

Report of the Public Accounts Committee on the Appropriation Accounts and Finance Accounts of the Punjab Government for the year, 1950-51.

These reports have, at various stages, been dealt with by three Committees. The first Committee was constituted by Notification No. 12, dated the 4th December, 1953, under rule 139 of the Punjab Legislative Assembly Rules of procedure. It consisted the following members :—

- (1) Finance Minister (Ex-officio)
- (2) Chaudhri Muhammad Hussain Chatha, M. L. A., Civil Lines, Sheikhpura.
- (3) Chaudhri Muhammad Shafiq, M. L. A., Advocate Chowk Jhandu Lal, Montgomery.
- (4) Mian Abdul Haq, M. L. A., Muhammad Latik Shaheed Esquire, Montgomery.
- (5) Sheikh Muhammad Amin, M. L. A., 30, Davis Road, Lahore.
- (6) Chaudhri Nasrullah Khan, M. L. A., Kamalia, Tehsil Toba Tek Singh, District Lyallpur.
- (7) Captain Syed Abid Hussain Shah, M. L. A., Shah Jewana House, Civil Line, Jhang.
- (8) Chaudhri Zafrullah Khan, M. L. A., Village Ferozewala via Gujranwala, District Gujranwala.
- (9) Mr. Joshua Fazl-ud-Din, M. L. A., Advocate, 5 Temple, Road, Lahore.
- (10) Sheikh Manzoor-ul-Hassan, M. L. A., Mohalla Dehri Hassanabad, Rawalpindi-Cantonment.
- (11) Sardar Abdul Hamid Nakai, M. L. A., 3, Wazir Ali Road, Upper Mall, Lahore.

The second Committee was constituted,—*vide* Notification No. 31, dated the 23rd September, 1957 and this consisted of the following members :—

- (1) Mr. Abdus Sattar Pirzada, Finance Minister, West Pakistan, Lahore.
- (2) Al-Haj Muhammad Hashim Gazdar, "Qasr-e-Naz" Garden Lane, Behind Gandhi Garden, Karachi.
- (3) Chaudhri Muhammad Ahsan, c/o Chaudhri Abdul Majid, B. A., LL. B., Pleader, Katchery Road, Gujrat.
- (4) Begum Tahira Aijaz Hussain Agha, Tasala Road, Hyderabad,

- (5) Major Sardar Ghaus Bakhsh Raisani, "Raisani House", Quetta.
- (6) Khan Abdul Ghani Khan Khattak, B. A., LL.B., Advocate, Mardan.
- (7) Allama Rehmatullah Arshad, "Azad Manzil", Bahawalpur.
- (8) Sardar Muhammad Hussain, 121, Ferozepur Road Ichhra, Lahore.
- (9) Mr. Machavji Dharasibhai, Swami Narain Temple Estate, Bunder Road, Karachi.
- (10) Mr. Ali Mardan Khan Ghulam Raza Khan Talpur M. A., LL. B., "Raza Manzil", Khairpur Mirs.
- (11) Mr. Shafqat Hussain Shah Atta Hussain Shah Musavi B. A., LL. B., Advocate, Rohri.
- (12) Syed Nazar Hussain Shah, Koraiwala, Ward No. 2 Leiah, District Muzaffargarh.
- (13) Begum Zeenat Fida Hassan, 50—Gulberg Colony, Lahore.
- (14) Lieut. Khan Muhammad Yousaf Khan Qasam Khe Tarakzai Mohmand, Village Pir Qilla, P. O Shabkadar, Mohmand Agency.
- (15) Haji Muhammad Nazif Khan, Village Ghoriwala, District Bannu.
- (16) Khan Muhammad Aslam Khan, Village and P. O. Turbela, Tehsil Haripur, District Hazara.
- (17) Mir Abdul Qayyum, B. A., LL.B., Advocate, Lyallpur.

3. The third (present) Committee was constituted under Notification No. BI-9(1) 58, dated the 16th October, 1959 and consisted of the following members :—

- (1) Governor, West Pakistan (Chairman).
- (2) Syed Yaqub Shah, Retired Auditor General of Pakistan, 11-C, Warris Road, Lahore.
- (3) Maulvi Ghulam Mohyuddin Khan Kasuri, Advocate 61, Temple Road, Lahore.
- (4) Mr. Yar Mohammad A. Memon, Retired Secretary to Government of former Sind, "Mah-e-Manzil", 4, Lalchand Hassomal Road, Jamshed Quarter-1, Karachi-3.
- (5) Mirza Fazal Rahman Khan, Retired Member, Public Service Commission, West Pakistan, 67, Ferozepur Road. Lahore,

4. In all, one meeting was held by the first Committee on Meeting of the Committee. the 3rd to 4th, 5th and 7th September, 1954, one meeting were held by the second Committee on the 16th, to the 18th December, 1957, and two meetings were held by the present Committee on the 25th November, 1959, and 24th to 26th November, 1960, for the consideration of the Appropriation Accounts and Finance Accounts for the year, 1950-51. The detailed proceedings of these meetings are contained in the Annexure I of the Report. This Report was considered and finalized in the meetings of the present Committee held on the 24th, 25th and 26th November, 1960.

Malik Muhammad Feroze Khan Noon, Finance Minister of the Punjab Government, was unanimously elected Chairman of the first Committee, and Mr. Abdus Sattar Pirzada, Finance Minister, West Pakistan, was unanimously elected Chairman of the Second Committee.

5. It was decided in the first meeting of the first Committee that the limits below which the discrepancies between the final figures of the grant of the appropriation for a sub-head of the actual expenditure incurred may be regarded as trivial and, therefore not requiring explanation, should be as mentioned on page 15 of the Appropriation Accounts for the year, 1950-51, *i.e.*

(1) In the case of divergencies between the grant of appropriation for the sub-head as originally authorised or sanctioned and its final figures as modified by supplementary provisions, surrenders and re-appropriations, no explanation should be given—

- (a) if the modification is less than Rs. 500; and
- (b) if it is for Rs. 500 or more but is less than 15 per cent of the original provision ;

(2) In the case of divergencies between the figure of final grant or appropriation and the actual expenditure—

(a) no explanation should be given where the saving is less than Rs. 100; and

(b) no explanation should be furnished :—

*If the saving is less than and is also less than—per cent
of the final appropriation.*

Rs.					
500	..	..	..	20	per cent
1,000	..	..	..	10	"
5,000	..	..	..	5	"
10,000	..	..	..	3	"
Other cases..		..	..	2	"

If the excess is less than

and is also less than—per cent of the final appropriation.

Rs.				
500	..	..	..	5 per cent
1,000	..	..	..	2 „
Other cases..	..	..	..	1 „

A preliminary examination of the Appropriation Accounts was carried out in the subsequent meetings. In regard to matters which required further elucidation it was decided to call for explanatory notes and examine the Heads of Departments concerned where necessary. Meetings which followed later were devoted to the examination of the Heads of Departments.

6. The actual expenditure during the year under review with the original and final grants or appropriations under the main sections of the Budget is compared in the following table:—

	Original grant or appropriation	Final grant or appropriation	Actual expenditure	Saving (—) or Excess (+) over the final grant
(In lakhs of rupees)				
	Rs.	Rs.	Rs.	Rs.
1. Expenditure charged to Revenue (Voted).	20,07	23,43	22,92	—51
2. Expenditure charged to Capital (Voted).	10,18	9,41	3,87	—5,74
3. Disbursement of Loans and Advances	33	2,15	1,60	—55
Total (Voted) ..	30,58	34,99	28,19	—6,80
Surrenders or withdrawals within Grant	..	252	..	..
Net (Voted) ..	30,58	32,47	28,19	—426
Expenditure charged to Revenue (Charged).	2,10	2,29	2,13	—16
2. Expenditure charged to Capital (Charged).	..	..	..	..
Total (Charged) ..	2,10	2,29	2,13	—16
Surrenders and withdrawals within Appropriation	..	10	..	+10
Net (Charged) ..	2,10	2,19	2,13	—6

	Original grant or appropriation	Final grant or appropriation	Actual expenditure	Saving (—) or Excess (+) over the final grant
1. Total Expenditure Charged to Revenue.	22,17	25,72	25,05	—67
2. Total Expenditure charged to Capital.	10,13	9,41	3,07	—5,74
3. Total disbursement of Loans and Advances.	33	2,15	1,00	—55
Grand Total ..	32,68	37,28	30,32	—6,96
Surrenders or withdrawals within Grant or Appropriation.	..	2,62	..	+ 2,62
Net ..	32,68	34,66	30,32	—4,34

The total net saving amounted to Rs. 4,34 lakhs or 12.5 per cent of the final grant. This percentage of saving is distributed over three main sections of the Budget in the following table which also indicates the total percentage of the savings during the year, 1948-49 and 1949-50.

	Saving (—) or Excess (+)		
	1948-49	1949-50	1950-51
Expenditure charged to Revenue ..	—8.53	—3.05	(—) 2.60
Expenditure charged to Capital ..	—53.13	—6.14	(—) 60.99
Disbursement of Loans and Advances ..	—19.04	—12.72	(—) 25.58
Combined percentage ..	—22.73	—4.31	[Gross] (—) 18.67
			[Net] (—) 12.52

Taking the voted and charged expenditure separately the result of budgeting during the year under review is shown in the table below :—

Year		Final grant and appropriations	Excess (+) or Savings(-)	Percentage
				of Savings (+) or Excess (-)
(In thousands of Rupees)				
		Rs.	Rs.	Rs.
1948-49	(Charged)	.. 1,84,44	- 36,05	-19.55
	(Voted)	.. 34,86,30	-7,98,42	-22.90
	Total	.. 36,70,74	-8,34,47	-22.73
1949-50	(Charged)	.. 2,06,15	- 20,80	-10.09
	(Voted)	.. 36,59,03	-1,45,73	-3.98
	Total	.. 38,65,18	-1,66,53	-4.31
1950-51	(Charged)	.. 2,29,41	-16,46	-7.18
	(Voted)	.. 34,98,58	-6,79,45	-19.42
	Total	.. 37,27,99	-6,95,91	-18.67

7. The Accountant-General, Punjab has reported in paragraph 8&9 of the Audit Report the following excesses over the voted and charged grants

No. and name of Grant	Final grant or appropriation	Expenditure	Excess
	Rs.	Rs.	Rs.
(Voted grants)			
3 Stamps	.. 1,12,500	1,45,642	33,142
4 Forests	.. 72,28,730	75,98,967	3,60,237
10 General Administration	.. 1,22,02,070	1,25,27,572	3,25,502
11 Administration of Justice	.. 29,04,300	29,21,779	17,479
12 Jails and Convict Settlements	.. 47,42,650	48,24,739	82,089

No. and name of Grant	Final grant and appropriation	Expenditure	Excess
14 Scientific and Miscellaneous Department ..	4,48,270	4,53,363	5,093
17 Public Health ..	2,16,410	2,28,289	11,879
20 Co-operation ..	24,70,650	26,38,124	1,67,474
23 Civil Works ..	1,58,39,050	2,12,29,371	53,90,321
26 Charges on Electricity Establishment— Miscellaneous Expenditure. Commuted Value of Pension—Capital Expendi- ture ..	37,24,800 37,590	38,70,205 2,48,200	1,45,405 2,08,610
Total (Voted) ..	4,99,27,020	5,66,74,251	67,47,231
(Charged Appropriations)			
28 Electricity Schemes. Capital Expenditure ..	..	—10,085	10,085
Total (Charged) ..	..	10,085	10,085

These excesses were examined and further explanations were called for from the Heads of Departments concerned, where necessary. The Committees were generally satisfied with the explanations given and recommended that these excesses should be regularised. Necessary grants to regularise the excesses over the voted grants and charged appropriations have, already, been authorised by the Governor, West Pakistan,—*vide* Law Department's Notification No. Leg 3(18)/60 dated the 25th May 1960.

8. Important instances of defective control over expenditure detailed in paragraph 12 of the Audit Report 1950-51, were also examined and the Committees were generally satisfied with the explanations of the Heads of Departments concerned. Some suggestions have, however, been made in certain cases and they are contained in the proceedings of the meetings (Annexure I).

9. The Accountant-General, Punjab has reported the following cases of financial irregularities, losses, etc.—

- (1) Defalcation of Rs. 1,468 and Rs. 3,299/14/6 in a Sub-Treasury.
- (2) Utilisation of Departmental receipts towards expenditure—

	Rs.
1950-51	34,61,894
1951-52	23,54,067

- (3) Loss of Foodgrains of the value of Rs. 18,924/12/10 in a Provincial Reserve Centre.
- (4) Embezzlement of Rs. 10,000 by a clerk in the office of a District Food Controller.
- (5) Misappropriation of Rs. 39,739/3/4.
- (6) Embezzlement of Rs. 866/14/0.

10. The recommendations made by the Committees are contained in the proceedings of the meetings which are attached as Annexure I.

Recommendations of the Committees.

11. The Committee has examined the various sections of the Finance Accounts, particularly the revenue account. The revenue position of the Punjab Government during the year under report was satisfactory. The actual revenue receipts amounted to Rs. 23,58 lakhs against the original budget of Rs. 19,78 lakhs. The actual revenue expenditure was Rs. 20,57 lakhs against the original budget of Rs. 18,60 lakhs. These figures reveal a rise in revenue of Rs. 3,80 lakhs and increase in expenditure of Rs. 1,97 lakhs, resulting in a net surplus of Rs. 3,00 lakhs.

12. The public debt of the undivided Punjab Government, at the time of partition, was as follows :—

Debt position.

		<i>(In lacs of rupees)</i>
		Rs.
<i>(i)</i> Debt due to the Government of India—		
<i>(a)</i> Consolidated Debt	.. ..	7,70
<i>(b)</i> Development Loan	.. ..	4,69
Total		12,39
 <i>(ii)</i> Loans raised in the Market		
		19,09
<i>(iii)</i> Interest upto the date of partition		
		33
Total		31,81

The above debt has not yet been allocated between the West Pakistan and Punjab (India) Governments. Pending financial settlement between the two Government, the initial liability to discharge debt obligations (including the payment of interest) is that of the West Pakistan Government,—*vide* Article if the Indian Independence (Rights, Property and Liabilities) Order, 1947.

13. During the year, 1947-48 (post-partition), the repayment made towards the principal (Loans from the Central Government) was of Rs. 5.27 lakhs, during the year, 1948-49 was of Rs. 10.87 lakhs, during the year 1949-50 was of Rs. 11.30 lakhs and during the year under report was Rs. 11.76 lakhs.

14. The debt position of the Punjab Government as it stood at the beginning and the close of the year, 1950-51, is summarised in the statement below :—

(In thousands of rupees)

Nature of Debts	AMOUNT OF DEBT		
	On the 1st April, 1950	On the 31st March 1951	Differen (+) or —)
	Rs.	Rs.	Rs.
Permanent Debt ..	—3,14,61	—3,18,64	—3,93
Floating Debt ..	12,00,000	..	—12,00,00
Loans from the Central Government ..	13,85,56	28,09,80	+14,24,24
Unfunded Debt ..	1,83,37	1,95,79	+7,42
Gross Total Debt ..	24,5,932	26,87,05	+2,27,73
<i>Deduct—Outstanding Loans and Advances made by the Government.</i>	1,56,35	2,91,80	+1,35,45
Net Debt ..	23,02,97	23,95,25	+92,28

The balances on 1st April, 1950, in the statement under "Unfunded Debt and Loans and Advances made by the Government", include provisional opening balances on 15th August, 1947 of Rs. 2,11,28 and 80,07, respectively, as adopted provisionally pending financial settlement with the Punjab (India) Government.

(1) No new loans was raised by the Punjab Government in the open market during the year under report. The Permanent Debt of the undivided Government of the Punjab stood at Rs. 19,09,08 (thousands) on the 14th August, 1947. It was decided that this liability should be shared between the Punjab (Pakistan) and Punjab (India) in the agreed ratio, 60 per cent Punjab (Pakistan) and 40 per cent Punjab (India). No allocation has been made so far. The total Debt discharged during the year, 1950-51 amounted to Rs. 3,93 (thousand).

(2) The balance on 31st March, 1951 represents Ways and Means Advances left unpaid at the close of the year. This was due to the change in classification.

Floating Debt.

(3) The total liability of the undivided Government of Punjab on the date of partition in respect of loans due to the undivided Government of India amounted to Rs. 12,39,25. This liability has not been allocated between the Punjab (Pakistan) and the Punjab (India). The actual repayment of principal out of this debt to the Pakistan Government amounted to 11.76 during the year under report. This brought the total repayment made after partition to 39,20. The balance on 31st March, 1951, comprises the out-standing long term and short term loans taken from the Pakistan Government reduced by 30,20. Long term loans consist of (i) a loan of 5,00,00 taken on the 3rd February, 1949, at the rate of 3 per cent for Development schemes, (ii) a loan of Rs. 2,88,00 taken on the 1st September, 1948 for repayment of the 4 per cent Punjab Bonds, 1948, (iii) a loan of Rs. 1,00,00 taken on the 13th August, 1949 for repayment of 3 per cent Punjab Bonds, 1949, (iv) loans of Rs. 5,00,00 and 25,00 taken on the 25th and the 30th March, 1950, respectively, at the rate of 3 per cent, for Provincial Development Schemes, and (v) loans of Rs. 10,00,00, Rs. 2,00,00 and Rs. 1,00,00 taken on 12th August, 1950, 24th January, 1951 and 31st March, 1951, respectively at the rate of 3 per cent for Development Schemes. No repayment has been made during the year under report.

Loans from the Central Government.

Short term loans consisting of Ways and Means Advances taken from the Central Government during the year, 1948-49 and 1949-50 amounted to Rs. 1,20,00,00. Repayments during the year under report amounted to Rs. 1,64,00.

(4) The figure of Rs. 1,95,79 represents the balance of Government servants. The increase of Rs. 4,42 represents the excess of deposit over withdrawals during the year under report.

Unfunded Debt.

(5) The increase of Rs. 1,35,45 is mainly due to the payment of loans for Improvement of Thal Area, and Taccavi Advances to cultivators necessitated by heavy floods.

Loans and advances.

(15) The Committees had the advantage of the advice of the Accountant-General Punjab at all its meetings. The Accountant-General's report on the Appropriation Accounts has been of value. The Committee places on record its sense of appreciation for the valuable

General

assistance given by him. It also express its appreciation of the assistance given to it by the various Heads of Departments during their oral examination.

ANNEXURE I

Proceedings of the 4th meeting of the Public Accounts Committee, held in the Town Hall, Murree, at 9-30 a.m., on Friday, the 3rd September 1954.

Present—

- (1) Ch. Muhammad Shafiq, M.L.A.
- (2) Sh. Muhammad Amin, M.L.A.
- (3) Mr. Joshua Fazl-ud-Din, M.L.A.
- (4) Sh. Manzur-ul-Hassan, M.L.A.
- (5) S. Abdul Hamid Naki, M.L.A.
- (6) Riaz-ud-Din Ahmad, Esquire, C. S.P., Secretary to Government, Punjab, Finance Department. (*By invitation*).
- (7) M. B. Ahmad, Esquire, P.A. & A.S., Accountant-General, Punjab (*By invitation*).
- (8) S. Fazli Hossain, Esquire, Under-Secretary to Government, Punjab Finance Department. (*By invitation*).

PROCEEDINGS

In the absence of the Hon'ble Malik Muhammad Feroz Khan Noon, Minister of Finance, Ch. Muhammad Shafiq, M.L.A., was unanimously elected as Acting Chairman of the Committee.

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2. The Committee then considered the memorandum regarding the fixation of time-limit for accepting paragraphs relating to financial irregularities, audit comments, etc., for insertion in the Audit Reports or in notes, etc., below the Appropriation Accounts and approved the following suggestions—

- (i) The Heads of Departments should forward their comments on the Accountant-General's draft paragraphs for inclusion in the Appropriation Accounts and the Audit Reports thereon within 6 weeks (10 weeks in the case of the High Commissioner for Pakistan in U. K.) of the date of issue of a reference from the Accountant-General.
- (ii) If the audit office does not hear anything to the contrary from the Heads of Department's within the said period, the Accountant-General will treat the draft paragraph as final and insert them in the relevant Accounts and Reports. Before doing so the Accountant-General, will, however, issue normal reminders within one month of the issue of the above-mentioned communication. Thereafter a demi-official reminder will be issued by him requiring the Administrative Department to acknowledge its receipt within a week. In the absence of a favourable response, the paragraphs will be treated as final (by adding thereto the fact that the Head of Department failed to give any reply though he was given due opportunity to do so) and incorporated in the relevant Reports under intimation to the Administrative Department concerned.
- (iii) The Accountant-General will send the last demi-official letter by registered post, acknowledgment due. He will also send a copy of the same to Finance Department for information.

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APPROPRIATION ACCOUNTS, 1950-51

3. The Committee considered the procedure for obtaining explanations for variations between—

- (1) the original grant or appropriation and the final grant or appropriation of a sub-head; and
- (2) the final grant of appropriation and the actual expenditure under a sub-head.

and approved the procedure outlined in note 3 on page 15 of the Appropriation Accounts, which is the same as is laid down in paragraph 15.4 0- the Punjab Budget Manual.

MUHAMMAD SHAFIQ

ACTING CHAIRMAN

Public Accounts Committee.

Proceedings of the 5th meeting of the Public Accounts Committee, held in the Town Hall, Murree, at 9-30 a.m., on Saturday, the 4th September 1954.

Present—

- (1) Ch. Muhammad Shafiq, M.L.A. (*Acting Chairman*).
- (2) Sh. Muhammad Amin, M.L.A.
- (3) Mr. Joshua Fazl-ud-Din, M.L.A.
- (4) Sh. Manzur-ul-Hassan, M.L.A.
- (5) Riaz-ud-Din Ahmad, Esquire, C.S.P., Secretary to Government Punjab, Finance Department. (*By invitation*).
- (6) M. B. Ahmad, Esquire, P. A. and A. S., Accountant-General, Punjab. (*By invitation*).
- (7) S. Fazli Hossain, Esquire, Under-Secretary to Government, Punjab, Finance Department. (*By invitation*).

PROCEEDINGS

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APPROPRIATION ACCOUNTS FOR THE YEAR 1950-51

The Committee then took up the preliminary examination of the Appropriation Accounts for the year 1950-51 and made the following observations.

GRANT No. 1—LAND REVENUE

Page 20—

*D-2 (a) (2)—Pay of Establishment—*The Committee observed that an excess of Rs. 1,83,112 (6·7 per cent) was due to incorrect estimation of requirements by the Deputy Commissioners. The letter from the Director of Land Record to the Accountant-General, Punjab, shows that he did not get full and correct replies from the Deputy Commissioners and this matter should be brought to the notice of the Financial Commissioners, who may kindly ensure that budgets are in future prepared correctly in the offices of the Deputy Commissioners.

GRANT No. 4—FORESTS

Page 24—

*B-5 (1)—Factory Working Expenses—*There is an excess of Rs. 3,64,868. The Committee would like to have explanation for this big excess.

Page 29—

Stores Account of the transactions of the Forest Department, Punjab, for the year 1950-51—

*3-Issues—(ii) Written off losses due to—(b) Causes beyond control—*The Committee would like to have an explanation of the loss of Rs. 53,815 due to causes beyond control. It would also like to know why there is an extra provision on account of "wear and tear" in addition to the provision made for "depreciation".

GRANT No. 7—IRRIGATION (WORKS)

Page 34—

A-(13)—Haveli Canal—

B-(1)—Central Bari Doab Canal—

B-(2)—Derajat Circle (Rangpur Division)—

Page 35—

B-(3)—Lower Chenab Canal East—

B-(4)—Lower Chenab Canal West—

The Committee wanted to know why the Superintending Engineer did not surrender the amount of savings in time.

Page 42—

Note 8—Suspense—The Committee remarked that the Department should be asked to explain various items under "Suspense".

GRANT No. 8—CHARGES ON IRRIGATION ESTABLISHMENT

Page 47—

A (7)—Special Revenues—The Committee observed that in view of the eventual saving the reappropriation was unnecessary and wanted to have the detailed explanation of the department.

Page 48—

A (9)—Deduct—Deposits from States (Establishment)—The Committee observed that in view of the eventual saving the re-appropriation was unnecessary and wanted to have the detailed explanation of the department.

Page 49—

G-(1)—Chief Engineer—The Committee observed that in view of eventual excess the reappropriation was unnecessary and the Department should explain.

G-(3)—Superintending Engineers—The Committee observed that in view of eventual excess the amount of surrender was excessive.

GRANT No. 9—IRRIGATION—CAPITAL

Page 55—

B-(1)—Central Bari Doab Canal—

B-(3)—Lower Chenab Canal East—

The Committee remarked that these were instances of bad budgeting.

Page 60—

U-Works—Department should be asked to explain the reasons for bad budgeting.

Page 61—

UPE—Deduct—Receipts and Recoveries on Capital Account—The Committee remarked that the reappropriation was unnecessary.

Page 63—

Results of stock verification and of revaluation of the Haveli Project Division and Sullej Valley Project Divisions—The Committee would like to know the circumstances in which these stocks were not verified and what action has been taken against the official involved.

Page 65—

Results of stock verification and of revaluation of Thal Project—The Committee would like to know the circumstances in which these stocks were not verified and what action has been taken against the official involved.

GRANT No. 10—GENERAL ADMINISTRATION

Page 70—

L-1 (3)—Other Charges—The Committee would like to know the period to which the bills for trunk call relates.

Page 72—

P-3—Other Charges—The Committee would like to know the explanation for increase in the expenditure on telephones.

Page 74—

Y—Share of the cost of the High Commissioners Establishment debitable to the Provincial Government—The Committee observed that the High Commissioner should estimate his requirements accurately.

LOSSES AND IRREGULARITIES

Page 76—

Note 6—The Committee would like to know the action taken against the Sub-Treasury Officer for negligence.

GRANT No. 12—JAILS AND CONVICT SETTLEMENTS

Page 80—

B-1—Central Jails—The Committee would like to know why the department could not foresee this liability which was outstanding from the last year.

GRANT No. 13—POLICE

Page 89—

B-11—Police employed for non-Agency functions and for General Law and Order Duties—The Committee would like to know the full details of the saving.

Page 93—

Note 4—The Committee noted that the service expenditure in the Police Department had increased as indicated below:—

					Rs.
(a) 1948-49	..	..	..	..	45,000
(b) 1949-50	..	..	..	..	75,000
(c) 1950-51	..	..	..	..	1,25,971

As compared with the year 1948-49, the increase is substantial. The Committee would like to know the reasons for this abnormal increase.

GRANT No. 14—SCIENTIFIC AND MISCELLANEOUS DEPARTMENTS

Page 94—

L-1—Administration of Trade Employees Act—The Committee should like to know how and why there was defective control over expenditure.

GRANT No. 15—EDUCATION

Page 96—

B-3—Other Charges—The Committee would like to know the justification for more transfers during the year.

MUHAMMAD SHAFIQ

ACTING CHAIRMAN

Public Accounts Committee.

Proceedings of the 6th meeting of the Public Accounts Committee, held in the Town Hall, Murree, at 9-30 a.m., on Monday, the 6th September 1954.

Present—

- (1) Cb. Muhammad Shafiq, M.L.A. (*Acting Chairman*).
- (2) Sh. Muhammad Amin, M.L.A.
- (3) Mr. Joshua Fazal-ud-Din, M.L.A.
- (4) Sh. Manzur-ul-Hassan, M.L.A.
- (5) Fiaz-ud-Din Ahmed, Esquire, C.S.P., Secretary to Government Punjab, Finance Department. (*By invitation*).
- (6) M.B. Ahmad, Esquire, P.A.&A.S., Accountant-General, Punjab. (*By invitation*).
- (7) S. Fazli Hossain, Esquire, Under-Secretary to Government, Punjab, Finance Department. (*By invitation*).

PROCEEDINGS

The Committee resumed the preliminary examination of Appropriation Accounts, 1950-51, left over in the last meeting and made the following observations:—

GRANT No. 17—PUBLIC HEALTH

Page 106—

A-1—Superintending Engineer, Public Health Branch and his establishment— The Committee observed that the department should be asked to explain why the amount of Rs. 7,090 was surrendered when actually it resulted in an excess of Rs.40,335. The Committee further wanted to know why the contractors mis-managed the works allotted to them and the action taken against them.

GRANT No. 18—AGRICULTURE

Page 111—

*Profit and Loss Account of Gram Seed at the seed depots for the year ended 31st March 1951—*The Committee would like to know the basis on which the sale price of gram seed was fixed.

Page 114—

*Profit and Loss Account of cotton seed at the seed depots for the year ended 31st March 1951—*The Committee would like to know the details of the loss in cotton seed.

Page 120—

*Profit and Loss Account of bags for the year ended 31st March 1951—*The Committee decided to have—

- (i) explanation for the loss of bags; and
- (ii) explanation for the loss of credits under investigation.

GRANT No. 19—VETERINARY

Page 125—

*Financial Review of the Government Livestock Farms, District Montgomery, for the year 1950-51—*The Committee would like to know why stock was not taken and why the valuation of the stock was not done in time.

It would also like to have the details of income and expenditure in respect of all the four farms.

GRANT No. 20—CO-OPERATION

Page 126—

A-1 (1)—*Gross Charges*—B-1 (1)—*Pay of Officers*—B-1 (2)—*Pay of Establishment*—B-1 (3)—*Allowances, Honoraria, etc.*—

The Committee would like to have the explanation of the omission to make the necessary provision in the Budget at the proper time.

B-1 (4)—*Other Charges*—The Committee would like to know the detail of economy in expenditure and whether the economy effected was of a permanent or temporary nature.

GRANT No. 21—INDUSTRIES

Page 128—

A-5—*Industrial Development*—The Committee wanted to know the circumstances under which excess expenditure of Rs. 9,964 was incurred. The Committee also wanted to know the action taken by the department for laxity of control.

Page 129—

A-(6)-(3)—*Punjab Cotton Mills—Mela Ram Mills*—The Committee would like to know why the regular procedure of depositing receipts in treasury and meeting expenditure by drawing bills was ignored and the receipts were utilized directly for purchases.

GRANT No. 23—CIVIL WORKS

Page 136—140—

The Committee desired that the explanations for all these items should be furnished by the department.

Page 141—

Stores Account of the Public Works Department, Buildings and Roads Branch for the year 1950-51—The Committee would also like to have the explanation for non-submission of stock returns in time and action taken against defaulters.

GRANT No. 24—CHARGES ON WORKS DEPARTMENT, BUILDINGS AND ROADS ESTABLISHMENT

Page 143—

A-(5)—*Superintending Engineers*—The Committee remarked that the Department should explain why the establishment was not reduced in accordance with the amount of repairs work.

A-(6) (i)—*Gross Charges*—The Committee would like to know the details of more expenditure of Rs. 24,311 on account of electricity and telephone charges, etc.

Page 144—

A-10—*Lump Sum charges creditable to other Government Departments, etc.*—*Public Health Circle for works done for Civil Works*—The Committee would like to have details of expenditure of Rs. 3,050 regarding mismanagement of works let out to contractors.

A-(11)—*Establishment and A-(12)—Deduct*—The Committee would like to have details of expenditure and recoveries under these items.

GRANT No. 26—CHARGES ON ELECTRICITY ESTABLISHMENT AND MISCELLANEOUS EXPENDITURE

Page 160—

A-(1) (ai) (vj) (b)—*Deduct—Credit on account of Supervision charges of—*

(3) *Capital works done by Revenue Division—**C-(i)—Direction—*

The Committee observed that the excesses in these cases show lack of foresight.

GRANT No. 27—CIVIL WORKS—CAPITAL

Pages 167 and 168—

The Committee observed that all items on pages 167-168 are of bad budgeting and the Department should explain the reasons therefor.

GRANT No. 28—ELECTRICITY SCHEMES—CAPITAL EXPENDITURE

Page 170—

A-(3) (i) (1)—*Works*—The Committee wanted to know why the amount was not surrendered in time.

A-(3) (i) (4)—*Suspense*—and

Page 171—

B-(1) (4)—*Suspense*—The Committee remarked that it was a case of bad budgeting.

Page 172—

B-(5) (1)—*Works*—The Committee wanted to know when information regarding the non-supply of the material was received and why the amount was not surrendered immediately on receipt.

Page 174—

B-(9) (4)—*Suspense*—The Committee wanted to know the reason why the amount of Rs. 2,40,879 was not surrendered in time.

Pages 176 and 177—

Stores Accounts of the year 1950-51—II—Thermo Electric Supply Schemes—Items 6 to 9—The Committee wanted to know explanation for non-verification of stock and action taken against officials at fault.

GRANT No. 31—STATIONERY AND PRINTING

Page 182—

B—*Purchase of Stationery Stores*—The Committee recommended that Government should consider the desirability of making all purchases of stationery from within the country as far as possible.

GRANT No. 32—MISCELLANEOUS

Page 193—

J-9—*Expenditure in connection with the camps for movements of refugees and evacuees—(o) Refugee and Evacuee Department*—The Committee observed that the re-appropriation was unnecessary when there was actually a saving of Rs. 7,49,027. The Committee wanted to know the reasons for not surrendering the amount in time.

Page 195—

J-10—(a)—*Gross Charges-(4)—Rehabilitation Commissioner (Land)*—The Committee wanted to know the reason for surrender when there was actually an excess of Rs. 2,83,176.

Page 196—

J-15—*Iqbal Academy Fund*—The Committee asked that the Head of Education Department should submit a detailed report on the working of Iqbal Academy.

L-2—Pindi-Kashmir Bus Service—The Committee wanted to have details of income and expenditure of Pindi-Kashmir Bus Service.

CAPITAL OUTLAY ON PROVINCIAL SCHEMES OF STATE TRADING

Page 208—

II—A-1—Advances—The Committee wanted to have details of the excess of Rs. 14,55,718.

Page 209—

II—A-4 (a)—Repayment of Advances—The Committee remarked that it was a case of bad budgeting.

LOSSES AND IRREGULARITIES

Page 210—

Note 6—The Committee wanted to know what action was taken against the Disbursing Officer.

Note 7—The Committee observed that the file of this case should be put up to the Committee along with the judgment of the Court. It also wanted to know what action was taken against the supervisor.

Note 8—The Committee wanted to know the action taken against the Supervising Officer and observed that the whole file should be put up to the Committee.

Pages 212 to 216—

Financial Review—Foodgrains Supply Schemes for 1947-48 (Post-Partition) 1948-49 and 1949-50, as on 31st March 1951 and Rationing Scheme—The Committee wanted to have detailed explanations on Audit comments.

GRANT No. 35—LOANS AND ADVANCES BEARING INTEREST

Page 219—

D-1—Advances under Land Improvement Loans Act—D-2—Advances under Agriculturist Loans Act—The Committee noticed that re-appropriations in these cases were unnecessary.

MUHAMMAD SHAFIQ
ACTING CHAIRMAN
Public Accounts Committee

Proceedings of the 7th meeting of the Public Accounts Committee, held in the Town Hall, Murree, at 9-30 a.m., on Tuesday the 7th September 1954.

Present—

- (1) Ch. Muhammad Shafiq, M.L.A. (*Acting Chairman*).
- (2) Sh. Muhammad Amin, M.L.A.
- (3) Mr. Joshua Fazl-ud-Din, M.L.A.
- (4) Sh. Manzur-ul-Hassan, M.L.A.
- (5) Riaz-ud-Din Ahmed, Esquire, C.S.P., Secretary to Government, Punjab, Finance Department. (*By invitation*).
- (6) M. B. Ahmed, Esquire, P. A. and A. S., Accountant-General, Punjab, (*By invitation*).
- (7) S. Fazli Hossain, Esquire, Under-Secretary to Government, Punjab Finance Department. (*By invitation*).

PROCEEDINGS

ACCOUNTS AND REVIEWS OF GOVERNMENT COMMERCIAL CONCERNS

The Committee took up the examination of Accounts and Reviews of Government Commercial concerns during the year 1950-51 and made the following observations:—

Page 221—

*The Punjab Arts and Crafts Depot, Lahore—*The Committee observed that the Arts and Crafts Depot has shown progressive loss and the establishment charges have increased. The Committee wanted to have an explanation for this.

Page 232—

*The Punjab Cotton Mills, Lahore—*The Committee understands that an enquiry was ordered in the affairs of the Punjab Government Cotton Mills by the Punjab Government and that a Finance Department Officer has carried out detailed investigation and submitted his report to Government. The Committee would like to know the result of the investigation conducted and the action taken thereon.

The Committee has noted that there are many irregularities in the working of commercial undertakings and quite substantial losses appear to be unjustified. The Committee feels that a *post-mortem* examination of the accounts and work of these concerns does not yield very profitable results and a good way to mend the present state of affairs would be to provide for a 6-monthly check on the working of the accounts of the commercial concerns. It suggests that the Finance Department should devise a machinery whereby this object can be achieved.

Page 238—

*The Jallo Rosin and Turpentine Factory, Lahore—*The Committee has noted that there is a progressive deterioration in the financial results of the working of the Jallo Rosin Factory. It would like to know the detailed reasons for this deterioration and what steps have been taken to improve this state of affairs. In the opinion of Committee if this Factory is a losing concern then immediate steps should be taken either to set things right or to close it down.

Page 257—

*Lahore Omnibus Service—*The Committee wanted to have a detailed explanation for the net loss in the working of this Service, particularly details of the increase in the cost on account of consumption of stores,

Page 263—

The Lahore Auxiliary Goods Transport Service, Lahore—The Committee would like to know why 8 trucks were sold by auction for such a low figure as Rs. 25,848 and it would like to have the following details in respect of these trucks:—

- (1) Make.
- (2) Date when first purchased.
- (3) Purchase price.
- (4) Mileage run.
- (5) Total expenditure on replacements and repairs during service.
- (6) Persons to whom sold.

Also reasons why these trucks were not transferred to other Government services.

The Committee then proceeded to examine the Audit Report, 1952, and remarked as under.

Page 9—

Paragraph 17—sub-paragraph 1—The Committee observed that all the 3 Chief Engineers should be called for examination on the points mentioned in this paragraph.

Paragraph 17—sub-paragraph 2 (i)—The Committee would like to know the action taken against the officer at fault.

Page 10—

Paragraph 17—sub-paragraph 2 (ii)—The Committee wanted to have—

- (a) explanation and the expenditure incurred on storage; and
- (b) as against sub-paragraph 2 (i).

Paragraph 17—sub-paragraph 2 (iii)—The Committee wanted to have explanation and action taken against the officer responsible.

Paragraph 17—sub-paragraph 2 (iv) and (v)—The Committee wanted to have explanation and action taken against the officers responsible.

Paragraph 17—sub-paragraph 3 (i)—The Committee wanted to know what action was taken against Daffedar, Treasury Officer and Sub-Divisional Officer.

Paragraph 17—sub-paragraph 3 (ii)—The Committee asked that explanation of all concerned should be obtained for not taking any action.

Paragraph 17—sub-paragraph 4—The Committee wanted to know what action was taken against officials concerned. If no action was taken the explanation therefor.

Page 11—

Paragraph 17—sub-paragraphs 5 (ii) and (iii)—As above.

Paragraph 17—sub-paragraph 6—The Committee wanted to know what action was taken against the official concerned.

Paragraph 17—sub-paragraph (7)—The Committee wanted to know the explanation and the action taken against the official concerned.

Treasury Inspections—The Committee observed that financial Commissioner, Revenue, may kindly report as to whether the instructions regarding inspections of treasuries are being carried out by the Treasury Officers.

Page 12—

Sub-paragraphs 1 to 8—The Committee observed that general instruction should be issued to all the Treasury Officers and that irregularities of this type should not re-occur in future.

Losses—

Paragraph 1 (i)—The Committee observed that explanation of the Supervisor should be obtained and it also wanted to know the action taken against him.

Paragraph 1(ii)—The Committee would like to know if the responsibility was fixed for this loss and what action was taken against the official concerned.

* * * * *

Finance Accounts, 1950-51—The Committee noted the position disclosed in the Finance Accounts for the year 1950-51.

MUHAMMAD SHAFIQ

ACTING CHAIRMAN

Public Accounts Committee.

Proceedings of the first meeting of the Public Accounts Committee held in the Committee Room of the West Pakistan Secretariat at 11.00 a.m., Monday, the 16th December, 1957.

Present—

- (1) Mr. Abdus Sattar Pirzada, Finance Minister, West Pakistan.
- (2) Al-Haj Muhammad Hashim Gazdar, M.P.A.
- (3) Chaudhri Muhammad Ahsan, M.P.A.
- (4) Allama Rehmatullah Arshad, M.P.A.
- (5) Mr. Madhavji Dharsibhai, M.P.A.
- (6) Mir Ali Mardan Khan Ghulam Raza Khan Talpur, M.A., LL.B., M.P.A.
- (7) Mr. Shafqat Hussain Shah Atta Hussain Shah Musavi, B.A., LL.B., M.P.A.
- (8) Syed Nazar Hussain Shah, M.P.A.
- (9) Lieut. Khan Muhammad Yousaf Khan Qasam Khel, Tarakzai Mohmand, M.P.A.
- (10) Haji Muhammad Nazif Khan, M.P.A.
- (11) Khan Muhammad Aslam Khan, M.P.A.
- (12) Mir Abdul Qayyum, B.A., LL. B., M.P.A.
- (13) A. G. N. Kazi, Esquire, C.S.P., Secretary to Government, West Pakistan, Finance Department (By invitation).
- (14) Muhammad Fazal-i-Haq, Esquire, P.A. and A.S., Accountant-General, West Pakistan, Lahore (By invitation).
- (15) N. A. Jafery, Esquire, P.A. and A.S., Director of Audit (Works), West Pakistan, Lahore (By invitation).
- (16) A. H. Butt., Esquire, P.A. and A.S., Comptroller, Northern Area, West Pakistan, Peshawar (By invitation).
- (17) M. Anwar Sheikh, Esquire, P.A. and A.S., Comptroller, Southern Area, West Pakistan, Karachi (By invitation).
- (18) S. Fazal-i-Hussain, Esquire, Deputy Secretary (Budget) to the Government of West Pakistan, Finance Department (By invitation).

PROCEEDINGS

It was proposed by S. Shafqat Hussain Shah Atta Hussain Shah Musavi, M.P.A., and seconded by Al-Haj Muhammad Hashim in Gazdar, M.P.A., that Mr. Abdus Sattar Pirzada, Finance Minister, West Pakistan, be elected Chairman of the Committee. Mr. Abdus Sattar Pirzada was unanimously elected Chairman of the Committee.

2. The Committee considered the Memorandum of the Accountant-General, West Pakistan, and agreed to his proposal contained therein, viz., the explanatory notes for the modifications of the original provision at present exhibited in column 1 of the Appropriation Accounts should be omitted in the future.

3. The Committee considered the Memorandum prepared by the Finance Department on the subject of Schedule of New Expenditure and decided that items involving an expenditure of less than Rs. 10,000 should be omitted from the Schedule of New Expenditure Volume to be presented to the Provincial Assembly and included direct in the Budget Estimates.

4. The Committee proceeded to examine the notes submitted by the heads of departments relating to the Appropriation Accounts of the Punjab Government for the year 1950-51.

**APPROPRIATION ACCOUNTS OF THE FORMER PUNJAB GOVERN-
MENT FOR THE YEAR 1950-51
GRANT No. 7—LAND REVENUE**

Page 20—

D-2 (a)—Pay of Establishment—The Committee was satisfied with the explanation.

GRANT No. 10—GENERAL ADMINISTRATION

Page 72—

P-3—Other Charges—The Committee was satisfied with the explanation.

GRANT No. 4—FORESTS

Page 25—

B-5 (1)—Factory Working Expenses—The Committee desired to examine the Chief Conservator of Forests, West Pakistan, orally, especially with regard to the fact that the sales of the Factory increased but the profits decreased.

Page 29—

Stores account of the transactions of the Forest Department, Punjab, for the year 1950-51—The Committee was satisfied with the explanation.

GRANT No. 7—IRRIGATION WORKS

Page 34—

A-(13)—Haveli Canals Circle—

B-(2) Derajat Circle (Rangpur Division)—

GRANT No. 9—IRRIGATION WORKS CAPITAL

Page 60—

Ravi Pumping Project—U—Works—The Committee was satisfied with the explanation.

GRANT No. 10—GENERAL ADMINISTRATIONS

Page 70—

L (3)—Other Charges—The Committee was satisfied with the explanation.

GRANT No. 12—JAILS AND CONVICT SETTLEMENTS

Page 80—

B-1—Central Jails—The Accountant-General, pointed out that the Inspector-General of Prisons has expressed his inability to intimate the actual date of receipt of material and the cost paid to the supplies in all jails except one on the ground that the relevant records were not traceable. The Committee decided to examine the Inspector-General of Prisons, West Pakistan, orally.

GRANT No. 13—POLICE

Page 89—

B-11—Police employed for non-Agency functions and for General Law and Order duties—The Committee was satisfied with the explanation.

GRANT No. 14—SCIENTIFIC AND MISCELLANEOUS

Page 94—

L-1—Administration of Trade Employees Act—The Committee was satisfied with the explanation.

GRANT No. 18—AGRICULTURE

Page 111—

Profit and Loss Account of Gram Seed—

Page 114—

Profit and Loss Account of Cotton Seed at the Seed Depots—

Page 120—

*Profit and Loss Account of Bags—*The Committee decided to examine the Director of Agriculture, West Pakistan, orally especially with regard to the following :—

- (1) Why the amount of credit sales was not being realised ; and
- (2) How the figure of carry over was arrived at ?

GRANT No. 19—VETERINARY

Page 125—

*Financial Review of the Government Livestock Farms, District Montgomery—*The Committee wanted to examine the Director of Animal Husbandry, West Pakistan, orally, especially with regard to the point how long the Farm would continue to be in the experimental stage and why the Profit and Loss Account was not being maintained.

GRANT No. 20—CO-OPERATION

Page 126—

A-I-(1)—Gross Charges—

B-I-(1)—Pay of Officers—

B-I-(2)—Pay of Establishment—

B-I-(3)—Allowances, Honoraria, etc.—

The Committee was not satisfied with the explanation and remarked that the Department has shown inefficiency in this case.

GRANT No. 21—INDUSTRIES

Page 128—

A-5—Industrial Development—

Page 129—

*A-(6) (3)—(Punjab Cotton Mills)—Mela Ram Mill—*The Committee was satisfied with the explanation.

GRANT No. 23—CIVIL WORKS

Page 137—

*Original Works—O—Veterinary—*The Committee was satisfied with the explanation.

GRANT No. 27—CIVIL WORKS—CAPITAL

Pages 167-168—

*G—General Administration—*The Committee viewed the explanation of the Department with disfavour and remarked that the correct budgeting procedure should have been followed.

GRANT No. 28—ELECTRICITY SCHEMES

Page 170—

*A-(3)(i) (1)—Works—*The Committee was satisfied with the explanation.

Page 172—

B-(5)-(1)—Works—

Page 174—

B-(9)-(4)—Suspense—

Pages 176-77—

Stores Account of the year 1950-51—II Thermo Electric Supply Schemes— Items 6 to 9—The Committee was satisfied with the explanation.

Pages 9-10 of the Audit Report—

Para. 17—

Sub-para. 1 and sub-para. 2 (v)—The Committee viewed with great concern the frequent resort to Emergency Rules by the Electricity as well as the Irrigation Departments. The Committee decided to recommend that Government should look into this and devise some means to check the abuse of these rules.

GRANT No. 31—STATIONERY AND PRINTING

Page 182—

B—Purchase of Stationery Stores—The Committee was satisfied with the explanation.

GRANT No. 32

Page 196—

L-2-Pindi-Kashmir Bus Service—

Page 257—

Lahore Omni Bus Service—

Page 263—

Lahore Auxiliary Goods Transport Service, Lahore—The Committee was satisfied with the explanation.

GRANT No. 32

Page 193—

J-(a)—Expenditure in connection with the camps for movements of refugees and evacuees—The Committee was satisfied with the explanation.

GRANT No. 15—EDUCATION

Page 96—

B-3—Other Charges—Committee was satisfied with the explanation.

85—CAPITAL OUTLAY ON PROVINCIAL SCHEMES OF STATE TRADING

Pages 208—217—

A—Grain Supply Schemes—The Committee decided to examine the Director of Food orally.

The Committee then adjourned to meet again at 11-00 a.m. on the 17th December, 1957.

ABDUS SATTAR PIRZADA
Chairman, Public Accounts Committee.

Proceedings of the second meeting of the Public Accounts Committee, held in the Committee Room of the West Pakistan Secretariat at 11-00 a.m. on Tuesday, the 17th December, 1957.

Present—

1. Mr. Abdus Sattar, Pirzada.
 2. Al-Haj Muhammad Hashim Gazdar, M.P.A.
 3. Chaudhri Muhammad Ahsan, M.P.A.
 4. Mr. Madhavji Dharsibhai, M.P.A.
 5. Mir Ali Mardan Khan Ghulam Raza Khan Talpur, M.A., LL.B., M.P.A.
 6. Mr. Shafqat Hussain Shah Atta Hussain Shah Musavi, B.A., LL.B., M.P.A.
 7. Syed Nazar Hussain Shah, M.P.A.
 8. Lieut. Khan Muhammad Yousaf Khan Qasam Khel, Tarakzai, Mohmand, M.P.A.
 9. Haji Muhammad Nazif Khan, M.P.A.
 10. Khan Muhammad Aslam Khan, M.P.A.
 11. Mir Abdul Qayyum, B.A., LL.B., M.P.A.
 12. A. G. N. Kazi, Esquire, C.S.P., Secretary to the Government of West Pakistan, Finance Department (By invitation).
 13. Muhammad Fazal-i-Haq, Esquire, P.A. and A.S., Accountant-General, West Pakistan, Lahore (By invitation).
 14. N. A. Jafarey, Esquire, P.A. and A.S., Director of Audit (Works), West Pakistan, Lahore (By invitation).
 15. A. H. Butt, Esquire, P.A. and A.S., Comptroller, Northern Area, West Pakistan, Peshawar (By invitation).
 16. M. Anwar Sheikh, Esquire, P.A. and A.S., Comptroller, Southern Area, West Pakistan, Karachi (By invitation).
 17. S. Fazl-i-Hussain, Esquire, Deputy Secretary (Budget) to the Government of West Pakistan, Finance Department (By invitation).
- (Heads of Departments concerned were also present by invitation).

PROCEEDINGS

The Committee took up the examination of the Heads of Departments.

* * * * *

APPROPRIATION ACCOUNTS OF THE FORMER PUNJAB GOVERNMENT FOR THE YEAR 1950-51

GRANT No. 12—JAILS AND CONVICT SETTLEMENTS

Page 80—

B-1—Central Jails—The Inspector-General of Prisons, West Pakistan, stated that the statement showing the requisite information could not be supplied as the record was not traceable was not correct. He further mentioned that in fact the reply to the Accountant-General, West Pakistan, had issued without his knowledge he promised to furnish the required information on the following day.

GRANT No. 4—FORESTS

Page 25—

B-5-(1)—Factory Working Expenses—The Chief Conservator of Forests, West Pakistan, gave facts and figures of the income and expenditure of the Factory when it was managed by Messrs. Guest Co. The Committee was not satisfied with the affairs of the Factory which then obtained and remarked that the management of the Company was not up to the mark and decided to recommend to Government that this fact should be taken note of in future dealings with the Company.

GRANT No. 19—VETERINARY

Page 125—

Financial Review of the Government Livestock Farm, Montgomery—In his written explanation the Director of Animal Husbandry, West Pakistan, stated that the Farms of the Department were in the experimental stage and that the Profit and Loss Account and balance-sheet thereof would be prepared when they had passed the experimental stage and the valuation of the entire stock had been assessed. In his oral examination, the Director of Animal Husbandry stated that the explanation given by his predecessor was not correct. He explained that the work on research and development on the Farms could not be measured by the income received. He said that a Profit and Loss Account in such cases is not maintained in any country of the world. The Committee was satisfied with the explanation.

GRANT No. 19—AGRICULTURE

Pages 111, 114 and 120—

The Deputy Director of Agriculture, West Pakistan, explained why credit sales were not being realised. He attributed the fact to a defect in the Act which provided that so long as the interest on advances is paid, the payment of the principal should be deferred. He, however, said that this Act has since been suitably amended and the defaulters can now be punished. It was decided that the Department should take steps to settle the accounts finally and expeditiously and ensure that the bad debts are written off.

LOSS AND IRREGULARITIES

Page 210—

Note 6—The Director of Food, West Pakistan, stated that the District Food Controller, at fault was reverted to his parent office as a Superintendent. The Committee considered that this was not sufficient and decided to recommend that further action should be taken in the matter and the Committee informed of the result.

Note 7—The Director of Food stated that the services of the Supervisor at fault had been terminated. The Committee was satisfied with the explanation.

Note 8—The Director of Food stated that the official, who was the main culprit in the matter was prosecuted and punished. The Committee was satisfied.

Page 212—Paragraph 1—

Personal Deposit Account—The Accountant-General, West Pakistan, stated that there were much variations and discrepancies between the summarised accounts and the figures of the disbursing officers. The Director stated that large measures of progress has been made in this work. The Committee asked that the account should be reconciled and finalised expeditiously and no delay should occur in future.

Page 212—Paragraph 2—

Stock Accounts—It was noted with regret that the Stock Accounts had not been finalised so far. The Committee asked the Director to fix responsibility on the official(s) of at fault and take steps in collaboration with the Accountant-General, West Pakistan, to finalise these accounts. The Director promised to take immediate action in the matter.

Page 212—Paragraph 3—

Sale Bills—The Committee noted with concern the in-ordinate delay in the preparation of the sales bills. The Director stated that all cases had since been finalised. The Committee asked the Director that he should study the full position and give final picture to the Committee later.

Excesses over voted grants and charged appropriations—The Committee decided to recommend that the excesses over grants and appropriations mentioned in the Appropriation Accounts of the former Punjab Government for the year 1950-51 should be regularised.

ABDUS SATTAR PIRZADA

Chairman, Public Accounts Committee

Proceeding of the third meeting of the Public Accounts Committee, held in the Committee Room of the West Pakistan Secretariat at 11-06 a.m. on Tuesday, the 18th December 1957.

Present—

1. Mr. Abdus Sattar Pirzada.
2. Al-Haj Muhammad Hashim Gazdar, M.P.A.
3. Chaurdhri Muhammad Ahsan, M.P.A.
4. Allama Rehmat Ullah Arshad, M.P.A.
5. Mr. Madhavji Dharsibhai, M.P.A.
6. Mir Ali Mardan Khan Ghulam Raza Khan Talpur, M.A. LL.B., M.P.A.
7. Mr. Shafqat Hussain Shah Atta Hussain Shah Musavi, B.A., LL.B., M.P.A.
8. Syed Mazar Hussain Shah, M.P.A.
9. Lieut. Khan Muhammad Yousaf Khan Qasam Khel, Tarakzai Mohmand, M.P.A.
10. Haji Muhammad Nazif Khan, M.P.A.
11. Khan Muhammad Aslam Khan, M.P.A.
12. Mr. Abdul Qayyum, B.A., LL.B., M.P.A.
13. A. G. N. Kazi, Esquire, C.S.P., Secretary to the Government of West Pakistan, Finance Department (By invitation).
14. B. A. Jafarey, Esquire, C.S.P., Joint Secretary to the Government of West Pakistan, Finance Department (By invitation).
15. Muhammad Fazal-i-Haq, Esquire, P.A. and A.S., Accountant-General, West Pakistan, Lahore (By invitation).
16. N. A. Jafarey, Esquire, P.A. and A.S., Director of Audit (Works), West Pakistan, Lahore (By invitation).
17. A. H. Butt, Esquire, P.A. and A.S., Comptroller, Northern Area, West Pakistan, Peshawar (By invitation).
18. M. Anwar Sheikh, Esquire, P.A. and A.S., Comptroller, Southern Area, West Pakistan, Karachi (By invitation).
19. S. Fazl-i-Hossain, Esquire, Deputy Secretary (Budget) to the Government of West Pakistan, Finance Department (By invitation).

(Heads of departments concerned were also present by invitation).

PROCEEDINGS

Appropriation Accounts of the former Punjab Government for the year 1950-51—
The Committee resumed the oral examination of the Heads of Departments.

GRANTS No. 12—JAILS AND CONVICT SETTLEMENTS

Page 80—

*B-1—Central Jails—*The Inspector-General of Prisons, West Pakistan, gave the required information, and reiterated that the previous report of his Department about non-availability of the relevant records was not correct. The Committee asked the Inspector-General of Prisons, that suitable action should be taken against the official who was responsible for giving the wrong report.

GRANT No. 7—IRRIGATION WORKS

Page 35—

*B-(8)—Upper Jhelum Canal—*The Additional Chief Engineer, Irrigation reported that ballies were entered in the measurement book and Sub-Divisional Officer has mentioned this fact but they have not been accounted for. The Sub-Divisional Officer has been warned and the Department is satisfied that

suitable action has been taken against him. The additional Chief Engineer, however, stated that the matter is still pending as the original estimates are still hanging fire and final payment has not been made to the contractor so far. The Committee was of the view that since the ballies have been received as entered in the measurement book, the Government would be liable to make the payment all the same whatever may be the fate of the estimates. The Committee desired that the report of the Anti-Corruption Departments as well as of the Departmental inquiry should be placed before the Committee.

*Delay by Department in furnishing explanation for the appropriation accounts—*The Accountant-General, and Comptrollers made joint complaint to the Committee stating that the Departments did not generally give explanations of the objections raised by the Audit in connection with the preparation of the Appropriation Accounts within the prescribed period of six weeks in spite of repeated reminders. In some cases, the period of a year or more elapses before explanations of the departments are received. It was mentioned that in actual fact, before the final explanation is asked, the departments, have ample opportunities to collect the material as preliminary inquiries are initiated much earlier at the time of the reconciliation of figures of appropriations and actuals. The Committee took a serious view of the matter and decided to recommend to Government that a very serious notice should be taken of the lapse of departments in the matter and stern measures should be taken to ensure that the explanations are received by the Accountant-General, Comptroller within the prescribed time. The Committee further suggested that Government should see that the officers, who are responsible for delays should be suitably dealt with.

*Reconciliation of Departmental Figures with Audit Figures—*The Accountant-General/Comptrollers also complained that the departments generally delay the reconciliation of figures of expenditure with the Audit Office. In some cases the delay is inordinate with the result that the preparation of the Appropriation Accounts is held up for an indefinitely long time. The Committee viewed the matter seriously and decided to recommend to Government that suitable steps be taken to set the matters right and take action as suggested in the preceding paragraph.

*Physical verifications of stocks—*The Committee noted with concern that the physical verifications of the stocks was not being carried out in a number of cases. The Committee, therefore, decided to recommend to Government that suitable instructions should be issued in the matter so that the physical verification of the stocks is carried out according to rules. The Committee also desired that an inquiry should be made by Government from all Departments about the physical verifications of stocks made in the last 5 years.

ABDUS SATTAR PIRZADA

Chairman, Public Accounts Committee.