



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
TEHSIL MUNICIPAL ADMINISTRATIONS  
MANDI BAHA-UD-DIN  
AUDIT YEAR 2016-17**

**AUDITOR GENERAL OF PAKISTAN**

# TABLE OF CONTENTS

<b>ABBREVIATIONS AND ACRONYMS .....</b>	<b>i</b>
<b>PREFACE .....</b>	<b>ii</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>iii</b>
<b>SUMMARY OF TABLES AND CHARTS .....</b>	<b>vii</b>
Table 1: Audit Work Statistics.....	vii
Table 2: Audit Observations regarding Financial Management .....	vii
Table 3: Outcome Statistics .....	vii
Table 4: Irregularities Pointed Out.....	viii
Table 5: Cost-Benefit .....	viii
<b>CHAPTER-1 .....</b>	<b>1</b>
1.1    TEHSIL MUNICIPAL ADMINISTRATIONS, MANDI BAHAUDDIN.....	1
1.1.1    INTRODUCTION.....	1
1.1.2    Comments on Budget and Accounts (Variance Analysis).....	2
1.1.3    Brief Comments on the Status of Compliance on MFDAC Paras of Audit Year 2015-16.....	4
1.1.4    Brief Comments on the Status of Compliance with PAC Directives ..	4
<b>1.2    AUDIT PARAS .....</b>	<b>5</b>
<b>1.2    TMA MANDI BAHA-UD-DIN.....</b>	<b>6</b>
1.2.1    Irregularity / Non-compliance .....	7
1.2.2    Internal Control Weaknesses .....	12
<b>1.3    TMA PHALIA .....</b>	<b>14</b>
1.3.1    Internal Control Weaknesses .....	15
<b>1.4    TMA MALIKWAL.....</b>	<b>17</b>
1.4.1    Irregularity / Non-compliance .....	18
<b>ANNEXURES.....</b>	<b>20</b>
Annexure-A .....	21
Annexure-B .....	25
Annexure-C .....	26
Annexure-D .....	27
Annexure-E.....	28
Annexure-F.....	32
Annexure-G .....	35
Annexure-H .....	37
Annexure-I.....	38

## **ABBREVIATIONS AND ACRONYMS**

ADP	Annual Development Programme
CCB	Citizen Community Board
DAC	Departmental Accounts Committee
FD	Finance Department
LG&CD	Local Government & Community Development
MFDAC	Memorandum for Department Accounts Committee
NAM	New Accounting Model
PAC	Public Accounts Committee
PAO	Principal Accounting Officer
PCC	Plain Cement Concrete
PDG	Punjab District Government
PLGO	Punjab Local Government Ordinance
PDSSP	Punjab Devolved Social Sector Programme
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
RCC	Reinforced Concrete Cement
TO (F)	Tehsil Officer (Finance)
TO (I&S)	Tehsil Officer (Infrastructure & Services)
TO (P&C)	Tehsil Officer (Planning & Coordination)
TO (R)	Tehsil Officer (Municipal Regulations)

## **PREFACE**

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

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

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

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

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

**Islamabad**  
**Dated:**

**(Javaid Jehangir)**  
**Auditor General of Pakistan**

## **EXECUTIVE SUMMARY**

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

The Regional Directorate of Audit Gujranwala had a human resource of 17 officers and staff, total 4,760 man-days and the annual budget Rs 25.20 million for the Financial Year 2016-17. It had the mandate to conduct Financial Attest Audit, Regularity Audit and Compliance with Authority and Performance audit of entire expenditure including programmes / projects & receipts. Accordingly, Director General Audit, District Governments, Punjab (North), Lahore carried out audit of the accounts of three TMAs of District Mandi Baha-ud-Din for the financial year 2015-16.

Each Tehsil Municipal Administration in District Mandi Baha-ud-Din 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 Grant.

Audit of Tehsil Municipal Administrations in District Mandi Baha-ud-Din was carried out with the view to ascertaining whether the expenditure was incurred with proper authorization and in conformity with laws/rule/regulations for economical procurement of assets and hiring of services etc.

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

**a. Scope of Audit**

Total expenditure of three TMAs of District Mandi Baha-ud-Din for the Financial Year 2015-16 under the jurisdiction of DG District Audit (N) Punjab was Rs 651.49 million covering three (03) PAO and three entities. Out of this, the Directorate General Audit (North) Punjab audited an expenditure of Rs 92.32 million which in terms of percentage, was 15 % of the auditable expenditure.

Total own source receipts of the Tehsil Municipal Administrations of District Mandi Baha-ud-Din for the Financial Year 2015-16, were Rs 527.58 million. Directorate General Audit, audited receipts of Rs 106.41 million which was 20 % of total receipts.

**b. Recoveries at The Instance of Audit**

Recovery of Rs 10.67 million was pointed out during audit but no recovery was effected and verified during the year 2015-16 till compilation of this report.

**c. Audit Methodology**

Audit was performed through understanding the business processes of TMAs with respect to functions, control structure, prioritization of risk areas by determining 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.

**d. Audit Impact**

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

#### **e. Comments on Internal Controls and Internal Audit Department**

Internal control mechanism of TMAs of District Mandi Baha-ud-din was not found satisfactory during audit. Many instances of weak Internal Controls have been highlighted during the course of audit which includes some serious lapses like withdrawal of public funds without advertisement at PPRA website. Negligence on the part of TMAs of District Mandi Baha-ud-din authorities may be captioned as one of important reasons for weak Internal Controls.

Section 115-A (1) of PLGO, 2001 empowers Tehsil Administration to appoint an Internal Auditor but the same was not appointed in Tehsil Municipal Administration.

#### **f. Key Audit Findings of the report**

- i. Non-compliance / irregularity of Rs 34.30 million was noted in eight cases.<sup>1</sup>
- ii. Weak Internal Controls of Rs 5.49 million was noted in one case.<sup>2</sup>
- iii. Non-realization of government revenue of Rs 29.09 million was noted in three cases.<sup>3</sup>

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

---

<sup>1</sup>Para:1.2.1.1 to 1.2.1.6 & 1.4.1.1, 1.4.1.2

<sup>2</sup>Para: 1.3.1.1

<sup>3</sup>Para: 1.2.2.1, 1.2.2.2 & 1.3.1.2

**g. Recommendations**

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

- i. Production of record to audit for verification.
- ii. Strengthening of internal controls.
- iii. Appointing of internal auditor.
- iv. Holding of DAC meetings well in time.



## SUMMARY OF TABLES AND CHARTS

**Table 1: Audit Work Statistics**

(Rs in million)

Sr. #	Description	Number	Budgeted Figure FY 2015-16		
			Expenditure	Receipts	Total
1	Total Entities (PAOs) under Audit Jurisdiction	03	651.49	527.58	1179.07
2	Total formations under Audit Jurisdiction	03	651.49	527.58	1179.07
3	Total Entities (PAOs) Audited	03	651.49	527.58	1179.07
4	Total Formations Audited	03	651.49	527.58	1179.07
5	Audit & Inspection Reports	03	651.49	527.58	1179.07
6	Special Audit Reports	-	-	-	-
7	Performance Audit Reports	-	-	-	-
8	Other Reports	-	-	-	-

**Table 2: Audit Observations regarding Financial Management**

(Rs in millions)

Sr. #	Description	Amount under audit observation
1	Asset management	-
2	Financial management	29.09
3	Internal controls	5.49
4	Violation of rules	34.30
5	Others	-
<b>Total</b>		<b>68.88</b>

**Table 3: Outcome Statistics**

(Rs in million)

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last year
1	Outlays audited	-	423.47	527.58	228.02	1179.07*	1209.05
2	Amount placed under audit observation/irregularities of Audit	-	34.30	29.09	5.49	68.88	433.13
3	Recoveries pointed-out at the instance of Audit	-	1.00	34.58	4.18	39.76	20.12

Sr. #	Description	Expenditure on Acquiring of Physical Assets	Civil Works	Receipts	Others	Total current year	Total Last year
4	Recoveries accepted / established at the instance of Audit	-	1.00	34.58	4.18	39.76	20.12
5	Recoveries realized at the instance of Audit	-	-	-	-	-	-

\* The amount in serial No.1 column of "Total Current Year" is the sum of expenditure and receipts whereas the total expenditure for the current year was Rs 651.49 million.

**Table 4: Irregularities Pointed Out**

(Rs in million)

Sr. #	Description	Amount under Audit Observation
1	Violation of Rules and regulations, principle of propriety and probity in public operations.	33.38
2	Reported cases of fraud, embezzlement, theft and misuse of public resources.	-
4	Accounting Errors <sup>1</sup> (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.	-
5	Quantification of weaknesses of internal control systems.	29.01
6	Recoveries and overpayments, representing cases of established overpayment or misappropriations of public money.	6.49
7	Non-production of record.	-
<b>Total</b>		<b>68.88</b>

**Table 5: Cost-Benefit**

(Rs in millions)

Sr. #	Description	Amount
1	Outlays Audited (Items 1 of Table 3)	1179.07
2	Expenditure on Audit	2.099
3	Recoveries realized at the instance of Audit	-
4	Cost Benefit Ratio	1:0

<sup>1</sup>The accounting policies and procedures prescribed by the Auditor General of Pakistan

## **CHAPTER-1**

### **1.1 TEHSIL MUNICIPAL ADMINISTRATIONS, MANDI BAHAUDDIN**

#### **1.1.1 INTRODUCTION**

TMA consists of Tehsil Nazim / Administrator, Tehsil Naib Nazim and Tehsil Municipal Officer. Each TMA comprises of five Drawing & Disbursing Officers i.e. TMO, TO Finance, TO (I&S), TO Regulation, and TO (P&C). The main functions of TMAs are as follows;

- i. Prepare spatial plans for the Tehsil including plans for land use, zoning and functions for which TMA is responsible.
- ii. Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including agriculture, industry, commerce markets, shopping and other employment centers, residential, recreation, parks, entertainment, passenger and transport freight and transit stations.
- iii. Enforce all municipal laws, rules and bye-laws governing TMAs 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 Tehsil 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.
- xi. Maintain municipal records and archives.

### 1.1.2 Comments on Budget and Accounts (Variance Analysis)

Total Budget of three (03) TMAs selected for audit was Rs 732.96 million (inclusive salary, non-salary and development) whereas the expenditure incurred (inclusive salary, non-salary and development) was Rs 651.49 million, showing savings of Rs 81.48 million which in terms of percentage was 11% of the final budget (detailed below). Less utilization of development budget (11%) deprived the community from getting better municipal facilities.

(Rs in million)

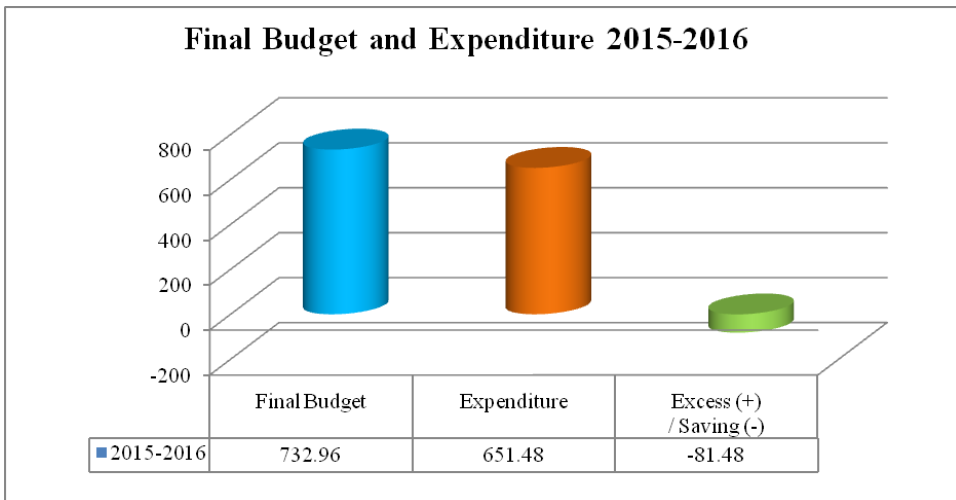
Financial Year 2015-16	Budget	Expenditure	Saving (-)	%age Saving
Salary	259.84	211.78	-48.06	18%
Non Salary	114.16	95.39	-18.77	16%
Development	358.96	344.31	-14.65	04%
<b>Total</b>	<b>732.96</b>	<b>651.48</b>	<b>-81.48</b>	<b>11%</b>

The budgeted outlay was Rs 732.96 million of three (03) TMAs includes PFC award of Rs 199.80 million whereas total expenditure incurred by the TMAs during 2015-16 was Rs 651.48 million with a savings of (-) Rs 81.48 million (detailed below). This is indicative of the fact that the TMAs had sufficient funds to meet the expenditure from their own sources and there was no need of any injection of PFC award.

(Rs in million)

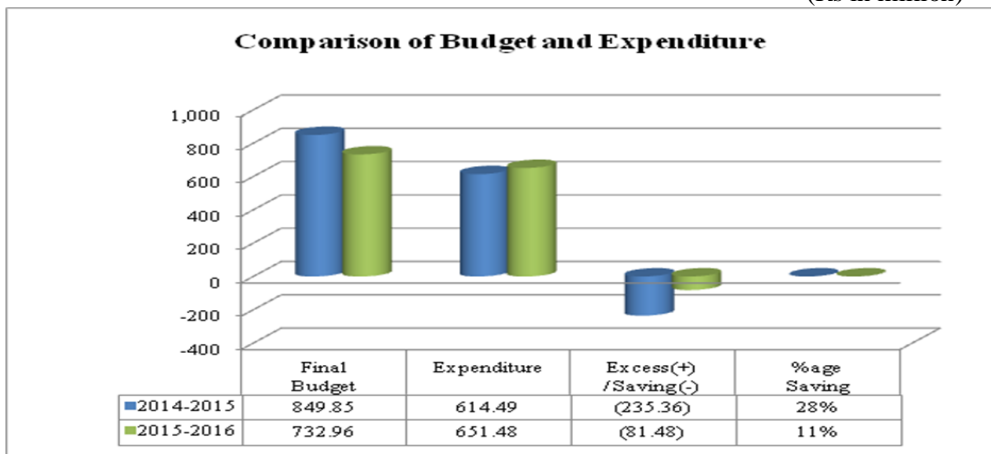
Name of TMAs	Budgeted Figure			Budgeted Outlay	Actual Expenditure	Savings	%age of Saving
	Own receipt including OB	PFC award	Total Receipts				
M.B.Din	521.65	78.86	600.51	431.70	380.35	51.35	12%
Phalia	111.51	72.19	183.7	174.52	157.06	17.45	11%
Malikwal	84.66	48.75	133.41	126.75	114.08	12.68	10%
<b>Total</b>	<b>717.82</b>	<b>199.8</b>	<b>917.62</b>	<b>732.97</b>	<b>651.49</b>	<b>81.48</b>	<b>11%</b>

(Rs in million)



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

(Rs in million)



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

(Rs in million)

<b>Financial Year</b>	<b>Final Budget</b>	<b>Expenditure</b>	<b>(-) Saving</b>	<b>%age of Saving</b>
2014-2015	849.85	614.49	(235.36)	28%
2015-2016	732.96	651.48	(81.48)	11%

The justification of saving when the development schemes have remained incomplete is required to be provided, explained by the Principal Accounting Officer, Administrator and management of TMAs.

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

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

### **1.1.4 Brief Comments on the Status of Compliance with PAC Directives**

The audit reports pertaining to following years were submitted to the Governor of the Punjab:

#### **Status of Previous Audit Reports**

<b>Sr. #</b>	<b>Audit Year</b>	<b>No. of Paras</b>	<b>Status of PAC meetings</b>
1	2009-10 to 2011-12	09	Not convened
2	2012-13	06	Not convened
3	2013-14	08	Not convened
4	2014-15	08	Not convened
5	2015-16	18	Not convened

## **1.2 AUDIT PARAS**

## **1.2 TMA MANDI BAHA-UD-DIN**



## **1.2.1 Irregularity / Non-compliance**

### **1.2.1.1 Unauthorized expenditure on pre-mixed bituminous carpet - Rs 9.56 million**

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

TMA Mandi Bahauddin made payment of Rs 9.56 million to the contractor for item of plant premix bituminous carpeting. Payment was held unauthorized because percentage of bitumen used in carpeting was not mentioned in TS Estimate as well as in Measurement Book in violation of rule ibid. This resulted in an unauthorized payment of Rs 9.56 million as detailed below:

<b>Name of Scheme</b>	<b>Contractor's Name</b>	<b>Specification</b>	<b>Qty (%sft)</b>	<b>Rate</b>	<b>Amount (Rs)</b>
Const. of road South side from Sat Sira to Jinah Public School, Mandi Bahauddin	Adnan Asam Gondal	2" Thick	122935	7,775	9,558,196

Audit is of the view that due to non compliance of rules, payment was made without approval of Chief Engineer.

It resulted into irregular expenditure of Rs.9.56 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No.13]

### **1.2.1.2 Irregular payment of bitumen of Rs 9.558 million**

As per condition No.11 of acceptance letter of the work, the bitumen will be arranged by the contractor himself from Attock Oil Refinery Karachi (existing National Refinery Ltd Karachi) only and documentary proof will be provided to Department before release of payment against work done.

TMA, Mandi Bahauddin paid an amount of Rs 9.558 million for an item of work, P/L Plant Premix Carpeting 2" thick with 4.5% Bitumen content without obtaining documentary evidences / invoices of bitumen. Invoices of Attock Oil Refinery Karachi (existing National Refinery Ltd Karachi) was neither available in record nor produced to Audit for verification, therefore the chances of use of local bitumen cannot be ruled out.

Name of work	Description	Qty	Rate Applied	Amount (Rs)
Const. of road South side from Sat Sira to Jinah Public School, Mandi Bahauddin	P/L plant premixed bituminous carpet, i/c compaction and finishing to required camber, grade and density 2" thick using 4.5% bitumen complete in all respect	122935	7775	9,558,196

Audit is of the view that due to non compliance of rules, payment was made without getting the invoices of approved manufacturers.

It resulted into irregular expenditure of Rs.9.558 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No.16]

### **1.2.1.3 Irregular payment for base course Rs 6.17 million**

According to additional clauses of contract agreement, the contractor is bound to set up field control laboratory at site of work along with necessary equipments and logistics to carry out compaction tests for earthwork, sub base and base course and other tests like Gradation Control Tests for sub base and surfacing.

TMA Mandi Bahauddin made payment of Rs 6.17 million to the contractor on account of base course without compaction test reports during the financial year 2015-16 as detailed at **Annexure-C**.

It resulted into irregular expenditure of Rs.6.17 million.

Audit is of the view that due to non compliance of rules, payment was made to the contractor without compaction test reports.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit

[AIR Para No.18]

#### **1.2.1.4 Irregular expenditure of jashan-e-baharan Rs 2.77 million**

According to Rule 9 of Punjab Procurement Rules 2014, “a procuring agency shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The procuring agency shall advertise in advance annual requirements for procurement on the website of the Authority as well as on its website.

According to Rule12(1) of Punjab Procurement Rules 2014 “A procuring agency shall advertise procurement of more than one hundred thousand rupees and up to the limit of two million rupees on the website of the Authority in the manner and format specified by regulations but if deemed in public interest, the procuring agency may also advertise the procurement in at least one national daily newspaper”.

TMA Mandi Bahauddin incurred an expenditure of Rs 2.77 million on account of hiring / procurement of different items for the Jashan-e-Baharan during the financial year 2015-16. Indents were split up in order to avoid advertisement at PPRA website as detailed at **Annexure-D**.

Audit held that splitting of indents to avoid advertisement on PPRA website was due to defective financial discipline and non-compliance of rules.

This resulted in non-transparent expenditure of Rs 2.77 million out of government exchequer.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No.03]

**1.2.1.5 Doughtful expenditure on purchase of machinery Rs 1.46 million**

According to Rule 36 clause (iii) & (v) of PPRA, initially only the envelopes marked “TECHNICAL PROPOSAL” shall be opened and the procuring agency shall evaluate the technical proposal in a manner prescribed in advance without reference to the price and reject any proposal which does not conform to the specified requirements.

TMO, Mandi Bahauddin purchased Machinery (Back Hoe for Sanitation Tractor) during the financial year 2015-16 without evaluation of financial & technical proposals by the purchase committee. Further completion certificate was also not found in record. Therefore, expenditure was held doubtful as detail below:-

Bill / Inv. #	Dated	Paid to	Purchas Detail	Work Order #
100 / 2015	25.11.2015	Bilal Engineering Co.	Backhoe with Loader MF385	TO(I&S) dt10.04.2015

Audit held that due to non-compliance of rules, expenditure was incurred without fulfilling of codal formalities.

This resulted in non-transparent expenditure of Rs 1.46 million out of Government exchequer.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit

[AIR Para No.05]

**1.2.1.6 Excess payment due to charging of higher rate Rs 1.00 million**

According to the tender conditions point 1, the tenderer will certify that the price quoted against in the tender are not more than the price charged from and purchase organization (Govt. or Private) in Pakistan and in case of any discrepancy, the tenderer hereby undertake to refund the

price charge in excess. Further, according to the instructions issued by the Finance Department, vide No. RO(Tech)FD-18-23/2004, dated 21.09.2004, rate analysis for the non-standardized items shall be prepared by the Executive Engineer, clearly giving the specifications of the material used and approved by the competent authority not below the rank of Superintending Engineer on the basis of input rate of relevant quarter placed at website of Finance Department.

TMA Mandi Bahauddin paid an amount of Rs 1.00 million for an item of work premix carpeting 2" thick (4.5% bitumen) @ Rs 7,775 against the rate in MRS of relevant quarter was Rs 6,960.40 (3480.20x2') which resulted in overpayment of Rs 1.00 million as detail below:-

<b>Name of work</b>	<b>Const. of road South side from Sat Sira to Jinah Public School, Mandi Bahauddin</b>				
Description	P/L plant premixed bituminous carpet, i/c compaction and finishing to required camber, grade and density 2" thick using 4.5% bitumen complete in all respect				
Calculation of over payment	<b>Qty</b>	<b>Rate Applied</b>	<b>MRS Rate</b>	<b>Over Rate per Sft</b>	<b>Overpayment</b>
	122935	7775	3480.20x2= 6960.40	814.60	1,001,429

Audit is of the view that due to weak financial controls, excess rate was paid to contractor.

It resulted into loss of Rs.1.001 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides recovery under intimation to Audit

[AIR Para No.14]

## 1.2.2 Internal Control Weaknesses

### 1.2.2.1 Non-collection of arrears of rent Rs 26.40 million

According to Rule 76 of the PDG and TMA (Budget) Rules, 2003, the primary obligation of Collecting Officer shall be to ensure that all revenue due is claimed, realized and credited immediately to Local Government Fund under proper receipt head.

TMA Mandi Bahauddin did not recovered outstanding amount of Rs 26.40 million from the tenants of shops. No serious efforts were made for the recovery of local government revenue as detailed at **Annexure-E**.

Audit is of the view that due to weak internal controls, rent of shops was not recovered which reduced the local government revenue.

It resulted into loss of Rs.26.40 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.22]

### 1.2.2.2 Loss due to less/non-collection of receipt Rs 1.56 million

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

TMA Mandi Bahauddin did not auction the collection rights of adda parking fee during the financial year 2015-16. This resulted the less recovery of government revenue to the tune of Rs of 1.56 million as detail below:-

Financial year	Auctioned amount	Income Tax	Salary of Employees (60000*12)	Total Expected govt. revenue	Departmental Collection	Collection after deduction of salaries	Difference
2015-16	9,560,000	960,000	720,000	11,236,000	10,395,365	9,675,365	1,560,635

Audit is of the view that due to weak internal controls, collection rights of adda parking fee was not auctioned which resulted in loss of local government revenue.

It resulted into loss of Rs.1.560 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides recovery under intimation to Audit.

[AIR Para No.26]

## **1.3 TMA PHALIA**



### **1.3.1 Internal Control Weaknesses**

#### **1.3.1.1 Non-imposition of penalty Rs 5.49 million**

According to Clause 39 read with Clause 37 of contract agreement, if a contractor fails to complete the work within stipulated period, he is liable to pay compensation @ 1% to 10% of amount of the agreement or any smaller amount as decided by the Engineer In-charge to be worked out per day but not exceeding maximum of 10% of the cost of contract. The contractor shall have to apply within one month for extension in time limit before the expiry of scheduled time of completion.

TMA Phalia awarded different schemes to the various contractors during financial year 2015-16. However the schemes were not completed within the stipulated time. Neither the contractor applied for extension in time limit nor penalty was imposed by the management due to delay as detail at **Annexure-F**.

<b>No. of Schemes</b>	<b>Description</b>	<b>Total Amount</b>	<b>Penalty (Rs)</b>
109	ADP 2015-16	54,900,000	5.49 million

Audit is of the view that due to weak internal controls and dereliction on the part of the financial management, penalty was not imposed due to delay in completion of schemes.

It resulted into loss of Rs.5.49 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides recovery under intimation to Audit.

[AIR No.02]

#### **1.3.1.2 Non-recovery of dues Rs 1.13 million**

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

TMA Phalia did not recover outstanding local government dues from defaulters on account of various receipts during the financial year 2015-16. Resultantly TMA was deprived of the possible revenues.

<b>Sr. No.</b>	<b>Description</b>	<b>Amount (Rs)</b>	<b>Remarks</b>
1	Rent of Shops	934,887	<b>Annexure–G</b>
2	Water Rate	198,300	-
<b>Total</b>		<b>1,133,187</b>	

Audit is of the view that due to weak internal controls and dereliction on the part of the financial management, local govt. revenues were not recovered.

It resulted into loss of Rs.1.133 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides recovery under intimation to Audit.

[AIR Para No. 07 & 08]

## **1.4 TMA MALIKWAL**

## **1.4.1 Irregularity / Non-compliance**

### **1.4.1.1 Irregular expenditure without advertisement Rs 2.15 million**

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

TMO, Malikwal District Mandi Bahauddin drew Rs 2.15 million on account of hiring / procurement of different items during the financial year 2015-16. Each job order cost was over one hundred thousand but the purchases were made without advertisement at PPRA website or in the newspapers. Further items were not taken on stock register as detailed at **Annexure-H**.

Audit held that incurring expenditure without advertisement on PPRA website was due to defective financial discipline and weak internal controls.

It resulted into irregular expenditure of Rs.2.15 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No.01 ,02, 03 , 08 & 20 ]

### **1.4.1.2 Unjustified payment of non-schedule items Rs 1.62 million**

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

analysis of non schedule items the standard format on website has been prescribed which is to be filled from MRS and the market rates.

TMO, Malikwal District Mandi Bahauddin made payment of Rs 1.62 million for earth work in the following schemes. The rate analysis of earth work was not approved by the competent authority. This resulted in unauthorized payment to the contractors. The detail is at **Annexure-I**.

Audit is of the view that due to non compliance of rules, payment was made without approval of rate analysis of earth work.

It resulted into irregular expenditure of Rs.1.62 million.

No reply was furnished by Management / CO and DAC meeting was also not convened till finalization of this Report.

Audit recommends to hold enquiry, fixing responsibility against person(s) at fault besides regularization of expenditure under intimation to Audit.

[AIR Para No.16]

## **ANNEXURES**

## PART-I

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

Sr. #	Formation	AP #	Description of Paras	Amount (Rs)	Nature of Paras
1.	TMA, Mandi Bahaud Din	01	Irregular provision of block allocation	156.66 million	Irregularity/non-compliance
2.		02	Irregular purchase of electrical items for	230,730	Irregularity/non-compliance
3.		04	Unjustified expenditure on refreshment	329,856	Irregularity/ non-compliance
4.		06	Non realization of arrears of water charges	65,346	Irregularity/ non-compliance
5.		07	Purchase of Electronic Material not taken on the stock	251,000	Weak Internal Control
6.		08	Non-appointment of Internal Auditor	-	Irregularity/ non-compliance
7.		09	Irregular and doubtful repair of Machinery	229,010	Weak Internal Control
8.		10	Irregular and doubtful repair of Machinery	85,000	Weak Internal Control
9.		11	Irregular Purchase of Tyres for Trolleys	309,480	Irregularity/ non-compliance
10.		12	Irregular Overpayment of Social Security Benefit recovery there off	176,902	Weakness of internal control
11.		15	Less deduction of Income Tax	400,000	Irregularity/ non-compliance
12.		17	Overpayment due to approval of analysis rate at higher side of	91,800	Weakness of Internal Control
13.		19	Unjustified Payment to contractor of	16.000 million	Weakness of Internal Control
14.		20	Irregular enhancement / revision of Work	483,000	Irregularity/ non-compliance
15.		21	Non recovery of performance Securities for	199,217	Irregularity/ non-compliance
16.		23	Over payment of	20,560	Weakness of internal control
17.		24	Irregular expenditure on purchase of Plastic bags worth	170,900	Irregularity/ non-compliance
18.		25	Non/Loss to Govt. due to Less Collection of Govt. Receipt Worth	245,000	Weakness of internal control
19.		27	Non receipt of tender fee	209,542	Weakness of internal control
20.	TMA, Phalia	01	Excess payment of quantity executed over and above estimate quantities	153,746	Irregularity/ non-compliance
21.		03	Unjustified payment on account of earth filling/work	722,735	Irregularity/ non-compliance
22.		04	Irregular Expenditure on Repair of M&E	103,880	Weak Internal Control
23.		05	Non Deduction of PST on Services	218,499	Weak Internal Control
24.		06	Irregular expenditure	193,135	Weak Internal Control

Sr. #	Formation	AP #	Description of Paras	Amount (Rs)	Nature of Paras
25.		09	Non conduction of post completion evaluation of building plans resulted loss of Govt.Revenues	104,500	Weakness of internal control
26.		10	Unauthorized Expenditure on Unforeseen	3700,000	Weakness of internal control
27.		11	Unauthorized repair of vehicle	68,650	Irregularity/ non-compliance
28.		12	Drawl of POL without Maintenance of Log Books	340,637	Weakness of Internal Control
29.		04	Doubtful / Irregular expenditure on Qanaats & Shamyany worth	62,250	Irregularity/ non-compliance
30.		05	Irregular provision of block allocation	55.266 million	Irregularity/ non-compliance
31.		06	Unjustified excess expenditure on hire of generators worth	34,300	Irregularity/ non-compliance
32.		07	Irregular expenditure on hire of machinery forworth	99,000	Irregularity/ non-compliance
33.		09	Doubtful consumption of POL	289,876	Weakness of internal control
34.		10	Illegal occupation of Govt. Residences recovery from the concerned	470,700	Weakness of internal control
35.		11	Non deposit of Income Tax worth	34,660	Weakness of internal control
36.	TMA Malikwal	12	Loss to Govt. due to Less Collection of Govt. Receipt Worth	397,200	Weakness of internal control
37.		13	Non recovery of performance Securities for	970,500	Irregularity/ non-compliance
38.		14	Non deduction of Income Tax 10% from refund of security Deposit	107,794	Irregularity/ non-compliance
39.		15	Over payment of	162,228	Weakness of internal control
40.		17	Unjustified Payment to contractor of	3.5 million	Weakness of internal control
41.		18	Wasteful expenditure on eve of Jashan- e- Azadi worth	94,200	Weakness of internal control
42.		19	Non Recovery Tender Form Fee	99,600	Weakness of internal control



**PART-II**  
**Memorandum for Departmental Accounts Committee**  
**Paras Pertaining to Previous Audit Year 2015-16**

Sr. #	Formation	AP #	Description of Paras	Amount (Rs)	Nature of Paras
43.	TMA, Mandi Bahaud Din	01	Irregular provision of block allocation	210,858,000	Weakness of internal control
44.		02	Loss to TMA due to non realization of receipts	91,552,000	Irregularity/non-compliance
45.		03	Likely misappropriation on account of death birth fee	0	Irregularity/ non-compliance
46.		06	Unjustified drawl of POL and poor performance of TO (Regulation)	337,000	Irregularity/ non-compliance
47.		07	Irregular payment on purchase of land	9,360,000	Weak Internal Control
48.		08	Irregular Expenditure on repair of transformer	129,000	Weak Internal Control
49.		09	Un- authentic Govt. receipt due to non conduction of survey of manufacturer, vendor and trader	1,007,000	Weak Internal Control
50.		11	Non-appointment of Internal Auditor	0	Weak Internal Control
51.		12	Poor performance of TO P&C branch and Non collection of fine for illegal construction	1,095,000	Weakness of internal control
52.		13	Non realization of arrears of water charges	59,000	Weakness of internal control
53.		15	Non realization of License fee/professional Tax	537,000	Weakness of internal control
54.		16	Non receipt of tender fee	0	Weakness of Internal Control
55.		19	Defective purchase of plants	652,000	Weakness of Internal Control
56.		20	Undue retention of Govt. money	1,399,000	Weakness of internal control
57.		21	Non transparent and doubtful repair of vehicles	744,000	Irregularity/ non-compliance
58.		23	Illegal opening of DDOs accounts in commercial banks	493,586,000	Weakness of internal control
59.		25	Irregular expenditure	1,386,000	Irregularity/ non-compliance
60.		27	Unauthorized execution of Development schemes	102,712,000	Weakness of internal control
61.		28	Execution of scheme without performance security and Irregular payment	90,000	Weakness of internal control
62.		29	Irregular payment	19,000	Irregularity/ non-compliance
63.	30	Non-imposition of penalty	73,600	Irregularity/ non-compliance	
64.	31	Irregular payment	127,000	Irregularity/ non-compliance	
65.	32	Unauthorized payment	232,000	Irregularity/ non-compliance	
66.	33	Irregular payment	193,000	Irregularity/ non-compliance	

Sr. #	Formation	AP #	Description of Paras	Amount (Rs)	Nature of Paras
67.	TMA, Phalia	01	Non-Utilization of Development Budget	85,000,000	Irregularity/ non-compliance
68.		02	Irregular Award of Contract without Bank Guarantee	7,274,000	Weak Internal Control
69.		05	Non-accountal of Stock	1,859,000	Weak Internal Control
70.		06	DoubtfulPayment	1,582,000	Weak Internal Control
71.		07	Doubtful Expenditure on Purchase of Machinery	1,165,000	Weak Internal Control
72.		09	Doubtful Local Receipt due to Non-conducting of Survey of Manufacturer, Vendor and Trader	750,000	Weakness of internal control
73.		11	DoubtfulPayment on Financial Assistance	400,000	Weakness of internal control
74.		12	Non Accountal of Stock	390,000	Weakness of internal control
75.		15	Doubtful Payment of GST	198,000	Weakness of Internal Control
76.		16	Over Quantity on Bricks Thickness Dia	99,000	Weakness of internal control
77.	TMA Malikwal	01	Loss due to non imposition of penalty	905,000	Irregularity/ non-compliance
78.		02	Wasteful expenditure on development scheme	9,056,000	Irregularity/ non-compliance
79.		04	Non imposition of penalty due to non submission of programme	1,510,000	Irregularity/ non-compliance
80.		06	Irregular Expenditure on account of celebration of 14 <sup>th</sup> August	249,000	Irregularity/ non-compliance
81.		08	Illegal occupation of Govt. Residences recovery from the concerned	471,000	Weakness of internal control
82.		09	Excess Payment made for refreshment	232,000	Weakness of internal control
83.		13	Non deposit of Income Tax	474,000	Weakness of internal control
84.		17	Non Verification of survey report for illegal constructions	0	Weakness of internal control
85.		18	Non collection of performance security	330,000	Irregularity/ non-compliance
86.		19	Overpayment due to non approval of lead chart	679,000	Irregularity/ non-compliance
87.	20	Non-conducting of annual physical verification	0	Weakness of internal control	

**Annexure-B**

**TMA of District Mandi Baha-ud-Din  
Budget and Expenditure Statement  
Financial Year 2015-16**

**TMA, Mandi Bahauddin**

**(Rs. in million)**

<b>FY. 2015-16</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Saving (-)</b>	<b>%age Saving</b>
Salary	158.29	120.39	37.90	28%
Non-Salary	52.76	40.13	12.63	19%
Development	220.64	219.83	0.81	01%
<b>Total</b>	<b>431.69</b>	<b>380.35</b>	<b>51.34</b>	<b>16%</b>

**TMA, Phalia**

**(Rs. in million)**

<b>FY. 2015-16</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Saving (-)</b>	<b>%age Saving</b>
Salary	66.38	59.74	6.64	09%
Non-Salary	29.79	26.81	2.98	11%
Development	78.35	70.51	7.83	10%
<b>Total</b>	<b>174.52</b>	<b>157.06</b>	<b>17.45</b>	<b>10%</b>

**TMA Malikwal**

**(Rs. in million)**

<b>FY. 2015-16</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Excess (+) / Saving (-)</b>	<b>%age Saving</b>
Salary	35.17	31.66	3.52	08%
Non-Salary	31.62	28.45	3.16	12%
Development	59.96	53.97	5.99	10%
<b>Total</b>	<b>126.75</b>	<b>114.08</b>	<b>12.67</b>	<b>10%</b>
<b>Grand Total</b>	<b>732.96</b>	<b>651.48</b>	<b>81.48</b>	<b>11%</b>

## Annexure-C

### Para 1.2.1.3

#### Irregular Payment for Base Course Rs 6.17 million

Name of work	Work order. No. and Date	Contractors Name	Description	Qty Cft	Rate Applied	Amount (Rs)
Improvement of road South side from Sat Sira to Jinah Public School, MandiBahauddin	3335 (I&S) 07-10-2015	Adnan AsamGondal	P/L base course of crushed stone aggregate of approved quality and grade, and supply and to spreading of stone screening, including placing, mixing, spreading and compaction of base course material to required depth, camber ;and grade ;to achieve 100% maximum modified AASHO dry density, including carriage of all materials to site of work except gravel and aggregate.	45655	9379.3	5,515,574
Improvement of road Jail Road to DakKhana via PathanChowk	3318 (I&S) 1-10-2015	Faisal Shehzad Bhutta	-do-	7020	9379.29	658,486
<b>Total</b>						<b>6,174,060</b>

**Annexure-D**

Para 1.2.1.4

**Irregular Expenditure for Jashan–e-Baharan Rs 2.77 million**

<b>Date</b>	<b>Particular</b>	<b>Contractor</b>	<b>Amount</b>
06.06.2016	Providing and fixing tent serviceduringJashan e Baharan	Habib Tent Services	974,700
06.06.2016	Cash Prizes for Tent pegging during Jashan e baharan	Habib Tent Service	339,000
06.06.2016	Providing Tractor with from blade fro preparation of ground for tent pegging	Altaf Builders	97,450
06.06.2016	Providing Heavy Duty Generators for Jashan e Baharan	Altaf Builders	153,110
06.06.2016	Providing Winner Cups and Shields for Tent Pegging	Altaf Builders	235,000
06.06.2016	Refreshments for Guests of Jashan e Baharan Tent Pegging	New Shan Govt. Contractor	329,856
06.06.2016	Providing Green Food / SabzCharra for Horses of Tent Peking of Jashan e Baharan	Habib Tent Service	610,000
06.06.2016	P/L tent pegging for Jashan e Baharan	Habib Tent Serivce	32,500
			<b>2,771,616</b>

**Annexure-E****Para 1.2.2.1****Non-collection of Arrears of Rent of Shops Amounting Rs 26.40 million  
List of arrears, shops front of TMA office, Mandi Bahauddin.**

Sr. No.	Name	Monthly rent	Arrears up to 30-06-2016
1	Sajid s/O Ramzan	5429	474,026
2	M. Ashraf S/O M Baksh	5429	456,977
3	M.Humayon S/O Mushtaq Ahmad	5429	459,395
4	AbidHussain S/O GhulamHaidar	5429	456,977
5	M. Hamza S/O Muhammad Ramzan	5429	463,372
6	M. Arshad S/O Muhammad Rafiq	5429	455,072
7	Muhammad Habib S/O Jumma Khan	5429	454,074
8	Noor Muhammad S/O Muhammad Ramzan	5429	471,690
9	MuhahhamWasim S/O Muhammad Jamil	5429	455,074
10	Salam Din S/O Amanat Ali	5429	455,074
11	Tufail Muhammad Yasin S/O Muhammad Yasin	5429	461,832
12	HafeezUd Din S/O Abdul Latif	5429	453,271
13	Muhammad MunirS/OMuhammad Jamil	5429	455,074
14	Sooba Khan S/O Nawab Khan	5429	459,072
15	Shahbaz Khan S/O Irshad Khan	5429	452,686
16	Muhammad Bashir S/O Muhammad Nazir	5429	478,796
17	Muhammad Shafee S/O Mehar Din	5429	455,072
18	Muhammad Akbar S/O Kh Muhammad Anwar	5429	451,268
19	Muhammad Ashraf S/O Shabbir Ahmad	5429	455,068
20	GhulamMurtaza S/O Abdul Ghafoor	5429	459,068
21	Basharat Ali S/O Sabar Ali	5429	471,544
22	Habib Ahmad S/O khair Din	5429	449,954
23	Nadeem Ahmad S/O Saghir Ahmad	5429	454,574
24	Saleem Amir S/O Sultan Ahmad	5429	455,072
	Total	130296	11,014,082

**LIST OF ARRERS OF RENTOF SHOPSGENERAL BUS STAND, GUJRAT SIDE, TMA  
.M.B.Din**

Sr. #	NAME	Monthly Rent	Arrears on 30-06-16
1	ZahidIqbal S/O Karam Ali	5013	377,193
2	Karam Ali S/O Muhammad Din	4176	274,127
3	ArshadMahmood S/O MianMahmoodUl Hassan	4176	244,127
4	NaeemMahmood s/O MianMahmoodUl Hassan	4176	274,127
5	Muhammad Aslam S/O Muhammad Hussain	5218	274,786
6	Muhammad Ashraf S/O Muhammad Ramzan	5218	264,144
7	Muhammad Ali S/O Shah Muhammad	2119	181,353
8	Muhammad Anwar S/O Muhammad Fazal	2119	181,353
9	Karam Ali S/O Haji Din	2119	181,353
10	Muhammad Rashid S/O Abdul Aziz	4712	358,735
11	Muhammad Irfan S/O Muhammad Yaqoob, Muhammad Iqrar S/O Rustam Ali	2852	215,324
12	Muhammad Irfan S/O Muhammad Yaqoob, Muhammad Iqrar S/O Rustam Ali	2852	266,696
13	Shakeel Ahmad S/O Abdul Majeed	6999	456,193

Sr. #	NAME	Monthly Rent	Arrears on 30-06-16
14	Muhammad Akhtar S/O Allah Baksh, UmeedAli, Liaqat Ali Ss/O Noor Hussain	6999	393,787
15	Muhammad Rafiq S/O ZakarHussain	5641	344,457
16	Muhammad TufailS/O Hassan Muhammad	4176	144,092
17	Imtiaz Ali S/O Fateh Muhammad	6270	272,901
18	Haji Bashir Ahmad S/O Ghulam Muhammad	4176	62,648
19	Allah Baksh S/O Nadar Khan	4176	62,648
20	ArshadMahmood S/O MehmoodYasin	4176	154,511
21	Muhammad Ali S/O Muhammad Hussain	4176	122,778
22	M.Sarwar S/O M.AsgharGhouri	4176	214,778
23	Wali Muhammad S/O Abdul Ghafoor	4176	178,525
24	Islam Din S/O Umar Din	4176	252,701
25	Muhammad Sharif S/O Eidoo	4176	161,649
26	GhulamNabi S/O Atta Muhammad	4594	265,124
27	Muhammad Jamil S/O Abdul Majeed	10446	424,024
28	Jamil Ahmad S/O Abdul Majeed	4176	123,253
	Total	127459	6,727,387

#### LIST OF ARREARS SHOPS OF NEW COMMITTEE BAZAR,

Shop No.	Name of Tenant	Monthly Rent	Arrears up to 30-06-2016
1	Sohaib Anwar Khan S/O Abdul Ghafoor Khan	4080	0
2	Saeed Ahmad S/o Abdul Rashid	4080	96,197
3	Muhammad Sharif S/O Koore Khan	729	4,374
4	Muhammad Nazir S/O M. MubinQurashi	1089	76,443
5	Muhammad Rafiq S/O Fateh Muhammad	1289	18,962
6	Abdul Sattar S/O Rifaqat Ali	1305	34,657
7	Abdul Sattar S/O Rifaqat Ali	1305	44,657
8	Choote Khan S/O Ibrahim	1305	86,960
9	Shafiq Ahmad S/O Mushtaq	1305	0
10	GhulamRasul S/O Jamal Din	1305	41,911
11	Fateh Muhammad S/O Babu Khan	1305	20,828
12	Atta Muhamma S/O Babu	1305	0
13	ShabbirHussain S/O Allah Ditta	1305	72,305
14	SharHussain S/O Barkat Ali	1305	42,582
15	GulSher S/O Abdul Rashid	1305	12,812
16	Muhammad Rafiq S/O GhulamRasul	1305	16,046
17	M. Ashraf SO Allah Ditta , Arshad S/O GhulamRasul	1305	16,046
18	QudratUllah S/O Abdul Hameed	1305	70,920
19	ZafarIqbal S/O Fazal Muhammad	1577	24,504
20	Khalid S/O Bashir, Ashraf S/O FaqirMuhamamd	1305	0
21	Khalid S/O Bashir, Ashraf S/O FaqirMuhamamd	1305	0
22	Muhammad Gulza r S/O Muhammad Bashir	1305	43,582
23	Muhammad Iqbal S/O Abdul Ghafoor	1305	5,224
24	Muhammad Bashir S/O Muhamma Din	1306	10,448
25	Sardar Ali S/O AmeerBaksh	1317	10,536
26	Muhammad Safdar S/O Muhammad Hussain	1317	102,635
27	Muhammad Bashir S/O Abdul Hameed	2826	116,854
28	MuhamamdAslam S/O Allah Lok	755	15,520
29	MuhammaAkmal S/O Kaleem Ahmad	566	54,006
30	Muhammad Saleem S/O Muhammad Yaqoob	524	34,836
31	Muhammad Asghar S/O GhulamBheek	729	40,740
32	Muhammad Saleem S/O Muhammad Yaqoob	729	61,544
33	Malik Muhammad Jamil S/O Muhammad Siddiq	2957	95,760
34	Abbas Araf S/O Sultan	1317	40,929

Shop No.	Name of Tenant	Monthly Rent	Arrears up to 30-06-2016
35	Sarwar Ali S/O Naik Muhammad	1449	27,396
36	Abdul Sattar S/O Barkat Ali	736	24,506
37	Muhammad Jamil S/O UbaidUllahBhatti	1305	125,712
38	Abdul Hameed S/O Noor Muhammad, Shabbar S/O Abdul Hameed	1305	96,654
39	Muhammad Afzal S/O Saraj Din	1305	17,984
40	M. Aslam , M. Akram S/O Abdul Hameed	1305	27,906
41	Mirza Abdul Hameed S/O Nathu Khan	1305	98,304
42	Arshad Ali S/O GhulamRasul	1622	78,802
43	SaeedMuhammd C/O Muhammad Inayat S/O Shah Muhammad	1825	145,579
44	Muhammad Hanif S/O Kale Khan	1305	60,869
45	Liaqat Ali S/O Nawab Ali	1305	62,532
46	Mutalli Khan S/O Ali Muhammad	1305	33,296
47	Abdul Ghani S/O Ali Muhammad	1305	33,296
48	Muhammad Akhtar S/O NaseerUd Din	1305	41,654
49	Ghulam Abbas S/O Jaan Muhammad	1305	0
50	Saeed Muhammad S/O Mirza Khan	1825	18,008
51	Bashir S/O Wali Muhammad	1305	0
52	ImtiazHussain S/O AbudLatif	1305	95,712
53	Muhammad Iqbal S/O Muhammad Sharif	1305	84,968
54	BatoolBibi W/O Muhammad Bashir	1368	82,560
55	Muhammad Shafiq S/O Muhammad Rafiq	755	78,030
56	Muhammad Arshad S/O Muhammad Siddiq	1305	49,584
57	Muhammad Anwar S/O RahmatDogar	1305	69,454
58	Sakhi Muhammad S/O Sharf Ali	657	41,269
59	Muhammad Ashraf S/O Kale Khan	657	62,550
60	Muhammad Aslam S/O Kale Khan	1305	124,684
61	MirzaAkhtarBaig S/O InayatBaig	1305	93,684
62	Abdal Ahmad S/O Ahmad Hassan	730	15,016
63	Ghulam Abbas, Muhammad Ali, GulzarHussain	1305	124,340
64	Muhammad Umar S/O Shehyar Ali	1305	63,712
65	Muhammad Hanif S/O GhulamBheek	730	53,983
66	Saleh Muhammad, Zulfiqar Ali	730	24,358
67	Muhammad Sharif S/O Muhammad RafiqGhouri	1305	73,334
68	Shoukat Ali Ghouri	730	23,801
		90591	3,366,355

**LIST ARREARS SHOPS OFRAILWAY ROAD, TMAMANDI BHAUDDIN.**

Sr. #	Name of Tenant	Monthly rent	Arrears up to 30-06-2016
1	Barkat Ali S/O Fazal Dad, ArshadJavaid,JavaidShahzadSs/O Barkat Ali	4009	359,934
2	MirzaIjaz Ahmad S/O Wilayat	1343	125,164
3	MirzaAbidHussain S/O Wilayat	1343	125,164
4	Nazar Muhammad S/O Gahne Khan	2960	292,851
5	Ch Allah Ditta S/O Muhammad Hussain	4561	364,272
6	Haji MunirHussain S/O Sher Muhammad	880	77,372
6 A	Haji GhulamRasul S/O Nazir Ahmad	1496	145,670
7	ZafarAlam S/O Khair Din	2118	173,228
8	Nazar Muhammad S/O Gahne Khan	1965	194,548
8A	Muhammad Ali S/O Ahmad Din	1965	175,448
9	Faiz Ahmad S/O Muhammad Hussain	4009	360,380
10	Muhammad Aslam S/O KhushiMuhamamd	4376	366,716



<b>Sr . #</b>	<b>Name of Tenant</b>	<b>Monthly rent</b>	<b>Arrears up to 30-06-2016</b>
11	TalibHussain S/O Kale Khan	6060	495,312
12	MirzaSuleman S/O Nathu Khan	2025	190,267
13	Muhammad Aslam S/O Muhammad Hussain	5461	441,352
14	Aslam S/O Ghulam Ali	666	64,548
15	Khalid Mahmood S/O Muhammad Boota	2092	191,364
16	Muhammad Aslam S/O Muhammad Ashraf	2092	185,286
17	Iftikhar Ahmad S/O Muhammad Hussain	3042	278,299
18	M.KhawarNaveed S/O Ahmad Khan	3340	193,512
19	Muhammad Khan S/O Ghulam Muhammad	2609	233,848
20	Muhammad Afzal S/O Khushi Muhammad	1947	169,834
21	Arshad Iqbal S/O Khushi Muhammad	971	84,786
	Total	61330	5,289,155

**Annexure-F**

Para 1.3.1.1

Non-imposition of Penalty – Recovery thereof Rs 5.49 million

Sr. No.	Scheme	Amount	Penalty @ 10%
1	Beautification Phalia (Raika to Kutchery chowk)	2800000	280000
2	Provision and fixing of tuff tile Main Bazar Pharianwali	2750000	275000
3	Construction of drains , streets soling Dhal	2000000	200000
4	Construction of drains , streets soling Helan	1600000	160000
5	Construction of drains , streets soling Pindi Kalo and Melo	1400000	140000
6	Construction of drains , streets soling Dera Ramtana and Rasulpur	1100000	110000
7	Construction of drains , streets soling Kotli Qazi Khurd	1000000	100000
8	Construction of drains , streets soling Charanwala	1000000	100000
9	Construction of drains , streets soling Sandhanwala	1000000	100000
10	Construction of drains , streets soling Dhallah	1000000	100000
11	Construction of drains , streets soling Thatha Alia	1000000	100000
12	Construction of drains , streets soling Rasulpur	1000000	100000
13	Construction of drains , streets soling Pindi Maghoo	1000000	100000
14	Construction of drains , streets soling Dhaboola	1000000	100000
15	Construction of drains , streets soling Luck	1000000	100000
16	Construction of drains , streets soling Charanwala	1000000	100000
17	Construction of drains , streets soling Sohawa Warraichan	900000	90000
18	Construction of drains , streets soling Thathi Shah Muhammad	900000	90000
19	Construction of drains , streets soling Chak Jawan	800000	80000
20	Construction of drains , streets soling Kot Sattar, Doburji Baghanwala	800000	80000
21	Construction of drains , streets soling Said	800000	80000
22	Construction of drains , streets soling Baikaywala	800000	80000
23	Construction of drains , streets soling Tahat Mehal	800000	80000
24	Construction of drains , streets soling Chak Kamal	700000	70000
25	Construction of drains , streets soling Bherowal	600000	60000
26	Construction of drains , streets soling Sohail Ahmad to Mosa Kalan	600000	60000
27	Construction of drains , streets soling Matha Chak	500000	50000
28	Construction of drains , streets soling Duni Kalan, Duni Khurd	500000	50000
29	Construction of drains , streets soling Karam Shah to Jaghian	500000	50000
30	Construction of drains , streets soling School Bhekho to Main road	500000	50000
31	Construction of drains , streets soling Googanwali	500000	50000
32	Construction of drains , streets soling Dera Inspector Toqeer Ranjha	500000	50000
33	Construction of drains , streets soling Mamdana	500000	50000
34	Construction of drains , streets soling Burj Agra	500000	50000

Sr. No.	Scheme	Amount	Penalty @ 10%
35	Construction of drains , streets soling Rasul pur	500000	50000
36	Construction of drains , streets soling Mano Chak	500000	50000
37	Construction of drains , streets soling Kamoke	500000	50000
38	Construction of drains , streets soling Jaswaal	400000	40000
39	Construction of drains , streets soling Nowshera, Furreh pur Bhatta	400000	40000
40	Construction of drains , streets soling Molvi Nasir Ranjah Kot Sher Muhammad	400000	40000
41	Construction of drains , streets soling Rairka Bala	400000	40000
42	Construction of drains , streets soling Kotha Bhoola	400000	40000
43	Construction of drains , streets soling Dhool Ranjah	400000	40000
44	Construction of drains , streets soling Dera Pakistani	400000	40000
45	Construction of drains , streets soling Rairka Bala	400000	40000
46	Construction of drains , streets soling Mumdana	400000	40000
47	Construction of drains , streets soling Pipli	400000	40000
48	Construction of drains , streets soling Khagho ki	400000	40000
49	Construction of drains , streets soling Chak Zahir	300000	30000
50	Construction of drains , streets soling , swerage pipe Dhallah	300000	30000
51	Construction of drains , streets soling Randiali	300000	30000
52	Construction of drains , streets soling Jhanda Chohan	300000	30000
53	Construction of drains , streets soling Thathi Bawa	300000	30000
54	Construction of drains , streets soling Kot Basat Khan	300000	30000
55	Construction of drains , streets soling Jasowal	300000	30000
56	Construction of drains , streets soling Syed	300000	30000
57	Construction of drains , streets soling Chak No. 43	300000	30000
58	Construction of drains , streets soling Bherowal	300000	30000
59	Construction of drains , streets soling Thakar Miana	300000	30000
60	Construction of drains , streets soling Basti Mahdoom	300000	30000
61	Construction of drains , streets soling Burj Agra	300000	30000
62	Construction of drains , streets soling Dhuni Kalan	300000	30000
63	Construction of drains , streets soling Chot Khurd	300000	30000
64	Construction of drains , streets soling Cheeto	300000	30000
65	Construction of drains , streets soling Hambar	300000	30000
66	Construction of drains , streets soling Bhowa Ahsan	300000	30000
67	Construction of drains , streets soling Thathi Mararan	300000	30000
68	Construction of drains , streets soling Qila Sardar	300000	30000
69	Construction of drains , streets soling Matto	300000	30000
70	Construction of drains , streets soling Bhekho	300000	30000
71	Construction of drains , streets soling Ghahray	300000	30000
72	Construction of drains , streets soling Tahat Mehal	300000	30000
73	Construction of drains , streets soling Chatikay	300000	30000
74	Construction of drains , streets soling Saida	300000	30000
75	Construction of drains , streets soling Dandka	300000	30000
76	Construction of drains , streets soling Kala Shaddian	300000	30000
77	Construction of drains , streets soling Thatha Hakim wala	300000	30000

Sr. No.	Scheme	Amount	Penalty @ 10%
78	Construction of drains , streets soling Qadiraabad	300000	30000
79	Construction of drains , streets soling Jago Khurd	300000	30000
80	Construction of drains , streets soling Melo Kahna	300000	30000
81	Construction of drains , streets soling Thatha Khan Muhammad	300000	30000
82	Construction of drains , streets soling Akhtar Hayat	300000	30000
83	Construction of drains , streets soling Chak Zahir	300000	30000
84	Construction of drains , streets soling Maraqba Hall Phalia	300000	30000
85	Construction of drains , streets soling M. Aslam Lohar	200000	20000
86	Construction of drains , streets soling Chak No. 43	200000	20000
87	Construction of drains , streets soling Syed Samar Abbas	200000	20000
88	Construction of drains , streets soling Bhak	200000	20000
89	Construction of drains , streets soling Dhool Ranjah	200000	20000
90	Construction of drains , streets soling M. Khan Ranjah Fatowal	200000	20000
91	Construction of drains , streets soling Maghoo pindi	200000	20000
92	Construction of drains , streets soling Dera Aman Ullah	200000	20000
93	Construction of drains , streets soling Noora Pindi	200000	20000
94	Construction of drains , streets soling Mirza Qamar ullah to Main road	200000	20000
95	Construction of drains , streets soling M. Ashraf to Main road	200000	20000
96	Construction of drains , streets soling Ch. Bashir Ahmad Qadirabad	200000	20000
97	Construction of drains , streets soling Dera Jaat Dhool	200000	20000
98	Construction of drains , streets soling Chak No. 44	150000	15000
99	Construction of drains , streets soling Chak No. 44 Saleem	150000	15000
100	Construction of drains , streets soling UC Dhool	150000	15000
101	Construction of drains , streets soling Unchi Masjid	150000	15000
102	Construction of drains , streets soling Arzaani	100000	10000
103	Construction of drains , streets soling Pharianwali	100000	10000
104	Construction of drains , streets soling Sohawa	100000	10000
105	Construction of drains , streets soling Clerk	100000	10000
106	Construction of drains , streets soling Pindi Lala	100000	10000
107	Construction of drains , streets soling Ladhar Kalan	50000	5000
108	Construction of drains , streets soling Karmanwala	1000000	100000
109	Construction of drains , streets soling Arshad Secretary	100000	10000
<b>Total</b>		<b>5490000</b>	<b>549000</b>

**Annexure-G**

Para-1.3.1.2

Non-recovery of Local Government Dues amounting Rs1.13 million

<b>Sr. No</b>	<b>Shop. No</b>	<b>Name</b>	<b>Arrear</b>
1	32	Ali Ahmed S/o umer Din	5400
2	39	Shukat Ali S/o Shair Muhammad	5400
3	40	M.Umer S/o Noor Muhammad	8268
4	41	Shamshad hussain,Shahbaz Hussain, S/o Riaz Hussain Shah	5308
5	60	M.Azam S/o M.Hussain	5400
6	72	M.Shafiq S/oM.Rafiq	10836
7	82	Taj din S/o	5400
8	115	M.aslam S/o Karam Alahi	10836
9	135	Hfiz Ghulam Abass S/o Khushi Muhammad	14908
10	136	Ghulam Raza S/o Saleh Muhammad	23640
11	142	Niyaz Ahmed S/o M Rafiq	14240
12	157	Javeed Arfani S/o Shair Muhammad	10848
13	158	Afzal Iqbal S/o Shair Muhammad	10836
14	159	Javeed Arfani S/o Shair Muhammad	10836
15	206	Naseer Ahmed S/o M.Ramzan	5400
16	210	Nazir Ahmed S/o Khushi Muhammad	5400
17	219	M.Sadiq S/o Fathe Muhammad	10308
18	234	Karam Alahi S/o Hasan Muhammad	4668
19	263	Munawar Hussain S/o Abdulaziz	13980
20	271	Wakeel Ahmed S/o M. Tufail	10788
21	276	Ghulam Mustafa S/O M Tufail	10836
22	286	M. Ashraf S/O M Ramzan	10848
23	296	Abdul Hakeem S/O Haji Abdullah	5400
24	346	Manzoor Hussain S/O Karam Ellahi	5308
25	353	M Rafiqe S/ O M Sharif	10484
26	370	Manzoor Hussain S/O Jalal Din	9896
27	383	Haji Abdul Samad S/o M Saddique	17724
28	384	M Shakeel S/O Haji M Khalil	14532
29	405	Naeem Ahmad S/O Haji Abdul Hakeem	13740
30	406	Naeem Ahmad S/O Haji Abdul Hakeem	21216
31	409	M. Akmal S/O M Umar	12492
32	410	M Shabbir S/O Ali Hassan	16484
33	416	Rashid Ahmad S/O Hassan Muhammad	23412
34	421	M Arif S/O M Sharif	8424
35	424	Rana Sajid S/O Shoukat Ali	14532
36	426	Sheikh M Amin S/O Ghulam Rasool	2400
37	--	Sheikh M Amin S/O Ghulam Rasool	2400
38	--	Siraj Ahmad	2400
39	--	Mir Shakeel	2400
40	--	Shahzaib Khan	4896

<b>Sr. No</b>	<b>Shop. No</b>	<b>Name</b>	<b>Arrear</b>
41	--	Shamim Khan	4104
42	--	Imtiaz Ahmad Butt	4584
43	--	Rana Sajid Amin	5496
44	--	---	2880
45	453	Haji Abdul Samad S/o M Saddique	22548
46	454	Haji Abdul Samad S/o M Saddique	22548
47	460	Zulfiqar Ahmad S/O Noor Muhammad	23640
48	474	Arshad Baig S/O M Ramzan	9540
49	470	M Arif S/O M Hussain	38556
50	493	Sheikh M Amin S/O Ghulam Rasool	13056
51	497	Tariq Mehmood S/O Sana Ullah	14820
52	498	Manzoor Hussain S/O Rahmat Khan	15480
53	500	Qasim Ali S/O Rehmat Ali	19525
54	506	Yousaf Pervaiz S/O Mushtaq Ahmad	15336
55	509	Nazir Ahmad S/O M Saleh	13316
56	511	Zulfiqar Ahmad S/O Noor	48492
57	512	Sheikh Khalid Mehmood S/O M Boota	18232
58	513	Raja Zulafiqar Ali S/O M Rasheed	31580
59	516	M Shafi S/O Mehboob Alam	14721
60	517	M Shafi S/O Mehboob Alam	13752
61	518	M Shafi S/O Mehboob Alam	6486
62	519	M Shafi S/O Mehboob Alam	3669
63	522	Shahzaib S/O Gul Nawaz	43924
64	524	Shamim Khan Lodhi S/O Abdul Ghafaar	59790
65	526	Imtiaz Ahmad Butt S/O M Saleh Butt	36600
66	528	Rana Sajid Imran S/O Shoukat Ali	29688
<b>Total</b>			<b>934,887</b>

**Rs 934,887 + Rs 198,300 = Rs 1,133,187**

## Annexure-H

### Para 1.4.1.1

#### Expenditure without Advertisement on PPRA Website – Rs 2.15 million

Sr. No.	Description	Qty.	Rate	Amount
1	LED 55”	02	130,000	260,000
2	Electronics Price board	02	80,000	160,000
3	Plastic sheet Ramzan Bazar Rukan	1500	45 /Sft	67,500
4	Plastic sheet for Ramazan Afgana Bazar	3000	45/sft	135,000
5	Misc. Expenditure for Tropys and Advertisement Expense	-	-	951,400
Total				1,573,900

Date	Supplier	Name of Bazar	Amount
27.07.2015	M/S New Shan Tent Services	Sasta Ramzan Bazar GojraMalakwal	69,500
-do-	-do-	---do---	48,500
-do-	-do-	---do---	81,000
-do-	-do-	---do---	80,000
-do-	-do-	---do---	80,000
-do-	-do-	---do---	31,200
-do-	-do-	-do-	59,400
-do-	-do-	---do---	90,000
-do-	-do-	-do-	35,760
<b>Total</b>			<b>575,360</b>

Rs1,573,900 + Rs575,360 = Rs2,149,260

**Annexure-I****Para 1.4.1.2****Unjustified Payment of Non schedule Items for Rs 1.62 million**

<b>Name of Scheme</b>	<b>Work Order No. &amp; Date</b>	<b>Name of Contractor</b>	<b>Amount paid for earthwork</b>
Const. of Streets Drains UD Rukan	3146/TO(I'&S) 22.08.15	Imran Haider	137,081
Const. of Streets Drains Soiling UC Moona Sydian Phase I	3147/TO(I'&S) 22.08.15	Ghullam Shabir Shah	289,612
Const. of Streets Drains, Soiling Bossal Mussawar	3145/TO(I'&S) 22.08.15	Zartash Builders	335,987
Const. of Streets Drains, Soiling UC Wariyyat	3148/TO(I'&S) 22.08.15	Gondal Const. CO	306,921
Const. of Streets Drains, Soiling UC Badshah Pur	3153/TO(I'&S) 22.08.15	Syed Adil Hussain Shah	125,753
Const. of Streets Drains, Soiling UC Bosaal Sukha	3144/TO(I'&S) 22.08.15	Amjad Tanvir	426,941
<b>Total</b>			<b>1,622,295</b>