responsibility against the person (s) at fault.

[AIR Para No.17]

1.2.2 Misappropriation / Fraud

1.2.2.1 Misappropriation on account of POL – Rs 3.300 million

According to Rule 2.33 of PFR Vol-1, Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence. Further, according to Clause 49 of Appendix 14-Miscellaneous Rulings relating to Contingent Charges of PFR Vol-II, the accounts of petrol, oil, lubricant and spare parts should be maintained separately for each vehicle. Full particulars of the journeys and distances between two places should be correctly exhibited. The purpose of journey indicating the brief particulars of the journey performed should be recorded.

TMO Mianwali incurred an expenditure of Rs 7.466 million on account of POL and repair & maintenance of vehicles during 2015-16 as detailed below:

(Rs in million)

Sr. No.	Machinery	Qty	Expenditure on POL	Expenditure on Repair	Grand Total
1	Sucker Machine	01	6.193	1.273	7.466
2	Jetting Machine	01			
3	Tractor	10			
4	Dewatering Peter Pumps	01			
5	Fog Machine with Vehicle	01			
6	Water Supply Generator	01			

Huge expenditure on POL and repair is un-justified and held irregular due to following audit observations:

- i. Un-justified fake hours and huge abnormal high consumption of POL was shown in log books rather genuine consumption.
- ii. Heavy expenditure incurred on repairs through quotations.
- iii. POL for out of orders vehicles parked idle as well as for vehicles remain out of order before repair was also drawn.
- iv. Log books show that entries were made by one person making post adjustments.

- v. No estimates and route plan for solid waste was available in TMA to verify the mileage entered in log books.
- vi. Average monthly POL expenditure of MCs Mianwali for January and February, 2017 was Rs 0.225 million. Whereas for 2015-16 average monthly expenditure on POL of same vehicles was Rs 0.500 million. Which proves that Rs 0.275 million monthly on average was misappropriated. Resulting in total loss of Rs 3.300 million to TMA on account of POL.

Audit is of the view that due to weak Internal and financial controls excess POL amount was drawn instead of actual requirements.

This resulted in misappropriation of Rs 3.300 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility against the person (s) at fault.

[AIR Para No.9]

1.2.3 Irregularity and Non-compliance

1.2.3.1 Irregular expenditure on repair & maintenance of electric motors of water supplies –Rs 4.329 million, non-recovery of old material –Rs 0.300 million

According to Rule 15 of PPRA Rule 2014, a procuring agency may procure goods, services or works through framework contract in order to ensure uniformity in the procurement. Further, according to Rule 12 (1) of PPRA Rule 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of procurement so planned. The annual requirements thus determined would be advertised in advance at the PPRA's website. Procurement over Rs 100,000 and up to Rs 2.00 million should be advertised on PPRA's website as well as in print media if deemed necessary by the procuring agency.

TMO Mianwali incurred Rs 4.329 million on repair and maintenance of 50 rural and urban water supplies during 2015-16. Expenditure incurred on repair held irregular due to following observation:

1. Expenditure was incurred by splitting in quotations to avoid sanction of higher authority and advertisement on PPRA website.
2. Repair record shows that water supplies remained out of order for 4-6 months before repair while consumption of electricity was usual for that period which makes repair doubtful.
3. Expenditure being permanent nature requires term base contract for whole financial year through open Tender on PPRA website to make it economical.
4. Rs 300,000 (15Kg/Per Motor x 400 (average market rate of scrap/kg x 50) on account of old winding copper wire and old replaced parts of heavy water turbines was not recovered/adjusted.
5. Repair and maintenance Registers as well as dead stock register were not maintained.

Audit is of the view that due to weak internal and financial controls expenditure was splitted.

This resulted in irregular expenditure of Rs 4.329 million and non-recovery of cost of old material Rs 300,000.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the cost of old material besides fixing of responsibility of irregular expenditure against the person (s) at fault.

[AIR Para No.5]

1.2.3.2 Execution of housing scheme without obtaining NOC and payment of fees-Rs 2.850 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning. Further, according to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (c) the conversion fee for the conversion of peri-urban area or intercity service area to residential use shall be one percent of the value of the land as per valuation table or one percent of the average sale price of preceding twelve months of land in the vicinity, if valuation table is not available.

Under the jurisdiction of TMA Mianwali, the following housing schemes were established near Mianwali City and at Sikandarabad without obtaining NOC from TMA, fulfilling other codal formalities and payment of the prescribed fees in violation of rules. TMA authorities also did not make serious efforts to recover the requisite fees and enforcement of byelaws:

Name of Developer	Total Area	Value of Land As	Conversion Fee @ 1% for residential area and 2% for commercial area of Land Value	Scrutiny Fee Rs2,500/ Kanal	Pre-liminary Planning Permissi on Fee	Total Recoverable Fee (Rs)
C-1	C-2	C-3	C-4	C-5	C-6	C-7
Shafa Ullah Khan & Muhammad Ishtiaq Khan	184 Kanals	92,000,000 (500,000 Per Kanal)	1,380,000	460,000	5,000	1,845,000
Ayub Khan and Wajahat Khan	100 Kanal	50,000,000 (500,000 Per Kanal)	750,000	250,000	5,000	1,005,000
Total						2,850,000

Audit is of the view that due to weak Internal and Financial Controls, land use conversion fees were not recovered.

This resulted in non-recovery of receipt of Rs 2.850 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.3]

1.2.3.3 Irregular expenditure by splitting - Rs 1.871 million

According to Rule 12 (1) of PPRA Rule 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of procurement so planned. The annual requirements thus determined would be advertised in advance at the PPRA's website. Procurement over Rs 100,000 and up to Rs 2.00 million should be advertised on PPRA's website as well as in print media if deemed necessary by the procuring agency.

TMO Mianwali incurred an expenditure of Rs 1.871 million on purchases for Ramzan Bazar during 2015-16 through splitting the purchases in small quotations. (**Annex-C**)

Splitting of expenditure was un-justified due to following audit observations:-

1. Splitting was made for similar nature purchases without any justification.
2. Purchases were made without estimation, requirement and planning.
3. As it was kind of annual purchase and not an emergent event at all.
4. Purchases through quotation resulted in un-economical expenditure.
5. Splitting was made to avoid sanction of higher authority and advertisement on PPRA website rather in public interest.

Audit is of the view that due to weak Internal and financial controls purchases were made through splitting.

This resulted in un-justified and un-authorized expenditure of Rs 1.871 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility against the person (s) at fault.

[AIR Para No.18]

1.2.3.4 Unjustified/doubtful drawl of POL – Rs 1.273 million

According to Rule 2.33 of PFR Vol-1, Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence. Further, according to Clause 49 of Appendix 14-Miscellaneous Rulings relating to Contingent Charges of PFR Vol-II, the accounts of petrol, oil, lubricant and spare parts should be maintained separately for each vehicle. Full particulars of the journeys and distances between two places should be correctly exhibited. The purpose of journey indicating the brief particulars of the journey performed should be recorded.

Audit of TMA, Mianwali revealed that a sucker machine and a jetting machine consumed POL costing Rs 1.273 million during 2015-16. Expenditure is held unjustified due to following audit observations:-

1. No complaint register was available to justify the movement of sucker and jetting machines.
2. 50-60 Km mileage was charged for each machine daily in the city area which is unusual for a small town spread in a radius of 3 Kms.
3. Fuel average of 2km/liter is very high without any average consumption certificate of both machines.
4. 4-8 hours operation daily of these specific purpose machines was un-usual without any complaint record.

Vehicle	POL Drawn during 2015-16	Average Diesel Rate during 2015-16	POL Consumed (Rs)
Sucker Machine	9387 Liter	79.84 Per Liter	749,458
Jetting Machine	6556 Liter	79.84 Per Liter	523,431
Total			1,272,889

Audit is of the view that due to weak Internal and financial controls excess POL amount was drawn instead of actual requirements.

This resulted in irregular expenditure of Rs 1.273 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility of excess drawl of bills against the person (s) at fault.

[AIR Para No.6]

1.2.4 Internal Control Weaknesses

1.2.4.1 Loss to TMA on account of conversion and building approval fee – Rs 18.441 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning. Further, according to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (a), the conversion fee for the conversion of a residential, industrial, peri urban area or intercity service area to commercial use shall be as under:

Value of Land as Per Valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Under the jurisdiction of TMA, Mianwali the following 42 commercial buildings were constructed during 2015-16 but none of them obtained NOC from TMA and also not paid building approval fee and land conversion fee to TMA. TMA authorities also did not make serious efforts to recover the requisite fees.

Sr. No.	Nature of Buildings	Qty	Value of Land (Approximate Minimum)	Conversion Fee to be recovered @10% or 20% as applicable of land value	Building Approval Fee @ Rs5/Per Sft	Total (Rs)
1	Shops (300St Each minimum)	34	51,000,000	5,100,000	51,000	5,151,000
2	Plazas/ Markets (10000 Sft minimum each)	5	50,000,000	10,000,000	250,000	10,250,000
3	Bank (3000Sft)	1	10,000,000	2,000,000	15,000	2,015,000
4	Hospital (5000Sft Each)	2	10,000,000	1,000,000	25,000	1,025,000
Total						18,441,000

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of receipt of Rs 18.441 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.4]

1.2.4.2 Non-recovery of land conversion and building fee - Rs 11.616 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning. Further, according to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (d), the conversion fee for the conversion of peri-urban area or intercity service area to industrial use shall be (05) five percent of the value of the land as per valuation table or five percent of the average sale price of preceding twelve months of land in the vicinity, if valuation table is not available.

Annexed detailed factories were established in jurisdiction of TMA, Mianwali without obtaining NOC from TMA and payment of building approval fee and land conversion fee. TMA authorities also did not make serious efforts to recover the requisite fees. **Annex-D**

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of receipt of Rs 11.616 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.1]

1.2.4.3 Non-recovery on account of rent of shops – Rs 9.527 million

According to Rules 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.

TMO Mianwali less recovered Rs 9.527 million on account of rent of its shops located at Kachaehry Bazar and Nanbai Bazar as detailed below:

Title	Recoverable 2015-16 (Rs)	Actual Recovery 2015-16	Recoverable Amount (Rs)
13 Shops at Katuchurary Road	4,796,223	0	4,796,223
25 shops at Nanbai Bazar	4,730,713	0	4,730,713
Total	9,526,936	0	9,526,936

Audit is of the view that due to weak Internal and Financial Controls rent was not recovered.

This resulted in non recovery on account of rent of shops Rs 9.527 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit stresses for recovery of rent under intimation to audit.

1.2.4.4 Less recovery of conversion fee –Rs 2.355 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning. Further, according to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (a), the conversion fee for the conversion of a residential, industrial, peri urban area or intercity service area to commercial use shall be as under:

Value of Land as Per Valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

TMO, Mianwali less recovered land use conversion fee by applying incorrect rates/less rates giving undue financial benefit to the building owner.

Title	Area	Value of Land as Per Valuation Table	Fee Recovered	Fee was to be recovered	Fee Less recovered (Rs)
Warehouse on Main Mianwali Sargodha road Owned by Sajid Karim	6.50 Kanal (130 Marlas)	Rs14,300,000 (1,100,000/ Marla x 130)	505,170	Rs2,860,000 @ 20% of the value	2,354,830

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of receipt of Rs 2.355 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till the finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.2]

1.2.4.5 Non-auction of unserviceable vehicles –Rs 2.200 million

According to rule 15.3 of PFR Vol-I, a competent authority may sanction the sale or disposal of stores regarded as surplus, obsolete or unserviceable.

TMO Mianwali did not auction the following vehicles which were out of order and not in use since long and seem un-serviceable/un-repairable. These vehicles have been placed in the yard of TMA and let deteriorate to zero value.

Sr. No.	Description	Qty	Estimated Auction Value (Rs)
1	Suzuki FX	1	100,000
2	Road Roller	1	500,000
3	Truck	1	400,000
4	Tractors	3	1,200,000
Total			2,200,000

Audit is of the view that due to weak internal and financial controls, unserviceable vehicles were not auctioned.

This resulted in loss to TMA and deterioration of dead store and stock.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends auction of the un-serviceable vehicles at the earliest.

[AIR Para No.20]

1.2.4.6 Non-recovery on account of rent of shops – Rs 1.860 million

According to Rules 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.

Scrutiny of Demand and Collection revealed that TMA, Mianwali less recovered Rs 1.860 million on account of rent of its shops located on general bus stand as detailed below.

Title	Recoverable 2015-16	Actual Recovery 2015-16	Recoverable Amount (Rs)
Shops of General Bus Stand	22,000,000	20,140,080	1,859,920

Audit is of the view that due to weak Internal and Financial Controls rent was not recovered.

This resulted in non-recovery on account of rent of shops Rs 1.860 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit stresses for recovery of rent under intimation to audit.

[AIR Para No.12]

1.2.4.7 Non-recovery on account of water rates – Rs 1.730 million

According to Rules 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.

TMO Mianwali less recovered Rs 1.730 million on account of water rates of 2015-16 and amount of arrears as detailed below:

Head	Nos. of Connections	Rate	Recoverable 2015-16	Actual Recovery 2015-16	Recoverable Amount (Rs)
Water Rate	Residential 5810	Rs 735 Annual (Average of Old + New Rate)	4,270,350	2,596,553	1,729,657
	Commercial 38	Rs1,470 Annual (Average of Old + New Rate)	55,860		

Audit is of the view that due to weak Internal and Financial Controls water rates was not recovered.

This resulted in non-recovery on account of waters rates Rs 1.730 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit stresses for recovery of water rates under intimation to audit.

[AIR Para No.11]

1.2.5 Performance

1.2.5.1 Non-achievement of financial target of receipt – Rs 7.053 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.

A Demand and Collection Register shall be maintained in Form A-XIII by the Collecting Officer of a Local Government. The demand shall be recorded on debit side of the register and when money is received against any demand necessary entry shall be made in the register on the credit side. At the beginning of each year, arrears of the previous year shall be carried forward and included in the demand for the year.

TMO Mianwali less realized Rs 7.053 million on account of receipt against revised budgeted amount during 2015-16 as detailed blow.

It is further added that the amount of receipts under several heads was even less than the actual of 2014-15.

Name of Head	Revised Budget 2015-16	Actual Recovery 2015-16	Less Recovery (Rs)
Canteen General Bus Stand	320,000	110,610	209,390
General Bus Stand Daud Khel	2144095	1,627,160	516,935
Car Parking Fee	1,261,870	911,617	350,253
Riksha/Motorcycle stand fee	3,073,790	2,850,569	223,221
Registration /enlistment of contractor	1,650,000	1,246,600	403,400
Others (Arrears of Land Revenue)	5,350,000	0	5,350,000
Total	13,799,755	6,746,556	7,053,199

Audit is of the view that due to poor financial control budgeted targets were not achieved.

This resulted in loss of Rs 7.053 million to local fund on account of revenues.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility of loss against the person (s) at fault.

[AIR Para No.16]

1.3 TMA Piplan

1.3.1 Non-Production of Record

1.3.1.1 Non-production of record – Rs 100.012 million

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

TMO Piplan did not provide the following record to audit for scrutiny. Non production of record was a serious financial irregularity on the part of management. The detail is as under:

Sr. No.	Description	Amount (Rs)
1	PFC/Govt. Grants	51,212,000
2	TTIP	39,675,706
3	Others	3,572,517
4	POL (Log books)	4,946,247
5	Repair (history register)	606,115
Total		100,012,585

Audit is of the view that due to defective financial discipline and weak Internal Controls, relevant record was not produced to Audit in clear violation of the constitutional provisions.

In the absence of Vouched Accounts, the authenticity, validity, accuracy and genuineness of receipt and expenditure could not be verified.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility of non-producing record besides ensuring provision of record for audit scrutiny.

[AIR Para No.2]

1.3.2 Misappropriation / Fraud

1.3.2.1 Likely misappropriation in building approval fee and conversion fee - Rs10.00 million

According to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (a), the conversion fee for the conversion of a residential, industrial, peri urban area or intercity service area to commercial use shall be as under:

Value of Land as Per Valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

TMO Piplan collected only Rs 54,479 on account of "Conversion Fee and Building Approval Fee" during 2015-16. Receipt against this head was similar during proceeding financial years 2011-12 to 2014-15. On detail scrutiny it was revealed that the actual receipt on account of subject fee was Rs 1,870,000 during 2010-11.

It is suspected that for the financial years 2011-12 to 2015-16 the subject receipt was misappropriated by the officials deputed for collection and not deposited the amount in TMA, accounts.

Building Construction Map Approval and Conversion Fee During 2010-11 (Rs)	Average Annual Expected Building Map Approval/ Conversion Fee (Rs)	Suspected Misappropriation on a/c of Conversion and Building Map Approval Fee for 5 year 2011-12 to 2015-16 (Rs)
1,870,000	2,000,000	10,000,000

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in leakage of conversion fee and building approval fee Rs 2.0 million annually and in total Rs 10.00 million for the financial years 2011-12 to 2015-16 as detailed above.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends investigation of the matter for fixing responsibility against the person (s) at to make good the loss to local fund.

[AIR Para No.9]

1.3.2.2 Fraudulent drawl on account of earth filling on the occasion of Moharram – Rs 0.696 million

According to rule 2.10(a)(1) 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. Moreover, according to Rule 2.33 of PFR Vol-1, Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

TMO Piplan made payment of Rs 0.696 million vide Cheque No. 803538851 dated 04.12.2015 on account of earth filling on the occasion of Moharram on different routes. The payment seems bogus due to the following observations:

- i. Payment drawn by CO Piplan cum TO (F) without involvement of TO (I&S) as the budget was provided to TO (I&S), who was unaware about this payment.
- ii. Payment was drawn by CO Piplan in cash instead cheques in the names of contractors.
- iii. Bogus earth work estimates and site report was attached with the signature of Sub Engineer who was unaware about earth filling. Fake noting lines of TO (I&S) were also added without his signature.
- iv. Separate bills of earth filling on Moharram routes were already charged by TO (I&S) as per site requirement.

Audit is of the view that due to weak Internal and financial controls bogus amount was drawn violating all procedures and checks.

This resulted in bogus drawl of Rs 0.696 million on account of earth filling.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility of bogus drawl of bills against the person (s) at fault.

[AIR Para No.21]

1.3.2.3 Fraudulent drawl of expenditure on account of POL and repair of fire brigade – Rs 0.548 million

According to Rule 2.33 of PFR Vol-1, Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

TMO Piplan drew Rs 0.548 million on account of repair and POL of Fire Brigade vehicle fraudulently because the Fire Brigade vehicle remained parked idle and out of order since long in the yard of TMA. Detail is as under:

Description	Amount (Rs)
Expenditure on Repair	48,000
Expenditure on POL	500,000
Total	548,000

Audit is of the view that due to weak Internal and financial controls bogus amount was drawn against idle parked vehicle.

This resulted in bogus drawl of Rs 0.548 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility of bogus drawl of bills against the person (s) at fault.

[AIR Para No.23]

1.3.3 Irregularity and Non-compliance

1.3.3.1 Unjustified excess collection of TTIP @2% instead @1 % - Rs 19.838 million

As notified by Government of the Punjab, TMAs share in TTIP is 1% of value of land.

TMO Piplan collected TTIP @ 2% without any justification instead of approved prescribed rate of Government of the Punjab @1% as detailed below.

Head of Receipt	Admissible @ 1% (Rs)	Amount Collected @ 2% (Rs)	Excess Collected 1% (Rs)
TTIP	19,837,853	39,675,706	19,837,853

Audit is of the view that due to weak Financial Controls excess fee was recovered.

This resulted in un-authorized collection of TTIP Rs 19.838 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization of the amount of TTIP excess collected.

[AIR Para No.7]

1.3.3.2 Irregular splitting of development works and execution through quotations – Rs 15.00 million

As per Rule 4 read with Rule 7 of Tehsil / Town Municipal Administration (Works) Rules, 2003, works costing below five hundred thousand shall be prepared and approved on the basis of cost estimates only and a draft scheme prepared under these rules shall among other matters, specify-(a) detailed history of the scheme including nature and location of the schemes; (b) full particulars of the works to be executed; (c) justification for the scheme; (d) the estimated cost; (e) the manner in which the scheme shall be financed; (f) the agency through which the scheme shall be executed; (g) the phases in which the scheme shall be executed; (h) the period during which the scheme in its various phases shall be

completed; (l) the benefits and returns from the scheme; (m) agencies responsible for maintenance; and (n) such other particulars as prescribed in the standard PC-I form issued by the Planning and Development Department.

TMO Piplan incurred Rs 15.00 million on execution of civil works against Development and M & R budget for 2015-16. Expenditure is held irregular due to following audit observation:

- i. Expenditure incurred through quotations of Rs 99,500 / Rs 99,000 or below this amount each in all cases.
- ii. Splitting was made to avoid sanction of the higher authorities and advertisement on PPRA website and wide advertisement.
- iii. Neither proper estimates prepared nor admin approval was obtained.
- iv. Due to non-availability of complete nomenclature of works and location map of the sites, existence and actual execution of the works seems doubtful.
- v. Pattern of expenditure seems exhaust of budget rather actual execution of works.

Audit is of the view that due to defective financial management expenditure was incurred in violation of PPRA Rules.

This resulted in irregular expenditure of Rs 15.00 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends investigation of the matter for fixing responsibility against the persons at fault under intimation to Audit.

[AIR Para No.8]

1.3.3.3 Unjustified payment on account of earth filling – Rs 5.377 million

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. Moreover, according to Rule 2.32 (a) of PFR Vol-1, all details about all accounts shall be recorded as fully as possible, so as to satisfy any enquiry that may be made into the particulars of any case.

TMO Piplan executed the works "construction of PCC Slab 10' wide in listed below Chaks, earth filling was paid upto 3' deep and 30' wide without conducting detail survey for earth work and providing details of NSL (Natural Surface Level) and FSL (Finished Surface Level) in the Sanctioned Estimates. In absence of detail survey, earth filling up to 3' in the built up areas similar in all streets of different chaks seems doubtful and unjustified. Detail is as under:

Sr. No.	Chak No.	Length of PCC	Qty of Earth Filling Worked Out	Total Qty Cft	Total Qty of Filling	Less Qty of PCC	Net Qty of Filling (Rs)
1	14/ML	800 Feet	800 x 30 x 3+2.5/2	66000	575025 Cft	57851 Cft	517,174 Cft
2	15/ML	1000 Feet	1000 x 30 x 3+2.5/2	82500			
3	16/ML	1000 Feet	1000 x 30 x 3+2.5/2	82500			
4	13/ML	970 Feet	970 x 30 x 3+2.5/2	800025			
5	11/ML	1000 Feet	1000 x 30 x 3+2.5/2	82500			
6	05/ML	700 Feet	700 x 30 x 3+2.5/2	57750			
7	03/ML	700 Feet	700 x 30 x 3+2.5/2	57750			
8	02/ML	800 Feet	800 x 30 x 3+2.5/2	66000			
Rate of Earth Filling lead up to 1 mile 5867.40/ %0Cft							3,034,466
9	16/DB	1000 Feet	1000 x 22x 3+2.5/2	60500	368808 Cft	50597 Cft	318211 Cft
10	17/DB	1000 Feet	1000 x 22x 3+2.5/2	60500			
11	21/DB	1100 Feet	1100 x 22x 3+2.5/2	66550			
12	5/DB	1100 Feet	1100 x 22x 3+2.5/2	66550			
13	3/DB	896 Feet	896 x 22x 3+2.5/2	54208			
14	2/DB	1000 Feet	1000 x 22x 3+2.5/2	60500			
Rate of Earth Filling lead up to 3 miles 7360/%0Cft							2,342,203
Total Amount Paid							5,376,669

Audit is of the view that due to weak internal controls payment of earth filling was made without detail survey.

This resulted in un-justified/doubtful payment of Rs 5.377 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends probe in the matter to find fact regarding genuineness of the payment of earth filling.

[AIR Para No.15]

1.3.3.4 Unjustified expenditure by splitting – Rs 2.119 million

According to Rule 12 (1) of PPRA Rule 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of procurement so planned. The annual requirements thus determined would be advertised in advance at the PPRA's website. Procurement over Rs 100,000 and up to Rs 2.00 million should be

advertised on PPRA's website as well as in print media if deemed necessary by the procuring agency.

TMO Piplan incurred Rs 2.119 million on purchases for Ramzan Bazar through splitting the purchases in small quotations. (**Annex-E**)

Splitting of expenditure was unjustified due to following audit observations:

- i. Splitting was made for similar nature purchases without any justification.
- ii. Purchases were made without estimation, requirement and planning.
- iii. As it was kind of annual purchase and not an emergent event at all.
- iv. Purchases through quotation resulted in un-economical expenditure.
- v. Splitting was made to avoid sanction of higher authority and advertisement on PPRA website rather in public interest.

Audit is of the view that due to weak Internal and financial controls purchases were made through quotations and splitting.

This resulted in un-justified and unauthorized expenditure of Rs 2.119 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility against the person (s) at fault.

[AIR Para No.18]

1.3.3.5 Execution of housing scheme by housing department without obtaining NOC and payment of prescribed fee - Rs 1.745 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning.

According to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (c) the conversion fee for the conversion of peri-urban area or intercity service area to residential use shall be one (01) percent of the value of the land as per valuation table or one percent of the average sale price of preceding twelve months of land in the vicinity, if valuation table is not available.

Under the jurisdiction of TMA Piplan, Punjab Housing Department is developing a Housing Scheme on 29 Acer adjacent to Piplan City without obtaining NOC from TMA, fulfilling other codal formalities and payment of the prescribed fees in violation of rules. TMA authorities also did not make serious efforts to enforce its bylaws and recover the requisite fees. Detail is as under.

Total Area	Value of Land As per Valuation Table 2015-16	Land Use Conversion Fee @ 1% of Land Value	Scrutiny Fee Rs2500/ Kanal	Preliminary Planning Permission Rs 5000	Total Recoverable Fee (Rs)
C-1	C-2	C-3	C-4	C-5	C-6
29 Acer or 232Kanals	116,000,000 (4000000 Per Acer x 29)	1,160,000	580,000	5,000	1,745,000

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of fees Rs 1.745 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.12]

1.3.3.6 Unauthorized expenditure – Rs 1.343 million

According to Rule 4 (3) (v) of PDG & TMA (Budget) Rules 2003, the head of office is responsible for ensuring that the funds allotted are spent on the activities for which the money was provided.

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. Moreover, according to Rule 2.32 (a) of PFR Vol-1, all

details about all accounts shall be recorded as fully as possible, so as to satisfy any enquiry that may be made into the particulars of any case.

TMO Piplan allocated an amount of Rs 1.5 million to TO (I&S) against Object Head A03918 (Youth affairs, National Celebrations Exhibition Fairs and other National Celebration) for F.Y. 2015-16. Expenditure was drawn un-authorizedly and incurred by the other DDOs of TMA, Piplan with the collaboration of Tehsil Accounts Officer without approval and involvement of TO (I&S) who was DDO and budget was at his disposal. Detail is as under.

Date	Cheque No.	Object Head	Object Description	Expenditure Incurred By	Amount (Rs)
15.08.2015	803538802	A03918	Youth affairs, National	CO Unit Kundian	835,537
21.08.2015	803838805	A03918	Celebrations	CO Unit Harnoli	363,890
21.08.2015	803538804	A03918	Exhibition	CO Unit Piplan	27,240
18.08.2015	803538816	A03918	Fairs and other National	CO Unit Piplan	67,000
02.10.2015	803538822	A03918	Celebration	CO Unit Piplan	49,500
Total					1,343,167

Audit is of the view that due to weak Internal controls amount was drawn by the other DDOs.

This resulted in un-authorized and irregular expenditure Rs 1.343 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends inquiry for fixing responsibility against the person (s) at fault.

[AIR Para No.19]

1.3.3.7 Unjustified / uneconomical payment of rent – Rs 1.083 million

According to Rule 12 (1) of PPRA Rule 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of procurement so planned. The annual requirements thus determined would be advertised in advance at the PPRA's website. Procurement over Rs 100,000 and up to Rs 2.00 million should be

advertised on PPRA's website as well as in print media if deemed necessary by the procuring agency.

TMO Piplan hired articles/items on rent for Ramzan Bazar and Moharram and made payment of Rs 1.083 million on account of rent to the suppliers. Keeping in view the market rates of these articles, the rent paid were either equal or more than the purchase price of these articles. Audit is of the view that TMA could have purchase these articles for same amount instead of hiring on rent. The articles of similar nature and capacity were hired on different rates from different suppliers through quotations and made excess payments to contractors. **(Annex-F)**

Audit is of the view that due to weak financial controls articles were hired for Ramzan Bazaar on un-economical rates.

This resulted in un-justified and un-economical expenditure on account of rent Rs 1.083 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility of un-economical purchases against the person (s) at fault.

[AIR Para No.20]

1.3.4 Internal Control Weaknesses

1.3.4.1 Non-maintenance of general cash book and DDOs cash books – Rs 188.345 million

As per Rule 2.2 of PFR Vol.1

- a. All cash transactions should be entered in the cash book and attested in token of check.
- b. The cash book should be completely checked and closed regularly
- c. In token of check of cash book the last entry checked therein should be initialed (with date) by the Govt. servant concerned on each occasion.

At the end of each month, the head of office should personally verify the cash balance and, record below the closing entries in the cash book, a certificate to the effect over his dated signatures specifying both in words and figures, the actual cash balance.

TO (F) of TMA Piplan neither maintained General Cash Book of TMA nor the Branches/DDOs of TMA maintained their Cash Books for the huge amount of expenditure incurred and receipts collected during 2015-16 as required under rules. Moreover the amounts of expenditure and receipts were also not reconciled with the banks. In absence of DDOs Cash Books whereabouts of the amounts transferred by Tehsil Accounts Office to DDO's accounts are not known. Further disbursement of amounts by the DDOs could not be verified due to non-maintenance of Cash Books.

Receipt (Rs)	Expenditure (Rs)	Total (Rs)
94,460,223	93,884,474	188,344,697

Audit is of the view that due to weak Internal Controls, General Cash Book and DDO wise cash books were not maintained in violation of rules.

In the absence of vouched accounts i.e. cash book the authenticity, validity, accuracy and genuineness of expenditure and receipt could not be verified.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends that Cash Book be produced for audit verification besides fixing of responsibility of non-maintenance of cash book against the person (s) at fault.

[AIR Para No.1]

1.3.4.2 Non-maintenance of accounts record of receipt and expenditure by Tehsil Accounts Office - Rs 55.430 million

According to Rule 2.32 (a) of PFR Vol-1, all details about all accounts shall be recorded as fully as possible, so as to satisfy any enquiry that may be made into the particulars of any case.

As per Rule 2.2 of PFR Vol.1

- a. All cash transactions should be entered in the cash book and attested in token of check.
- b. The cash book should be completely checked and closed regularly
- c. In token of check of cash book the last entry checked therein should be initialed (with date) by the Govt. servant concerned on each occasion.

At the end of each month, the head of office should personally verify the cash balance and, record below the closing entries in the cash book, a certificate to the effect over his dated signatures specifying both in words and figures, the actual cash balance.

Tehsil Accounts Officer of TMA Piplan made payments amounting to Rs 26.432 million and booked Receipts amounting to Rs 29.791 million during the months of April, May and June, 2016. But basic accounts record prescribed under rules i.e. General Cash Book and other classified accounts registers LA-18-A, LA-20 and LA-21, LA-12, LA-13 were not maintained for these months.

Month	Expenditure (Rs)	Receipt (Rs)	Total (Rs)
April, 2016	7,573,167	6,284,213	13,857,380
May, 2016	7,350,450	5,318,805	13,857,380
June, 2016	11,508,607	18,188,855	27,714,760
Total	26,432,224	29,791,873	55,429,520

Audit is of the view that due to weak Internal Controls, basic accounts record was not maintained in violation of rules.

In the absence of Vouched Accounts, the authenticity, validity, accuracy and genuineness of receipt and expenditure could not be verified.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends that complete classified register of accounts be maintained and produced for audit verification besides fixing of responsibility of non-maintenance of record against the person (s) at fault.

[AIR Para No.3]

1.3.4.3 Non-recovery of land conversion and building fee – Rs 16.368 Million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning. Further, according to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (d) the conversion fee for the conversion of peri-urban area or intercity service area to industrial use shall be (05) five percent of the value of the land as per valuation table or five percent of the average sale price of preceding twelve months of land in the vicinity, if valuation table is not available.

The annexed factories under the jurisdiction of TMA Piplan were established without obtaining NOC from TMA and payment of building approval fee and land conversion fee. TMA authorities also did not make serious efforts to enforce its byelaws and recover the requisite fees. **(Annex-G)**

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of receipt of Rs 16.368 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.5]

1.3.4.4 Non-issuance of NOC to Almoiz Sugar Mills. Non-recovery of land conversion and building approval fee - Rs 3.298 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning.

According to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (d) the conversion fee for the conversion of peri-urban area or intercity service area to industrial use shall be (05) five percent of the value of the land as per valuation table or five percent of the average sale price of preceding twelve months of land in the vicinity, if valuation table is not available.

Almoiz Sugar Mills Limited under the jurisdiction of TMA Piplan was established on Agriculture land at 35 Km main Mianwali Muzafargarh Road near Kot Hameed during 2014. Said sugar mill is operational since crushing season 2014-15 without NOC and payment of the prescribed fees to TMA.

Total Area of Mill in Piplan	Value of Land as per valuation Table 2014-15	Covered Area of Plan	Conversion Fee was to be recovered 5% of land value	Building Approval Fee @ Rs4/Per Sft	Total Recovery (Rs)
C-1	C-2	C-3	C-4	C-5	C-6
600 Kanals	Rs 600000000 (Rs100,000/ Kanal x 600)	224585 Sft or 826 Marla	2,400,000	898,340	3,298,340

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of receipt of Rs 3.298 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.11]

1.3.4.5 Non-recovery of conversion fee – Rs 2.023 million

According to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (a) "the conversion fee for the conversion of a residential, industrial, peri urban area or intercity service area to commercial use shall be as under:-

Value of Land as Per Valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

TMO Piplan approved the building map of the following cases but the conversion fee was not recovered or less recovered.

Title	Area in Sq. Ft	Value of Land as Per Valuation Table	Fee Recovered (Rs)	Fee was to be recovered	Fee Less recovered (Rs)
MCB Bank Piplan (General Bus Stand, Liaqatabad)	1690	Rs 6,213,324 (1000000/Marla x 6.21)	46,500	Rs621,324 @ 10% of value	574,824
M. Afzal (Madni Town Liaqatabad)	3041	Rs7,826,103 (700000/Marla x 11.80)	0	Rs782, 610 @ 10% of value	782, 610
M. Mushtaq (Rana Bazar)	2010	Rs6,650,735 (900000/Marla x 7.39)	0	Rs665,074 @ 10% of value	665,074
Total					2,022,508

Audit is of the view that due to weak Internal and Financial Controls, conversion fee was less recovered or not recovered.

This resulted in non-recovery / less recovery of conversion fee of Rs 2.023 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.17]

1.3.4.6 Overpayment due to non-deduction of surplus earth – Rs 0.625 million

According to rule 2.10(a)(1) 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. Moreover, according to Rule 2.33 of PFR Vol-1, Every Government servant should realise fully and clearly that he will be held personally responsible for any loss sustained by Government through fraud or negligence on his part, and that he will also be held personally responsible for any loss, arising from fraud or negligence on the part of any other Government servant to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

TMO Piplan made an overpayment of Rs 0.625 million on account of earth filling due to non deduction of quantities of earth obtained from excavation for sewer, manholes, RCC slabs and drains of civil works " Const. PCC Slab, Sewerage Chak Nos. 1, 2, 3, 5, 11, 12, 13, 14, 15, 16 ,18/ML" and "Construction of Sewerage, PCC Slab Chak Nos. 2, 3, 5, 16, 17, 20, 21 / DB". Detail is as under.

Sr. No	Name of Work	Qty of Earth Obtained from Earth work excavation	Rate of Earth Filling Paid	Overpayment (Rs)
1	Const. of Sewerage, PCC Slab Chak Nos. 2, 3, 5, 16, 17, 20, 21/DB	21464	7360	157,975
2	Const. of PCC Slab, Sewerage Chak Nos. 1, 2, 3, 5, 11, 12, 13, 14, 15, 16 ,18/ML	79592	5867.40	466,998
Total				624,973

Audit is of the view that due to weak financial controls deduction of surplus earth was not made.

This resulted in an overpayment of Rs 0.625 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit stresses for recovery of overpaid amount besides fixing of responsibility of overpayment against the person (s) at fault.

[AIR Para No.22]

1.3.5 Performance

1.3.5.1 Non-achievement of financial target of receipts – Rs 13.458 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. As per Section 11 of Katchi Abadi Act 1992, there shall be a separate fund of each concerned agency/ TMA to be known as Katchi Abadis Fund. The fund consist of price of land and development charges, recovered under this Act and other charges, if any, for services rendered by the Government Agency.

TMO Piplan less realized Rs 13.458 million on account of receipt against revised budgeted amount during 2015-16. (**Annex-H**) It is further added that the amount of receipts under several heads was even less than the actual of 2014-15.

Audit is of the view that due to poor financial control budgeted targets were not achieved.

This resulted in loss of Rs 13.458 million to local fund on account of revenues.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

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

[AIR Para No.10]

1.3.5.2 Loss on account of receipts – Rs 4.7 million

According to Rules 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.

Audit of TMA Piplan revealed that there was declining trend in the income of detailed below heads of receipt. During 2015-16 against some

heads actual receipts realized was even less than 1/5th of the average of last three years. Particularly receipt against Permit Fee and Advertisement fee and Adda fee dropped to their lowest during 2015-16 in contradiction to expanding trend in the businesses.

Similarly, income of Bhoosa Mandi was eliminated without approval of the council un-authorizedly.

Only one advertisement published for auction of receipts instead three advertisements.

Head of Receipt	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Loss (Rs)
Adda Fee	350,000	386000	486000	450,000	0	82,145	900,000
Bhoosa Mandi	634000	0	0	0	0	0	2,500,000
Permit Fee	480,000	520,000	477000	560,000	105,960	90,080	800,000
Advertisement Fee	140,000	180,000	207000	225,000	500,000	183,042	300,000
Canteen	0	0	0	150,000	139,200	0	200,000
Total	1,604,000	1,086,000	684000	1,385,000	745,160	355,267	4,700,000

Audit is of the view that due to weak internal control no efforts were made to realize the receipts.

This resulted in loss to local fund on account of revenues Rs 4.7 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility of loss against the person (s) at fault.

[AIR Para No.14]

1.4 TMA Isa Khel

1.4.1 Non-Production of Record

1.4.1.1 Non-maintenance / non-production of auction money collection record by contractors – Rs 6.482 million

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

As per auction collection rules 2003, "A contractor shall keep the record relating to accounts of the income as well as other documents in proper order as provided in the respective rules, byelaws and procedures.

All such record shall be the property of respective local government. The contractor may have an attested copy thereof from the respective local government.

The Nazim or any other person authorized by him and officers/officials of Revenue Department of respective local government may inspect such record.

Contractor shall be bound by the said procedures, rules and byelaws of respective local government in collection of taxes.

The contractor shall not be authorized to appoint his personal staff for collection of income. All collections shall be carried out by him through the staff of local government concerned assigned to him for this purpose.

TMO Isa Khel auctioned collection rights of receipts of Rs 6.482 million to contractors during 2015-16. Audit has noticed following irregularities in collection of receipts by the contractors with the collaboration of management of TMA.

- i. Receipts were collected by the contractors through his private staff instead of local Government staff in violation of rules.

- ii. For collection of receipts no prescribed receipts books were provided to contractor. Collections were made by contractors on their own receipt books.
- iii. No record of receipt collection i.e. counter foil of contractor receipt record was maintained/ available with TMA for audit verification.
- iv. Salary of the required staff was not paid by the contractor.
- v. Due to non-provision of receipt collection books to contractor and receipt collection through his private staff actual income of the receipts heads was not known to TMA for future planning and auction.

Audit is of the view that due to weak internal control contractor not maintained the receipt record.

This resulted in irregular collection of receipts by the contractors amounting to Rs 6.482 million in violation of rules.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends production of receipt record of contractor under intimation to audit besides fixing responsibility against the person (s) at fault.

[AIR Para No.7]

1.4.1.2 Non-production of receipt record of bus stand – Rs 3.613 million

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

TMO Isa Khel did not produce record of receipt of General Bus Stand Isa Khel for year 2015-16. In the absence of record, authenticity, validity, accuracy and genuineness of receipt could not be verified.

Audit is of the view that due to defective financial discipline and weak Internal Controls, relevant record was not produced to Audit in clear violation of the constitutional provisions.

In the absence of Vouched Accounts, the authenticity, validity, accuracy and genuineness of receipt and expenditure could not be verified.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends fixing of responsibility of non-production of record besides ensuring provision of record for scrutiny to Audit.

[AIR Para No.9]

1.4.2 Irregularity and Non-compliance

1.4.2.1 Expenditure understated by – Rs 20.500 million

As per Rule 2.2 of PFR Vol.1

- i. All cash transactions should be entered in the cash book and attested in token of check.
- ii. The cash book should be completely checked and closed regularly
- iii. In token of check of cash book the last entry checked therein should be initialed (with date) by the Govt. servant concerned on each occasion.

At the end of each month, the head of office should personally verify the cash balance and, record below the closing entries in the cash book, a certificate to the effect over his dated signatures specifying both in words and figures, the actual cash balance.

DCO Mianwali received Rs 20.500 million from Finance Department and paid the same to FESCO (WAPDA) through cross cheque for payment of rural water supplies of TMA Isa Khel. But TMO Isa Khel did not reflect the amount in expenditure statement of TMA, Isa Khel for the financial year 2015-16 as well as not included in budget for F. Y. 2016-17.

Audit is of the view that due to poor financial control expenditure were not recorded properly.

This resulted in understatement of expenditure by 20.500 million reflecting unfair picture of expenditure for 2015-16 and incorrect budget preparation for 2016-17.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends rectification of the expenditure statements.

[AIR Para No.1]

1.4.2.2 Unjustified excess collection of TTIP 1.5% instead of 1 % - Rs 6.806 million

As notified by Government of the Punjab, TMAs share in TTIP is 1% of value of land.

TMO Isa Khel collected TTIP @ 1.5% without any justification instead of approved prescribed rate of Government of the Punjab @1% as detailed below:

Head of Receipt	Admissible @ 1% (Rs)	Amount Collected @ 1.5% (Rs)	Excess Collected 0.5% (Rs)
TTIP	13,612,005	20,418,008	6,806,002

This resulted in un-authorized excess collection of Rs 6.806 million on account of TTIP.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till the finalization of this Report.

Audit recommends regularization of TTIP @ 1.5% from the competent forum.

[AIR Para No.5]

1.4.2.3 Unauthorized award of contracts – Rs 6.483 million

The contractor who is not enlisted shall not be eligible to participate in the auctioned proceeding of collection rights of different taxes & fees, according to the Rule 15(2) of Punjab Local Government (Auctioning of Collection Rights) Rules 2003. Further, the name & identity card number of each participant shall be written and attested copy of the participant's identity card shall be collected and kept, in the record according to Rule 6(2) of Punjab Local Government (Auctioning of Collection Rights) Rules, 2003.

TMO Isa Khel awarded the receipt contracts of Rs 6.483 million pertaining to Tehbazari, Slaughter house fee, Bus stand fee & advertisement boards etc. for the year F. Y. 2015-16. But copies of the certificate of registration of contractors with the District Government Mianwali along with NIC number of the participants who participated in the bidding process was not available in the files. The bid sheets were also without NIC numbers and addresses of the participants. Non-availability of these records made the auction proceedings unlawful and unauthorized.

Audit is of the view that due to weak internal controls contracts were awarded without fulfilling codal formalities.

This resulted in irregular award of contracts worth Rs 6.483 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

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

[AIR Para No.6]

1.4.2.4 Irregular expenditure on maintenance and repair of electric motors of water supplies - Rs 5.55 million, recovery of old material – Rs 0.450 million

According to Rule 15 of PPRA Rule 2014, a procuring agency may procure goods, services or works through framework contract in order to ensure uniformity in the procurement. Further, according to Rule 12 (1) of PPRA Rule 2014, a procuring agency shall announce in an appropriate manner all proposed procurement for each financial year and shall proceed accordingly without any splitting or regrouping of procurement so planned. The annual requirements thus determined would be advertised in advance at the PPRA's website. Procurement over Rs100,000 and up to Rs 2.00 million should be advertised on PPRA's website as well as in print media if deemed necessary by the procuring agency.

TMO Isa Khel incurred Rs 5.55 million on repair and maintenance of 100 rural and urban water supplies during 2015-16. Expenditure incurred on repair held irregular due to following observation:-

- i. Expenditure was incurred by splitting in quotations to avoid sanction of higher authority and advertisement on PPRA website.
- ii. Repair record shows that water supplies remained out of order for 4-6 months before repair while consumption of electricity was usual for that period which makes repair doubtful.
- iii. Expenditure being permanent nature requires term base contract for whole financial year through open Tender on PPRA website to make it economical.
- iv. Rs 450,000 (15Kg/Per Motor x 400 (average market rate of scrap/kg x 100) on account of old winding copper wire and old

replaced parts of heavy water turbines were less recovered/adjusted. Only Rs 1500 were recovered against each motor.

- v. Repair and maintenance Registers as well as dead stock register were not maintained.

Audit is of the view that due to weak internal and financial controls expenditure was splitted.

This resulted in irregular expenditure of Rs 5.55 million and non-recovery of cost of old material Rs 450,000.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit stresses for recovery of the cost of old material besides fixing of responsibility of irregular expenditure against the person (s) at fault.

[AIR Para No.8]

1.4.2.5 Unauthorized utilization of funds –Rs 3.5 million

As per Finance Department Government of Punjab Letter No.FD (TMA)1-64/2005 (Vol-I) dated 07.07.2015 " The funds shall not be re-appropriated by the TMA for any purpose other than mentioned in para.

TMO Isa Khel re-appropriated and paid Rs 3.5 million on account of electricity bills of urban water supplies of Isa Khel in violation of the instructions of Finance Department in above referred letter, out of Grant in aid Rs 30.00 million released for payment of outstanding dues of FESCO (WAPDA) for operation and maintenance of rural water supply schemes only.

Audit is of the view that due to poor financial controls un-authorized payment was made.

This resulted in un-authorized payment of Rs 3.50 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization of the expenditure from competent authority.

[AIR Para No.11]

1.4.2.6 Unauthorized collection of tehbazari – Rs 2.186 million

As per letter No.SOTAX(LG)2-45/2008 dated 19th September, 2008 of Local Government and Community Development Department Government of the Punjab, collection/charging of “Tehbazari Fee” has been stopped.

TMO Isa Khel collected Rs 2.186 million was on account of Tehbazari for the year 2015-16 in violation of instructions of Government of the Punjab.

This resulted in unauthorized collection of Tehbazari.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till finalization of this Report.

Audit recommends regularization of the un-authorized collection of receipt from the competent forum.

[AIR Para No.12]

1.4.3 Internal Control Weaknesses

1.4.3.1 Incorrect maintaining of expenditure in cash book – Rs 15.00 million

As per Rule 2.2 of PFR Vol.1

- i. All cash transactions should be entered in the cash book and attested in token of check.
- ii. The cash book should be completely checked and closed regularly
- iii. In token of check of cash book the last entry checked therein should be initialled (with date) by the Govt. servant concerned on each occasion.

At the end of each month, the head of office should personally verify the cash balance and, record below the closing entries in the cash book, a certificate to the effect over his dated signatures specifying both in words and figures, the actual cash balance.

TMO Isa Khel drawn an expenditure of Rs 15.00 million on account of electricity bills and work charge salaries of rural water supplies during September, 2015 but the same was recorded in cash book in June, 2015. Due to recording of expenditure in 2014-15 incurred in financial year 2015-16 the true picture of expenditure was not reflected. Basic Government Accounting of cash basis was neglected and incorrect/fake monthly accounts were prepared not matching the cash book.

Audit is of the view that due to poor financial Controls, incorrect cash book was maintained.

This resulted in incorrect recording of expenditure Rs 15.00 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till the finalization of this Report.

Audit recommends that corrected cash book be produced for verification.

[AIR Para No.3]

1.4.3.2 Loss to TMA on account of conversion and building approval fee –Rs 10.955 million

As per PLGO, 2001 TMA shall 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. Enforce all municipal laws, rules and by-laws governing TMA's functioning. Further, according to Punjab Land Use (Classification, Reclassification and Redevelopment) Rules 2009's rule 60 (a), the conversion fee for the conversion of a residential, industrial, peri urban area or intercity service area to commercial use shall be as under:-

Value of Land as Per Valuation Table	Conversion Fee
Less than one million rupees	5%
From one million rupees to ten million rupees	10%
More than ten million rupees	20%

Under the jurisdiction of TMA, Isa Khel the following 36 commercial buildings were constructed during 2015-16 but none of them obtained NOC from TMA and also not paid building approval fee and land conversion fee to TMA. TMA authorities did not make serious efforts to recover the requisite fees.

Nature of Buildings	Qty	Value of Land (Approximate Minimum)	Conversion Fee to be recovered @10% of land value	Building Approval Fee @ Rs500/ Per Marla	Total (Rs)
Shops	18	21,600,000	2,160,000	9,000	2,169,000
Markets	16	80,000,000	8,000,000	56,000	8,056,000
Petrol Pump	01	3,000,000	300,000	20,000	320,000
Hospital	01	4,000,000	400,000	10,000	410,000
Total					10,955,000

Audit is of the view that due to weak Internal and Financial Controls, conversion fee and building approval fee were not recovered.

This resulted in non-recovery of receipt of Rs 10.955 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till the finalization of this Report.

Audit recommends recovery of the fees under intimation to audit.

[AIR Para No.4]

1.4.3.3 Less recovery on account of water rates – Rs 3.612 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. As per Section 11 of Katchi Abadi Act 1992, there shall be a separate fund of each concerned agency/ TMA to be known as Katchi Abadis Fund. The fund consist of price of land and development charges, recovered under this Act and other charges, if any, for services rendered by the Government Agency.

TMO Isa Khel less recovered Rs 3.612 million on account of water rates of 2015-16 as detailed below.

Name of Head	Recoverable 2015-16 (Rs)	Actual Recovery 2015-16 (Rs)	Total Recoverable Amount (Rs)
Water Rate	8,323,357	4,640,332	3,611,549

Audit is of the view that due to weak Internal and Financial Controls water rates was not recovered.

This resulted in less recovery on account of waters rates Rs 3.612 million.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till the finalization of this Report.

Audit recommends recovery of water rates under intimation to audit.

[AIR Para No.9]

1.4.4 Performance

1.4.4.1 Non-achievement of financial target against revised budgeted receipt – Rs 0.844 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. As per Section 11 of Katchi Abadi Act 1992, there shall be a separate fund of each concerned agency/ TMA to be known as Katchi Abadis Fund. The fund consist of price of land and development charges, recovered under this Act and other charges, if any, for services rendered by the Government Agency.

TMO Isa Khel less realized Rs 0.844 million on account of receipt against revised budgeted amount during 2015-16 as detailed blow.

Name of Head	Revised Budgeted 2015-16 (Rs)	Actual Recovery 2015-16 (Rs)	Less Recovery (Rs)
Investment/Bank Profit	160,616	116,519	44,097
Sales of old material	800,000	0	800,000
		Total	844,097

Audit is of the view that due to poor financial controls budgeted targets were not achieved.

This resulted in loss to local fund Rs 0.844 million on account of revenues.

The matter was reported to PAO / TMO in April, 2017 but no reply was furnished. Despite repeated requests, DAC meeting was not convened till the finalization of this Report.

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

[AIR Para No.13]

ANNEXURES

PART-I
Memorandum for Departmental Accounts Committee Paras
Pertaining to Audit Year 2016-17

(Rs in million)

Sr. No.	Name of TMA	PDP No.	Description of Paras	Nature of violation	Amount
1	Mianwali	07	Irregular Expenditure on Repair of Residential Buildings beyond Financial Powers	Irregularity	0.247
2	Mianwali	08	Unjustified Excess Drawl of POL	Irregularity	0.432
3	Mianwali	10	Loss on Account of Receipt	Internal control weakness	0.279
4	Mianwali	14	Non-Reconciliation of TTIP/UIP with Revenue Department	Internal control weakness	-
5	Mianwali	15	Non-recovery of Auction Money	Recovery	0.473
6	Mianwali	19	Loss on A/c of Permit Fee/License Fee	Recovery	0.460
7	Mianwali	21	Non-Conducting of physical verification of stores and stock	Internal control weakness	-
8	Mianwali	22	Irregular Expenditure on Purchase of LED TVs 55"	Irregularity	0.295
9	Piplan	04	Non-Reconciliation of TTIP with Revenue Department	Internal control weakness	-
10	Piplan	12	Execution of Housing Scheme (High Riser Town) without Obtaining NOC and Payment of Prescribed Fees. Recovery Thereof	Internal control weakness	0.725
11	Piplan	24	Irregular Expenditure on Purchase of LED TVs 50"	Irregularity	0.294
12	Piplan	25	Irregular/Unjustified Drawl of POL	Irregularity	0.367
13	Piplan	26	Less Recovery on A/c of Water Rates	Recovery	0.348
14	Piplan	27	Likely Misappropriation on a/c of Development Expenditure	Internal control weakness	0.297
15	Piplan	28	Un-justified Payment of Earth Filling in Excess of Requirement	Irregularity	0.252

16	Piplan	29	Unjustified and Uneconomical purchases to exhaust budget	Irregularity	0.217
17	Piplan	30	Overpayment on a/c of Tuff Tiles due to applying incorrect rate	Recovery	0.197
18	Piplan	31	Unjustified and Uneconomical Purchases to Exhaust Budget	Irregularity	0.194
19	Piplan	32	Non-Recovery on a/c of receipt of Auction of TMA Canteen	Recovery	0.139
20	Piplan	33	Irregular Doubtful Expenditure	Irregularity	0.119
21	Piplan	34	Irregular Purchase	Irregularity	0.090
22	Piplan	35	Double Drawl on Account of Repair of Tractor	Irregularity	0.071
23	Piplan	36	Doubtful/Fake Expenditure on Repair	Irregularity	0.064
24	Piplan	37	Overpayment on Account of Purchase of Stationary	Recovery	0.009
25	Isa Khel	02	Non-Reconciliation of TTIP with Revenue Department	Internal control weakness	-
26	Isa Khel	14	Non Deposit of Earnest Money for Contracts	Recovery	0.544
27	Isa Khel	15	Misappropriation of Receipt	Recovery	0.114
28	Isa Khel	16	Non-Conducting of Physical Verification of Stores and Stock	Internal control weakness	-

PART-II

[Para 1.1.3]

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

(Rs in million)

Sr. No.	Name of TMA	AIR Para No.	Description of Paras	Nature of violation	Amount
1	Mianwali	06	Loss to TMA by less recovery of water rate charges	Internal control weakness	35.824
2		08	Irregular Expenditure on account of repair & maintenance of drainage	Irregularity	2.305
3		09	Doubtful /fake drawl of POL	Irregularity	8.022
4		15	Doubtful/fake expenditure on account of repair of vehicle	Irregularity	0.688
5		17	Irregular expenditure on 14 th August	Internal control weakness	0.524
6		19	Defective execution of CCB scheme - Rs1,539,000	Internal control weakness	0.154
7		20	Non-realization of performance security worth	Internal control weakness	0.278
8		-	Unjustified Payment to Daily Paid Staff	Internal control weakness	17.827
9	Piplan	01	Loss to TMA due to non recovery of House Building Advance	Internal control weakness	1.080
10		04	Irregular expenditure on account of Repair of vehicle	Irregularity	1.729
11		05	Non recovery of Auction money	Internal control weakness	0.210
12		06	Non recovery of Auction money	Internal control weakness	0.177
13		07	Loss to TMA due to non deduction of Penal rent	Irregularity	-
14		08	Irregular expenditure on account of purchase of hand cart	Irregularity	0.311
15		09	Irregular expenditure on account of purchase of articles for cattle Mandi	Irregularity	0.138
16		13	Blockade of public money	Irregularity	0.867

Sr. No.	Name of TMA	AIR Para No.	Description of Paras	Nature of violation	Amount
			on account of procurement of Gym items		
17		16	Non recovery from Conversion/development/s crutiny fee	Irregularity	2.00
18		17	Unjustified payment of to Pakistan Railway on account Railway crossing	Irregularity	5.00
19		22	Non-maintenance of tree record	Irregularity	-

TMAs of Mianwali District

Budget and Expenditure Statement for the Financial Year 2015-16

1. TMA, Mianwali

(Rs in million)

Head	Budget	Expenditure	Excess / Saving	%age	Comments
Salary	159.335	155.752	3.583	02	-
Non-salary	65.567	63.234	2.333	04	-
Development	2.852	1.368	1.484	52	-
Total	227.754	220.354	7.400	03	-

2. TMA, Piplan

Head	Budget	Expenditure	Excess / Saving	%age	Comments
Salary	54.671	52.077	2.594	05	-
Non-salary	19.811	18.952	0.859	04	-
Development	23.891	22.856	1.035	04	-
Total	98.373	93.885	4.488	05	-

3. TMA, Isa Khel

Head	Budget	Expenditure	Excess / Saving	%age	Comments
Salary	99.567	94.042	5.525	06	-
Non-salary	55.424	34.256	21.168	38	-
Development	9.525	3.562	5.963	63	-
Total	164.516	131.860	32.656	20	-

Irregular Expenditure by Splitting

Sr. No	Date of Bill	Date of Work Order	Description	Object Head	Amount (Rs)
1	25.08.15	3.6.15	Wooden Sheets for Ramzan Bazar	A03918	80,000
2	26.08.15	15.6.15	Wooden Sheets for Ramzan Bazar	A03918	96,000
3	26.08.15	15.6.15	Wooden Sheets for Ramzan Bazar	A03918	48,000
4	28.08.15	15.6.15	LCDs for Ramzan Bazar	A03918	39,750
5	5.8.15	1.7.15	Computer + LCDs + Printer	A03918	67,850
6	15.10.15	03.6.15	Pedestal Fans Ramzan Bazar	A03918	168,000
6	27.10.15	-	2 Batteries for UPS	A03918	69,566
7	15.10.15	3.6.15	Amplifier/Sound System for Ramzan Bazar	A12370	75,000
8	28.8.15	27.5.15	Amplifier/Sound System for Ramzan Bazar	A12370	98,140
9	08.06.16	-	3 LED TVs 55" for Ramzan Bazar	A03918	295,500
10	12.08.15	-	Iron shed for Ramzan Bazar Waan Bhachran	A03918	833,625
				Total	1,871,431

Non-Recovery of Land Conversion and Building Fee

Sr. No.	Name of Factory	Covered Area of Factories)	Value of Land (Approximate Minimum)	Conversion Fee to be recovered 5% of land value	Building Approval Fee @ Rs4/Per Sft (Minimum 7000 Sft)	Total (Rs)
1	Mianwali Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
2	Zam Zam Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
3	Pakistan Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
4	Bahoo Cotton & oil mills	7000 Sft	10,000,000	500,000	28,000	528,000
5	Al Fatah Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
6	Value Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
7	GM Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
8	Jamil Dbara Cotton	7000 Sft	10,000,000	500,000	28,000	528,000
9	Warehouse (Akbar Badshah)	7000 Sft	10,000,000	500,000	28,000	528,000
10	Allah Tawaqal Factory	7000 Sft	10,000,000	500,000	28,000	528,000
11	Muhammad Hussain Floor Mill	7000 Sft	10,000,000	500,000	28,000	528,000
12	11 Nos other Cotton Mills	77,000 Sft	110,000,000	5500,000	308,000	5,808,000
Total				11,000,000	616,000	11,616,000

Unjustified Expenditure by Splitting

Sr. No.	Date of Bill	Description	Object Head	Amount (Rs)
1	16.06.16	Visitors Plastic Chair for Ramzan Bazar	A03918	49,500
2	13.08.15	Banners Pan aflex Ramzan Bazar	A03918	95,350
3	21.08.15	Electric Equipment Ramzan Bazar	A03918	38,720
4	13.08.15	Electric Equipment Ramzan Bazar	A03918	47,720
5	21.08.15	Wooden Sheets for Ramzan Bazar	A03918	67,200
6	13.08.15	Wooden Sheets for Ramzan Bazar	A03918	72,000
7	13.08.15	Hand pump, Bans, Choonaa etc, Ramzan Bazar	A03918	45,700
8	22.08.15	Security Cameras for Ramzan Bazar	A03918	49,000
9	13.08.15	Security Cameras for Ramzan Bazar	A03918	74,500
10	13.08.15	Pedestal Fans Ramzan Bazar	A03918	92,070
11	13.08.15	Pedestal Fans Ramzan Bazar	A03918	79,200
12	02.10.15	Pedestal Fans Ramzan Bazar	A03918	49,500
13	13.08.15	Generators for Ramzan Bazar	A03918	90,000
14	13.08.15	Generators for Ramzan Bazar	A03918	42,000
15	13.08.15	Generators for Ramzan Bazar	A03918	93,000
16	04.08.15	Generators for Ramzan Bazar	A03918	46,400
17	11.11.15	Generators for Moharram	A03942	88,000
18	23.12.15	Generators for Moharram	A03942	50,000
19	23.12.15	Generators for Moharram	A03942	45,000
20	13.11.15	Generators for Moharram	A03942	96,000
21	1.11.15	Street light Moharram rout	A03942	94,090
22	1.11.15	Street light Moharram rout	A03942	76,100
23	13.11.15	Street light purchase	A09470	98,500
24	20.08.15	CCTV Cameras Ramzan Bazar	A03918	99,400
25	20.08.15	Amplifier for Ramzan Bazar	A12370	48,000
26	08.06.16	LED TVs for Ramzan Bazar	A03918	392,000
Total				2,118,950

Unjustified / Uneconomical Payment of Rent

Sr. No.	Date of Bill	Description	Qty	Rent Paid	Market Price of Article	Amount
1	16.06.16	Visitors Plastic Chair for Ramzan Bazar	150	330 Per Chair for 33 days	500	49,500
2	22.08.15	Security Cameras for Ramzan Bazar	4	49000 for 30 days	30000 complete System with 8 cameras	49,000
3	13.08.15	Security Cameras for Ramzan Bazar	6	74000 for 30 days	30000 complete System with 8 Cameras	74,500
4	21.08.15	Wooden Sheets for Ramzan Bazar	28	2240 for 30 days	4000	67,200
5	13.08.15	Wooden Sheets for Ramzan Bazar	30	2400 for 30 days	4000	72,000
5	13.08.15	Pedestal Fans	27	2970 per day for 31 days	3000	92,070
6	13.08.15	Pedestal Fans	24	2970 per day for 30 days	3000	79,200
7	02.10.15	Pedestal Fans	15	3300 per day for 30 days	3000	49,500
8	13.08.15	Generators for Ramzan Bazar	2	1500 Per day for 30 days	50000	90,000
9	13.08.15	Generators for Ramzan Bazar	1	1500 Per day for 30 days	50000	42,000
10	13.08.15	Generators for Ramzan Bazar	2	1500 Per day for 30 days	50000	93,000
11	04.08.15	Generators for Ramzan Bazar	2	800 Per day for 30 days	50000	46,400
12	1.11..15	Generators for Moharram	4	2200 Per Day for 10 days	50000	88,000
13	01.11.15	Generators for Moharram	2	2500 per day for 10 Days	50000	50,000
14	23.12.15	Generators for Moharram	3	1500 per day for 10 Days	50000	45,000
15	13.11.15	Generators for Moharram	8	1200 per day for 10 Days	50000	96,000
Total						1,083,370

Non-Recovery of Land Conversion and Building Fee

Sr. No.	Name of Factory	Value of Land (Approximate Minimum)	Conversion Fee to be recovered 5% of land value	Building Approval Fee Scrutiny Fee @ Rs4/Per Sft (Minimum 7000Sft covered area of each factory)	Total (Rs)
C-1	C-2	C-3	C-4	C-5	C-7
1	Al-Habib Cotton Factory	10,000,000	500,000	28,000	528,000
2	Al-Madni Cotton Factory	10,000,000	500,000	28,000	528,000
3	Ahmad Cotton Factory	10,000,000	500,000	28,000	528,000
4	Al-Madina Cotton Factory	10,000,000	500,000	28,000	528,000
5	Hafiz Cotton Factory	10,000,000	500,000	28,000	528,000
6	Sardar Cotton Factory	10,000,000	500,000	28,000	528,000
7	Punjab Cotton Factory	10,000,000	500,000	28,000	528,000
8	Bismillah Cotton Factory	10,000,000	500,000	28,000	528,000
9	Al-Hamd Cotton Factory	10,000,000	500,000	28,000	528,000
10	Makkah Cotton Factory-1	10,000,000	500,000	28,000	528,000
11	Makkah Cotton Factory-2	10,000,000	500,000	28,000	528,000
12	Younas Cotton Factory	10,000,000	500,000	28,000	528,000
13	Hamza Javed Cotton	10,000,000	500,000	28,000	528,000
14	18 Other Factories	180,000,000	9,000,000	504,000	9,504,000
Total		310,000,000	15,500,000	868,000	16,368,000

Non-Achievement of Financial Target of Receipt

Name of Head	Revised Budgeted 2015-16	Actual Recovery 2015-16	Less Recovery (Rs)
Investment/Bank Profit	200,000	39,996	160,004
Licence Fee (Articles)	700,000	90,080	609,920
TTIP	45,000,000	39,675,706	5,324,294
General Bus Stand/Parking fee	500,000	82,145	417,855
Fee for approval of building construction plan	4,490,000	54,479	4,435,521
Tehbazari fee	300,000	145,532	154,468
Slaughtering of Animals	300,000	73,156	226,844
Registration /enlistment of contractor	800,000	78,000	722,000
Renewal of Registration	500,000	0	500,000
Advertisement Fee on sign boards	500,000	183,042	316,958
Rent of Municipal Property Shops	2,500,000	1,923,828	576,172
Encroachment Fine	30,000	16,100	13,900
Total	55,820,000	42,362,064	13,457,936