

PROVINCIAL ASSEMBLY OF THE PUNJAB



REPORT
OF THE
PUBLIC ACCOUNTS COMMITTEE-II
ON THE
COMMERCIAL ACCOUNTS OF THE GOVERNMENT OF THE PUNJAB
FOR THE YEARS 1980-81 TO 1982-83
AND
REPORT OF THE AUDITOR GENERAL OF PAKISTAN THEREON

C O N T E N T S

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P R E F A C E

The previous Provincial Assembly of the Punjab came into existence on 12th March, 1985. However, the Standing Committees, including Public Accounts Committee was constituted on 10.10.1985 in terms of Article 169 and 176 read with Rule 151 of the Rules of Procedure of the Provincial Assembly of the Punjab, 1973 consisting of the following Members :-

| | | |
|-----|------------------------------------------------------|-------------------|
| 1. | Ch. Khushhal Muhammad Dogar, MPA | Chairman |
| 2. | Ch. Mumtaz Hussain, Minister for Finance, Punjab. | Ex-Officio Member |
| 3. | Ch. Abdur Rasheed, MPA | Member |
| 4. | Mr. Sarfraz Nawaz, MPA | Member |
| 5. | Malik Ghulam Farid Chishti, MPA | Member |
| 6. | Ch. Gul Nawaz Khan Waraich, MPA | Member |
| 7. | Malik Ghulam Haider Thind, MPA | Member |
| 8. | Ch. Muhammad Azam Cheema, MPA | Member |
| 9. | Malik Ghulam Abbas Naswana, MPA | Member |
| 10. | Mrs. Bushra Rehman, MPA | Member |

Under Rule 150 of the Rules of Procedure of the Provincial Assembly of the Punjab, the Public Accounts Committee-II had to elect its own Chairman for conducting their respective business. As such, the Public Accounts Committee-II elected Mr. Khushhal Muhammad Dogar, MPA, as its Chairman, who entered upon his office on 23.2.1986. The Committee held its first meeting on 12.4.1986 and started consideration of the preliminary examination of the Commercial Accounts of the Government of the Punjab for the years 1981-82 to 1982-83 and the report of the Auditor General of Pakistan thereon, referred to it by the Assembly

The Committee started its detailed examination by initiating regular business/work on 12.4.1986 and finalised the accounts for

the years 1980-81 to 1982-83.

The Committee had to discontinue further consideration of Public Accounts Committee due to dissolution of the Assembly with effect from 30.5.1988.

EXAMINATION OF ACCOUNTS

During the course of its deliberation, the Committee observed the following irregularities :-

I. RELUCTANCE OF THE ADMINISTRATIVE DEPARTMENT TO PRODUCE RELEVANT RECORD BEFORE PAC/AUDIT.

The Committee observed that the Administrative Departments in many cases were reluctant in producing the relevant original record before Public Accounts Committee/Audit. The non-production of the record not only causes delay in the finalisation of the Audit Faras, it also shows that the Administrative Departments were not cooperative so far as to place before the Audit/Public Accounts Committee the real state of affairs prevailing in the Department.

The Administrative Departments are, therefore, required to produce the relevant record before the Public Accounts Committee/Audit as and when needed since the Public Accounts Committee has already issued directions in this respect.

II. COURT CASES

The Committee noticed that the cases pending in the Courts were not being pursued vigorously. The Department/Agencies should see that Junior Officials are not deputed to pursue the cases in courts rather the Senior Officer conversant with full facts of the cases should be entrusted with such assignments so that positive results could be achieved.

III. COMPLIANCE OF PUBLIC ACCOUNTS COMMITTEE DIRECTIVES

Timely action on Public Accounts Committee directives issued from time to time is essential otherwise the very object of accountability in respect of financial liabilities is likely to be frustrated. The Departments are advised to adhere to the instruction given to them by the Committee and should make every possible effort to take action within the stipulated time.

IV. RECONCILIATION OF ACCOUNTS

Delay in or lack of proper attention in reconciliation of Sale Collection/Commercial Accounts leads to corruption and bungling. There are a number of reasons that the Departments avoid to complete this requirement in time. The Committee observed that the heads of the Departments, if found lethargic in exercising proper check in the matter of reconciliation of accounts in time they should be called upon to explain the reasons and if no cogent reasons exist, they should be held responsible for indiscipline on their part.

V. CARELESSNESS OF THE ADMINISTRATIVE DEPARTMENTS WHILE ISSUING NOCs TO THE RETIRED GOVERNMENT OFFICERS/OFFICIALS

It was noticed that the Administrative Departments invariably issue NOCs to the retiring Government Officers/Officials. In a number of cases, it has been observed that NOCs were issued to the retired Government Officers/Officials without properly verifying about the outstanding draft paras/Government dues against them. The Committee felt that due to this negligent attitude of the Departments, it has to resort to write-off of the Government dues as recoveries in such cases could not possibly be made. The Committee took serious note of the non-compliance of the directives already issued in this behalf.

VI. FINAL SETTLEMENT OF COMPLIANCE PARAS SETTLED CONDITIONALLY

The Committee observed that the Administrative Departments do not pay proper attention to get the compliance paras as settled finally. In a number of cases, the paras were settled subject to certain condition to be fulfilled by the concerned Departments. But, unfortunately, the Departments do not bother to get these paras finally settled which lead to a number of complications. The Departments are, therefore, directed to pay proper attention towards this situation.

VII. SUBMISSION OF DELAYED/INCORRECT WORKING PAPERS BY THE ADMINISTRATIVE DEPARTMENTS

It was observed that the Departments submit working papers as late as the day of the meeting which cause inconvenience to the Committee as the Members do not have time to go through the working papers and have to deliberate upon without home work. The Departments/Agencies are advised to submit their working papers a week in advance of schedule of the meeting.

VIII. ATTENDING THE PUBLIC ACCOUNTS COMMITTEE MEETINGS BY THE ADMINISTRATIVE DEPARTMENTS WITHOUT PREPARATION AND HOME WORK

It has been observed that the Heads of the Departments often come to the Public Accounts Committee meetings without thorough preparation/home work. Resultantly, the Principal Accounting Officers/ Heads of the Departments are sometimes not in a position to reply properly to the queries raised by the Members of the Committee and have to seek the assistance of their subordinates which is not a welcome gesture. The very object of the examination of the Accounts is defeated if the responsible officers are

blank in information or unable to satisfy the Committee by submitting proper justification and explanation on concerned paras. The Committee expressed its dissatisfaction and advised the Departments to be vigilant.

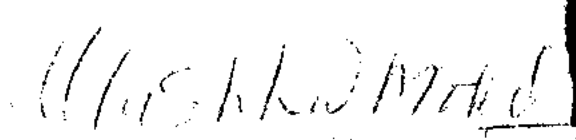
IX. COMMERCIAL SYSTEM OF ACCOUNTING

The Committee observed that the books and ledgers were not kept/maintained according to well recognised commercial system of accounting in some of the Departments due to the lack of know-how, as this system in Government agencies was introduced quite at a late stage. The Committee may, however, be apprised of practical difficulties or bottle-necks being experienced by them. This system where-so-ever adopted has yielded excellent results. The other agencies/Departments should follow suit and should come up with their suggestions to the Committee for further improvement in the system. Proper accounting system is the backbone of a good administration without which it is a mess.

As will be seen from the above, the task can truly be accomplished satisfactorily with the cooperation of the Departments. The Departments should keep the national interest supreme while running the day to day financial administration. The Committee, in the end, wishes to place on record its appreciation for the assistance and co-operation extended to it by the Administrative Departments, corporations and agencies, the Director General Commercial Audit, the Director Commercial Audit. The Accountant General, Punjab, the Director General, Audit and Accounts (Works), the Finance Department, the Secretary Assembly and his staff in the Public Accounts Committee Section of the Assembly Secretariat without

which it would not have been possible for the Committee to complete the examination of the Accounts for the years 1980-81 to 1982-83 and compile and print this Exhaustive Report. The Committee also wishes to place on record its appreciation for the co-operation extended to it by Mr. Speaker.

LAHORE:


(KHUSHMAL MUHAMMAD DOGAR)
MPA

CHAIRMAN

The 24th May, 1988.

PUBLIC ACCOUNTS COMMITTEE - II

Typed by
"Haji Alamgir"

PRELIMINARY

Preliminary examination of the Commercial Accounts of the Government of the Punjab for the years 1981-82 and 1982-83 and the Report of the Auditor General of Pakistan thereon, presented to it in its meeting held on the 17th and 18th November, 1986, at 11.00 a.m. in the Tea Room on the ground floor of the Assembly Building, Lahore. It was attended by the following :-

- | | |
|-------------------------------------------------------------------------------------|----------------------------------|
| 1. Ch. Khushhal Muhammad, MPA | Chairman |
| 2. Mr. Sarfraz Nawaz, MPA | Member |
| 3. Ch. Gul Nawaz Khan Waraich, MPA | Member |
| 4. Ch. Muhammad Azam Cheema, MPA | Member |
| 5. Mian Ghulam Farid Chishti, MPA | Member |
| 6. Malik Ghulam Haider Thind, MPA | Member |
| 7. Malik Ghulam Abbas Naswana, MPA | Member |
| 8. Ch. Abdur Rasheed, MPA | Member |
| 9. Begum Bushra Rehman, MPA | Member |
| 10. Mr. Safdar Ali Shah, Deputy Secretary, Provincial Assembly of the Punjab. | Secretary to the Committee |

FINANCE DEPARTMENT

- | | |
|------------------------------------------------------|---------------|
| 11. Malik Muhammad Akram, Additional Secretary. | On invitation |
| 12. Ch. Hashmat Ali, Deputy Secretary (Accounts). | -do- |

COMMERCIAL AUDIT

- | | |
|------------------------------------------------|------|
| 13. Mr. Liaqat Ali Shah, Deputy Director. | -do- |
| 14. Ch. Ahmad Din, Assistant Audit Officer. | -do- |

PRELIMINARY EXAMINATION 1981-82

17-11-86

1. The Public Accounts Committee - II conducted preliminary examination of the Commercial Accounts of the Government of the Punjab for the year 1981-82.
2. Audit informed the Committee that accounts for Sr. No. 1-8 had been compiled whereas accounts pertaining to the Punjab

VIII

Seed Corporation (Sr. No. 9) had yet to be compiled.

3. The Corporation should give reasons for non-compilation of accounts.

AGRICULTURE DEPARTMENT

(DRAFT PARAS)

4. Explanations in respect of Draft Paras 4 to 14 should be obtained from the Department.

5. The following paras appearing in the accounts of 1981 - 82 relating to various Departments were dropped by the Committee as they would be discussed with similar paras appearing in the accounts for the year 1982 - 83 :-

Para Nos : 20, 21, 25, 26, 28, 57, 58, 34, 35, 36, 82, 83,
85, 93, 96, 97, 98, 100, 108, 165, 169, 172,
170-A, 193, 194 and 195.

PRELIMINARY EXAMINATION 1982 - 83

18-11-86

6. The Public Accounts Committee - II conducted preliminary examination of the Commercial Accounts of the Government of the Punjab for the year 1982 - 83 and decided as under :-

(PUNJAB INDUSTRIES DEVELOPMENT BOARD)

a) Para No. 118

The accounts having been compiled, the para was settled.

(GOVERNMENT PRINTING PRESS, LAHORE)

b) Para No. 147

Since reconciliation of figures of withdrawals from and remittances with treasury had been done, the para was settled.

(GOVERNMENT PRINTING PRESS, BAHAWALPUR)

c) Para No. 160

The schedule of fixed assets having been prepared, the para was settled.

(PUNJAB MINERAL DEVELOPMENT CORPORATION)

d) Para No. 192

As no reply was required from the Department, the para was settled.

(IRRIGATION WORKSHOP)

e) Para No. 223

As the evaluation of assests had been carried out, the para was settled.

7. The Committee further directed that explanation of the Department with regard to the paras noted below should be obtained for consideration in the next meeting :-

Para Nos : 5 to 32, 86 to 89, 101 to 105, 119, 126 to 128,
134 to 138, 146, 148 to 150, 152, 158 to 161,
169 to 174, 179 to 183, 193 to 197, 205 to 206,
220 to 221, 224 to 231 and 237 to 242.

CHAPTER I

AGRICULTURE DEPARTMENT

AGRICULTURE ENGINEERING WORKSHOPS

The Committee examined the Accounts of the Agriculture Engineering Workshops in its meetings held on 12.4.1986, 13.4.1986, 29.12.1986 and 17.9.1987.

1. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1970-71 - Scope of the Compilation.
2. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1971-72 - Scope of the Compilation.
3. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1972-73 - Scope of the Compilation.
4. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1973-74 - Scope of the Compilation.
5. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1974-75 - Scope of the Compilation.

12-4-86

The Public Accounts Committee decided to allow the Administrative Department a period of three months (upto June 30th, 1986) to prepare the pending accounts of the following Engineering Workshops for the years indicated against each workshop:-

1. Agricultural Engineering Workshop, Faisalabad - 1984-85
2. Agricultural Engineering Workshop, 1981-82 - 1982-83, Multan, 1983-84 & 1984-85
3. Agricultural Engineering Workshop, Lahore - 1984-85
4. Agricultural Engineering Workshop, Leiah - 1983-84 & 1984-85
5. Agricultural Engineering Workshop, Rawalpindi - 1984-85
6. Para 15 Page 12 of Audit Report On Commercial Accounts for the year 1971-72 - Short Receipt of B. S. Pipes Amount of Rs.25, 396/68.

12-4-86

On the explanation of the Administrative Department the Audit has accepted the balance amount of Rs. 25, 396/68. The Committee accepted the view that the shortage of Rs. 25, 396/68 was not found to have occurred. This portion of the paragraph may be treated as settled.

Amount: of Rs. 13,683/32

As regards the balance amount of Rs. 13,683/32, the Public Accounts Committee had directed that the recovery which had been effected and credited to the Accounts of Accountant General, Pakistan Revenue, should be passed on to the Accountant General, Punjab. As this has not been done, the Committee directed the Department to have this matter expedited by making personal efforts by the officers concerned.

The Committee also observed that the movement and receipt of the stores from Karachi to the receiving end should be streamlined.

So far as this isolated case is concerned, the matter appears to have reached its final stage, but still there was room for improvement in the system. It was suggested that if the stores had been checked at the Railway Station when they were handed over to the Railway officials and properly bound, packed and checked, such loss would not have occurred.

For settlement of Rs. 13,683/32, the para was kept pending.

7. Para 11 Page 11 of Audit Report On Commercial Accounts for the year 1972-73 - Loss due to Short Receipt of Pipe worth Rs. 5,30,674/-.

12-4-86

The Committee directed the Administrative Department to show all the relevant papers connected with this case in order to satisfy the Committee that the writing off of Rs. 64,872/16 was in order and that the amount of Rs. 5,30,674/- was validly reduced to Rs. 64,872/16.

The para was kept pending.

13-4-86

In order to verify the reduction of the amount from Rs. 5,30,674/- to Rs. 64,872/16 and other allied matters, and subject to approval of Mr. Speaker, the Public Accounts Committee desired to constitute a Sub Committee consisting of the following Members to report by July, 1986 :-

1. Ch. Abdul Rashid, MPA
2. Ch. Gul Nawaz Khan Waraich, MPA

The Finance Department and Audit will be associated during the inquiry.

The para was kept pending till then.

8. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1974-75 - Theft of Boring Material worth Rs. 26, 936/-.

12-4-86

- a) 15 Nos 8" dia Casing Pipes

This item was settled.

- b) Theft of 1 tripod and one 8" Casing Pipe

The case is in the Court and the next date of hearing is fixed for 12.5.1986. The Department was directed to take up the matter with the District Attorney concerned and depute an energetic official to pursue the matter and have it finalized as soon as possible.

The para was kept pending.

9. Para 6 Page 9 of Audit Report On Commercial Accounts for the year 1974-75 - Non-recovery of Transit Shortage of Rs. 18, 750/-.

12-4-86

The Audit has not been able to verify the position. It has been reported that the team went to the concerned office for verification but the relevant record could not be produced. The Public Accounts Committee views this state of affairs seriously and directs that the Audit team may be given all possible assistance by providing facts and data when-ever it visits any formation in order to verify the facts under the directions of the Committee. This para shall be attended to diligently and promptly, now. The para was kept pending for verification within 15 days and to be reported in the next meeting.

10. Para 8 Para 9 of Audit Report On Commercial Accounts for the year 1974-75 - Shortages of Stores worth Rs. 6, 902/16.

12-4-86

The Committee desired to know the reasons for the re-instatement of the culprit alongwith the details of the dates from which the recovery was started against the culprit.

The para was kept pending.

11. Para 9 Page 9 of Audit Report On Commercial Accounts for the year 1974-75 - Loss on purchase of Defective Hydraulic Pumps Rs. 7,120/-.

13-4-86

The Department explained that the amount of Rs. 7,120/- had been recovered and verified by Audit. The Department assured the Committee that henceforth they have taken remedial measures, by inclusion of the warranty clause for the purchase of agricultural machinery.

The para stands settled.

1975-76 TO 1981-82

12. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1975-76.

13. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1976-77.

14. Para 3 Page 4 of Audit Report On Commercial Accounts for the years 1977-78 to 1979-80.

15. Para 3 Page 4 of Audit Report On Commercial Accounts for the year 1981-82.

13-4-86

The Public Accounts Committee decided, as in its meeting held on 12th April, 1986 to allow the Administrative Department a period of three months (upto June 30th, 1986) to prepare the pending accounts of the following Engineering Workshops for the years indicated against each Workshop :-

1. Agricultural Engineering Workshop, Faisalabad- 1984-85
2. Agricultural Engineering Workshop, 1981-82 - 1982-83, Multan. 1983-84 & 1984-85
3. Agricultural Engineering Workshop, Lahore- 1984-85
4. Agricultural Engineering Workshop, Leiah - 1983-84 and 1984-85
5. Agricultural Engineering Workshop, Rawalpindi - 1984-85

16. Para 16 Page 16 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

13-4-86

- i) The recovery of Rs. 12,315/- has been verified by Audit.

The Committee observed that at the time when the shortage occurred the replacement price of the stores was not Rs. 12,315/- (which is the book value), but it was Rs. 31,080/-. It also observed that in all fairness the defaulter should have been penalized to the extent of replacement value. The Department was directed to supply full details regarding :-

- a) the officer on whom the responsibility was fixed ;
- b) the supervisory officers who were responsible for fixing the amount to be recovered ;

in its next meeting.

This part of the para was kept pending.

ii) Shortage of Imported Spares worth Rs. 2,66,961/-.

The shortage of stores amounting to Rs. 2,66,961/- was detected by the Department before the stores reached the destination. It was argued that the shortage was due to short booking/wrong packing which in both cases were the Pakistan Railways. The Committee observed that it has taken more than a decade to have this para settled. The Committee viewed this state of affairs with concern and observed that the Department will state their case clearly to the Railways and the Railway Authorities should settle this matter with the Department concerned with despatch. The Committee fixed a cut off date upto 31st July, 1986. The Committee would like to impress upon the Pakistan Railway Authorities (a copy of these observations would be sent to them by the Department concerned) that, through concerned authorities, they may settle this matter before the cut off date.

This part of the paragraph was also kept pending till next meeting.

1980 - 81

17.. Para 3 Page 4 and 5 of Audit Report On Commercial Accounts for the year 1980-81 - Compilation of Accounts in Arrear.

29-12-86

The Audit reported that accounts in respect of Agricultural Engineering Workshops, Bahawalpur, Faisalabad, Gujranwala, Lahore, Leiah, Multan, Rawalpindi and Sargodha had been compiled, which would be incorporated in the compilation of Commercial Accounts, Government of the Punjab for the years 1983-84 and 1984-85.

The para was settled.

18. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1980-81 - Non-compilation of Proforma Accounts of Agricultural Engineering Workshops.

29-12-86

The Audit reported that accounts in respect of Agricultural Engineering Workshops, Bahawalpur, Faisalabad, Gujranwala, Lahore, Leiah, Multan, Rawalpindi and Sargodha had been compiled, which would be incorporated in the compilation of Commercial Accounts, Government of the Punjab for the years 1983-84 and 1984-85.

The para was settled.

1981 - 82

19. Para 3 Page 4 and 5 of Audit Report On Commercial Accounts for the year 1981-82 - Non-compilation of Accounts.

17-9-87

The Department explained that the Proforma Accounts of all the workshops had been compiled and certified by Audit.

The para was settled.

20. Para 5 Page 11 of Audit Report On Commercial Accounts for the year 1980-81 - Shortages of Stores valuing Rs. 29,209/-.

17-9-87

The Department stated that according to the Inquiry Report, a copy whereof had been supplied to the Department in May 1986, unserviceable spare parts had been handed over by the accused Foreman Mr. Muhammad Afzal Khan, except two unserviceable Hydraulic Pumps of the Bulldozers, the cost whereof came to Rs. 2,750/-.

The Committee was not satisfied with the findings of the Inquiry Officer and directed the Department to hold a fresh Inquiry to find out whether these hydraulic pumps were received in the workshop or not. If not, then the presumption was that they had been stolen. In such a case, the Department should have filed a report with the Police and action taken against the accused. Moreover, it should also be ascertained whether the said pumps had been declared unserviceable on the basis of a certificate issued by the engineer concerned or by some one else. A copy of the Inquiry Report should be furnished to Audit and the para should come before the Committee with their comments.

Further consideration of the para was deferred.

21. Para 6 Page 11 of Audit Report On Commercial Accounts for the year 1981-82 - Shortage of Parts of Bulldozers Rs. 15, 017/-

17-9-87

The para was considered in detail. The Committee wanted to know as to when the Bulldozers were received, what was their life in hours, and when they were declared unserviceable. Also, whether any official had been held responsible for receiving the bulldozers with missing parts and what action was taken against him. The Department was directed to submit a fresh working paper giving full details of the case for consideration in its next meeting.

The para was deferred.

1982 - 83

22. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1982-83 - Accounts not Compiled.

17-9-87

The explanation of the Department was considered satisfactory and the para was settled.

23. Para 9 Page 16 of Audit Report On Commercial Accounts for the year 1982-83 - Loss due to Non-provision of Insurance Coverage Rs. 4, 46, 143/-.

17-9-87

The Department stated that the credit of Rs. 5, 88, 461/- to Government account had been verified by Audit. The remaining loss of Rs. 4, 47, 965/96 had since been written off by the Finance Department. The Committee directed that this should also be got verified by Audit.

Subject to verification by Audit, the para was settled.

AGRICULTURE DEPARTMENT

(PUNJAB AGRICULTURAL DEVELOPMENT AND SUPPLIES CORPORATION)

The Committee examined the Accounts of the Punjab Agricultural Development and Supplies Corporation in its meetings held on 23.8.1986, 24.8.1986, 25.8.1986, 21.9.1986, 29.12.1986, 28.4.1987 and 29.4.1987.

24. Para 51 Page 59 of Audit Report On Commercial Accounts for the year 1973-74 - Approval of Auditor General of Pakistan for Specified form of Proforma Accounts.

23-8-86

The form of Commercial Accounts adopted by Punjab Agricultural Development and Supplies Corporation having been approved by the Auditor General of Pakistan.

The para was settled.

25. Para 52 Page 59 of Audit Report On Commercial Accounts for the year 1973-74 - A net loss of Rs. 80,75,413/- during the year under review.

23-8-86

This para was deleted from the working paper and it will be discussed alongwith a similar para appearing in the accounts for 1980-81.

26. Para 55 Page 60 of Audit Report On Commercial Accounts for the year 1973-74 - Non production of Audit Bifurcation Accounts.

23-8-86

The Department stated that the report of the high powered Apportionment Committee, constituted by the Federal Government for the apportionment of stocks of defunct WPIDG/FDAS between the Provinces, had not so far been received. The matter was being pursued at personal level.

The para was deferred.

27. Para 55 Page 60 of Audit Report On Commercial Accounts for the year 1973-74 - Non-producing of Bifurcation Account.

29-4-87

The assets and liabilities having been verified, the para was settled.

28. Para 56 Page 60 of Audit Report On Commercial Accounts for the year 1973-74 - Non-reconciliation of Sale Collection Account with the Books of the Bank.

23-8-86

The Department stated that 90 percent of the sales collection accounts of the Corporation had been reconciled with the respective banks and efforts were being made to expedite reconciliation of the remaining accounts as well.

The para was kept pending.

29. Para 56 Page 60 of Audit Report On Commercial Accounts for the year 1973-74 - Non-reconciliation of the Sale Collection Accounts with the Books of the Bank.

29-4-87

The para was carried over and deleted from here.

30. Para 60 Page 60 of Audit Report On Commercial Accounts for the year 1973-74 - Recovery of Losses on Account of Flood Rs. 11, 39, 123/- and on Account of Grow more Food Campaign Rs. 2, 75, 94, 418/-.

23-8-86

The amount of Rs. 5, 36, 14, 647/- as it stood on 30. 6. 1974 had been recovered from sundry debtors and verified by Audit.

The para was settled.

1974 - 75

31. Para 41 Page 51 of Audit Report On Commercial Accounts for the year 1974-75 - Over payment due to Procurement of Stores in Excess of Requirements and Abnormal Delay in Cash Collection.

23-8-86

The Committee decided to delete this para from the working

paper. This para will be discussed along with a similar para for 1980-81.

32. Para 42 Page 51 of Audit Report On Commercial Accounts for the year 1974-75 - Non-reconciliation of Sale Collection Account with the Books of the Bank Accounts,

23-8-86

The reconciliation to adjustment of Sales Collection Accounts against sundry debtors should be expedited.

The para was kept pending.

29-4-87

The para was carried over and deleted from here.

1975 - 76

33. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1975-76 - Over payments to Printers of Rs. 1, 05, 407/-

23-8-86

The Department stated that the matter will be placed before the Board of Members in its meeting to be held on 28th August, 1986 for final decision. The Committee directed the Department to expedite the matter.

The para was kept pending.

29-4-87

It was reported that next meeting of the Board was scheduled to be held in May 1987, wherein this issue would come up for hearing. The para was kept pending and the progress be reported in the next meeting.

34. Para 19 Page 33 of Audit Report On Commercial Accounts for the year 1975-76 - Excess of Expenditure Over Income.

23-8-86

This para was deleted from the working paper and the same will be discussed along with a similar para for 1980-81.

35. Para 20 Page 33 of Audit Report On Commercial Accounts for the year 1975-76 - Non-adjustment of Sale Recoveries due to Non-reconciliation of Sale Collection Accounts with the Bank Account.

23-8-86

The reconciliation/adjustment of Sales Collection Accounts

against sundry debtors should be expedited.

The para was kept pending.

29-4-87

It was decided to be deleted from here

1976 - 77

23-8-86

The reconciliation/adjustment of Sales Collection Accounts

36. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1976-77 - Mis-appropriation of Seed Worth Rs.10,550/-.

23-8-86

The Department stated that a case was registered in May, 1978. The Committee desired to know the reasons for delay in registration of the case with the Police and whether any action had been taken against the officer who delayed the case. The Department explained that the person involved had been charge - sheeted and disciplinary action had been initiated against him. Final action taken in this matter would be intimated to the Committee as soon as completed.

The para was kept pending.

29-4-87

(i) It was reported that the concerned supervisor was acquitted on 15.6.1980 and loss had to be got written off by the Board in its next meeting.

(ii) To a query of the Audit it was explained that the accused officer's increment was stopped without cumulative effect.

The para was kept pending.

37. Para 12 and 13 Page 19 of Audit Report On Commercial Accounts for the year 1976-77 - Excess of Expenditure Over Income.

23-8-86

The para was deleted from the working paper, and will be discussed along with a similar para appearing in Accounts for 1980-81.

24-8-86

The Administrative Secretary stated that he had returned from tour only last night and he could not study the Working Paper thoroughly before coming to the meeting. He, therefore, requested the Committee to give him some time to discuss the paras appearing in the Working Paper with his officers so that he could give full details of the paras to the Committee.

The Committee acceded to his request and decided to take up the accounts for 1977-78, 1979-80 and 1980-81 in its next meeting to be held on 25th August, 1986.

1977 to 1980

38. Para 5 Page 11 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Loss of Rs. 16,62,165/- due to Shortage/Wastage of Seeds.

25-8-86

The Administrative Secretary explained the background of this para and requested that, as recommended by the Adhoc Public Accounts Committee, the para may be settled. The Committee settled the para, having being verified by Audit.

39. Para 6 Page 11 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Shortage of Fertilizer worth Rs. 19,939/-.

25-8-86

The Committee directed that legal opinion of the Law and Parliamentary Affairs Department should be obtained on the Labour Court's decision for not proceeding against the accused for the second time on the same charges and intimate the same to the Committee. The Committee further directed that departmental inquiry against the supervisory staff should be expedited. All these actions should be completed within one month's time.

The para was kept pending.

29-4-87

As desired, the opinion of the Law and Parliamentary Affairs Department was obtained which required that the inquiry proceedings be completed first. It has since been done. Progress in this respect will be reported in the next meeting.

The para was kept pending.

40. Para 7 Page 11 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Loss of Seeds valuing Rs. 69,911/-.

25-8-86

The Administrative Secretary stated that it was ordered in 1984 that a case should be registered but the officer concerned delayed it till 24.8.1986 when ultimately an FIR has been lodged. He assured the Committee that he would take disciplinary action against the defaulting officer for delaying the lodging of FIR against the explicit instructions of the higher authorities. He further stated that the Managing Director has already asked for the explanation of the Regional Manager for delay in registering the case and, after completion of the inquiry, responsibility shall be fixed for the same.

The Committee directed that the case should be pursued vigorously and progress reported in the next meeting of the Public Accounts Committee - II.

The para was kept pending.

29-4-87

The Administrative Department stated that the Regional Manager, who was responsible for delay in registration of the case, was given a written warning. The Committee felt that it was a very mild action and directed that a detailed report in respect of contents of the FIR, progress of the case and the irregularity of striking off the stock of seed from the ledger and other relevant details should be submitted in the next meeting.

The para was kept pending.

41. Para 8 Page 12 of Audit Report for the year 1977 to 1980 -
(1) Non recovery of Rs. 17, 29, 083/- Sales/Clearing Agents.
(2) Loss of Interest Amounting to Rs. 8, 98, 802/-.

25-8-86

- (i) The Committee directed that the recovery of Rs. 1, 98, 668/-, reported to have been made from the Irrigation and Power Department, should be got verified by Audit.

- (ii) The Department informed the Committee that the case was pending with the Sind High Court for liquidation of the Firm, namely, Messers Firdous Trading Corporation which was being pursued.

As regards the taking of action against officers of the Punjab Agricultural Development and Supplies Corporation at Karachi, who advanced Rs. 7, 05, 340/- to Messers Firdous Trading Corporation on accounts of Octroi Charges without watching their refund from the Karachi Metropolitan Corporation, the Administrative Secretary stated that he would send his Managing Director to Karachi to locate those officers and lodge criminal proceedings against them. The Department was directed to expedite action in the matter.

- (iii) Regarding the loss of Rs. 37, 813/-, the Department was directed to pursue the case vigorously. The Department stated that they were obtaining legal advice as to what action could be taken against the defaulters and as soon as it was received by them, action would be taken accordingly.

The para was kept pending.

29-4-87

- (i) Recovery of Rs. 1,98,668/- having been made from the Irrigation and Power Department and verified by Audit, this item stood settled.
- (ii) FIR against the clearing agents as well as officers of the PAD and SC had been lodged at Karachi, and the
- (iii) case was pending in the Sind High Court. It being sub-judice, the item was kept pending.
- (iv) This case had also been included amongst the cases against the Firdous Trading Corporation.
- (v) Recovery was in progress.

The para was kept pending.

42. Para 9 Page 13 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Loss of Rs. 3,51,390/- due to Sale of Fertilizer below the Revised Selling Prices.

25-8-86

The Public Accounts Committee was informed by the Administrative Secretary that he had appointed a Committee, as recommended by the Sub Committee of the Adhoc Public Accounts Committee, only 10 days back which would examine the case and submit its report within two months.

The para was kept pending.

29-4-87

The Department explained that an inquiry had been held by the Secretary and 5 persons had been held responsible. Out of these, three had left the organisation (one of them has since died). The other two were still working in the organisation. It was further submitted that the inquiry report had been made available to the Audit which was being examined by them.

The para was kept pending.

43. Para 10 Page 13 of Audit Report On Commercial Accounts / year 1977 to 1980 - Cost of Seeds Amounting to Rs. 6,35,480/- doubtful of Recovery. for the

25-8-86

The para was discussed in detail and it was decided that the Audit and the Punjab Agricultural Development and Supplies Corporation should sit together and sort out the matter.

The para was kept pending.

29-4-87

The case was being pursued regarding the recovery from the Federal Government.

The para was kept pending.

44. Para 11 Page 14 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Avoidable Loss of Rs. 43,200/-.

25-8-86

The para was settled, as recommended by the Adhoc Public Accounts Committee.

45. Para 12 Page 14 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Loss of Rs. 37,813/- due to delay in Preferring Claims.

25-8-86

(i) The Committee directed that the recovery of Rs. 1,98,668/-, reported to have been made from the Irrigation and Power Department, should be got verified by Audit.

(ii) The Department informed the Committee that the case was pending with the Sind High Court for liquidation of the Firm, namely, Messrs Firdous Trading Corporation, which was being pursued.

As regards the taking of action against officers of the Punjab Agricultural Development and Supplies Corporation at Karachi, who advanced Rs. 7,05,340/- to Messrs Firdous Trading Corporation on account of Octroi Charges without watching their refund from the Karachi Metropolitan Corporation, the Administrative Secretary stated that he would send his Managing Director to Karachi to locate those officers and lodge criminal proceedings against them. The Department was directed to expedite action in the matter.

(iii) Regarding the loss of Rs. 37,813/-, the Department was directed to pursue the case vigorously. The Department stated that they were obtaining legal advice as to what action could be taken against the defaulters and as soon as it was received by them, action would be taken accordingly.

The para was kept pending.

29-4-87

This para was included in draft Para 8 Page 12 against Firdous Trading Corporation, and was, therefore, deleted from here.

46. Para 13 Page 15 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Loss of Rs. 39,571/- due to Supply of Damaged Spares.

25-8-86

The Committee directed that the Corporation should submit a report to the Audit, which will then examine whether the spare parts had been consumed in an appropriate manner and, secondly, after having been fitted into the machine, they had served their normal life. The Audit will then submit its report to the Committee for its further consideration.

The para was kept pending.

29-4-87

It was stated that consumption of Rs. 25,565/62 had been verified while spares worth Rs. 14,005/54 were physically available which will be utilized in due course. The Committee wanted to know if these spares were fit to be used in the machinery owned by the organization. Detailed report in this respect was required to be submitted in the next meeting.

The para was kept pending.

47. Para 14 Page 15 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Penalty and Demurrage Charges Rs. 1,44,372/-.

25-8-86

The Sub Committee of the Adhoc Public Accounts Committee had directed the Department that the relevant file should be produced for its scrutiny. The file was accordingly produced, but since the Adhoc Public Accounts Committee did not exist any longer, the Committee decided to return the file to the Corporation with the direction that fresh working paper should be prepared, in the light of the directives of the Sub Committee of the Public Accounts Committee, and submitted to it for consideration in the next meeting.

The para was kept pending.

29-4-87

decided

The Committee / to constitute a Sub Committee comprising of Ch. Abdur Rasheed, MPA, (2) Begum Bushra Rehman, MPA and a representative each of the Finance Department and Commercial Audit, who will probe in depth and report to the Committee its findings and recommendations.

48. Para 15 Page 15 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Payment of Rs. 99,465/- for Defective Batteries.

25-8-86

Since the cost of the defective batteries had been recovered and verified by Audit, the para was settled.

49. Para 32, 34, 35 and 36 Page 30 and 31 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Working Results.

25-8-86

The Committee decided to delete the para from here and to discuss it alongwith the similar para appearing in the accounts of 1980-81.

50. Para 34 Page 30 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Sundry Debtors.

25-8-86

The Department informed the Committee that out of the total amount of Rs. 7.63 crore, an amount of Rs. 5.14 crore had been recovered, leaving a balance of Rs. 2.49 crore.

The Committee directed that the amount recovered should be got verified by Audit and recovery of the balance amount should also be expedited.

The para was kept pending.

29-4-87

The latest position of the Sundry Debtors was discussed against Para 46 Page 48 of 1982-83 Accounts. It was decided to delete this para from here.

51. Para 35 Page 30 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Closing Stocks Rs. 4,90,906 Millions.

25-8-86

The Committee directed that results of the physical verification completed during the year 1981-82 should be intimated immediately to the Audit. The Committee further directed that the old stocks of fertilizers should be disposed of at reduced rates after seeking approval of the competent authority.

The para was kept pending.

29-4-87

It was decided that Audit should verify in detail.

The para was kept pending.

52. Para 36 Page 31 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Reconciliation of Accounts.

25-8-86

The reconciliation had been carried out by the Department and verified by Audit.

Therefore, the para was settled.

and 45

53. Para 44/Page 42 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Working Results.

25-8-86

The Committee decided that Paras 44 and 45 should be deleted from here and discussed alongwith similar paras appearing in the accounts for the year 1980-81 .

54. Para 46 Page 42 of Audit Report On Commercial Accounts for the year 1977 to 1980 - The Difference between the Balance Sheet and the Ledgers for the year 1978-79 against Heads of Accounts.

25-8-86

The reconciliation had been carried out by the Department and verified by Audit.

Therefore, the para was settled.

55. Para 48 Page 43 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Closing Stocks Rs. 45,91,94,467/-.

25-8-86

The reconciliation had been carried out by the Department and verified by Audit.

Therefore, the para was settled.

56. Para 57 and 58 Page 54 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Working Results.

25-8-86

The Committee decided to delete these paras from here and to

to discuss them alongwith the similar paras appearing in the accounts for 1980-81 .

57. Para 59 Page 54 of Audit Report On Commercial Accounts for the year 1977 to 1980 - The Difference between the Balance Sheet and the Ledgers for the year 1977-78 against Heads of Accounts.

25-8-86

The reconciliation had been carried out by the Department and verified by Audit.

Therefore, the para was settled.

58. Para 61 Page 55 of Audit Report On Commercial Accounts for the year 1977 to 1980 - Non-production of detail Record of Sundry Debtors for Rs. 14,43,74,015/-.

25-8-86

The reconciliation had been carried out by the Department and verified by Audit.

Therefore, the para was settled.

1980 - 81

59. Para 6 Page 10 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 34,995 Million due to prolonged Storage of Fertilizer.

21-9-86

The Administrative Department stated that they had supplied the details of the case as required by the previous Public Accounts Committee. Keeping in view the huge loss of Rs. 3.5 crores, the Audit suggested that a Sub Committee be formed to examine the case. Consequently, the Public Accounts Committee constituted a Sub Committee consisting of (i) Ch. Gul Nawaz Khan Warraich, MPA, (ii) Ch. Abdur Rashid, MPA and (iii) Begum Bushra Rehman, MPA, for detailed examination of the case and to submit its report for consideration of the Committee.

The para was kept pending.

60. Para 6 Page 10 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 34,995 Million due to prolonged Storage of Fertilizer.

29-4-87

The para was already under examination of the Sub Committee.

of Public Accounts Committee-II and its report was yet awaited.

The para was kept pending.

61. Para 7 Page 10 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 79,15,820/- due to Spoilage of Seeds and Fertilizer by Rains and Flood.

21-9-86

The Department had submitted details pertaining to the loss of Rs. 79,15,820/- due to damage caused to seed and fertilizer on account of seepage of rain water into godowns, which were in a dilapidated condition. The Audit was asked to examine the reply of Punjab Agricultural Development and Supplies Corporation and furnish its comments thereon for consideration of the Committee in its next meeting.

The para was kept pending.

29-4-87

The detailed reply submitted by the Corporation has yet to be examined and verified by Audit.

The para was kept pending.

62. Para 8 Page 11 of Audit Report On Commercial Accounts for the year 1980-81 - Shortage/Misappropriation of Stock worth Rs. 390 Million at the Sale Points of PAD & SC,--

21-9-86

The Committee took note of the fact that the directive of the previous Public Accounts Committee to submit summaries of individual cases to Audit by 10.11.1986 had not been complied with by the PAD and SC, which showed that the Department was not attaching due importance to the directives of the Public Accounts Committee. The Administrative Department expressed regrets for the delay and promised to carry out the directives of Public Accounts Committee promptly in future.

The Committee then considered the para in detail and directed that in cases which were decided by M.L. and the recoveries were not possible, action for regularization of losses should be taken and finalized expeditiously. It further directed that the cases pending in the courts should be pursued vigorously at personal level and the District Attorneys should make a request to the courts to decide involving losses to Government expeditiously.

It also directed that action against the supervisory staff should be taken for non-observance of the approved procedure of physical checking of stock and for lack of proper checks over the books of accounts kept in the issuing and receiving officers, as a result which a large quantity of fertilizer/seed was misappropriated. The

Department explained that fresh procedural instructions had been issued to the supervisory staff and occasional checks were being carried out to ensure that these were being observed. The Committee directed that a copy of these instructions should be supplied to Audit to examine whether these were efficacious ; , if not, what more steps were required to be taken.

The para was kept pending.

29-4-87

The departmental reply has yet to be examined by the Audit. The Corporation may also submit the latest position of the 26 cases given therein.

The para was kept pending.

63. Para 9 Page 12 of Audit Report On Commercial Accounts for the year 1980-81 - Avoidable expenditure of Rs. 700,560/-.

21-9-86

The para was settled subject to verification of extension of the delivery period by Audit.

29-4-87

The para was settled.

64. Para 10 Page 13-14 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 1,21,382/- due to Misappropriation/Embezzlement.

21-9-86

The Committee directed that the cases pending in the courts should be pursued vigorously and progress reported in the next meeting. It also desired that a copy of the instructions already issued with regard to cash handling and bank transactions should be supplied to Audit for their examination and to see whether the instructions were adequate or not.

The para was kept pending.

29-4-87

Being Sub-Judice, the case should pursued vigorously.

The para was kept pending.

65. Para 11 Page 14 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 74,015/- due to Misappropriation and Shortage of Fertilizer.

21-9-86

The Administrative Department explained that the departmental

enquiry had now been completed. The Authority, agreeing with the opinion of the Enquiry Officer, had dropped the case against the accused Supervisor and decided that the loss was attributable to rain/flood. The loss statements had been prepared and were in the process of regularization.

The Committee directed that a copy of the inquiry report should be supplied to Audit for their comments, and the loss, which was attributable to rains/flood, should be regularized.

The para was kept pending.

29-4-87

- (i) The inquiry report was under examination of the Audit and its comments were required to be submitted in the next meeting.
- (ii) The regularization of the losses by the competent financial authority was in progress.

The para was kept pending.

66. Para 12 Page 15 of Audit Report On Commercial Accounts for the year 1980-81 - Misappropriation of Stock worth Rs.34, 322/- and Cash Rs. 3, 000/-.

21-9-86

The Department stated that the case against the accused, Mr. Javaid Iqbal, the then Store Keeper, was pending in the court of Resident Magistrate, Nankana Sahib. The last date of hearing was fixed for 13th July, 1986, but the accused did not appear in the court and was thus declared absconder. The case being sub-judice, the para was kept pending.

29-4-87

The para was sub-judice. It was directed that its proceedings may be got expedited.

The para was kept pending.

67. Para 22 Page 24 of Audit Report On Commercial Accounts for the year 1980-81 - A loss of Rs. 94,415/- on the Sale of Fertilizer.

68. Para 23 Page 24 of Audit Report On Commercial Accounts for the year 1980-81 - A net loss of Rs. 93,538/- on the Sale of Seeds of Fertilizer.

21-9-86

These paragraphs were covered by the Report of the Public Accounts Committee. As such, these were deleted from the

working paper, as recommended by the Previous Public Accounts Committee.

69. Para 24 Page 24 of Audit Report On Commercial Accounts for the year 1980-81 - Heavy Loss of Interest Charges on Borrowed Funds.

21-9-86

The Audit pointed out that the stock position of fertilizer during the year 1983-84 and 1984-85 had further swollen when compared with the stock position of 1980-81. Since the Corporation had no working capital and carried on its business through borrowed funds involving heavy financial expenses, need for arresting the higher trend in stock of fertilizer was stressed.

The Department stated that targets of import of fertilizer were fixed by the Federal Government irrespective of sale potentials. The share allocated by the Federal Government had to be uplifted by the PAD and SC.

The Committee directed the Administrative Department to take steps to see how the position can be remedied.

The para was kept pending.

The Committee deferred consideration of the remaining Working Paper to its next series of meetings, when fixed for the Department.

70. Para 24 Page 24 of Audit Report On Commercial Accounts for the year 1980-81 - Interest Charges on Borrowed Funds.

29-4-87

The accounts have since been reduced to writing which may be verified by Audit.

The para was kept pending.

71. Para 25 Page 24 of Audit Report On Commercial Accounts for the year 1980-81 - Shortage of Seeds Amounting to Rs. 9,07,394/-.

29-12-86

The Department explained that they had consolidated actual shortages and losses on Seed operations upto June 30, 1984, which came to about 1.88 percent of the total stock handled, whereas the permissible limit was 3 percent.

The Audit pointed out that the Department had not yet fixed the percentage of the losses i.e. the sieving dryage, store and transit losses to keep control over the losses. Secondly, losses on account of rain, theft and defalcation have been charged

to accounts without investigation.

The Committee directed the Department that they should lay down the percentages of the losses which should be examined by Audit. The Committee also directed that the details of the losses should be given in the next meeting on account of rain, theft and defalcation. Also, investigations into the losses should be immediately carried out and recoveries made from the persons found responsible.

The para was kept pending.

29-4-87

It will be taken up with Para 24 Page 25 for the year 1980-81 and is deleted from here.

72. Para 26 Page 24 of Audit Report On Commercial Accounts for the year 1980-81 - Unascertained/Unrecociled Items of Sale Accounts.

29-12-86

The Department stated that the reconciliation of accounts had been done, the para was settled subject to verification by Audit.

29-4-87

This para has been discussed alongwith Para 44 Page 48 of 1982-83 and may be deleted from here.

73. Para 27 Page 24-25 of Audit Report On Commercial Accounts for the year 1980-81 - Late Remittance/Adjustment of Sale Collection Accounts.

29-12-86

The Department was directed to expedite recovery of the balance of Rs. 2.94 million from banks on account of interest and report progress in the next meeting of the Public Accounts Committee.

The para was kept pending.

29-4-87

This para was discussed alongwith Para 49 Page 49 of 1982-83 and may be deleted from here.

74. Para 28 Page 25 of Audit Report On Commercial Accounts for the year 1980-81/ - Unsatisfactory Realisation and Adjustments of Sundry Debtors.

29-12-86

Out of sundry debtors amounting to Rs. 28.14 million as on

30.6.1981, a sum of Rs. 24.91 million was still to be recovered. The Department was directed to expedite these balance recoveries and report progress in the next meeting.

The para was kept pending.

29-4-87

The latest position of sundry debtor had been discussed in Para 46 Page 48 of 1982-83 and deleted from here.

75. Para 29 Page 25 of Audit Report On Commercial Accounts for the year 1980-81 - Embezzlement of Rs. 9,99,306/06.

29-12-86

The Department was directed to provide a copy of the inquiry report in respect of the case of embezzlement of Rs. 1.00 million against Mr. Muhammad Jamil, Ex-Assistant of the office of Regional Manager, PAD and SC, Lahore, alongwith comments of Audit in the next meeting.

The para was kept pending.

29-4-87

The case was under departmental investigation. As soon as it is completed, its report would be submitted to the Audit for examination.

The para was kept pending.

76. Para 30 Page 25 of Audit Report On Commercial Accounts for the year 1980-81 - Inclusion of Ex-Gratia in the Sundry Debtors.

29-12-86

The Department stated that the amount of Rs. 2,277 million was included in the amount of Rs. 28,14 stated in Para 28 Page 25 above and this para may be deleted.

Subject to verification by Audit, this para was deleted from the working paper, which will come up for discussion alongwith Para 28 Page 25 in the next meeting.

29-4-87

On having verified that the amount of 2.227 million had been included in the sundry debtors discussed in Para 28 Page 25 of 1980-81, it was deleted from here.

77. Para 31 Page 25 of Audit Report On Commercial Accounts for the year 1980-81 - Non-recovery of forfeited amount of Rs. 1.42 Million by Daud Hercules Factory, Sheikhpura.

29-12-86

The Department stated that an amount of Rs. 1,61,782/07 had been recovered from M/S Daud Hercules Ltd till 17.12.1986. The Committee directed that strenuous efforts should be made to recover the balance amount also.

The para was kept pending.

29-4-87

The recovery having been made and verified by Audit, the para stood settled.

1981 - 82

78. Para 7 Page 11 and 13 of Audit Report On Commercial Accounts for the year 1981-82 - Non-recovery of Shortages of Stores Rs. 3,01,116/-.

28-4-87

Item No.1 - District Bahawalnager - Rs. 1,83,257/-

Item No.2 - District Vehari - Rs. 1,18,921/-

The Administrative Department did not complete any action so far, towards regularization or recovery of the losses and shortages, pointed out by Audit. The Committee was not satisfied in case of duties performed by the advisory staff specially in District Vehari.

The explanation of the Department was not accepted by the Committee and the Committee directed to submit its progress in its next meeting.

The para was kept pending.

79. Para 8 Page 14 of Audit Report On Commercial Accounts for the year 1981-82 - Loss of Fertilizer due to Inadequate Storage Rs. 1,383 Million.

28-4-87

The para was kept pending.

80. Para 20 Page 27 of Audit Report On Commercial Accounts for the year 1981-82 - Loss on Sale of Fertilizer.

28-4-87

The para was deleted from the working paper, as Audit comments have been given against Para 40 Page 46 and 47 of 1982-83 Accounts.

81. Para 21 Page 27 of Audit Report On Commercial Accounts for the year 1981-82.

28-4-87

The para was deleted from the working paper, as Audit comments have been given against Para 40 Page 46 and 47 of 1982-83 Accounts.

82. Para 22 Page 27 of Audit Report On Commercial Accounts for the year 1981-82 - Non-stoppage of Purchase of Seed as its Sale is Nominal.

28-4-87

The para was settled.

83. Para 23 Page 28 of Audit Report On Commercial Accounts for the year 1981-82 - Non-preparation of Accounts in accordance with the said Provision.

28-4-87

The para was settled.

84. Para 24 Page 28 of Audit Report On Commercial Accounts for the year 1981-81 - Non-verification of Unjustified Revaluation.

28-4-87

The para was deleted from here as Audit comments have been given against Para 43 Page 47 of 1982-83 Accounts.

85. Para 25 Page 28 of Audit Report On Commercial Accounts for the year 1981-82 - Unascertained/Unreconciled items in Sale Collection Accounts.

28-4-87

As Audit comments have been given against Para 44 Page 48 of 1982-83 Accounts, therefore, the para was deleted from here.

86. Para 26 Page 28 of Audit Report On Commercial Accounts for the year 1981-82 - Fictitious Assets in the Balance Sheet.

28-4-87

Audit comments have been given against Para 49 Page 49 and 50 of 1982-83 Accounts, therefore, the para was deleted from here as recommended by Audit.

87. Para 27 Page 28 and 29 of Audit Report On Commercial Accounts for the year 1981-82 - Loss on Fertilizer and Seeds.

28-4-87

The para was settled/dropped.

88. Para 28 Page 29 of Audit Report On Commercial Accounts for the year 1981-82 - Non-realisation and Adjustment of Sundry Debtors.

28-4-87

Audit comments have been given against Para 46 Page 48 of 1982-83 Accounts, therefore, the para was deleted from here.

89. Para 29 Page 29 of Audit Report On Commercial Accounts for the year 1981-82 - Embazzlement of Rs. 3, 67, 662/-.

28-4-87

The para was kept pending.

1982 - 83

90. Para 5 Page 11 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 25, 02, 107/- on Account of Wages Paid Surplus Staff.

28-4-87

The para was kept pending.

91. Para 6 Page 12 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 1 258 Million due to Shortage of Fertilizer.

28-4-87

The para was kept pending as statement of reply of the

Department will be verified by the Audit.

92. Para 7 Page 13 of Audit Report On Commercial Accounts for the year 1982-83 - Payment of Demurrage Charges Amounting to Rs. 1 004 Million.

28-4-87

The para was settled, as recommended by the Audit.

93. Para 8 Page 14 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 510,417 due to Shortage of various Seed and their Sale at Lower Rates.

28-4-87

The para was kept pending.

94. Para 10 Page 17 of Audit Report On Commercial Accounts for the year 1982-83 - Over Payment of Rs. 68,125/- to a Contractor.

28-4-87

The para was kept pending.

95. Para 40 Page 46 and 47 of Audit Report On Commercial Accounts for the year 1982-83 - Unexplained Reduction of Sale of Fertilizer Varieties other than Urea.

28-4-87

The para was kept pending.

96. Para 41 Page 47 of Audit Report On Commercial Accounts for the year 1982-83 - Tremenduous Increase/Decrease in the Rates of Fertilizer.

28-4-87

The para was kept pending.

97. Para 42 Page 47 of Audit Report On Commercial Accounts for the year 1982-83 - Improper Increase in Amount of Creditors in Accordance with the Increase in Stock.

28-4-87

The para was settled as recommended by Audit.

98. Para 43 Page 47 of Audit Report On Commercial Accounts for the year 1982-83 - Mis-appropriation in Profit and Loss Account.

28-4-87

The para was kept pending.

99. Para 44 Page 48 of Audit Report On Commercial Accounts for the year 1982-83 - Non-reconciliation of Sale Collection Accounts.

28-4-87

The para was kept pending.

100. Para 45 Page 48 of Audit Report On Commercial Accounts for the year 1982-83 - Incorrect Comparision of Closing Balance of Seed.

28-4-87

As losses/shortages of seed already stand included in Para 24 Item-II of 1980-81 accounts and commented upon, hence the para was deleted from here.

101. Para 46 Page 48 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors/Lack of Proper Persuasion.

28-4-87

The para was kept pending.

102. Para 47 Page 48 of Audit Report On Commercial Accounts for the year 1982-83 - Unadjusted Rent of Godowns Rs. 2.558 Million.

28-4-87

As the amount of Rs. 1.39 Million recoverable from M/s Cotton Trading Corporation already stand included in Para 46 Page 48 of 1982-83 accounts commented upon the against, therefore, the para was deleted from here.

103. Para 48 Page 49 of Audit Report On Commercial Accounts for the year 1982-83 - Non-recovery of Heavy Amounts from various Firms.

28-4-87

Item (i) and (ii) were kept pending whereas Item (iii) was

settled.

The para was kept pending.

104. Para 49 Page 49 and 50 of Audit Report On Commercial Accounts for the year 1982-83 - Fictitious Assets valuing Rs. 11. 764 Million.

28-4-87

The Public Accounts Committee-II directed that the recovery should be effected within six months' time.

The para was kept pending.

PUNJAB SEED CORPORATION

The Committee examined the Accounts of the Punjab Seed Corporation in its meetings held on 22.9.1986 and 30.4.1987.

105. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Incomplete Accounts.

22-9-86

The Department explained that the Accounts of the Corporation for the years 1978-79, 1979-80 and 1980-81 had been compiled and audited by the Commercial Audit Department. The Audit stated that these had been included in the Accounts for 1982-83 and 1983-84. The Public Accounts Committee-II directed that compilation of accounts from 1981-82 upto 1985-86 should be expedited.

The para was kept pending.

30-4-87

The Department assured the Committee that they will get the Audit comments completed by the Chartered Accountant and submit all accounts by the end of June, 1987.

The para was kept pending.

106. Para 66 Page 67 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Overall Development.

22-9-86

The Administrative Department explained the background of the Arbitration Case and the Government appeal against the order of the Arbitration pending in the court of Senior Civil Judge, Lahore. The hearing of the case could not be held by the Court on the last date viz 18.9.1986 due to disturbed conditions and curfew in Lahore. The next date of hearing had now been fixed as 25th September, 1986. The Committee directed the Department to submit a comprehensive report of the case within a fortnight to Audit for its commencements.

As regards the agreement between the World Bank and the Government of Pakistan, the Committee desired to know as to how far the Punjab Seed Corporation was responsible for its implementation. A copy of the agreement should be submitted to Audit which should come up with its comments in the next meeting.

The para was kept pending.

30-4-87

The Public Accounts Committee-II decided to constitute a Sub Committee consisting of Chaudhri Gul Nawaz Khan Waraich, MPA

and Malik Ghulam Abbas Naswana, MPA to investigate into the details of the projects and causes of defective construction and the responsibility of the corporation for the implementation and whether the projects were on schedule or lagging behind. The Court case may also be pursued vigorously.

The para was kept pending.

107. Para 67 Page 67 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Non adoption of Procedure in Accounts Systems.

22-9-86

The system of accounts devised by Messrs Zahid Amin Waqar and Company for Punjab Seed Corporation had been found satisfactory as examined by the Audit.

The para was settled.

1980-81 To 1982-83

108. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1980-81 to 1982-83 - Accounts not Compiled since 1982-83 .

30-4-87

The Department should submit a report by the Chartered Accountant expeditiously.

The para was kept pending.

1982 - 83

109. Para 58 Page 67 of Audit Report On Commercial Accounts for the year 1982-83 - Working Results.

30-4-87

The Audit wanted to have from the Department the working results of the Administrative expenditures which had not so far been furnished to them. The Public Accounts Committee - II directed that these may please be made available to Audit so that they may submit their comments on the basis of comparative study.

The para was kept pending.

110. Para 59 Page 68 of Audit Report On Commercial Accounts for the year 1982-83 - Progress of the Capital Work.

30-4-87

This para may also be considered by the Sub Committee constituted above.

The para was kept pending.

111. Para 60 Page 68 of Audit Report On Commercial Accounts for the year 1982-83 - Stock in Trade Increase.

30-4-87

The Public Accounts Committee-II desired to have the information with regard to the details of wheat seed and how far was it sold and how far it remained unsold. The Department assured that it should be submitted in the next working paper.

The para was kept pending.

112. Para 61 Page 68 of Audit Report On Commercial Accounts for the year 1982-83 - Increasing Trade in Accumulation of Stores.

30-4-87

The information regarding closing stock of stores purchases and consumption asked for by the Committee may be supplied to Audit.

The para was kept pending.

113. Para 62 Page 68 of Audit Report On Commercial Accounts for the year 1982-83 - Increasing Unsecured Debts.

30-4-87

The recovery so far made may be got verified by Audit. Regarding Sundry Debtors recovery may be expedited. The aging in respect of debts may be provided to Audit.

The para was kept pending.

114. Para 63 Page 68 of Audit Report On Commercial Accounts for the year 1982-83 - Provision of Rs. 129.548 Million during 1979-80 for Implementation of Seed Industry Project.

30-4-87

The Finance Department have not yet perused the letter under which the grant had been declared as interest. It shall be considered

in the next meeting.

The para was kept pending.

115. Para 64 Page 69 of Audit Report On Commercial Accounts for the year 1982-83 - Physical verification of Stores and Stocks.
-

30-4-87

The Department stated that physical verification in respect of stock and stores is being conducted regularly which may be got verified by the Commercial Audit.

The para was kept pending.

116. Para 65 Page 69 of Audit Report On Commercial Accounts for the year 1982-83 - Corporation Assets worth Rs. Rs. 14,976 Million.
-

30-4-87

The Corporation stated that assets register have since been maintained and will be got inspected during next financial Audit inspection.

The para was kept pending.

117. Para 66 Page 69 of Audit Report On Commercial Accounts for the year 1982-83 - Subsidy Amounting to Rs. 8.369 Million.
-

30-4-87

The verification has yet to be made by Audit.

The para was kept pending.

118. Para 67 Page 69 of Audit Report On Commercial Accounts for the year 1982-83 - Accounts Under Review.
-

30-4-87

The needful has since been done the para stands settled.

CHAPTER II

EXCISE AND TAXATION DEPARTMENT

(GOVERNMENT OPIUM ALKALOID FACTORY, LAHORE)

The Committee examined the Accounts of the Excise and Taxation Department in its meetings held on 23.9.1986, 29.10.1986 and 16.7.1987.

1. Para 274 Page 300 of Audit Report On Commercial Accounts for the year 1971-72
2. Para 275 Page 300 of Audit Report On Commercial Accounts for the year 1971-72
3. Para 260 Page 286 of Audit Report On Commercial Accounts for the year 1972-73
4. Para 261 Page 286 of Audit Report On Commercial Accounts for the year 1972-73
5. Para 243 Page 272 of Audit Report On Commercial Accounts for the year 1973-74.
6. Para 244 Page 272 of Audit Report On Commercial Accounts for the year 1973-74.
7. Para 229 Page 258 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

23-9-86

The Committee directed the Department to reconcile the accounts with the N.W.F.P. Government and modify the accounts accordingly. The progress should be submitted in this respect in the next meeting.

8. Para 228 Page 258 of Audit Report On Commercial Accounts for the year 1976-77 - Sundry Creditors.

23-9-86

The Committee directed the Department to reconcile the accounts with the N.W.F.P. Government and modify the accounts accordingly. The progress should be submitted in this respect in the next meeting.

1980 - 81

9. Para 149 Page 124 of Audit Report On Commercial Accounts for the year 1980-81 - Heavy Loss on Production due to Ban on the Purchase/Sale of Opium.

23-9-86

The activities of the opium factory were discussed. The Department stated that the factory was running in profit.

The para was settled.

10. Para 150 Page 124 of Audit Report On Commercial Accounts for the year 1980-81 - Heavy Loss on Production due to Ban on the Purchase/Sale of Opium.

23-9-86

The Committee directed that year wise closing stock of opium should be intimated to the Public Accounts Committee-II in the form of fresh Working Paper.

The Public Accounts Committee-II also desired that the Secretary Health should address the Committee regarding justification for the imposition of ban on production of opium. He should also explain to the Committee the views of the Unani Tibb for using Opium in their medicines and its system of distribution amongst the addicts on the prescription of the Doctors.

The para was kept pending.

29-10-86

As was desired, the Secretary Health addressed the Committee in depth on all the following three points :-

- 1) Justification of Ban on the production on Opium.
- 2) Use of Opium in Tibbi and Allopathic prescriptions.
- 3) Effect of increase/revision of price of Opium.

His proposal was adopted that a Committee consisting of the Secretary Health and Secretary Excise and Taxation may keep on reviewing the situation of the consumption of the Opium for better control and check on its production/distribution. The practice prevalent at present is, that a licence for grant of quota of opium to the Unani Dawakhana if granted, is renewable automatically. It was decided that the requirement of the quota should be reassessed every year according to the need and justification of the Unani Dawakhan concerned. The quantity of the opium issued to different Pharmaceutical Firms may also be looked into with the help and co-ordination of the Excise and Taxation Department with reference to their production brought forth by them in the market.

Stands settled:

11. Para 151 Page 124 of Audit Report On Commercial Accounts for the year 1980-81 - Non-recovery of Dues from Licensed Cultivators and Medical Department.

23-9-86

- i) Recovery of Rs. 1, 00, 000/-.

The item was settled subject to verification of the recovery of Rs. 1, 00, 000/- by Audit.

- ii) Recovery of Rs. 2, 60, 000/-.

This item was kept pending subject to the adjustment among sundry debtors and sundry creditors of the NWFP and on the receipt of the ultimate report of the recoveries from the defaulting cultivators through Government.

The item was kept pending.

- iii) The Health Authorities would be invited to apprise the Committee regarding the effects of the increase/revision prices on the opium addicts. The Administrative Department would furnish the Committee with the details of increase of profit due to revision of prices of the opium.

29-10-86

Item No. 1

- i) Part of para stands settled.

- ii) Part of para is pending till N.W.F.P. Government reconciles the difference in year-wise figures with the Accountant General, Punjab for the years 1970-80, and the adjustment of Sundry Debtors/creditors carried out after the reconciliation of Accountant General, Punjab, with Accountant General, Peshawar.

1981 - 82

12. Para 3(10) Page 4 and 5 of Audit Report On Commercial Accounts for the year 1981-82 - Accounts for 1981-82 not Compiled.

16-7-87

The para was settled.

13. Para 140 Page 164 of Audit Report On Commercial Accounts for the year 1981-82 - Heavy Expenditure need justification.

16-7-87

So far as the payment of Rs. 59, 54, 123/- to the N.W.F.P. is

concerned the item stands settled.

The Department will render justification for the increase in interest to the tune of Rs. 4,79,004/- on capital charges to the profit and loss account in the next meeting.

14. Para 141 Page 164 of Audit Report On Commercial Accounts for the year 1981-82 - Outstanding Liabilities worth Rs. 31,208/-.

16-7-87

The para was settled subject to verification by Audit.

15. Para 142 Page 164 of Audit Report On Commercial Accounts for the year 1981-81 - Sundry Debtors on 30.6.1981.

16-7-87

The recovery of Rs. 1,00,000/- from the Medical Stores Depot stands verified and the para was settled to this extent.

The Department in the previous meeting stated that a net claim of Rs. 98,795/- stands against N.W.F.P. Government. In the present working paper the figure of Rs. 2,60,095/- have been shown as recoverable from the N.W.F.P. Government. In the meeting of this Committee held on 23.9.1986 the Department had been directed to give details of the sundry debtors and the sundry creditors. The Committee has not viewed this situation with an appreciation and records that the Department has not come up with full preparation to satisfy the Public Accounts Committee in this behalf.

The Administrative Secretary has promised to supply the details in the next meeting. The para was kept pending with the direction that the accounts would be settled with the N.W.F.P. Government and all information required by Audit and by this Committee shall be furnished with diligence.

16. Para 143 Page 164 of Audit Report On Commercial Accounts for the year 1981-82 - Destruction of Loss of 40,963.781 Kgs Poppy Heads.

16-7-87

The loss of 40,963.781 Kgs Poppy Heads destroyed by burning by District Opium Officer, Peshawar (NWFP) needs to be justified. The Committee would like to see the orders of the competent authority under which the stock was burnt.

It had been consistently pointed out by the Audit and also in two meetings of this Public Accounts Committee-II that there had been a difference in the figures shown in the stores accounts. No explanation for their reconciliation had been put forth during the

meeting today.

The Committee directed that the Department should : -

- i) Prepare a self contained note for the information of the Committee giving the background of the purchase of opium and its cultivation in N. W. F. P.
- ii) How the stocks were managed by the Punjab Government when no representative of the Punjab Government was posted in N. W. F. P.
- iii) Whether the destroyed amount was shown in the stocks of the Punjab Government and whether any payment had been made against which the stock was to be received and destroyed.

The Committee expected that the Administrative Department would come up with full justification of the Audit Para in question. The Committee would also like to obtain the explanation of the Administrative Department as to why the directions given in the meeting of the Public Accounts Committee-II on 23.9.1986 were not complied-with and what disciplinary action had been taken against the defaulter.

The Committee desired that the Minister for Excise and Taxation would take serious notice of this state of affairs and would make it convenient to attend the meeting of the Public Accounts Committee-II next time.

17. Para 144 Page 164 of Audit Report On Commercial Accounts for the year 1981-82 - Recovery/Write off of Destruction of Loss of 40,963.78 Kgs Poppy Heads.

16-7-87

The loss of 40,963.781 Kgs Poppy Heads destroyed by burning by District Opium Officer, Peshawar (NWFP) needs to be justified. The Committee would like to see the orders of the competent authority under which the stock was burnt.

It had been consistently pointed out by the Audit and also in two meetings of this Public Accounts Committee-II that there had been a difference in the figures shown in the stores accounts. No explanation for their reconciliation had been put forth during the meeting today.

The Committee directed that the Department should :-

- i) Prepare a self contained note for the information of the Committee giving the background of the purchase of opium and its cultivation in N. W. F. P.
- ii) How the stocks were managed by the Punjab Government when no representative of the Punjab Government was posted in N. W. F. P.

- iii) Whether the destroyed amount was shown in the stocks of the Punjab Government and whether any payment had been made against which the stock was to be received and destroyed.

The Committee expected that the Administrative Department would come up with full justification of the Audit Para in question. The Committee would also like to obtain the explanation of the Administrative Department as to why the directions given in the meeting of the Public Accounts Committee-II on 23.9.1986 were not complied with and what disciplinary action had been taken against the defaulter.

The Committee desired that the Minister for Excise and Taxation would take serious notice of this state of affairs and would make it convenient to attend the meeting of the Public Accounts Committee-II next time.

1982 - 83

18. Para 3(10) Page 5 of Audit Report On Commercial Accounts for the year 1982-83 - Accounts not Compiled since 1981-82.

16-7-87

The para stood settled.

CHAPTER - III

FORESTRY, WILDLIFE AND FISHERIES DEPARTMENT

(GOVERNMENT JALLO ROSIN AND TURPENTINE FACTORY)

The Committee examined the Accounts of the Forestry, Wildlife and Fisheries Department in its meeting held on 20.1.1987.

1982 - 83

1. Para 205 Page 254 of Audit Report On Commercial Accounts for the year 1982-83 - Decreasing the Percentage of Profit due to Lower Rate of Selling Price of Rosin during the year.

20-1-87

The Administrative Department explained that due to import of Synthetic Rosin in private sector, the percentage of profit on turn over had decreased as compared with the previous year, over which the Department had no control.

The explanation of the Department was accepted and the para was settled.

2. Para 206 Page 254 of Audit Report On Commercial Accounts for the year 1982-83 - Non-recovery of amount Exempted from the Levy of Income Tax.

20-1-87

The Department explained that the Income Tax Department had lodged an appeal with the Supreme Court which was still pending.

The Committee directed that the court case should be pursued and Audit should keep a watch.

The para was kept pending.

CHAPTER - IV

HEALTH DEPARTMENT

(GOVERNMENT MEDICAL STORES DEPOT, LAHORE)

The Committee examined the Accounts of the Government Medical Stores Depot, Lahore in its meetings held on 28.10.1986 and 29.10.1986.

1970 - 71

1. Para 13 Page 12 of Audit Report On Commercial Accounts for the year 1970-71 - Blocking up of Capital of Rs. 12, 637/- due to unnecessary Purchase of Inferior Quality Gamaxine.

28-10-86

This para related to unnecessary purchase of inferior quality Gamaxine amounting to Rs. 12, 637/- by the Director of Industries for use by the Malaria Eradication Department which was later on amalgamated with the Health Department. The officer responsible for the purchase of sub-standard quality of Gamaxine had since been retired under MLR - 114 and the loss sustained by Government could not be recovered from him. The Committee opined that the officer, who issued the NOC for the preparation of pension papers of the retired Director of Industries, was at fault for not pointing out the loss at the appropriate time. However, the Committee decided that since it was a very old case and recovery could not be effected from the defaulting officer, the Department should move the Finance Department for writing off the amount.

The para was settled subject to the write off of the amount by the Finance Department and its verification by Audit.

GENERAL

The Committee desired that the Finance Department should issue instructions to all the Departments to take extra precautions in issuing No Objection Certificates in respect of persons who were compulsorily retired, or otherwise, so that the losses suffered by Government due to their default could be recovered from them in time.

1971 - 72

2. Para 10 Page 10 of Audit Report On Commercial Accounts for the year 1971-72 - Loss of Rs. 45, 075/- due to Theft of 25 Drums of Sulphadizine Powder.

28-10-86

The Committee observed that there were two forums available

to the Department. One was to register a case with the Police and the other was to conduct a departmental inquiry in the matter. Apparently, the first forum, i. e. registering a case with the police was utilized but regarding the other, the Public Accounts Committee Committee-II desired to be satisfied whether departmental inquiry was conducted or not. It was directed that relevant departmental record should be produced before the Committee in their next meeting for examination.

The consideration of the para was deferred.

3. Para 11 Page 11 of Audit Report On Commercial Accounts for the year 1971-72 - Loss of Rs. 36,808/- due to Purchase of Substandard Medicines.

28-10-86

The Administrative Secretary stated that departmental action against the defaulter was under way and, therefore, consideration of the para may be deferred. The Committee directed that progress of the case should be reported to them by the Department in its next meeting.

The consideration of the para was deferred.

4. Para 12 Page 11 of Audit Report On Commercial Accounts for the year 1971-72 - Loss of Rs. 24,832/- being the cost of Store Burnt by Fire.

28-10-86

The Department stated that the write off had been agreed to by the Finance Department but the Accountant General, Punjab had not yet furnished the verification certificate. The Department was directed to approach Accountant General on personal level to get the case expedited.

Subject to verification of write off by Audit, the para was settled.

5. Para 13 Page 11 of Audit Report On Commercial Accounts for the year 1971-72 - Loss of Rs. 18,456/- due to Expiry of Life of Medicines.

28-10-86

The Committee directed that in respect of the balance amount of Rs. 16,456/- departmental inquiry should be immediately completed against the defaulters and the result reported to the Committee in its next meeting.

The consideration of the para was deferred.

6. Para 14 Page 12 of Audit Report On Commercial Accounts for the year 1971-72 - Purchase of Stores of Incorrect Specifications.

28-10-86

Since recovery of Rs. 11,205/- had been verified by Audit, the para was settled.

1977-78 To 1979-80

7. Para 3 Pages 4-5 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Scope of the Compilation.

28-10-86

Since proforma accounts for the years 1978-79, 1979-80, 1980-81, 1981-82 and 1982-83 had been compiled and certified by Audit, the para was settled.

8. Para 211 Page 245 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Financial Review of Government Medical Stores Depot, Lahore for the year 1972-73.

28-10-86

The explanation of the Department was accepted and the para was settled.

1980 - 81

9. Para 165 Page 138 of Audit Report On Commercial Accounts for the year 1980-81 - In-accuracies due to appreciation/depreciation value of Stock.

28-10-86

As the Department was taking necessary remedial action on the Audit Comments relating to this para, the para was settled.

10. Para 166 Page 138 of Audit Report On Commercial Accounts for the year 1980-81 - Sundry Creditors.

28-10-86

The Committee directed the Department to make early payment to adjustment in favour of Sundry Creditors. At the same time, the Audit was directed to verify the creditors, ledgers maintained in the Government Medical Stores Depot.

Subject to verification by Audit, the para was settled.

11. Para 167 Page 138 of Audit Report On Commercial Accounts for the year 1980-81 - The Depot of Non-rental Godowns Hired for Food Storage.

28-10-86

The Department explained that godowns belonging to the Food Department were occupied by the Health Department for the storage of medicines and that no rent was paid according to the rules issued by the Government in the Finance Department. The Finance Department requested that consideration of the para may be deferred and in the next meeting of the Public Accounts Committee-II they will produce the letter which laid down that rent had to be paid to the Food Department since their stores were utilized by the Health Department for the storage of medicines.

The consideration of the para was deferred.

12. Para 168 Page 138 of Audit Report On Commercial Accounts for the year 1980-81 - Drawal of Rs. 27,562/- fraudulently from the Accountant General Office.

28-10-86

This para related to a sum of Rs. 27,562/- drawn fraudulently by a member of the staff from the Accountant General, Punjab against forged bills. The Committee directed -

- 1) that the department should recover the amount of the loss from the pension and other dues of the defaulting official;
- 2) that the department should explain the latest position of the case in the next meeting of the Public Accounts Committee - II ;
- 3) that the progress of the case registered with the police against the defaulting official as also the action taken against the official in the office of the Accountant General, Punjab should be given in detail in the working paper for the next meeting of the Public Accounts Committee-II.

The consideration of the para was deferred.

13. Para 169 Page 138 of Audit Report On Commercial Accounts for the year 1980-81 - Sundry Debtors - Incomplete Record of the Individual Debtors.

29-10-86

The Department stated that out of the sundry debtors amounting to Rs. 41,42,408/- it had furnished break up of sundry debtors amounting to Rs. 27,37,151/- leavings a balance amount of Rs. 14,05,257/-, which was due from the Pakistan Railways, C. M. O Lahore. The Department further stated that they had been in correspondence with Railway Authorities and recently a D.O. letter

had been addressed to them in this regard on 5.10.1986 but still there was no response from them.

The Committee directed that the Administrative Secretary should take up the matter, at personal level, with the Pakistan Railway Authorities and get the recovery expedited.

The recoveries so far made would be got verified by Audit.

The para was kept pending.

14. Para 170 Page 139 of Audit Report On Commercial Accounts for the year 1980-81 - A loss of Rs. 150 Million on Account of Inadequate Storage arrangements and unnecessary accumulation of Surplus Stock.

29-10-86

- (i) The department explained that actual value of the expired date items, as worked out by the Governor's Inspection Team in 1982, came to Rs. 28,09,868/61, out of which items amounting to Rs. 15,07,024/62 had been settled leaving a balance of Rs. 13,02,843/99 only.

The Committee directed that the items settled should be adjusted and got verified by Audit. The remaining loss of Rs. 13,02,843/- should also be got regularized expeditiously.

The Committee further directed that a copy of the report of the Governor's Inspection Team should be supplied to Audit for its examination. It was also directed that the report about the investigation into the losses should be submitted to the Public Accounts Committee-II by the Department, indicating the steps taken to avoid recurrence of such losses in future.

- (ii) Explanation of the Department was accepted and the item settled.

- (iii) This item was also settled.

The para was kept pending in respect of item (i) only.

15. Para 171 Page 139 of Audit Report On Commercial Accounts for the year 1980-81 - Indifference between the cost of Raw Material and the Production Cost.

29-10-86

The explanation of the Department was accepted and the para was settled.

16. Para 172 Page 139 of Audit Report On Commercial Accounts for the year 1980-81 - In-accuracy due to Appriciation/ Depreciation value of Stock.

29-10-86

The Department explained that the re-valuation of closing stock was done in accordance with the formula laid down by the Commercial Audit. The Audit requested for time to examine the case and come up with their considered views on the point.

The para was kept pending.

17. Para 173 Page 139 of Audit Report On Commercial Accounts for the year 1980-81 - Medical Charges on Treatment of the Staff Members.

29-10-86

The explanation of the Department was accepted and the para was settled.

(PUNJAB PHARMACY COUNCIL)

The Committee examined the Accounts of the Punjab Pharmacy Council in its meetings held on 29.10.1986 and 17.9.1987.

18. Para 179 Page 150 of Audit Report On Commercial Accounts for the year 1980-81 - Improper Depreciation value charged by the Council.

29-10-86

The explanation of the Department was accepted and the para was settled.

19. Para 180 Page 150 of Audit Report On Commercial Accounts for the year 1980-81 - Inefficient Cash Management.

29-10-86

The Department explained that they had started depositing surplus funds in long term deposits. The Finance Department pointed out that it should be examined whether long term deposits in the National Savings Centres could yield more profits. If so, these funds should be deposited with them. The Department promised to look into the matter.

The para was settled.

20. Para 181 Page 150 of Audit Report On Commercial Accounts for the year 1980-81 - Inefficient Cash Management.

29-10-86

The Department explained that they had started depositing surplus funds in long term deposits. The Finance Department pointed out that it should be examined whether long term deposits in the National Savings Centres could yield more profits. If so, these funds should be deposited with them. The Department promised to look into the matter.

The para was settled.

1981 - 82

21. Para 152 Page 176 of Audit Report On Commercial Accounts for the year 1981-82 - Placing of Rs. 1 Million in Saving Account Carrying Interest @ 7½% only.

17-9-87

The Department stated that the amount of Rs. 10 lacs had

since been transferred to P. L. S. Term Deposit Account, as required by Audit.

The Committee felt unhappy about the failure on the part of the Department to purchase a building for the office of the Punjab Pharmacy Council for such a long period. On the one hand, the funds were not utilized and, on the other, the Department incurred heavy expenditure on account of rent of the building, thus causing additional burden to the public exchequer. The Committee desired to know as to what action, if any, had been taken against the officer responsible for this inordinate delay. The Committee also wanted to know the difference in the price of land etc due to fluctuations during the period in question.

The Department was directed to prepare a fresh working paper in the light of the above observation to be considered by the Committee in its next meeting.

The para was deferred.

22. - Para 153 Page 176 of Audit Report On Commercial Accounts for the year 1981-82 - Placing of Surplus Funds Infixed Deposit for a Longer Period.

17-9-87

The explanation of the Department was considered satisfactory and the para was settled.

CHAPGER - V

(INDUSTRIES AND MINERAL DEVELOPMENT DEPARTMENT)

(GOVERNMENT WEAVING AND FINISHING CENTRE)
SHAHDARA

The Committee examined the Accounts of the Government Weaving and Finishing Centre, Shahdara in its meetings held on 19.11.1986 and 26.5.1987.

1. Para 69 Page 89 of Audit Report On Commercial Accounts for the year 1972-73 - Over Valued Stock.

19-11-1986

The Department explained that all possible efforts were being made through our Liaison Officer at Karachi to recover the outsta outstanding amount of Rs. 7,788/- from the Sind Road Transport Department, and that the last letter received by them from the Sind Government was dated 8-10-1986.

The Committee directed that the matter should be expedited.

The para was kept pending.

26-5-1987

The date wise record had since been supplied to Sing Government. The action was still under progress. The Department stated that yearwise analysis had since been furnished to Audit. Audit required time to further examine it.

The para was kept pending.

1981 - 82

2. Para 118 Page 146 of Audit Report On Commercial Accounts for the year 1981-82 .

26-5-1987

The Department stated that it had been able to turn out a profit of Rs. 13,00,000/- in the year 1985-86. In the preceeding years of course, the profit was not upto the expectation due to various factors. The case was still pending in the court. The Department further explained that the machinery was obsolete and it was being used as a training institution.

The explanation of the Department was accepted and the para was settled.

3. Para 119 Page 146 of Audit Report On Commercial Accounts for the year 1981-82.

26-5-87

The Department stated that it had been able to turn out a profit of Rs. 13,00,000/- in the year 1985-86. In the preceeding years of course, the profit was not upto the expectation due to various factors. The case was still pending in the court. The Department further explained that the machinery was obsolete and it was being used as a training institution.

The explanation of the Department was accepted and the para was settled.

4. Para 120 Page 147 of Audit Report On Commercial Accounts for the year 1981-82.

26-5-87

The Department stated the reason for the purchase of surplus yarn was on account of the withdrawal of demands from various Departments. However ultimately it went in profit on account of rise of prices and no loss was incurred by the Department.

The explanation of the Department was accepted and the para was settled.

5. Para 121 Page 147 of Audit Report On Commercial Accounts for the year 1981-82.

26-5-87

On the recommendations of Audit, the para was settled.

6. Para 122 Page 147 of Audit Report On Commercial Accounts for the year 1981-82.

26-5-87

On the recommendations of Audit, the para was settled. The Department explained that bifurcation of expenses of electricity and suigas had since been made which had also been approved by the competent authority.

The para was settled subject to verification by Audit.

7. Para 123 Page 147 of Audit Report On Commercial Accounts for the year 1981-82 .

26-5-87

The Department stated that reconciliation had since been made which may be got verified by Audit.

Subject to the verification by Audit, the para was settled.

8. Para 124 Page 147 of Audit Report On Commercial Accounts for the year 1981-82 .

26-5-87

The reply had been verified and the para was settled.

9. Para 125 Page 148 of Audit Report On Commercial Accounts for the year 1981-82.

26-5-87

The Department explained that 27,933.5 KGS of yarn has been reduced to 5,000 Kgs. There was no verification involved.

The para was settled.

10. Para 126 Page 148 of Audit Report On Commercial Accounts for the year 1981-82.

26-5-87

The para was settled, subject to verification by Audit.

54-

(GOVERNMENT WOOL SPINNING AND WEAVING)
(DEVELOPMENT-CUM-TRAINING CENTRE, JHANG)

The Committee examined the Accounts of the Government Wool Spinning and Weaving Development-Cum-Training Centre, Jhang, in its meetings held on 19.11.1986, 26.5.1987 and 18.8.1987.

11. Para 88 Page 90 of Audit Report On Commercial Accounts for the year 1970-71 - Sundry Debtors Amounting to Rs. 6,400/-.

19-11-86

The Administrative Department explained that the Administrator, Lady Reading Hospital, Peshawar, was being asked to pay the outstanding amount of Rs. 6,400/- since 1964, and the last reminder was issued on October, 1986, but there was no hope of recovery as their letters were not being replied.

The Committee directed that efforts should be made to recover the amount of Rs. 6,480/- due from the Administrator, Lady Reading Hospital, Peshawar by writing a D.O. letter to the Chief Secretary, N.W.F.P. Progress of the case should be reported to the Public Accounts Committee-II in the next meeting.

26-5-87

The Department explained that they contacted N.W.F.P. Government but they were not in possession of the relevant record. They requested that we should make them available our record and they would accept it as authentic. The record had since been furnished to them. Further action in this respect would be intimated in the next meeting.

The para was kept pending.

12. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1971-72 - Blocking of Stock worth Rs. 8,44,000/-.

19-11-86

The Department explained that out of the old stock worth Rs. 8,44,000/-, stock worth Rs. 5,69,255/- had been sold, leaving a balance of Rs. 2,74,745/- resulting in a commercial loss of Rs. 48,745/- which was carried to the balance sheet and profit and loss account for the year 1972-73.

The Committee directed that the Department should get this amount verified by Audit.

Subject to verification by Audit, the para was settled.

1982 - 83

13. Para 179 Page 219 of Audit Report On Commercial Accounts for the year 1982-83 - Working Results.

18-8-87

The Administrative Secretary explained the conditions under which it has gone in loss in the previous years. He stated that the machinery remained under heavy repair and he assured the Committee that in future after the renovation of the machinery it will be in the production and will give profitable results.

In view of the assurance the para was settled.

14. Para 180 Pages 219 and 220 of Audit Report On Commercial Accounts for the year 1982-83 - Charging of Interest.

18-8-87

The Administrative Secretary explained that the receipts had been decreased due to modernization of machinery.

The interest was not chargeable as the receipts were higher than the draws.

The para was thus settled.

15. Para 181 Page 220 of Audit Report On Commercial Accounts for the year 1982-83 - Improvement in Inventory Control.

18-8-87

The Administrative Secretary assured that so far as possible inventory was being maintained and he would further continue to improve it.

The para was settled.

16. Para 182 Page 220 of Audit Report On Commercial Accounts for the year 1982-83 - Capital Accounts as Cost of Plant and Machinery.

18-8-87

The Administrative Secretary explained that the action against the officer held responsible had since been finalized and he had been dismissed from service. For the recovery of the misappropriated amount from Mr. Javed Qayyum Piracha the then Marketing Officer, as arrears of land revenue the Collector had been approached. The Public Accounts Committee directed that the latest position may be submitted in the next meeting.

The para was kept pending.

17. Para 183 Page 220 of Audit Report On Commercial Accounts
for the year 1982-83 - Sundry Debtors.

18-8-87

Subject to verification by Audit the para was settled.

(PROVINCIAL STATIONERY OFFICE, BAHAWALPUR)

The Committee examined the Accounts of the Provincial Stationery Office, Bahawalpur, in its meetings held on 7-5-1986 and 16-8-1987.

18. Para 129 Page 146 of Audit Report On Commercial Accounts for the year 1970-71 .

7-5-86

The Administrative Department explained the efforts they have made in recovering the old sundry debts. The Committee directed the Department that they should now take up an exercise for writing off these amounts in view of the fact that paltry sums were outstanding against various Departments and it would be almost difficult to liquidate the same by recovering them. The matter should be finalized by 30th August, 1986.

Subject to the write off and verification by Audit, the para was settled.

1982 - 83

19. Para 134 Page 156 of Audit Report On Commercial Accounts for the year 1982-83 - Increase in Departmental Charges.

16-9-87

The Committee discussed the para in detail and decided to constitute a Sub Committee comprising of the following Members to have a thorough probe into the case and to sort out the problems being faced by the Department :-

- 1) Ch. Abdur Rashid, MPA
- 2) Ch. Muhammad Azam Cheema, MPA
- 3) Mian Ghulam Farid Chishti, MPA
- 4) Malik Ghulam Abbas Naswana, MPA

20. Para 135 Page 156 of Audit Report On Commercial Accounts for the year 1982-83 - Non-reconciliation of the Accounts.

16-9-87

The Department stated that the Accountant General had shown their inability for reconciliation with the departmental accounts due to fact that their accounts had since been closed, appropriation book published and subsequently the relevant record destroyed. However, accounts for the subsequent years had since been reconciled.

The Committee desired that the Director, Commercial Accounts after ascertaining from the Accountant General may inform after when period the record is destroyed, under the rules, in their office

after the appropriation accounts are prepared and accounts for that period had been closed.

Subject to the condition that the record was destroyed under the rules in the Accountant General office, the para was settled.

21. Para 136 Page 156 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors.

16-9-87

Explanation of the Department was accepted and the para was settled.

22. Para 137 Page 156 of Audit Report On Commercial Accounts for the year 1982-83 - Maintenance of Assets Register.

16-9-87

As the maintenance of Assets Register by the Management had been verified by Audit, the para was settled, on the recommendation of Audit.

23. Para 138 Page 156 of Audit Report On Commercial Accounts for the year 1982-83 - Maintain the Books of Accounts.

16-9-87

The Department assured the Committee that they would maintain the books of accounts on commercial pattern, as suggested by Audit.

The para was settled.

(PROVINCIAL STATIONERY OFFICE, LAHORE)

The Committee examined the Accounts of the Provincial Stationery Office, Lahore, in its meetings held on 7-5-1986, 16-8-1987 and 17-8-1987.

24. Para 139 Page 156 of Audit Report On Commercial Accounts for the year 1970-71 .

7-5-86

The Committee noted that this para had been dropped by the previous Ad Hoc Public Accounts Committee. As such, there was no need of resubmitting this para to the Committee. With these remarks, the para was dropped.

1977-78 To 1979-80

25. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

The accounts for the period in question have been prepared and certified by Audit.

The para was settled.

26. Para 146 Page 153 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

The Administrative Department submitted that the difficulties between the Provincial Stationery Office and the Supply Wing of the Directorate of Industries were being sorted out and the bottlenecks will be removed. The Committee emphasised that the delay should be curtailed to the minimum. With these remarks, the para was settled.

1980 - 81

27. Para 147 Page 153 of Audit Report for the year 1977-78 to 1979-80 and Para 113 Page 84 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The Committee noted that this para had been dropped by the previous Ad Hoc Public Accounts Committee. As such, there was no need of resubmitting this para to the Committee. With these remarks, the para was dropped.

28. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The para was settled as the accounts had been compiled and certified.

29. Para 114 Page 84 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The para was settled.

30. Para 115 Page 84 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The Committee noted that this para had been dropped by the previous Ad Hoc Public Accounts Committee. As such, there was no need of resubmitting this para to the Committee. With these remarks, the para was dropped.

1981 - 82

31. Para 84 Page 102 of Audit Report On Commercial Accounts for the year 1981-82 - Sundry Debtors.

16-8-87

The amount of Rs. 7,15,482/- had been recovered. The sundry debtors amounting to Rs. 35,167/- had been also be recovered. The Administrative Secretary assured that all efforts were being made to arrange sale against cash.

The para was settled subject to verification by Audit.

1982 - 83

32. Para 23 Page 28 of Audit Report On Commercial Accounts for the year 1982-83 - Unserviceable Stores valuing Rs. 2,22,865/- Lying in the store since the last 20 years.

17-8-87

The Department explained that they had sold out the unserviceable articles for Rs. 46,666/-. The balance amount of

Rs. 2,22,865/- had been referred to the Finance Department for write off sanction of which was being awaited.

The para was kept pending.

(PUNJAB GOVERNMENT PRINTING PRESS, BAHAWALPUR)

The Committee examined the Accounts of the Punjab Government Printing Press, Bahawalpur, in its meetings held on 7-5-1986 and 19-11-1987.

33. Para 114 and 115 Page 134 of Audit Report On Commercial Accounts for the year 1970-71.

7-5-86

The Committee was apprised of the previous history of the efforts under - taken by the Sub Committee of the Ad Hoc Public Accounts Committee and also the observation of the Ad Hoc Public Accounts Committee. It noted with satisfaction that a tremendous amount of Hard labour was put in by the Members of the Ad Hoc Public Accounts Committee. With these remarks, the para was settled.

1982 - 83

34. Para 158 Page 184 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 6,27,450/- to the Press.

19-11-87

The Department explained that they have since auctioned four old machines. Three new machines have been purchased and the rest are under process of replacement. The working results have now been improved and the loss is being gradually reduced. The explanation of the Department was accepted and the para was settled.

35. Para 159 Page 184 of Audit Report for the year 1982-83 - Non reconciliation of Cash Drawals and Remittance.

19-11-87

The Department explained that the record pertaining to this para was not available with the District Accounts Office and the Treasury and as such it was not possible to get it reconciled at this belated stage. However the accounts for the 1979-80 to 1986-87 have since been reconciled, the para was thus settled.

36. Para 161 Page 184 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors Amounting to Rs. 5,81,671/-.

19-11-87

The Department explained that the out of Rs. 5,81,671/- as

sundry debtors an amount of Rs. 4,50,444/- has been recovered and verified. Efforts for the recovery of the remaining amount of Rs. 1,11,855/- are being made strenuous. It was observed that this amount will be included in the next year's sundry debtors' list.

The para thus was settled.

(PUNJAB GOVERNMENT PRINTING PRESS, LAHORE)

The Committee examined the Accounts of the Punjab Government Printing Press, Lahore, in its meetings held on 7-5-1986, 16-8-1987 and 17-8-1987.

37. Para 73 Page 37 of Audit Report On Commercial Accounts for the year 1970-71 .

7-5-86

The Department stated that all the recoveries had been effected. The Department was directed to produce the relevant record to Audit for verification.

Full facts of the disciplinary action taken against the official should be reported in the next meeting of the Committee.

The para was kept pending.

38. Para 74 Page 38 of Audit Report On Commercial Accounts for the year 1970-71 .

7-5-86

During discussion it transpired that the proceeding Para 73 Page 37 and the Para under consideration had not been included in the Commercial Report. Probably they were included in the report on the Appropriation Accounts. The Committee directed the Department that the history of the paras should be traced and the matter resubmitting.

It was also observed that while resubmitting paragraphs again for consideration, the promotions given to various clerks during the pendency of the charge may also be reported.

In the mean-time, Audit will verify the recoveries.

39. Para 148 Page 164 of Audit Report On Commercial Accounts for the year 1970-71 .

7-5-86

As the reconciliation of figures for the year 1970-71 had been done and verified by Audit, the para was settled.

40. Para 149 Page 164 of Audit Report On Commercial Accounts for the year 1970-71 .

7-5-86

The para was settled.

41. Para 151 Page 164 of Audit Report On Commercial Accounts for the year 1970-71.

7-5-86

The para was settled.

42. Para 155 Page 165 of Audit Report On Commercial Accounts for the year 1970-71.

7-5-86

The para was settled.

43. Para 156 Page 165 of Audit Report On Commercial Accounts for the year 1970-71.

7-5-86

The Administrative Department explained that an amount of Rs. 6,67,660/- was outstanding from the Election Commission of Pakistan and the Provincial Road Transport Corporation. Efforts were being made to approach these authorities for settlement of the accounts. The Committee directed that efforts should be made at the level of the Administrative Secretary and the outstanding amount liquidated.

The para was kept pending.

1972 - 73

44. Para 8 Page 10 of Audit Report On Commercial Accounts for the year 1972-73 - Loss due to shortage of Text Books valuing Rs. 42,404/-.

7-5-86

It was reported to the Ad Hoc Public Accounts Committee in its meeting held on 29th March, 1984 that that the case was sub-judice. In today's meeting, the Administrative Department reported that the case was still at the investigating stage and, according to the local police, the challan was not being accepted by the prosecution branch.

This para relates to the loss due to shortage of Text Books valuing Rs. 42,404/-. In a departmental enquiry responsibility for the shortage of Rs. 41,053/- had been fixed on an ex-employee. The balance amount of Rs. 1,351/- was still to be accounted for.

The Committee directed that the Administrative Secretary will take up the matter in a meeting with the Inspector General of Police, Punjab and Secretary Law to determine as to why it had not been possible to prosecute the defaulter. The Administrative Department will also look into the shortage of the balance amount

of Rs. 1,351/- . The entire exercise will be completed by the 15th July, 1986, and the result reported to the Committee Secretariat by that date.

With these remarks, the para was kept pending.

45. Para 9 Page 10 of Audit Report On Commercial Accounts for the year 1972-73 - Loss of Rs. 35,005/- as a result of shortage of Books.

7-5-86

Audit pointed out that the shortage of books valuing Rs. 35,005/- was detected in 1969-70. This loss was pointed out by Audit to the Department on 1st April, 1971. The ex-employee, who was being prosecuted, retired in June, 1971 and there was sufficient time for the Department to have taken action.

The Committee directed that Administrative Secretary will take up the matter in meeting with the Inspector General of Police, Punjab and the Secretary Law to determine as to why it had not been possible to prosecute the defaulter.

It further observed that the Administrative Department will also ascertain as to why the action was not taken at the appropriate time especially during the period from 1st April, 1971 to June, 1975. A report in this behalf will be submitted by 15th July, 1986.

The para was kept pending.

46. Para 10 Page 11 of Audit Report On Commercial Accounts for the year 1972-73 - Loss due to Misappropriation of Metal amounting to Rs. 31,435/-.

7-5-86

The loss of Rs. 31,435/- having been written off by Government, the para was settled.

1973 - 74

47. Para 8 Page 12 of Audit Report On Commercial Accounts for the year 1973-74 - Non-Accounting of 9,23,100 loss Farms worth Rs. 46,822/-.

7-5-86

The Administrative Department reported that the investigation had been completed by the Anti Corruption Department and the report submitted, as a result of which the departmental enquiry had to be undertaken against the defaulter. According to the Controller, Printing Press, the matter had been referred to the Administrative Department for the appointment of an independent enquiry officer.

The Committee directed the Department to complete the proceedings expeditiously but not later than 30th September, 1986 in any case, and submitted the report to the Committee Secretariat.

The para was kept pending.

48. Para 9 Page 12 of Audit Report On Commercial Accounts for the year 1973-74 - Shortage of Printed Forms worth Rs. Rs. 2,40,571/-.

7-5-86

The Administrative Department reported that in investigation had been completed by the Anti Corruption Department and the report submitted, as a result of which the departmental enquiry had to be undertaken against the defaulter. According to the Controller, Printing Press, the matter had been referred to the Administrative Department for the appointment of an independent enquiry officer.

The Committee directed the Department to complete the proceedings expeditiously but not later than 30th September, 1986 in any case, and submitted the report to the Committee Secretariat.

The para was kept pending.

49. Para 13 Page 13 of Audit Report On Commercial Accounts for the year 1978-74 - Shortage of Forms worth Rs. 1,51,374/-.

7-5-86

The Administrative Department reported that the investigation had been completed by the Anti Corruption Department and the report submitted, as a result of which the departmental enquiry had to be undertaken against the defaulter. According to the Controller, Printing Press, the matter had been referred to the Administrative Department for the appointment of an independent enquiry officer.

The Committee directed the Department to complete the proceedings expeditiously but not later than 30th September, 1986 in any case, and submitted the report to the Committee Secretariat.

The para was kept pending.

1977-78 to 1979-80

50. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

The para was settled.

51. Para 26 Page 21 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Shortage of Stores valuing Rs. 62,380/-.

7-5-86

The Administrative Department reported that the investigation had been completed by the Anti Corruption Department and the report submitted, as a result of which the departmental enquiry had to be undertaken against the defaulter. According to the Controller, Pringing Press, the matter had been referred to the Administrative Department for the appointment of an independent enquiry office.

The Committee directed the Department to complete the proceedings expeditiously but not later than 30th September, 1986 in any case, and submitted the report to the Committee Secretariat.

The para was kept pending.

52. Para 112 to 114 Page 122 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 .

7-5-86

The Committee noted that this para had been dropped by the the previous Ad Hoc Public Accounts Committee. As such, there was no need of resubmitting this para to the Committee.

With these remarks, the para was dropped.

53. Para 116 Page 122 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

Subject to verification by Audit, the para was settled.

54. Para 117 Page 123 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

Reconciliation having been done, the para was settled.

55. Para 118 Page 123 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

As the recovery of the amount remained to be effected, the para was kept pending.

56. Para 119 Page 123 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

The para was settled.

57. Para 122 Page 123 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

7-5-86

The Department stated that due to ban, the posts had not been filled up. The Books/Ledgers will be brought on Commercial system of Accounting as soon as these were filled.

The para was kept pending.

1980 - 81

58. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

As the accounts had since been prepared, the para was settled.

59. Para 125 Page 94 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The Committee noted that this para had been dropped by the previous Ad Hoc Public Accounts Committee. As such, there was no need of resubmitting this para to the Committee.

With these remarks, the para was dropped.

60. Para 126 Page 94 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The para was settled.

61. Para 128 Page 94 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

Reconciliation having been carried out, the para was settled.

62. Para 129 Page 94 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86.

As the accounts for the years 1972-73 and 1973-74 had been reconciled and verified by Audit.

The para was, therefore, settled.

63. Para 130 Page 94 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

Subject to the write off and verification by Audit, the para was settled.

64. Para 131 Page 94 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The Department explained that efforts were being made to recovery all the outstanding dues.

The para was kept pending.

65. Para 132 Page 95 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

The Department stated that they had not been able to fill in the posts in the absence of NOC from the Government.

The para was kept pending.

66. Para 133 Page 95 of Audit Report On Commercial Accounts for the year 1980-81.

7-5-86

As the final decision was not forthcoming, the para was kept pending.

1981 - 82

67. Para 94 Page 114 of Audit Report On Commercial Accounts for the year 1981-82 - Re-valuation of Assets.

16-8-87

Item (i) Verified.

Item (ii) The Administrative Secretary explained that it had been reconciled. It may be got verified by Audit.

The para was dropped subject to verification by Audit.

68. Para 95 Page 114 and 115 of Audit Report On Commercial Accounts for the year 1981-82 - Reconciliation of Receipts and Expenditure Figures.

16-8-87

The Administrative Secretary explained that the figures had since been reconciled and had been furnished to the Accountant General, Punjab, for confirmation.

The para was dropped subject to verification by Audit.

69. Para 99 Page 115 of Audit Report On Commercial Accounts for the year 1981-82 - Stock of Government Publications worth Rs. 2, 479 Million.

16-8-87

The issue has not yet been resolved. There are misgivings regarding facts of the case between the Administrative Department and the Text Book Board. The Public Accounts Committee-II directed that the Department and T.B. Board and Finance Department should get together to resolve this issue.

The para was kept pending.

70. Para 101 Page 115 of Audit Report On Commercial Accounts for the year 1981-82 - Cash-in-Hand on 30.6.1975.

16-8-87

The Administrative Secretary explained that it had since been refunded.

The para was settled subject to verification by Audit.

1982 - 83

71. Para 24 Page 28 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 21, 269/- Due to Non-recovery of Cost of Paper and Binding Material from Private Printer.

17-8-87

Two officers were held responsible in the departmental case. One Mr. Muhammad Ashiq who was Superintendent retired compulsarily and the other Mr. Ghulam Mustafa who absconded and

his services were terminated. The Administrative Secretary explained that efforts were being made for effecting recoveries through the collector.

The para was kept pending.

72. Para 126 Page 144 of Audit Report On Commercial Accounts for the year 1982-83 - Sales and Gross Profit of Stationery Office.

17-8-87

The Administrative Secretary explained that he was taking measures to reduce the inventory.

The para was settled.

73. Para 127 Page 144 of Audit Report On Commercial Accounts for the year 1982-83 - Position of Stock in Hand.

17-8-87

The Administrative Secretary stated that reconciliation had since been made.

The para was settled subject to verification by Audit.

74. Para 128 Page 144 of Audit Report On Commercial Accounts for the year 1982-83 - Reconciliation of Figures.

17-8-87

The reconciliation had since been made.

The para was settled subject to verification by Audit.

75. Para 146 Page 169 of Audit Report On Commercial Accounts for the year 1982-83 - Financial Position of Government Printing Press, Lahore (Increase in Loss).

17-8-87

It was observed that the losses were being reduced from year to year which was appreciable. The Administrative Secretary explained some bottlenecks and offered to give a detailed Proforma Report in detail in the next meeting.

The para was kept pending.

76. Para 148 Page 170 of Audit Report On Commercial Accounts for the year 1982-83 - Shortages/ Excesses.

17-8-87

The Administrative Secretary explained that the amount had been written off.

The para was dropped subject to verification by Audit.

77. Para 149 Page 170 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors.

17-8-87

The Administrative Secretary explained in detail that all the sundry debtors are the Government Departments, which are being gradually recovered.

Subject to verification by Audit, the para was settled.

78. Para 150 Page 170 of Audit Report On Commercial Accounts for the year 1982-83 - Stores and Raw Material.

17-8-87

The Administrative Secretary informed the Committee that he was taking all possible measures to reduce the inventory.

The para was therefore settled.

79. Para 151 Page 170 of Audit Report On Commercial Accounts for the year 1982-83 - Disposal of Obsolete Books.

17-8-87

The Department explained that they had sold out the unserviceable articles for Rs. 46,666/-. The balance amount out of Rs. 2,22,865/- had been referred to the Finance Department for write off sanction of which was being awaited.

The para was kept pending.

80. Para 152 Page 170 of Audit Report On Commercial Accounts for the year 1982-83 - Books of Accounts.

17-8-87

The Department stated that they were prepared to reduce the accounts on proper pattern of Commercial Accounts as may be advised by Audit. It was agreed that the Department would depute some officer for under taking guidance.

The para was kept pending.

(PUNJAB INDUSTRIAL DEVELOPMENT BOARD)

The Committee examined the Accounts of the Punjab Industrial Development Board, in its meetings held on 19-11-1986 and 24-5-1987.

81. Para 88 Page 70 of Audit Report On Commercial Accounts for the year 1970-71 - Accounts to get Audited by the State Audit.

24-5-87

The Administrative Department explained that directives of the Central Government were not binding on them unless and until it was a constitutional binding which the Department was always prepared to accept. Since the matter involved very important legal point, the case had been referred to Provincial Law Department for advice. The Committee was further informed that no action can be taken arbitrarily unless and until an amendment was made in the Act and the competent authority in this respect was Provincial Assembly. The Department requested time for obtaining the advice of the Law Department and the Finance Department and finally of the Punjab Industrial Development Board.

The Public Accounts Committee directed that the Department should submit progress of the case within three months.

The para was kept pending.

82. Para 90 Page 70 of Audit Report On Commercial Accounts for the year 1970-71 - Physical Verification of the Assets.

24-5-87

The Department assured the Committee that physical verification of the remaining items should be got done by Audit within one month.

The para was kept pending.

1980 - 81

83. Para 86 Page 69 of Audit Report On Commercial Accounts for the year 1980-81 - Miss-Apropriation of Development Fund Provided by the Government.

19-11-86

The explanation of the Department was accepted and the para was settled.

84. Para 88 Page 70 of Audit Report On Commercial Accounts for the year 1980-81 - The Necessity of Audit by State Audit.

19-11-86

The Administrative Department stated that on the basis of the advice of the Law and Parliamentary Affairs Department, the accounts and affairs of projects under the Punjab Industrial Development Board were not to be audited by the State Audit. The Audit referred to a letter from the Federal Law Ministry, under which State Audit of the units set up by similar authorities/ Industrial Development Board of other Provinces and Corporations/ Autonomous Bodies established both by the Federation and Provinces e.g. Sui Gas Co., were being conducted by the field offices of the Auditor General of Pakistan. Hence the Punjab Industrial Development Board should also get the accounts of their Projects audited by the State Audit

The Committee directed that a copy of the advice of the Federal Law Ministry, obtained by Audit, should be supplied to the Industries Department for further necessary action.

The para was kept pending.

1981 - 82

85. Para 65 Page 83 of Audit Report On Commercial Accounts for the year 1981-82 - Non Production of Record to Audit.

24-5-87

Was kept pending since it related to the record concerning investments made by the Punjab Industrial Development Board in its various projects and disinvestment of its projects.

The para was kept pending.

86. Para 66 Page 83 of Audit Report On Commercial Accounts for the year 1981-82 - Jurisdiction of Audit.

24-5-87

Was kept pending since it related to the record concerning investments made by the Punjab Industrial Development Board in its various projects and disinvestment of its projects.

The para was kept pending.

87. Para 67 Page 83 of Audit Report On Commercial Accounts for the year 1981-82 - Establishment of 14 Projects till 30-6-1982.

24-5-87

The para was settled.

88. Para 68 Page 83 of Audit Report On Commercial Accounts for the year 1981-82 - Maintenance of Accounts of Punjab Industrial Development Board.

24-5-87

Since income and expenditure statement had been prepared and verified by Audit, the para was settled.

89. Para 69 Page 84 of Audit Report On Commercial Accounts for the year 1981-82 - Non utilization of Development Fund.

24-5-87

As recommended by Audit, the para was settled.

90. Para 70 Page 84 of Audit Report On Commercial Accounts for the year 1981-82 - Non receipt of Income Tax.

24-5-87

Since income - tax statement had been prepared and shown to Audit by the Department, the para was settled.

91. Para 71 Page 84 of Audit Report On Commercial Accounts for the year 1981-82 - Physical verification of Assets.

24-5-87

Physical verification of the assets having been done by the Department and verified by Audit, the para was settled.

92. Para 72 Page 84 and 85 of Audit Report On Commercial Accounts for the year 1981-82 - Cash and Bank Balance of Rs. 79,341,549/-.

24-5-87

The para was settled.

93. Para 73 Page 95 of Audit Report On Commercial Accounts for the year 1981-82 - Recovery against Doaba Rice Mills Limited.

24-5-87

The Department promised to approach the Board for the write off of the amount.

The para was kept pending.

**94. Para 74 Page 85 of Audit Report On Commercial Accounts
for the year 1981-82 - Sale of Projects.**

24-5-87

Development Fund Account having been verified by Audit,
the para was settled.

**95. Para 75 Page 85 of Audit Report On Commercial Accounts
for the year 1981-82 - Unapproved Accounts of the Board
of Directors.**

24-5-87

The para was settled.

1982 - 83

**96. Para 119 Page 127 of Audit Report On Commercial Accounts
for the year 1982-83 - Provision of Development Fund.**

24-5-87

Verification having been done by Audit, item (i), (ii) and (iv)
were settled.

Item No. (iii) was kept pending since it related to the record
concerning investments made by the Punjab Industrial Development
Board in its various projects and disinvestment of its projects.

(PUNJAB MINERAL DEVELOPMENT CORPORATION)

The Committee examined the Accounts of the Punjab Mineral Development Corporation in its meeting held on 18-8-87.

- 430 97. Para 3(17) Page 5 of Audit Report On Commercial Accounts for the year 1982-83 .

18-8-87

The para was settled subject to verification by Audit.

98. Para 192 Page 233 of Audit Report On Commercial Accounts for the year 1982-83 - Introductory Para.

18-8-87

This being an introductory para, the para was settled.

99. Para 193 Page 233 of Audit Report On Commercial Accounts for the year 1982-83 - Working Results.

18-8-87

The Administrative Secretary assured the Committee that they are trying to control the administrative expenses as far as possible. -

The para was settled.

100. Para 194 Page 233 of Audit Report On Commercial Accounts for the year 1982-83 - Preparation of year wise Analysis.

18-8-87

The Administrative Secretary stated that the recovery was in rapid progress and the book debt were on the decrease. The Committee directed that the recovery made may be got verified and the remaining amount may be recovered expeditiously and verified by Audit.

The para was however, settled.

101. Para 195 Page 233 and 234 of Audit Report On Commercial Accounts for the year 1982-83 - Maintance of Register in respect of fixed Assets.

18-8-87

The Administrative Secretary assured that the register was

under preparation which will be completed by December, 1987.

The para was settled.

102. Para 196 Page 234 of Audit Report On Commercial Accounts for the year 1982-83 - Physical verification of Stores and Stocks.

18-8-87

The verification of stores, stocks and spares was assured by the Administrative Secretary to be maintained and got verified by Audit. Physical verification of other stock was not possible. The record was however being maintained.

The explanation of the Administrative Secretary was found satisfactory and the para was settled.

103. Para 197 Page 234 of Audit Report On Commercial Accounts for the year 1982-83 - Bank Accounts.

18-8-87

The para was settled as recommended by the Audit.

(PUNJAB GOVERNMENT COTTON MILLS, LAHORE)
(IN LIQUIDATION)

The Committee examined the Accounts of the Punjab Government Cotton Mills, Lahore (in liquidation) in its meeting held on 19-11-1986 and 26-5-1987.

104. Para 59 Page 64 of Audit Report On Commercial Accounts for the year 1971-72 - Non Recovery from Debtors Amounting to Rs. 6,02,252/-.
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19-11-86

The Committee was informed that the case was pending in the Court of Additional District and Sessions Judge, Lahore. The next date of its hearing had been fixed for 22nd November, 1986. The Committee desired that the case should be pursued vigorously.

The para was kept pending.

26-5-87

The Department explained that the case was still sub-judice and next date of hearing had been fixed as 15th June, 1987.

The para was kept pending.

(PUNJAB SMALL INDUSTRIES CORPORATION)

The Committee examined the Accounts of the Punjab Small Industries Corporation in its meetings held on 14-4-1986 and 25-5-1987.

105. Para 10 Page 11 of Audit Report On Commercial Accounts for the year 1970-71 - Loss of Rs. 38,985/- In the Sale of Raw Material worth Rs. 1,95,862/-.

14-4-86

Previously the Ad Hoc Public Accounts Committee had directed the Corporation to produce the relevant certificate of the Central Board of Revenue, to substantiate their stand of reduction of Custom Duty and Sales Tax. This requirement of the Ad Hoc Public Accounts Committee having been met, the explanation of the Corporation was accepted by the Committee.

Therefore, the para was settled.

106. Para 7 Page 9 of Audit Report On Commercial Accounts for the year 1971-72 - Shortage of Raw Material Amounting to Rs. 88,804/-.

14-4-86

The explanation given by the Corporation was accepted and the para was settled.

1977-78 to 1979-80

107. Para 86 Page 90 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Accounts were not provided to Audit.

14-4-86

It was desired by the Ad Hoc Public Accounts Committee that the Accounts for the year 1977-78 to 1979-80 had to be got approved by the Board. This requirement having been met, the para stood settled.

108. Para 87 Page 90 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Shortage Recoverable.

14-4-86

The Committee appreciated the reduction of the balance of the recoverable amount. It desired that the complete details of the "control system" in vogue in the Corporation may be reported

in the next meeting for appraisal.

Both Paragraphs were kept pending.

109. Para 93 Page 99 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Clearance of Suspense Accounts.

14-4-86

The para was settled.

110. Para 94 Page 99 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Recovery of Debts.

14-4-86

The Committee desired the Corporation to launch a recovery campaign by setting up a special cell. It also directed the corporation that the confirmations of the debts from debtors should be obtained by deputing responsible officials for the purpose, and that this confirmation activity should be a regular feature at the close of the yearly accounts so that the exact amounts acceptable to the debtors are known for the sake of authenticity of the balancing under the "Head" Sundry Debtors. A list of recoverable and irrecoverable debts should also be prepared and submitted in the next meeting.

The para was kept pending.

111. Para 94 Page 99 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Sundry Debtors of Rs. 4,671,933/-.

25-5-87

- i) The recovery of Rs. 1,48,393/- had been verified.
- ii) The amount of Rs. 8,308/16 are being recovered/adjusted from the dues of Mr. Muhammad Ishaque Khan.
- iii) Out of Rs. 3,18,965/27 an amount of Rs. 46,266/55 had been recovered.
- iv) The amount of Rs. 70,568/68 shall be adjusted from the dues of the Ex-Manager. Regarding the balance recoverable amount, it was stated that it will be examined case by case by the recovery cell constituted for the purpose. The Public Accounts Committee directed that efforts should be made for expeditious recoveries of the balance amount and in cases where no recovery is possible it should be got written off.

The progress achieved should be reported in the next meeting.

The para was kept pending.

112. Para 100 Page 110 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Recovery of Debts.

14-4-86

This para was amalgamated with Para 94 Page 99 for 1977-78 to 1979-80 being a similar case. Remarks against para 94 (1977-78 to 1979-80) would apply in this case also.

113. Para 101 Page 110 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Shortage Recoverable.

14-4-86

The Committee appreciated the reduction of the balance of the recoverable amount. It desired that the complete details of the "control system" in vogue in the Corporation may be reported in the next meeting for appraisal.

Both paragraphs were kept pending.

25-5-87

- i) The recovery of Rs. 6,855/- had been verified.
- ii) The recovery related to the West Pakistan Small Industries Corporation. The shortages and adjustment had to be verified. The remaining balance amount will be taken up case by case for settlement.

The para was kept pending.

1981 - 82

114. Para 10 Page 15 of Audit Report On Commercial Accounts for the year 1981-82 - Outstanding amount of Rs. 83,075/-.

25-5-87

Out of recoverable amount of Rs. 1,03,000/- against the Ex-Manager Rs. 98,000/- are available for adjustment. The Public Accounts Committee directed the Department to do the needful in respect of adjustment and the remaining amount of Rs. 3,000/- may be got written off by the Competent Authority.

The para was kept pending.

115. Para 106 Page 129 of Audit Report On Commercial Accounts for the year 1981-82 - Cash and Bank Balance.

25-5-87

The explanation of the Department was accepted and on the recommendations of Audit, the para was settled.

116. Para 107 Page 129 of Audit Report On Commercial Accounts for the year 1981-82 - Repayment of Loan to Provincial Government.

25-5-87

The explanation of the Department was accepted and on the recommendation of Audit, the para was settled.

117. Para 109 Page 130 of Audit Report On Commercial Accounts for the year 1981-82 - Financial Review on the working of the Corporation.

25-5-87

The accounts had been presented to the Board of Directors but its approval had not yet been accorded. The progress will be reported in the next meeting.

The para was kept pending.

118. Para 110 Page 130 of Audit Report On Commercial Accounts for the year 1981-82 - Outstanding amount of
(1) Rs. 4,662 Million
(2) Rs. 8,015 Million
(3) Rs. 16,120 Million
(4) Rs. 24,440 Million

25-5-87

The Department stated that departmental loans were advanced to the employees and recoveries were being regularly made from their monthly salaries. It was desired that year wise analysis may be made out for perusal of Audit, who will provide Audit comments thereon.

The Para was kept pending.

119. Para 111 Page 130 of Audit Report On Commercial Accounts for the year 1981-82 - Furniture and Fixture of Rs. 1,397,459/-.

25-5-87

The para already been settled in the Public Accounts Committee meeting held on 14-4-1986.

1982 - 83

120. Para 25 Page 29 of Audit Report On Commercial Accounts for the year 1982-83 - Verification of Stores and Stocks.

25-5-87

The explanation of the Department was accepted. The amount would be adjusted from the dues available with the Corporation. Subject to verification of recoveries, the para was settled.

121. Para 169 Page 202 of Audit Report On Commercial Accounts for the year 1982-83 - Working Results.

25-5-87

The Department explained in detail the reason of sustaining the loss in the preceding year which was accepted by the Committee. It was however desired that these details may be furnished in black and white to the Committee so that it should form part of the proceedings.

The para was however settled.

122. Para 170 Page 203 of Audit Report On Commercial Accounts for the year 1982-83 - Loan of Rs. 5,866 Million from Provincial Government.

25-5-87

The para was settled.

123. Para 171 Page 203 of Audit Report On Commercial Accounts for the year 1982-83 - Stockes of the Corporation.

25-5-87

The explanation of the Department was accepted.

The para was settled.

124. Para 172 Page 204 of Audit Report On Commercial Accounts for the year 1982-83 - Physical verification of Store and Stock.

25-5-87

The para was settled.

125. Para 173 Page 204 of Audit Report On Commercial Accounts for the year 1982-83 - Shortage of Rs. 0.654 Million.

25-5-87

The Department stated that discrepancy had been resolved and adjustment had been made accordingly which may be got verified. Subject to verification, the para was settled.

126. Para 174 Page 204 of Audit Report On Commercial Accounts for the year 1982-83 - Recovery of Debtors.

25-5-87

The Department spelled out the details of recoveries which had to be made. The Public Accounts Committee directed that the Department should expedite balance recoveries. The recoveries already made may be got verified by Audit.

The para was kept pending.

CHAPTER - VI

(IRRIGATION AND POWER DEPARTMENT)

(IRRIGATION WORKSHOP DIVISION, MUGHALPURA, LAHORE)

The Committee examined the Accounts of the Irrigation and Power Department in its meetings held on 14-7-1986, 15-7-1986, 21-12-1986 and 18-7-1987.

127. Para 352 Page 348 of Audit Report On Commercial Accounts for the year 1976-77 - Depreciation of T & P Article.

128. Para 360 Page 349 of Audit Report On Commercial Accounts for the year 1976-77 - Depreciation of T & P Article.

14-7-87

The working papers of Commercial Accounts in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, alongwith Audit Comments, for advance study by the Members of the Public Accounts Committee - II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses

year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. They were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following:-

1. How to cut down the staff strength ;
2. Merger of different workshops ;
3. Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
4. How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be reconciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee - II directed the Administrative Department that the reconciliation should be done within four months' time.

The para was kept pending.

129. Para 363 Page 349 of Audit Report On Commercial Accounts for the year 1976-77 - Depreciation of T & P Article.

14-7-87

The para was settled.

1977-78 to 1979-80

130. Para 291 Page 316 of Audit Report for the year 1977-78 to 1979-80 - Irregular Payment.

14-7-86

The working papers of Commercial Accounts in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, alongwith Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following :-

1. How to cut down the staff strength ;
2. Merger of different workshops ;

3. Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
4. How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be re-conciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned as for. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done within four months' time.

The para was kept pending.

131. Para 294 Page 317 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Unadjusted Balance.

15-7-86

The para may be settled subject to verification of adjustments by Audit.

132. Para 294 Page 317 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Reassessment of Capital Cost of Buildings.

15-7-86

The para was settled subject to verification by Audit.

133. Para 298 Page 317 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Non-accountal of Establishment Charges.

15-7-86

Subject to verification by Audit, the para was settled.

134. Para 323 Page 332 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Depreciation of T & P Article.

14-7-87

The working papers of Commercial Accounts in respect of Irrigation workshop Division, Mughalpura, Lahore, for they year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, alongwith Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But, after their completion, there was not enough work. The workshop was not running to full capacity and its started incurring losses year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following:-

1. How to cut down the staff strength ;
2. Merger of different workshops ;
3. Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
4. How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be re-conciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done within four months' time.

The para was kept pending.

135. Para 326 Pages 333 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Debtors.

136. Para 330 Page 333 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Workshop running in loss.

15-7-86

The working papers of Commercial Account in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the

year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, along with Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following:-

- 1) How to cut down the staff strength;
- 2) Merger of different workshops;
- 3) Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop; and
- 4) How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as

directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be reconciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done within four months' time.

The paras were kept pending.

137. Para 332 Page 333 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Reassessment of Capital Cost of Buildings.

15-7-86

The para was settled, subject to verification by Audit.

138. Para 333 Page 334 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Non-accountal of Establishment Charges.

15-7-86

Subject to verification by Audit, the para was settled.

139. Para 354 Page 348 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Debtors.

140. Para 358 Page 349 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Workshops/running in loss.

15-7-86

The working papers of Commercial Accounts in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the

year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, alongwith Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following:-

- (1) How to cut down the staff strength ;
- (2) Merger of different workshops ;
- (3) Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
- (4) How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as

directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be reconciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done within four months' time.

The paras were kept pending.

141. Para 361 Page 349 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Reassessment of Capital Cost of Buildings.

15-7-86

The para was settled subject to verification by Audit.

142. Para 364 Page 349 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Losses of Interest on Capital.

15-7-86

The Department stated that the proforma accounts for 1983-84 were under preparation and the advice of Audit in respect of interest on capital will be acted upon. The Committee directed that the accounts should be finalized and got verified by Audit.

The para was kept pending.

143. Para 365 Page 349 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Comparative Financial Result of Workshops.

144. Para 366 Page 349 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Comparative Financial Result of Workshops.

145. Para 367 Page 349 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Workshops/running in Loss.

146. Para 376 Page 363 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - The Comprision of the Financial result of the Workshops.

147. Para 377 Page 363 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - The Comprision of the Financial Result of the Workshops.

148. Para 378 Page 363 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - The Comprision of the Financial Result of the Workshops.

149. Para 379 Page 363 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - The Comprision of the Financial Result of the Workshops.

15-7-86

The working papers of Commercial Accounts in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, alongwith Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers

should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition.

It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following:-

- 1) How to cut down the staff strength ;
- 2) Merger of different workshops ;
- 3) Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
- 4) How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be re-conciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done with four months' time.

The paras were kept pending.

150. Para 380 Page 363 of Audit Report On Commercial Accounts
for the year 1977-78 to 1979-80 - Review of the Stock Balance.

15-7-80

The sanction to the reserve stock limit having been verified by Audit, the para was settled.

151. Para 382 Page 363 of Audit Report On Commercial Accounts
for the year 1977-78 to 1979-80 - Loss of Rs. 1,93,090/-.

152. Para 391 Page 377 of Audit Report On Commercial Accounts
for the year 1977-78 to 1979-80 - Losses on Capital as a
Result of Financial Review.

153. Para 392 Page 377 of Audit Report On Commercial Accounts
for the year 1977-78 to 1979-80 - Losses on Capital as a
Result of Financial Review.

154. Para 393 Page 377 of Audit Report On Commercial Accounts
for the year 1977-78 to 1979-80 - Losses on Capital as a
Result of Financial Review.

155. Para 394 Page 377 of Audit Report On Commercial Accounts
for the year 1977-78 to 1979-80 - Losses on Capital as a
Result of Financial Review.

15-7-80

The working papers of Commercial Accounts in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, alongwith Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following:-

- 1) How to cut down the staff strength ;
- 2) Merger of different workshops ;
- 3) Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
- 4) How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in

figures could not be reconciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done within four months' time.

The para was kept pending.

158. Para 395 Page 377 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - The Increasing Balance of Stock.

15-7-86

As the sanction of reserve to stock limit has been verified by Audit, the para was settled.

1980 - 81

157. Para 185 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Discrepancies.

158. Para 186 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Discrepancies.

15-7-86

The working papers of Commercial Accounts in respect of Irrigation Workshop Division, Mughalpura, Lahore, for the year 1970-71 to 1979-80 and 1980-81, which were received in the Assembly Secretariat on 12.7.1987, were circulated amongst the Members of the Committee just before the meeting started. The Committee wanted to know the reason for the late submission of the working papers.

Audit stated that despite reminders, the Department did not send their working papers, to them for comments. However, they submitted their comments within two days of the receipt of the working papers from the Irrigation Workshop Division.

The Department felt sorry for the delayed submission of their working papers and assured the Committee that in future the working papers would be submitted to Audit in time so that it could finally be submitted to the Committee, along with Audit Comments, for advance study by the Members of the Public Accounts Committee-II.

The Committee directed that in future the working papers should be submitted to the Assembly Secretariat at least ten days before the date of the meeting.

The Committee then asked the Secretary Irrigation to give some history of the Irrigation Workshop Division, Mughalpura, as also his opinion about the losses being suffered by the Workshop.

It was explained that this Workshop was the successor of a similar workshop which existed in Amritsar before Partition. It had the capacity to manufacture gates and gears for the barrages in Pakistan as well as to cater for the repairs and maintenance of machinery, vehicles etc. It had a flourishing business till the works relating to the Indus Basin Treaty were in progress. But after their completion, there was not enough work. The workshop was not running to full capacity and it started incurring losses year after year. In 1973-74, about 500 work-charged employees were made regular employees of the workshop, which added to further losses because there was less work and more staff. There were losses of Rs. 1.64 million in 1983-84 which increased to Rs. 4.72 million in 1984-85.

The Finance Minister told the Department that, in order to minimise losses and to make the workshop a profitable one, a feasibility report should be prepared keeping in mind the following :-

- 1) How to cut down the staff strength ;
- 2) Merger of different workshops ;
- 3) Closing down of Sanda Workshop and transferring personnel to the Mughalpura Workshop ; and
- 4) How can works be obtained from outside.

The report should be submitted within two months for the consideration of the Committee. He further asked the Department not to fill up vacancies occurring due to retirement of its employees unless very essential.

The Secretary Irrigation assured the Committee that, as directed, a comprehensive report covering these points would be submitted within two months' time.

The Department explained that they did not have sufficiently qualified commercial staff, and, consequently, the difference in figures could not be re-conciled. The Finance Department had been approached for the sanction of commercial staff but it had not been sanctioned so far. The representative of the Finance Department stated that the Divisional Accountant was also qualified in commercial accounting. The work of reconciliation was

a normal work and it should be done with the staff available. However, if the Department still desired to have additional staff, they should put up the case to Finance Department giving full justification, which will be thoroughly examined.

The Administrative Secretary requested the Minister for Finance that at least they should be given additional staff well versed with the job so that they may be able to complete this reconciliation. The Minister for Finance observed that the staff already with the Department was sufficient and this work actually could be done by that official only who was already working with them.

The Public Accounts Committee-II directed the Administrative Department that the reconciliation should be done within four months' time.

The paras were kept pending.

159. Para 187 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Unadjusted Balance.

15-7-86

The Department stated that instructions contained in note below article 176 of Accounts Code Vol - III were being strictly followed.

The para was settled.

169. Para 188 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Non-Accountal.

15-7-86

The para was settled subject to verification by Audit.

161. Para 189 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Pensionary Charges.

15-7-86

(i) The item was settled, subject to verification by Audit.

(ii) The discrepancy having been reconciled, the item was settled.

162. Para 190 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Non-payment of Audit Charges @ 1% on Deposit Works.

15-7-86

The para was settled, subject to verification by Audit.

163. Para 191 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Incorrect rate of Interest. Rate of Interest on Capital Cost Charged.

164. Para 192 Page 158 of Audit Report On Commercial Accounts for the year 1980-81 - Incorrect rate of Interest.

15-7-86

The paras were settled subject to verification by Audit.

165. Para 193 Page 159 of Audit Report On Commercial Accounts for the year 1980-81 - Workshop Suspense.

15-7-86

The Department assured the Committee that efforts will be made to clear the Workshop Suspense Account within a period of two months.

The Committee directed that the suspense head should be cleared promptly. The Department should also give the expenditure figures booked under the head "Workshop Suspense" for the last six years in their working paper for the next meeting.

The para was kept pending.

166. Para 194 Page 159 of Audit Report On Commercial Accounts for the year 1980-81 - Unnecessary Accumulation of Stores.

15-7-86

The Department stated that a list of surplus and obsolete stores had been prepared and action was being taken to dispose of these stores by auction.

The Committee directed the Department to submit their final disposal of the stocks within four months and submit a report to the Committee in the form of a fresh working paper for its consideration in the next meeting. The Committee further directed that survey and review of stores should be carried out regularly by the Department every year so that such stocks, which were not required by the Department, were not kept in store unnecessarily and Government money blocked.

The para was kept pending.

167. Para 195 Page 159 of Audit Report On Commercial Accounts for the year 1980-81 - Incomplete Ledger.

168. Para 196 Page 159 of Audit Report On Commercial Accounts for the year 1980-81 - Incomplete Ledger.

15-7-86

The position having been verified by Audit, the paras were settled.

169. Para 197 Page 159 of Audit Report On Commercial Accounts for the year 1980-81 - Non-accountal of Establishment Charges.

15-7-86

The para was settled, subject to verification by Audit.

1981 - 82

170. Para 164 Page 189 of Audit Report On Commercial Accounts for the year 1981-82 - Moghalpura Irrigation Workshop Division, Moghalpura, Lahore - Profit and Loss Account.

18-7-87

It was reported by Audit that the difference between the figures of balance sheet and monthly accounts in respect of deposits etc upto 1985-86 had since been reconciled.

The para was settled.

171. Para 166 Page 189 of Audit Report On Commercial Accounts for the year 1981-82 - Profit and Loss Accounts.

18-7-87

This para was settled subject to the verification by Audit.

172. Para 167 Page 189 of Audit Report On Commercial Accounts for the year 1981-82 - Profit and Loss Account.

18-7-87

The Department informed that a departmental committee to look into the matter of pro-rata distribution of indirect charges on account of establishment of Chief Engineer was constituted whose report is still awaited. The Committee directed that a separate committee may be formulated for this purpose to report the results within three months. The representative of Finance Department and Audit Department may also be associated with the Committee.

The para was kept pending.

173. Para 168 Page 190 of Audit Report On Commercial Accounts for the year 1981-82 - Profit and Loss Account.

18-7-87

The Department explained that the suspense accounts have been cleared and transferred to the debtors and creditors ledgers which may be verified by Director General, Audit and Accounts (Works), Lahore.

The para was settled subject to the verification by Audit.

174. Para 170(b) Page 190 of Audit Report On Commercial Accounts for the year 1981-82 - Capital Accounts.

18-7-87

The para relates to losses on workshop during the year 1981-82 which comes to Rs. 76,268/-. The Department explained that these losses were due to less productive work and expenditure on unproductive labour accounted for. The Department stated that the following steps are being taken to minimise the losses :-

- i) As far as possible, no NOC should be issued for the repair of Government vehicles in future.
- ii) The labour should be kept engaged for procurement of various jobs including manufacturing of tubewell components/parts and repair and replacement of gates and gearing of irrigation barrages at headworks unlike the present practice and repair of gates and gearing of irrigation barrages on spot.
- iii) Efforts should be made to improve the present quality of repair works so as to compete with other commercial organizations.
- iv) All articles/tools in the workshop should be trabelated afresh. All such implements which are not often required should be weeded out/sold out.

The Committee decided to settle the para subject to the above steps taken diligently by the Department.

175. Para 171 Page 190 of Audit Report On Commercial Accounts for the year 1981-82 - Capital Accounts.

18-7-87

The Department informed that a departmental committee to look into the matter of pro-rata distribution of indirect charges on account of establishment of Chief Engineer was constituted whose report is still awaited. The Committee directed that a separate committee may be formulated for this purpose to report the results within three months. The representative of Finance Department and Audit Department may also be associated with the Committee.

The para was kept pending.

1982 - 83

176. Para 220 Page 283 of Audit Report On Commercial Accounts for the year 1982-83 - Working Results of the Workshop during the year 1982-83.

18-7-87

The Department stated that as already explained in Para No. 170(b) Page No. 190 for the year 1981-82 above, the heavy

net loss of Rs. 1.68 million was due to less workload and because of unproductive labour maintained during the year. It was also explained that steps for improvement were being made by the Department to award the work of manufacturing components of turbine pumps and execution of repair and replacement works of gates and gearing of irrigation barrages and headworks. Moreover major repair of the heavy earth moving machinery have also been entrusted to the workshop besides the repair of vehicles in and around Lahore. The increase in turnover is likely to reduce overheads/loss and will make the workshop self sustaining.

The Committee was satisfied with the explanation and decided to settle the para.

177. Para 221 Page 283 and 284 of Audit Report on Commercial Accounts for the year 1982-83 - Non-Maintenance of Accounts in Accordance with the Rules of Central Workshop.

18-7-87

This para was settled subject to the verification by Audit.

17. Para 224 Page 284 of Audit Report On Commercial Accounts for the year 1982-83 - Physical Verification of Stock.

18-7-87

The Department explained that due to heavy flood in 1973 and 1976 the Government of the Punjab imported earth moving machinery/Ancillary Equipment with spare parts worth about Rs. 250 million through Stores Division. In order to repair and overhaul this equipment, spare parts with lacs of rupees were received and required to be stored in the workshop which increased the stock balance.

Audit pointed out that the store/machinery received during flood season in 1973 and 1976 was without value and it has no concern with the local purchase of store made during the year.

The Department praised to look into the matter again and intimate the factual position.

The Committee directed the Department to furnish a clear reply of the following points :-

- i) Why the stock was purchased in excess of reserve limit of stock/requirement ?
- ii) Why physical verification of stock was not conducted ?
The same may be conducted and a certificate to this effect alongwith the list of shortage and excess may be supplied to Audit.

The para was kept pending.

179. Para 225 Page 284 of Audit Report On Commercial Accounts for the year 1982-83 - Deposite, Sundry Crediters, Sundry Debtors not Reconciled.

18-7-87

- i) The Department explained that the figures of deposits, Sundry Crediters and Sundry Debtors have been reconciled with Audit.

The Committee decided to settle the sub - para (i) .

- ii) The Audit pointed out that machinery worth Rs. 27.397 million has not been capitalised in the accounts.

The Department explained that as a result of re-organization of the Department machinery circle was established. The machinery was transferred during 1984 to the said circle for operation.

The Committee desired that Sub-Committee consisting of (1) Mian Ghulam Farid Chishti, MPA (2) Ch. Abdur Rashid, MPA (3) Malik Ghulam Haider Thind, MPA and (4) Ch. Gul Nawaz Khan Waraich, MPA may be constituted to probe into the affairs referred to in the aforesaid para.

The para was kept pending.

180. Para 226 Page 285 of Audit Report On Commercial Accounts for the year 1982-83 - Fictitious Assets be Rectified.

18-7-87

The para relates to losses on workshop during the year 1981-82 which comes to Rs. 76,268/-. The Department explained that these losses were due to less productive work and expenditure on unproductive labour accounted for. The Department stated that the following steps are being taken to minimise the losses :-

- i) As far as possible, no NOC should be issued for the repair of Government vehicles in future.
- ii) The labour should be kept engaged for procurement of various jobs including manufacturing of tubewell components/parts and repair and replacement of gates and gearing of irrigation barrages at headworks unlike the present practice and repair of gates and gearing of irrigation barrages on spot.
- iii) Efforts should be made to improve the present quality of repair works so as to compete with other commercial organizations.
- iv) All articles/tools in the workshop should be tabulated afresh. All such implements which are not often required should be weeded out/sold out.

The Committee decided to settle the para subject to the above steps taken diligently by the Department.

181. Para 227 Page 285 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors worth Rs. 13,341,728/-.

18-7-87

The para was settled subject to recovery of the balance amount of Rs. 17,71,753/- pertaining to the year 1982-83 and its verification by Audit.

182. Para 228 Page 285 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors worth Rs. 31,16,726/-.

18-7-87

The para was settled.

183. Para 229 Page 285 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Creditors worth Rs. 4,968,299/-

18-7-87

- i) As the difference between the figures of Sundry Creditors have been reconciled with Audit Office and its effects incorporated in the proforma accounts for the year 1985-86, this portion of the para was settled.
- ii) The Department explained that the amount of Sundry Creditors to the extent of Rs. 44,56,602/- have been cleared out.

The Committee settled the sub-para(ii) subject to verification by Audit.

184. Para 230 Page 286 of Audit Report On Commercial Accounts for the year 1982-83 - Maintain of Rent Register.

18-7-87

The Department explained that rent register had since been maintained and verified by Audit.

The Committee decided to settle the para.

GENERAL

The Committee met at the Irrigation Workshop, Moghalpura, Lahore. Mr. M. M. Khan, former Executive Engineer incharge of the the Workshop explained in detail the set up of the Workshop with the help of charts. After that, the Members went round the workshop to apprise themselves of the functioning of each of its branch.

The working paper submitted by the Irrigation Workshop, Mughalpura, Lahore, could not be taken up for consideration for lack of time, which would now be considered in the next meeting of the Committee.

**FEASIBILITY REPORT TO MINIMIZE LOSSES IN
MOGHALPURA IRRIGATION WORKSHOP, LAHORE.**

19-7-87

The Feasibility Report to minimize the losses in Moghalpura Irrigation Workshop by the Irrigation and Power Department came under discussion.

The Department presented its views mainly confining their views on the contents of this report, as it has been drawn up by them.

The Finance Department submitted before the Committee that the report was not comprehensive and the working of the internal workshop had not been discussed therein and had not touched all the points which were required to be raised in the feasibility report. The Public Accounts Committee-II felt that the report submitted by the Administrative Department needed further elaboration and they would answer all the points raised by the Finance Department and the Audit.

The Commercial Audit Department was of the view that the Commercial Accounts of the workshop were drawn up on the basis of the laid down principles under the constitution and the Presidential Order concerned.

The Members of the Committee had made observations regarding various points raised by the participants in the discussion and the following decisions were taken :-

- 1) The Copies of the report which had been given to the Finance Department and the Commercial Audit Department would be gone into by them and the comments would be submitted within a period of one month. These comments would be sent to the Irrigation and Power Department for such observations as they might like to make and the matter would come up for full discussion before the Committee at the Headquarter.
- 2) In the meantime the Committee desired that all the concerned Departments including the Irrigation and Power Department would come up with their final proposals specially with regard to whether the system of Commercial Accounting of the Moghalpura Irrigation Workshop should be replaced by the general accounting system as obtaining in other workshops of the Departments.
- 3) The matter was likely to come up in the second fortnight of September by which time the Committee directed that all concerned should make diligent efforts to bring up the entire issue before the Committee.

Predefine its role -

(1) Land - Use of vacant spaces - Redesigning.

(2) Bldgs. Needing replacement - Replanning.

(3) Machinery -

A. State of health etc.

Be Sold (a) Outlined its life and non-repairable.

(b) Not being used and no prospect of its in future.

Development Scheme (c) Needing replacement.

(d) Modernization.

B. Utilization -

(a) Present capacities.

(b) Present capacity utilization.

(c) Future plans for using the balance capacity.

(4) Inventory Control.

(a) Slow moving.

(b) Fast moving.

(c) Redundant.

(5) Manpower.

(a) Present strength categorywise.

(b) Present requirement categorywise.

(c) Surplus strength -

(i) Those who can be retrained and absorbed in the workshop.

(ii) Those to be put in surplus pool to be absorbed in other Department.

(6) Management -

(i) Improving the organization.

(ii) Improving the system and methods.

CHAPTER VII

LIVESTOCK AND DAIRY DEVELOPMENT DEPARTMENT

(LAHORE MILK PLANT)

The Committee examined the accounts of Lahore Milk plant in its meetings held on 5-5-1986, 6-5-1986, 19-1-1987, 19-4-1987, 21-4-1987, 17-5-1987, and 18-5-1987.

185. Para 46 Page 41 of Audit Report On Commercial Accounts for the year 1970-71 - Amount of Trade Debtors.

19-1-87

The Department stated that a detailed list of trade and other sundry debtors had been completed. Audit stated that at the time of Audit the same was not produced for Audit verification. The Public Accounts Committee-II directed that the list of sundry debtors, with ageing, should be prepared and submitted to Audit for their examination.

The para was kept pending.

183. Para 52 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Working Results.

19-1-87

The Public Accounts Committee-II considered the report submitted by the Administrative Department and found it unacceptable. It directed the Department that responsibility should be fixed against the defaulting officer and report submitted to the Committee within six weeks time. A copy of the report should also be submitted to Audit for their examination.

The para was kept pending.

GENERAL

The Committee directed that Audit and the Administrative Department should take steps to ensure that the working papers of the Department, with Audit comments, were received in the Assembly Secretariat in time so that they could be circulated to the Members seven days in advance of the date of the meeting.

187. Para 52 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Working Results.

5-5-86

The Public Accounts Committee discussed the policy and the objectives of the Lahore Milk Plant at some length and also examined the paragraphs referred to above. After hearing the explanation by the Administrative Department, the Committee decided as follows :-

- i) The Committee noted some neglect in the handling of the affairs of the Lahore Milk Plant and observed that there was room for improvement. It also observed that responsibility for neglect, wherever determined, should be fixed by the 15th July, 1986.
- ii) The Committee directed that the Department should revise the working results to be submitted to the Committee in pursuance of the earlier directives of the Adhoc Public Accounts Committee along with suggestions for the improvement of the working of the LAHORE MILK PLANT specifically keeping in view the above observations.

17-5-87

The explanation of the Department was accepted.

The para was settled on the recommendation of the Audit.

188. Para 53 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Installed Capacity of Milk Plant per day.

189. Para 54 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Net Loss Attributed to Idle Capacity of Milk Plant.

190. Para 56 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Manufacturing, Trading and Profit and Loss Accounts.

191. Para 57 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Quantitative Production and Sale of Milk.

5-5-86

The Public Accounts Committee discussed the policy and the objectives of the Lahore Milk Plant at some length and also examined the paragraphs referred to above. After hearing the explanation by the Administrative Department, the Committee decided as follows :-

- i) The Committee noted some neglect in the handling of the affairs of the Lahore Milk plant and observed

that there was room for improvement. It also observed that responsibility for neglect, wherever determined, should be fixed by the 15th July, 1986.

- ii) The Committee directed that the Department should revise the working results to be submitted to the Committee in pursuance of the earlier directives of the Adhoc Public Accounts Committee alongwith suggestions for the improvement of the working of the LAHORE MILK PLANT specifically keeping in view the above observations.

192. Para 53 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Installed Capacity of Milk Plant per day.

19-1-87

The explanation of the Department was accepted and the para was settled.

193. Para 54 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Net Loss Attributed to Idle Capacity of Milk Plant.

19-1-87

The explanation of the Department was accepted and the para was settled.

194. Para 55 Page 43 of Audit Report On Commercial Accounts for the year 1970-71 - Net Loss of Rs. 4,74,170/-.

5-5-86

The Public Accounts Committee directed the Department to adjust this amount in the subsequent accounts.

The para was settled subject to verification by Audit.

19-1-87

The requisite adjustment having been made, and verified by Audit, the para was settled.

195. Para 56 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Manufacturing, Trading and Profit and Loss Accounts.

19-1-87

The Committee directed that the accounts should be compiled on commercial basis.

Subject to verification by Audit, the para was settled.

196. Para 57 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Quantitative Production and Sale of Milk.
-

19-1-87

The figures of Production and sales of milk should be reconciled with Audit.

The para was kept pending.

17-5-87

The figures of production and sale having been reconciled by the management and verified by Audit, the para was settled.

197. Para 58 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Reconciliation.
-

19-1-87

The figures of production and sales of milk should be reconciled with Audit.

The para was kept pending.

17-5-87

The figures of production and sale of milk having reconciled with Audit, the para was settled.

198. Para 59 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Physical verification of Fixed Assets.
-

5-5-86

In respect of physical verification for the year 1970-71 to 1981-82, the Committee re-emphasised the earlier decision with the direction that the record should be reconstructed or prepared again from the available material, orders of the competent authority regarding excesses and shortages should be obtained and after verification by the Audit, the results should be reported to the Public Accounts Committee by 15th July, 1986.

19-1-87

The fixed assets register should be updated, physical verification carried out and got verified by Audit.

The para was kept pending.

17-5-87

The para was deleted.

around 1970-71

and of 1970-71

199. Para 60 Page 44 of Audit Report On Commercial Accounts for the year 1970-71 - Amount of Trade Debtors.

5-5-86

The Committee decided to uphold its previous decision with the direction that the aging list should be supplied to Audit and got verified by July 15, 1986. Efforts to recover the balance amount of Rs. 2,38,207/96 should be expedited and results reported by the above date.

The para was kept pending.

19-1-87

The Department stated that a detailed list of trade and other sundry debtors had been completed. Audit stated that at the time of Audit the same was not produced for Audit verification. The Public Accounts Committee-II directed that list of sundry debtors, with aging, should be prepared and submitted to Audit for their examination.

The para was kept pending.

17-5-87

The para was deleted.

1971 - 72

200. Para 44 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Working Results.

201. Para 45 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Physical verification of Stocks and Stores.

202. Para 46 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Amount of Trade Debtors.

5-5-86

In respect of the above three paragraphs, the Committee upheld the previous decision of the Adhoc Public Accounts Committee. The Public Accounts Committee directed the Department that the matter may be sorted out by them by 15th July, 1986. The Committee directed that a list of physical verification should be prepared, debts settled as directed and the working results prepared accordingly.

The paras were kept pending.

203. Para 44 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Working Results.

19-1-87

The Public Accounts Committee-II considered the report submitted by the Administrative Department and found it unacceptable. It directed the Department that responsibility should be fixed against the defaulting officer and report submitted to the Committee within six weeks time. A copy of the report should also be submitted to Audit for their examination.

The para was kept pending.

GENERAL

The Committee directed that Audit and the Administrative Department should take steps to ensure that the working papers of the Department, with Audit comments, were received in the Assembly Secretariat in time so that they could be circulated to the Members seven days in advance of the date of the meeting.

204. Para 44 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Working Results.

17-5-87

The para being of informatory nature, it was settled.

205. Para 45 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Physical verification of Stocks and Stores.

19-1-87

The fixed assets register should be update, physical verification carried out and got verified by Audit.

The para was kept pending.

17-5-87

The para was deleted.

206. Para 46 Page 41 of Audit Report On Commercial Accounts for the year 1971-72 - Amount of Trade Debtors.

17-5-87

The para was deleted from here. Upto date position will be examined in the latter para.

1972 - 73

207. Para 12 Page 11 of Audit Report On Commercial Accounts for the year 1972-73 - Loss of Rs. 80,390/- due to Shortage of Polythene Bags.

5-5-86

The Committee reiterated its previous decision and directed the Department to finalize the matter by 15th July, 1986.

The para was kept pending.

19-1-87

The explanation of the Administrative Department was not considered satisfactory. The Committee directed the Department to hold fresh inquiry into the case, to fix responsibility and to effect recovery of the amount involved. The Department assured that they will go through the inquiry report and fix responsibility against the defaulting officers, within three months' time.

The para was kept pending.

17-5-87

Liability was fixed against Mr. Muhammad Razi Khan for Rs. 80,390/- on account of shortage of Polythene Bags. His services were terminated. Mr. M. M. Khan the then Managing Director may be summoned in the next meeting of the Public Accounts Committee to explain the justification of terminating services of Mr. Razi Khan only without making good the loss when he was held responsible for the shortage of the loss of Rs. 80,390/- on account of Polythene Bags.

The para was kept pending.

18-11-87

As desired by the Public Accounts Committee-II, Mr. M. M. Khan, the then Managing Director being the Head of the Inquiry Committee who took the decision of the termination of the services of Mr. Razi Khan, appeared before the Public Accounts Committee-II and stated that the termination orders of Mr. Razi Khan were not issued by him but by his successor. But on detailed examination of the inquiry report, it transpired that in fact the inquiry report, contained termination orders also specifying that one month pay would be admissible to him in lieu of notice period. However, Mr. Razi Khan was committed to the Military Court who held him responsible for gross negligence and sentenced him to 10 years RI with a fine of Rs. 1,00,000/- but ever since then he has been absconding, and not traceable, as such, practically he has not undergone any punishment. On further cross examination, Mr. M. M. Khan conceded that the Committee headed by his person did not take into consideration the magnitude of loss caused by Mr. Razi Khan due to his gross negligence and that no

steps were taken to recoup this loss by any administrative actions by the Department.

The Public Accounts Committee-II unanimously came to the conclusion that Mr. M. M. Khan was solely responsible for taking no steps for making good the loss of about Rs. 23,000/- caused on account of negligence of the culprit plus allowing him one month's pay. The Finance Department was also of the view that it appeared that he deliberately tried to protect the culprit with malafide intentions, and allowing him one month's pay was simply misconstruing the rules in his favour as no notice was required in case of termination of one's service. It was therefore, unanimously decided that Mr. M. M. Khan was responsible for the total loss of Rs. 25,000/- which may be got deducted from his pay as he is working as Managing Director of Cooperative Stores and proceeds thereof may be credited towards the aforesaid loss. The Department was further directed to make efforts for the implementation of the decision of the Military Court and in case case of recoveries of the fine imposed by the Court, the court be requested to allow the departmental loss be made good. The copies of the directives of the Public Accounts Committee-II, contained in the minutes be forwarded to the Secretary Cooperatives for compliance under intimation to the Committee and the Secretary, Finance Department for information. A copy of the minutes may also be forwarded to the Chief Minister for his information.

The para was kept pending.

208. Para 13 Page 12 of Audit Report On Commercial Accounts for the year 1972-73 - Loss of Rs. 10,701/- Due to Pilgerage of Butter Oil.

5-5-86

The Committee reiterated its previous decision and directed the Department to finalize the matter by 15th July, 1986.

The para was kept pending.

19-1-87

The explanation of the Administrative Department was not considered satisfactory. The Committee directed the Department to hold fresh inquiry into the case, to fix responsibility and to effect recovery of the amount involved. The Department assured that they will go through the inquiry report and fix responsibility against the defaulting officers, within three months' time.

The para was kept pending.

17-5-87

The officer found responsible for the shortage having died and the loss having regularized under the orders of the Competent Authority.

The para was settled subject to verification by Audit.

18-11-87

The Department explained that the loss had not yet been written off by the Competent Authority Finance Department. The Committee observed that it did not appreciate the inaction on the part of the Department which results the wastage of the valuable time of the Committee.

The para was kept pending.

209. Para 14 Page 13 of Audit Report On Commercial Accounts for the year 1972-73 - Credit Sales of Rs. 36, 375/- without Proper Safeguards.

5-5-86

When this paragraph came up before the Adhoc Public Accounts Committee in its meeting held on 26th March 1984, the Department had reported that a Committee had been set up to investigate the credit sales. However, the Department was not able to inform the Committee whether such a Committee was ever constituted. The Committee, therefore, unanimously decided that the explanation of the then Managing Director, Punjab Livestock and Dairy Development Board and the Production manager, Lahore Milk Plant, should be obtained through the Administrative Department and placed before the Committee for its consideration.

The para was kept pending.

19-1-87

The Public Accounts Committee-II told the Administrative Department to finalize the case within three months' time and submit its report to the Committee in the form of a fresh working paper.

The para was deferred.

17-5-87

- i) The recovery of Rs. 5, 412/- having been verified, the item is dropped.
- ii) The Public Accounts Committee directed that the loss may be got written off by the Competent Authority.

The Para was kept pending.

18-11-87

The Department explained that the loss had not yet been written off by the Competent Authority/Finance Department. The Committee directed that the Secretary Livestock may take notice

of this slackness on the part of the Department as no progress appears to have come forth.

The para was kept pending.

5-5-86

The para was deleted from the working paper, as it was a repetition of the proceeding Para 14 of 1972-73.

1973 - 74

210. Para 14 Page 13 of Audit Report On Commercial Accounts for the year 1973-74 - Credit Sales of Rs. 36, 375/-.

19-1-87

The para was deleted from the working paper, being repetition on Para 14 of 1972-73.

211. Para 15 Page 14 of Audit Report On Commercial Accounts for the year 1973-74 - Loss of Rs. 16, 14, 346/- Due to Shortage of Daily Products.

5-5-86

The Committee reiterated its previous decision and directed the Department to finalize the matter by 15th July, 1986.

The para was kept pending.

19-1-87

The Committee directed the Administrative Department to hold an inquiry into the case and fix responsibility on officials as well as the supervisory staff, who were responsible for the loss of Rs. 16, 14, 346/- due to shortage of dairy products. The report should be submitted within three months' time to the Public Accounts Committee-II in the form of a fresh working paper.

The para was kept pending.

17-5-87

The Public Accounts Committee directed that a comprehensive report may be submitted by the Department within two months' time.

The para was kept pending.

18-11-87

The Department explained that inquiry had been held and comprehensive report had been prepared which was being furnished to Audit who would examine at depth and report its findings in the next meeting.

The para was kept pending.

212. Para 44 Page 45 of Audit Report On Commercial Accounts for the year 1973-74 - Working Results.

5-5-86

The Committee reiterated its previous decision and directed the Department to finalize the matter by 15th July, 1986.

The para was kept pending.

19-1-87

The Public Accounts Committee-II considered the report submitted by the Administrative Department and found it unacceptable. It directed the Department that responsibility should be fixed against the defaulting officer and report submitted to the Committee within six weeks time. A copy of the report should also be submitted to Audit for their examination.

The para was kept pending.

GENERAL

The Committee directed that Audit and the Administrative Department should take steps to ensure that the working papers of the Department, with Audit comments, were received in the Assembly Secretariat in time so that they could be circulated to the Members seven days in advance of the date of the meeting.

17-5-87

The explanation of the Department was accepted and the para was settled.

213. Para 46 Page 45 of Audit Report On Commercial Accounts for the year 1973-74 - Amount of Trade Debtors.

5-5-86

The Committee reaffirmed the previous observations of the Adhoc P.A.C. which had directed that an immediate inquiry should be ordered to be conducted and responsibility fixed for the cash sales of Rs. 5,50,250/-. It appeared that no action had been taken. The Committee decided that this matter may be brought to the notice of the Minister for Livestock who may be requested to attend proceedings of the Committee the next day.

This para would be taken up tomorrow along with the paragraphs relating to the Livestock Board.

The rest of the paragraphs on agenda were kept pending for consideration by the Committee on 6.5.1986.

6-5-86

This para came up for discussion again today before the Public Accounts Committee. The Committee directed the Livestock Department to hold further enquiry into the recovery of cash - sales in order to ensure :-

- i) That the outstanding amount were recovered ;
- ii) The systems and procedures adopted by the Lahore Milk Plant should be streamlined ; and
- iii) That the enquiry officer was appointed from the Livestock Department.

The para was kept pending till 15th July, 1986 by which time the enquiry must be completed.

The rest of the paras confirming the working papers of the Lahore Milk Plant were postponed till next meeting of the Public Accounts Committee.

19-1-87

The Public Accounts Committee-II not satisfied with the incomplete answer given in the working paper. The Department was directed to complete the inquiry and come up with final report in the next meeting.

The consideration of the para was deferred.

17-5-87

The para was deleted.

214. Para 47 Page 45 of Audit Report On Commercial Accounts for the year 1973-74 - Short Term Loans, Advance and Prepayments.

19-1-87

The Committee noted that the Department had not so far been able to recover the amount of Rs. 45,163/- from the Liquidator although the claim had been accepted by the Industrial Development Bank of Pakistan. The Department was directed to expedite recovery.

The para was kept pending.

17-5-87

The para was kept pending being sub-judice.

18-11-87

The case was subjudice being under trial in the Sind High Court. The Department stated that an advocate had been engaged for pursuing the case in the Sind High Court. The Department assured that all out efforts would be made looking after the Governmental interest. The adjustment and reconciliation already made may be got verified by Audit.

The para was kept pending for awaiting the decision of the Court.

1974 - 75

215. Para 31 Page 35 of Audit Report On Commercial Accounts for the year 1974-75 - Working Results.

19-1-87

The Public Accounts Committee-II considered the report submitted by the Administrative Department and found it unacceptable. It directed the Department the responsibility should be fixed against the defaulting officer and report submitted to the Committee within six weeks time. A copy of the report should also be submitted to Audit for their examination.

The para was kept pending.

GENERAL

The Committee directed that Audit and the Administrative Department should take steps to ensure that the working papers of the Department, with Audit comments, were received in the Assembly Secretariat in time so that they could be circulated to the Members seven days in advance of the date of the meeting.

17-5-87

The Public Accounts Committee directed that the regularization of the losses may be got approved from the Competent Authority.

18-11-87

The Department explained that case for regularization had been forwarded to the Government for approval. The Committee directed the Department to pursue the action.

The para was kept pending.

216. Para 33 Page 36 of Audit Report On Commercial Accounts
for the year 1974-75 - Stocks and Stores.

19-1-87

The explanation of the Department was accepted and the para was settled.

1975 - 76

217. Para 32 Page 53 of Audit Report On Commercial Accounts
for the year 1975-76 - Working Results.

19-1-87

The Public Accounts Committee-II considered the report submitted by the Administrative Department and found it unacceptable. It directed the Department that responsibility should be fixed against the defaulting officer and report submitted to the Committee within six weeks time. A copy of the report should also be submitted to Audit for their examination.

The para was kept pending.

GENERAL

The Committee directed that Audit and the Administrative Department should take steps to ensure that the working papers of the Department, with Audit comments, were received in the Assembly Secretariat in time so that they could be circulated to the Members seven days in advance of the date of the meeting.

17-5-87

The Public Accounts Committee directed that the regularization of the losses may be got approved from the Government.

The para was kept pending.

18-11-87

The Public Accounts Committee directed that the regularization of the losses may be got approved from the Government.

The para was kept pending.

1976 - 77

218. Para 17 Page 29 of Audit Report On Commercial Accounts
for the year 1976-77 - Working Results.

19-1-87

The Public Accounts Committee-II considered the report

submitted by the Administrative Department and found it unacceptable. It directed the Department that responsibility should be fixed against the defaulting officer and report submitted to the Committee within six weeks time. A copy of the report should also be submitted to Audit for their examination.

The para was kept pending.

GENERAL

The Committee directed that Audit and the Administrative Department should take steps to ensure that the working papers of the Department, with Audit comments, were received in the Assembly Secretariat in time so that they could be circulated to the Members seven days in advance of the date of the meeting.

17-5-87

The Public Accounts Committee directed that the regularization of the losses may be got approved from the Government.

The para was kept pending.

18-11-87.

The Public Accounts Committee directed that the regularization of the losses may be got approved from the Government.

The para was kept pending.

1977-78 to 1979-80

219. Para 17 Page 17 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Rs. 10, 51, 503/- Due to Pilferage, Rejection and Bursting of Ploythene Pouches.

19-1-87.

The Department explained that the losses on account of bursting of pouches had been reduced from 30% during 1976-77 to 5% during 1983-84. Furthermore, the standard of permissible losses due to bursting of pouches had also been fixed. The Committee directed the Administrative Secretary to look into the matter personally and report progress in the next meeting of the Public Accounts Committee. It further directed that the reduction in losses from 30% to 5% in 1983-84 and the standard of permissible losses fixed by the management should be got verified by Audit.

The para was kept pending.

17-5-87

The Public Accounts Committee directed that the percentage

of the permissible loss may be got approved by the Board of Directors and copy of the same may be supplied to Audit.

Subject to verification by Audit the para was settled.

18-11-87

The Department explained that the case was pending with the Board of Directors and it was expected that percentage of the permissible losses may be determined in the next Board's meeting.

The para was kept pending.

220. Para 19 Page 18 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Shortage of Stocks worth Rs. 4,44,571/-.

19-1-87

The Department explained that the shortage occurred during the service of Ex-Storekeeper Mr. Muhammad Ishaque who had been awarded rigorous imprisonment for one year with a fine of Rs. 1.5 lacs, by Summary Military Court during 1982-83.

The Committee directed that the Department should satisfy the Audit that the loss of Rs. 4,44,571/- was included in the charges levelled against the ex-Storekeeper Mr. Muhammad Ishaque, and that no other officer/official was responsible for the shortages.

The para was kept pending.

18-5-87

The Public Accounts Committee directed that efforts should be made to effect recoveries and the progress may be intimated in the next meeting.

The Administrative Department informed the departmental enquiry could not be conducted as one of the culprit was the Minister-in-charge of the Department. The Department further intimated that after directions of the Public Accounts Committee an enquiry has been ordered and the Plant Manager was enquiring into the matter. The Public Accounts Committee observed that the enquiry had been inordinately delayed. It directed the Department that the enquiry should be completed within two month's time.

The para was kept pending.

18-11-87

The Department explained that efforts were being made for effecting recoveries as arrears of land revenue from the culprit. The Committee directed that expeditious action may be taken by the Department to effect recovery.

The para was kept pending.

221. Para 22 Page 19 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Doubtful Renovation of Milk Booths.

18-5-87

The Committee directed the Department to get the long outstanding Anti Corruption case expedited.

The para was kept pending.

18-11-87

The Committee decided that the inquiry report and copy of the judgement required detailed examination and probe, the para may be referred to a Sub-Committee comprising :-

- i) Ch. Muhammad Azam Cheema, MPA
- ii) Ch. Abdur Rashid, MPA
- iii) Begum Bushra Rehman, MPA

The Sub Committee would also consider Para 181 Page 213 of the Commercial Accounts for 1977-78 and Para 182 Page 213 and Para 18 Page 23 of the Commercial Accounts.

The paras were kept pending.

222. Para 181 Page 213 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Working Results.

18-5-87

The Department reported that report of the Committee had recently been submitted for examination to the Director General Audit, Karachi. The Committee directed that the comments of Audit may be made available in the next meeting.

The para was kept pending.

223. Para 182 Page 213 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Substance of a net loss of Rs. 42, 08, 680/- - By Lahore Milk Plant.

18-5-87

The Department reported that report of the Committee had recently been submitted for examination to the Director General, Audit, Karachi. The Committee directed that the comments of Audit may be made available in the next meeting.

The para was kept pending.

224. Para 184 Page 213 of Audit Report On Commercial Accounts for the 1977-78 to 1979-80 - Fixed Assets valuing Rs. 51,08,599/- Stock and Stores valuing Rs. 3,67,276/-.

18-5-87

The Assets Register have since been updated.

Subject to verification by Audit, the para was settled.

18-11-87

As the Assets register had since been maintained and updated and verified by Audit the para was settled.

1980 - 81

225. Para 45 Page 39 of Audit Report On Commercial Accounts for the 1980-81 - Improvement in Working Results.

18-5-87

The Department informed that the loss of Rs. 65,59,208/- in 1980-81 had been reduced to Rs. 5,111/- by 30th June, 1986. The Public Accounts Committee directed that further efforts should be made for reducing selling and distribution expenses.

The para was settled.

226. Para 46 Page 39 of Audit Report On Commercial Accounts for the year 1980-81 - Short terms Loans and Advances.

18-5-87

The Department reported that out of recoverable balance of Rs. 92,963/- an amount of Rs. 57,800/- had been adjusted, and efforts were being made to effect the balance recoveries.

The para was kept pending.

18-11-87

The recovery and adjustment of Rs. 95,482/- had been verified by Audit. Remaining amount of Rs. 11,244/- had yet to be recovered.

The para to the tune of Rs. 11,244/- was kept pending.

227. Para 47 Page 39 of Audit Report On Commercial Accounts for the year 1980-81 - Sundry Debtors Amounting to Rs. 2.549 Million.

18-5-87

The para was deleted from here as it would be taken up against para 103 page 103 of 1982-83 Accounts.

228. Para 48 Page 39 of Audit Report On Commercial Accounts for the year 1980-81 - Sundry Debtors Amounting to Rs. 0.891 Million.

18-5-87

The Department assured the Committee to make out all efforts making of recoveries of the balance cash sales and other debtors.

The para was kept pending.

18-11-87

The Department stated that recovery of Rs. 2.24 lacs had been effected and verified by Audit and the remaining amount of Rs. 0.667 million was reported to be bad debt and Government was approached for writing it off on that account. The Public Accounts Committee-II desired to have full details of this bad debt and the justification for its declaration to be irrecoverable.

The para was kept pending.

229. Para 49 Page 39 of Audit Report On Commercial Accounts for the year 1980-81 - Cost and Bank Balance as at 30.6.1980.

18-5-87

The explanation of the Department was accepted and on the recommendation of Audit the para was settled.

230. Para 50 Page 39 of Audit Report On Commercial Accounts for the year 1980-81 - Physical verification of Fixed Assets.

18-5-87

The Department informed that physical verification of the assets and stock have since been carried out upto 30th June, 1986 and no excess or shortage was found. The Public Accounts Committee directed the Audit to verify the position and report in the next meeting.

The para was kept pending.

18-11-87

As the position regarding the physical verification of assets and stock by Audit, it has been verified by Audit, the para was settled.

231. Para 51 Page 39 of Audit Report On Commercial Accounts for the year 1980-81 - Unapproved Accounts by the Board.

18-5-87

The accounts had since been approved by the Board of Directors. On recommendation of the Audit the para was settled.

1981 - 82

232. Para 9 Page 14 of Audit Report On Commercial Accounts for the year 1981-82 - Non-Recovery of Advances of Rs. 1,33,080/-.

19-4-87

(i) Mr. Ejaz Malik, Ex-Supertendent - Rs. 4,207/-

It was explained that the services of Mr. Ejaz Malik, after repatriation to his parent Department had been terminated. The Accountant General, Punjab, had been requested to adjust this amount from the dues of the defaulting Superintendent. The Public Accounts Committee-II directed that the amount should be got adjusted in three month's time and report submitted to the Committee.

(ii) Mr. B.A. Hamid, Ex-Accounts Officer - Rs. 31,054/43.

The Department explained that Mr. Hamid had retired and Accountant General, Punjab, had been requested to recover the amount from his dues. The Public Accounts Committee-II observed that adequate efforts had not been made by the authorities to recover the advance. It directed the Department that a copy of LPC issued in his favour should be submitted to the Committee to see whether the amount due from him had been shown in it or not. It also directed that efforts should be made, to get the matter settled with the Punjab Local Fund Department, and if there were any difficulties, the Finance Department should be approached to settle the matter.

(iii) Mr. Gulzar Ahmad Bhatti, Ex-Diary Chemist - Rs. 4,032/80

The Department explained that the Accountant General, Punjab, had been requested to transfer this amount from his G. P. Fund account to Lahore Milk Plant. The Department was asked to adjust this amount within three months' time and to submit a report to the Committee.

- (iv) Mr. Riaz-ul-Hassan Rana, - Rs. 41,955/20
Ex-Milk Procurement Officer

The Department stated that, after repatriating, the services of Mr. Riaz-ul-Hassan Rana, had been terminated by this Department, this had been requested to deduct the amount from his dues. The Public Accounts Committee-II directed that a copy of the LPC issued in his favour should be submitted to the Committee to see whether the amount due from him had been shown in it or not.

Ex-Employees:-

- (1) Syed Sharaf Hussain, Ex-Store Keeper, (2) Mr. Razi Khan, Ex-Dairy Manager (3) Mr. Khurram Hamid, Ex-Manager, Supply and Development and (4) Mr. Khizar Aslam, Ex-Staff Assistant/Purchase Officer, Rs. 28,705/87.

The Department that as where - abouts of these officials were not known, recoveries could not be made. These amounts may be allowed to be written off. This irregularity had occurred because there were no financial rules in existence.

The Public Accounts Committee-II did not accepted this explanation of the Department and desired that action against the officer, who sanctioned these advances, and the officer who failed to adjust the amounts in time, should be taken and the result intimated to the Committee.

The para was kept pending.

18-11-87

The Committee had desired the names of the officers who were responsible for not making timely recoveries has been furnished in the enclosed list. The Department and Audit was requested to examine and make thorough investigations jointly if any one of these officers was responsible for negligence/inaction towards the loss and if any means can be adopted for making it up, it may be submitted in the next meeting.

The para was kept pending.

233. Para 33 Page 41 of Audit Report On Commercial Accounts for the year 1981-82 - Constant Supplies of Plant Articles Inspite of Non Receipt of Aid under World Food Programme.

19-4-87

The explanation of the Department was accepted by the Committee. The para was settled with the instruction that the quality of the milk should be further improved.

234. Para 34 Page 41 of Audit Report On Commercial Accounts for the year 1981-82 - Slight Improvement as a Working Result for the year.
-

19-4-87

The explanation of the Department was accepted and the para was settled. The Public Accounts Committee-II directed that they should improve the quality of the milk and should make efforts to run the plant at its full capacity. It further desired that publicity and marketing should also be given proper attention.

235. Para 35 Page 42 of Audit Report On Commercial Accounts for the year 1981-82 - Advance Deposits and Doubtful Recoveries - Sundry Debtors.
-

19-4-87

The para was deleted from the working paper.

236. Para 36 Page 42 of Audit Report On Commercial Accounts for the year 1981-82 - Representation of 83% of Capital by Fictitious Assets.
-

19-4-87

The para was deleted from the working paper as it will come up for discussion with similar para in 1982-83.

1982 - 83

237. Para 16 Page 21 of Audit Report On Commercial Accounts for the year 1982-83 - Shortage of Insulated Cans and Lids Rs. 3,99,556/-.
-

19-4-87

The para came up for discussion before the Committee. The Public Accounts Committee-II decided that the Department should work out the aging of the loss of cans and lids and provide this information in its next meeting. The market value of these cans should also be determined.

The para was kept pending.

18-11-87

It has been verified by Audit.

The para was settled.

238. Para 17 Page 22 of Audit Report On Commercial Accounts for the year 1982-83 - Shortfall of Dried Skimmed Milk valuing Rs. 3,96,000/-.

19-4-87

The explanation of the Department was accepted and the para was settled.

239. Para 18 Page 23 of Audit Report On Commercial Accounts for the year 1982-83 -

- (i) Loss of Rs. 2,57,153/- due to Auction of Deteriorated Milk and Butter Oil.
 - (ii) Loss of Rs. 59,674/- due to Non-disposal of Spoiled Milk.
-

19-4-87

The Department explained that the loss was due to the fact that excessive supplies were received by the World Food Programme irrespective of the demand, and could not be consumed timely. The Committee was not convinced with the explanation of the Department and decided that the Department should hold an enquiry into the matter and fix responsibility against the persons at fault and the results of the enquiry should be submitted to the Committee within three month's time.

18-11-87

The enquiry report had been finalised and submitted to the Committee, who has desired to place it before the Sub-Committee for detailed examination and report its findings to the Committee.

240. Para 19 Page 24 of Audit Report On Commercial Accounts for the year 1982-83 - Misappropriation by Imprect Holders - Rs. 1,06,725/-.

19-4-87

An amount of Rs. 92,963/30 was outstanding against Dr. Raja Rafiq and Dr. Ikram-ul-Haq. The Department stated that these amounts can be recovered from the dues of the officers. The Public Accounts Committee-II directed that the recovery should be made within 15 days time.

The para was kept pending.

18-11-87

The contents of the para has already been discussed in Para 46 above, as this para was the repetition of the above. It was decided to delete it from here.

241. Para 20 Page 24 of Audit Report On Commercial Accounts for the year 1982-83 - Mis-appropriation of Cash Rs. 82,620/-.

19-4-87

It was stated that Mian Muhammad Muneer the absconded, Sale Supervisor was responsible for misappropriating Rs. 82,620/-. The Department stated that recovery proceedings were initiated through the civil court from where the decree had been awarded in favour of the Department. As a result thereof the property of the accused was auctioned against Rs. 51,000/- by the court and steps are being taken to obtain this amount from the court. The Public Accounts Committee-II directed that enquiry should be initiated to fix responsibility on the higher officer who had not taken timely action.

The para was kept pending.

18-11-87

The Department explained that the amount of Rs. 51,500/- had been recovered from Mian Muhammad Muneer the absconded sales supervisor through the sale proceeds of his property conducted by the Court. The remaining amount Rs. 31,120/- can not possibly be recovered. The possibility of this balance recovery may be examined by the Sub-Committee already constituted to consider Para 22, Para 181 and Para 182.

242. Para 21 Page 25 of Audit Report On Commercial Accounts for the year 1982 - 83 - Loss of Rs. 33,176/- due to Non-recovery of Shortage of Butter Fat in Transit.

19-4-87

The Department stated Mr. Razi, Ex-Project Director was responsible for the transit loss. The Officer concerned was out of the country and had been declared as deserter. The Committee directed the Department to see whether he had any landed property. A case should be instituted against him to recover the amount.

The para was kept pending.

At this stage the Public Accounts Committee-II deferred consideration of the remaining Draft Paras to 21st April, 1987 on the request of the Department because the Chief Minister, Punjab, was visiting the Lahore Milk Plant on 20-4-1987 and they would be busy in making arrangements for his visit.

18-11-87

The Public Accounts Committee-II directed that the total amount to be recovered from Mr. Razi Khan on account of various paras against him may be worked out and submitted in the next meeting.

The para was kept pending.

243. Para 22 Page 26 of Audit Report On Commercial Accounts for the year 1982-83 - Shortages of Stores worth Rs. 12,639/-.

21-4-87

The Department stated that recovery could not be effected due to the fact that the accused Mr. Sharafat Hussain was under arrest and under trial in the court of Special Judge (Central Karachi). The Audit pointed out that disciplinary action against the persons responsible for reducing these shortages from Store Ledger without proper approval for quantitative adjustment, should be taken. The Department stated that the security deposit from the storekeeper against the loss of stores had been forfeited. The Department assured the Committee that they would take effective steps to improve the procedure in future.

The para was kept pending.

244. Para 22 Page 26 of Audit Report On Commercial Accounts for the year 1982-83 - Shortage of Stores worth Rs. 12,639/-.

18-11-87

The Department explained that Mr. Sharafat Hussain had since been under trial in the court of Special Judge at Karachi and he had already dismissed from service as departmental action and no action for recovery could possibly be taken at this belated stage. The Finance Department was also of the view that this loss may be referred to the competent authority for write off as this loss appeared to be irrecoverable.

The para was kept pending.

245. Para 88 Page 84 of Audit Report On Commercial Accounts for the year 1982-83 - Daubtful Physical availability of Cash and Bank Balances.

21-4-87

= Item (i) - Mr. Yousuf Kamran the accused on account of having died the police dropped further investigation. Now the Department has initiated fresh investigation against the two co-accused.

The item was kept pending.

Item (ii) - Settled.

The para was kept pending.

246. Para 89 Page 85 of Audit Report on Commercial Accounts for the year 1982-83 - Clearance of Stock valuing Rs. 2,76,166/- which is not in Existence Actually.

21-4-87

The enquiry report has been handed over to Audit for

examination.

The para was kept pending.

247. Para 101 Page 102 of Audit Report On Commercial Accounts for the year 1982-83 - In-effective use of the Resources of Production and Marketing available with the Management.

21-4-87

The Department stated that there was no loss at present according to the input as the sales have been improved upon and fresh products are have been introduced and assured the Committee that there will be no loss in future. The Audit stated that the production, sales and marketing should continue to be improved.

The para was settled.

248. Para 102 Page 102 of Audit Report On Commercial Accounts for the year 1982-83 - Excussive Expenditure.

21-4-87

The para was settled.

249. Para 103 Page 103 of Audit Report On Commercial Accounts for the year 1982-83 - Sundry Debtors.

21-4-87

The Department stated that efforts are being made to recover the amount of Rs. 1,878 million outstanding from last three of sixteen years. The Public Accounts Committee-II directed that the Department should take special steps to recover the amounts which were due for more than five years and if recovery was not possible then steps should be taken to get them written off. The Department promised to comply with the directive of the Committee.

The para was kept pending.

249. Para 103 Page 103 of Audit Report On Commercial Accounts for the year 1982-83 - The Amount of Sundry Debtors.

18-11-87

The Department explained that the amount of Rs. 2,25,000/- had been recovered. The remaining amount of Rs. 18,00,000/- has been referred to the Government for write off. The para was kept pending. The progress in this respect will be intimated in the next meeting.

- 139 -

251. Para 104 Page 103 of Audit Report On Commercial Accounts for the year 1982-83 - Undue Increase in Advances, Deposits and Prepayments.

21-4-87

The Public Accounts Committee-II directed that the Department should also give latest figures of advances, deposits and prepayments for 1985-86.

The para was kept pending.

18-11-87

The Department explained that the amount of Rs. 2,25,000/- had been recovered. The remaining amount of Rs. 18,00,000/- has been referred to the Government for write off. The para was kept pending. The progress in this respect will be intimated in the next meeting.

252. Para 105 Page 104 of Audit Report On Commercial Accounts for the year 1982-83 - Poor Financial Position of Lahore Milk Plant.

21-4-87

The Audit pointed out that the over all financial position had become very poor on account of accumulated loss of Rs. 30,284/- against 24 million in the succeeding years. The Public Accounts Committee-II directed that the organisation should put-in more efforts to improve, the sale, production, sale and marketing of their products.

The para was kept pending.

18-11-87

The Department submitted that all out efforts improvement of the sale, production, and marketing of the products was being made and is fully hopeful to produce favourable results in the future. The Committee directed that this para may be settled from here, however, an over all Performance Report in respect of the Department with the degree of improvement may be submitted in the next years' Audit Report.

The para was settled.

GENERAL

At the outset, the Administrative Department informed the Committee that, as stated by the Public Accounts Committee Secretariat, the letter regarding the meeting of the Public Accounts Committee-II had been received in the Department on 30-11-1986 and sent to Section Officer (B & E) on the same day. A reminder from the Finance Department had also been

received by the same officer in this regard. The officer concerned has been transferred and asked to submit his explanation by 20-1-1987 when suitable action will be taken against him. The Department regretted the inconveniences caused to the Committee and stated that in future prompt attention would be paid to the Public Accounts Committee-II work.

The Committee accepted the explanation of the Department, and started consideration of the working paper relating to the Lahore Milk Plant.

(PUNJAB LIVESTOCK DAIRY AND POULTRY DEVELOPMENT)
(BOARD, LAHORE)

The Committee examined the accounts of Punjab Livestock, Dairy and Poultry Development Board in its meetings held on 6-5-1986, 18-1-1987, 21-4-1987 and 19-5-1987.

253. Para 24 Page 43 of Audit Report On Commercial Accounts for the year 1975-76 - Accumulated Loss of Rs. 94,41,452/- Sustained by PLDB.

6-5-86

The Adhoc Public Accounts Committee had directed that analysis of the causes leading to the loss of Rs. 75,63,588/- should be supplied by the Department alongwith particulars of any enquiries conducted against the concerned officials with results. The Committee observed with concern that the analysis as required by the Public Accounts Committee had not so far been produced.

The Department was directed that the compliance of the previous directive of the Adhoc Public Accounts Committee should be ensured. It further observed that analysis of the year wise losses should also be prepared and submitted to the Committee by 15th of July, 1986.

The Department was also directed that the decisions of the High Court and the Supreme Court in this behalf should also be placed before the Committee. The Livestock Department should send a brief on the background alongwith the details of the case of Mr. Razi Khan.

19-5-87

Here a case of embezzlement has come to the notice of the Public Accounts Committee. According to the report of the Department two persons are involved in this case Mr. Anwar Aziz, former Director and presently the Central Law Minister and Mr. Razi Khan. Unfortunately the Board has been dissolved at that time. The Administrative Department got registered a case and the Anti Corruption Department is investigating the said case. The alleged persons filed an appeal in the High Court against investigation of Anti Corruption on law points, but later on as is told by the representing officers of the Department the appeal was dismissed.

The alleged people Mr. Anwar Aziz etc are trying in the Higher Court but the Anti Corruption Department has not concluded the results of the case. According to the report of the Administrative Department round about 14 to 15 crores of rupees including interest is involved. As the Board has been dissolved and the matter is under investigation by the Anti - Corruption Department the Department also referred the case as

subjudice and pending in the higher court so they are unable to look into the case and to decide for the Public Accounts Committee. On the above mentioned circumstances about the case it is hereby advised by the Public Accounts Committee unanimously that the Government should look into the matter and take action to get speedy investigation from the Anti-Corruption Department. It is however observed when there is no stay order from the High Court why the investigating authority have delayed the investigation. If it is true a proper action be taken against the concerned investigation officers who are some how or other delaying the proceedings. The Committee also observed that a heavy amount is involved and influential persons are mentioned as alleged by the Department, so it is brought to the notice of the Government to pursue the case and direct the Department to place final report after completing departmental investigation.

17-11-87

The representatives of the Punjab Livestock, Dairy and Poultry Development Board, Lahore, informed the Committee that the case was pending in the Supreme Court. Then, the Committee directed them to request the Advocate General, Punjab to take steps for the early hearing of the case. As the matter was subjudice, the para was kept pending.

254. Fara 25 Page 45 of Audit Report On Commercial Accounts for the year 1975-76 - Consolidated Accounts.

6-5-86

The Committee directed that a statement should be prepared showing the loss amounting to Rs. 18,77,864/- and submitted to the Committee by July 15, 1986 alongwith the investigation report fixing responsibility on the defaulters.

The para was kept pending.

17-11-87

As recommended by Audit, the para was settled subject to verification.

255. Para 26 Page 43 of Audit Report On Commercial Accounts for the year 1975-76.

6-5-86

The difference of stock of Rs. 37,780/- having been reconciled, the para was settled.

256. Para 27 Page 43 of Audit Report On Commercial Accounts for the year 1975-76 - Sundry Debtors Amounting to Rs. 34,01,177/-.

6-5-86

The Department explained that break-up of sundry debtors

had been prepared and the same handed over to Audit for verification.

The para was kept pending.

17-11-87

The para was deleted in view of Para 87.

257. Para 28 Page 43 of Audit Report On Commercial Accounts for the year 1975-76 .

6-5-86

The Department explained that physical verification of assets was now being conducted regularly from 1981-82 onwards.

The para was settled.

1977-78 to 1979-80

258. Para 18 Page 17 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Rs. 1,46,578/- Due to the Sale of Eggs below Market Rates.

6-5-86

The Committee was not satisfied with the earlier investigation into the matter conducted by the Department. It directed the Administrative Department that they should hold a fresh enquiry on the basis of available oral and documentary evidence and submit its comprehensive report by 5th August, 1986.

The para was kept pending.

17-11-87

The para was kept pending for verification of facts.

259. Para 20 Page 18 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Shortage of Beef Products valuing Rs. 1,26,604/-.

6-5-86

As the case is subjudice, the Public Accounts Committee directed the Department to ascertain the stage of the case by contacting the Anti Corruption Department and the office of the Advocate General. If there is any stay order, it should be got vacated ; if not, the concerned investigating authority or the court may be pursued to take up the trial. The result should be reported by 15th July, 1986.

The para was kept pending.

17-11-87

Since the record was with the Supreme Court and as the case was subjudice, the para was kept pending.

260. Para 23 Page 20 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Irregular Expenditure of Rs. 62,505/-.

6-5-86

The para was settled.

261. Para 159 Page 177 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Rs. 66,82,086/-.

262. Para 160 Page 177 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Rs. 84,03,928/-.

263. Para 161 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - A decrease in Sales from Rs. 65,75,141/- to Rs. 44,45,307/-.

264. Para 162 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 -

265. Para 163 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

6-5-86

The Adhoc Public Accounts Committee had directed that an analysis of the causes leading to the loss of Rs. 75,63,588/- should be supplied by the Department alongwith particulars of any enquiries conducted against the concerned officials with results. The Committee observed with concern that the analysis as required by the Public Accounts Committee had not so far been produced.

The Department was directed that the compliance of the previous directive of the Adhoc Public Accounts Committee should be ensured. It further observed that analysis of the year wise losses should also be prepared and submitted to the Committee by 15th July, of 1986.

The Department was also directed that the decisions of the High Court and the Supreme Court in this behalf should also be placed before the Committee. The Livestock Department should send a brief on the background alongwith the details of the case of Mr. Razi Khan.

266. Para 159 Page 177 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Rs. 66,82,686/-.

17-11-87

The para was dropped.

267. Para 160 Page 177 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Rs. 84,03,926/-.

17-11-87

The para was dropped.

268. Para 161 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - A decrease in Sales from Rs. 65,75,141/- to Rs. 44,45,307/-.

17-11-87

The para was dropped.

269. Para 162 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Account with Directorate of Livestock for Government of the Punjab for Rs2,611,615/-.

17-11-87

The para was settled subject to verification by Audit.

270. Para 163 Page 178 of Audit Report On Commercial Accounts for the year s 1977-78 to 1979-80 - Sundry Debtors and Advances of Rs. 42,25,691/-.

17-11-87

The para was kept pending for Audit verification. The Audit should examine all the details.

271. Para 164 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

6-5-86

The Public Accounts Committee was informed that the Punjab Livestock Dairy and Poultry Development Board (PLDB) is under process of dissolution. The Administrative Secretary, Livestock Department suggested that either the outgoing Chairman of the Board would be competent to approve the accounts or the successor administrator would have to do the same. The Committee directed the Department that whatever may be

the case, the accounts may be finally approved before the final winding up of the Board and the results reported by 30th August, 1986.

272. Para 164 Page 178 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Financial Review.

17-11-87

The para was settled.

273. Para 168 Page 189 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

274. Para 169 Page 189 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

6-5-86

The Adhoc Public Accounts Committee had directed that an analysis of the causes leading to the loss of Rs. 75, 63, 588/- should be supplied by the Department alongwith particulars of any enquiries conducted against the concerned officials with results. The Committee observed with concern that the analysis as required by the Public Accounts Committee had not so far been produced.

The Department was directed that the compliance of the previous directive of the Adhoc Public Accounts Committee should be ensured. It further observed that analysis of the year wise losses should also be prepared and submitted to the Committee by 15th of July, 1986.

The Department was also directed that the decisions of the High Court and the Supreme Court in this behalf should also be placed before the Committee. The Livestock Department should send a brief on the background alongwith the details of the case of Mr. Razi Khan.

275. Para 168 Page 189 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Board Sustained a Net Loss of Rs. 66, 82, 086/-.

17-11-87

The para was dropped.

276. Para 169 Page 189 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Cumulative Loss Rose to Rs. 2, 29, 60, 815/-.

17-11-87

The para was dropped.

277. Para 170 Page 186 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 .

6-5-86

Audit accepted the explanation of the Department with regard to the system of store verification.

Therefore, the para was settled.

278. Para 171 Page 189 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

6-5-86

The Department explained that an independent internal Audit Cell had already started since 15th October, 1984. The Committee directed that the internal Audit Report produced by the Cell may be submitted to Audit for verification.

Subject to verification by Audit, the para was settled.

General Observation:

The Committee desired that list of upto date estimate of the Panjab Livestock Dairy Development Board may be supplied by 15th July, 1986.

17-11-87

The para was settled.

279. Para 175 Page 201 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Working Results.

6-5-86

The Adhoc Public Accounts Committee had directed that an analysis of the causes leading to the loss of Rs. 75,63,588/- should be supplied by the Department alongwith particulars of any enquiries conducted against the concerned officials with results. The Committee observed with concern that the analysis as required by the Public Accounts Committee had not so far been produced.

The Department was directed that the compliance of the previous directive of the Adhoc Public Accounts Committee should be ensured. It further observed that analysis of the year wise losses should also be prepared and submitted to the Committee by 15th of July, 1986.

The Department was also directed that the decisions of the High Court and the Supreme Court in this behalf should also be placed before the Committee. The Livestock Department should send a brief on the background alongwith the details of the case of Mr. Razi Khan.

17-11-87

The para was dropped.

280. Para 176 Page 201 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Increase in Loss.

6-5-86

The Adhoc Public Accounts Committee had directed that an analysis of the causes leading to the loss of Rs. 75, 63, 588/- should be supplied by the Department alongwith particulars of any enquiries conducted against the concerned officials with results. The Committee observed with concern that the analysis as required by the Public Accounts Committee had not so far been produced.

The Department was directed that the compliance of the previous directive of the Adhoc Public Accounts Committee should be ensured. It further observed that analysis of the year wise losses should also be prepared and submitted to the Committee by 15th of July, 1986.

The Department was also directed that the decisions of the High Court and the Supreme Court in this behalf should also be placed before the Committee. The Livestock Department should send a brief on the background alongwith the details of the case of Mr. Razi Khan.

17-11-87

The para was dropped.

281. Para 177 Page 201 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Non Approval of Account.

6-5-86

The Public Accounts Committee was informed that the Punjab Livestock Dairy and Poultry Development Board (PLDB) is under process of dissolution. The Administrative Secretary, Livestock Department suggested that either the outgoing Chairman of the Board would be competent to approve the accounts or the successor administrator would have to do the same. The Committee directed the Department that whatever may be the case, the accounts may be finally approved before the final winding up of the Board and the results reported by 30th August, 1986.

17-11-87

The para was settled.

1980 - 81

282. Para 71 Page 55 of Audit Report On Commercial Accounts for the year 1980-81.
283. Para 72 Page 55 of Audit Report On Commercial Accounts for the year 1980-81.
284. Para 73 Page 55 of Audit Report On Commercial Accounts for the year 1980-81.
285. Para 74 Page 55 of Audit Report On Commercial Accounts for the year 1980-81 .
286. Para 75 Page 55 of Audit Report On Commercial Accounts for the year 1980-81.
287. Para 76 Page 55 & 56 of Audit Report On Commercial Accounts for the year 1980-81.
288. Para 77 Page 56 of Audit Report On Commercial Accounts for the year 1980-81 .
289. Para 78 Page 56 of Audit Report On Commercial Accounts for the year 1980-81.

6-5-86

The working paper comprising the above paragraphs for 1980-81 accounts came up for discussion before the Public Accounts Committee on 6th May, 1986. The Committee noted with surprise that the preliminary observations of the Adhoc Public Accounts Committee had not been reflected in the working paper with the result that the explanation of the Department is not in consonance with the observations of the Adhoc Public Accounts Committee as conveyed under Punjab Assembly Secretariat letter No. PA /Comm/CS/84/ 654, dated 19.2.1984. The Committee noted that this aspect should not have been lost sight of.

The entire working paper was therefore pended with the direction that in the next meeting, the Department would comp up with the latest position duly commented upon by the Commercial Audit.

290. Para 71 Page 55 of Audit Report On Commercial Accounts for the year 1980-81 - Board Sustained a Net Loss of Rs. 3,896/-.

17-11-87

The para was kept pending subject to verification.

291. Para 72 Page 55 of Audit Report On Commercial Accounts for the year 1980-81 - Closing Stock Shown at Rs. 2,493/-.

17-11-87

The para was settled.

292. Para 73 Page 55 of Audit Report On Commercial Accounts for the year 1980-81 - Board a Grant-in-Aid of Rs. 10,500/-.

17-11-87

The para was settled.

293. Para 74 Page 55 of Audit Report On Commercial Accounts for the year 1980-81 - Availability and Existence of various Moveable Assets.

17-11-87

The para was settled, subject to verification by Audit.

294. Para 75 Page 55 of Audit Report On Commercial Accounts for the year 1980-81 - Various Projects of the Board Abandoned in the year 1976.

17-11-87

The para was settled subject to verification by Audit.

295. Para 76 Page 55 and 56 of Audit Report On Commercial Accounts for the year 1980-81 - Sundry Debtors and Board's Employee etc.

17-11-87

The para was kept pending for Audit verification. The Audit should examine all the details.

296. Para 77 Page 56 of Audit Report On Commercial Accounts for the year 1980-81 - Cash Balances at Bank Rs. 9,943 - to Rs. 14,559 Million.

17-11-87

The para was settled.

297. Para 78 Page 56 of Audit Report On Commercial Accounts for the year 1980-81 - Recovery of Outstanding Amount of Rs. 44,000/-.

17-11-88

The para was settled.

1981 - 82

298. Para 55 Page 68 of Audit Report On Commercial Accounts for the year 1981-82 - Finances,

21-4-87

The Department stated that the Punjab Livestock and Dairy Development Board was dissolved in 1986. Public Accounts Committee-II desired that the Department should consult submit upto date position of losses sustained by the Board year wise to the Audit as well as the position of the assets of the project before the dissolution of the Board.

The item (i) was kept pending.

The item (ii) was settled.

The para was kept pending.

17-11-87

The para was kept pending for verification of facts by Audit.

299. Para 56 Page 68 of Audit Report On Commercial Accounts for the year 1981-82 - Schemes, Unable to be Implemented.

21-4-87

The para was settled.

300. Para 59 Page 68 of Audit Report On Commercial Accounts for the year 1981-82 - Incomplete Data maintained by the Board.

21-4-87

The para was settled.

301. Para 60 Page 68 of Audit Report On Commercial Accounts for the year 1981-82 - No system of Internal Audit and Physical Verification.

21-4-87

The para was settled.

1982 - 83

302. Para 11 Page 18 of Audit Report On Commercial Accounts for the year 1982-83 - Loss due to Fraudulent Payment of Rs. 1, 63, 128/-.

21-4-87

The Department stated that a case has been registered with the police against the concerned contractor who caused a loss of Rs. 1, 63, 128/- due to fraudulent payment. The Public Accounts Committee-II directed that the case should be pursued vigorously and the Department should also fix responsibility for payment of dues. The recoveries against the officials which are available with the Department should be adjusted from their dues against this loss of Rs. 1, 63, 128/-. A copy of the enquiry report should be submitted to Audit for their examination which will come up before the Public Accounts Committee-II with their comments.

The para was kept pending.

17-11-87

The para was kept pending.

303. Para 12 Page 19 of Audit Report On Commercial Accounts for the year 1982-83 - Uneconomical Rearing of Chicks - Loss of Revenue Rs. 1, 61, 290/-.

21-4-87

The Department stated that enquiry has since been completed. A copy of the same should be provided to Audit for examination. The Public Accounts Committee-II directed that Audit should come up with its recommendation in the next meeting.

The para was kept pending.

17-11-87

The para was kept pending till the loss was got regularised by the competent authority.

504. Para 13 Page 19 of Audit Report On Commercial Accounts for the year 1982-83 - Doubtful Recovery of Sale Proceeds
Rs. 73,515/-.

21-4-87

Item (i) and (ii)

The record has been made available to Audit for examination.

Item (iii)

The Department assured that recovery will be made from the officials.

The para was kept pending.

17-11-87

Item No. 1.

Settled subject to verification by Audit.

Item No. 2.

Settled.

305: Para 14 Page 15 of Audit Report On Commercial Accounts for the year 1982-83 - Unauthorised Compensation of Rs. 21,266/- allowed to Farmers.

21-4-87

The action is still under process.

The para was kept pending.

17-11-87

The para was settled subject to verification by Audit.

306. Para 15 Page 21 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 19,915/- due to Mortality of Day Old Chicks by Negligence.

17-11-87

The para was settled subject to verification by Audit.

307. Para 86 Page 84 of Audit Report On Commercial Accounts for the year 1982-83 - Loss Sustained Rs. 5, 697 Million.

21-4-87

The para was settled.

308. Para 87 Page 84 of Audit Report On Commercial Accounts for the year 1982-83 - Non Recovery/Sundry Debtors.

21-4-87

The para was kept pending. The recovery should be expedited.

17-11-87

The para was kept pending for Audit verification. The Audit should examine all the details.

309. Para 88 Page 84 of Audit Report On Commercial Accounts for the year 1982-83 - Cash and Bank Balances.

17-11-87

The para was kept pending.

310. Para 89 Page 85 of Audit Report On Commercial Accounts for the year 1982-83 - Closing Stocks valude at Rs. 2,76,166/-.

17-11-87

The para was settled subject to verification.

GENERAL

18-1-87

The Public Accounts Committee - II took up consideration of the working paper relating to paras of the Punjab Livestock, Dairy and Poultry Development Board, Lahore. It was observed that the Department had submitted the Compliance Report for the year ~~1975~~ 1975-76 without obtaining Audit comments thereupon. Moreover, the working paper for the accounts of 1981-82 and 1982-83 had also been submitted without Audit Comments.

As regards the Compliance Report for 1975-76, the Department explained that they had not received the Audit Comments from the office of the Director General, Commercial Audit, Karachi, inspite of the fact that they had submitted their working paper in Septemebr, 1986, for Audit comments, vide their letter No. PLDB/FIN/86/1480, dated 7-9-1986. Regarding the working paper for the accounts of 1981-82 and 1982-83, they had not received the notice of the meeting from the Assembly Secretariat in time and could not obtain Audit comments on the said working papers.

The Public Accounts Committee Secretariat informed the Committee that, according to their record, the notice of the meeting had been received by the Administrative Department on 30-11-1986. The Department promised to check up and report tomorrow.

The Audit stated that they could not obtain Audit comments on the Compliance Report for 1975-76 from the Director General, Commercial Audit, Karachi due to the disturbed Law and Order situation in Karachi.

The Committee expressed its displeasure on the lapse of the Department to submit complete working papers in regard to accounts for 1981-82 and 1982-83 and directed that responsibility should be fixed on the officer who failed to take timely action in the matter.

CHAPTER VIII

PUNJAB ROAD TRANSPORT BOARD, LAHORE

The Committee examined the Accounts of the Transport Department in its meetings held on 16-7-1986, 30-12-1986, 24-2-1987, 25-2-1987, 26-2-1987 and 19-9-1987.

311. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1970-71 - Extra Expenditure of Rs. 12,590/- due to Payment of Arrears of Pay and Legal Fee.

24-2-87

The Department stated that the amount of Rs. 12,590/- had been written off and the rules for providing personal hearing to the accused official had also been amended accordingly.

Subject to verification by Audit, the para was settled.

19-9-87

The write off of Rs. 12,590/- has been verified by Audit.

The para was settled.

312. Para 31 Page 24 of Audit Report On Commercial Accounts for the year 1970-71 - Non-accountal of Apportionment of Assets and Liabilities.

16-7-86

The Department stated that the Apportionment Committee had not yet taken any decision in the matter. The Department was directed to settle the matter within one year.

The para was kept pending.

24-2-87

The Finance Department stated that the Apportionment Committee was under the Federal Government, and although they had been reminding the Committee to hold its meeting to settle the case, no meeting had so far been held.

The para was kept pending.

19-9-87

The para is deferred as no meeting of the apportionment Committee has yet been convened and no progress arrived at.

The para was kept pending.

313. Para 33 Page 24 of Audit Report On Commercial Accounts for the year 1970-71 - Depreciation Charges Amounting to Rs. 17,304/-.

24-2-87

The Department stated that the amount of Rs. 28,496/20 had been written off by the Punjab Road Transport Board. The Committee directed that action against the officer who was responsible for the un-planned purchase of machinery without preparing proper feasibility report should also have been taken before writing off the loss. The Department promised to fix responsibility on the officer concerned and inform the Committee in the next meeting.

The para was kept pending.

19-9-87

The Department explained that the degreasing plant emanated fuel which was injurious to the health of the workers as such its operation was given up. The degreasing plant was ultimately auctioned and the loss was written off. Two officers were held responsible one of them was expired and the other was retired and as such no action could be taken against any one of them. The Public Accounts Committee directed that inquiry in respect of delayed reply of the Department should be made.

The para was kept pending.

314. Para 38 Page 26 of Audit Report On Commercial Accounts for the year 1970-71 - Obsolete and Surplus Stores valuing Rs. 13,87,450/-.

16-7-86

The Department stated that the Appropriation Committee had not yet taken any decision in the matter. The Department was directed to settle the matter within one year.

The para was kept pending.

24-2-87

The Finance Department stated that the Appropriation Committee was under the Federal Government, and although they had been reminding the Committee to hold its meeting to settle the case, no meeting had so far been held.

The para was kept pending.

19-9-87

The para is deferred as no meeting of the Appropriation Committee has yet been convened and no progress arrived at.

The para was kept pending.

315. Para 41 Page 26 of Audit Report On Commercial Accounts for the year 1970-71 - Unadjusted Outstanding Debits of Rs. 1,56,80,888/-.
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16-7-86

The adjustment of Inter Sundry Debtors representing Inter Units Supplies as on 30.6.1971 had been verified by Audit.

The para was settled.

316. Para 32 Page 24 of Audit Report On Commercial Accounts for the year 1970-71.
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317. Para 31 Page 24 of Audit Report On Commercial Accounts for the year 1971-72.
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318. Para 26 Page 24 of Audit Report On Commercial Accounts for the year 1972-73.
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319. Para 27 Page 24 of Audit Report On Commercial Accounts for the year 1972-73.
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320. Para 31 Page 24 of Audit Report On Commercial Accounts for the year 1973-74.
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321. Para 32 Page 24 of Audit Report On Commercial Accounts for the year 1973-74.
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322. Para 21 Page 24 of Audit Report On Commercial Accounts for the year 1974-75.
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323. Para 198 Page 24 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.
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324. Para 199 Page 24 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.
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24-2-87

The Finance Department will submit a Complete Paper to the Committee in respect of these paras in the next meeting.

The paras were kept pending.

325. Para 32 Page 24 of Audit Report On Commercial Accounts for the year 1970-71.
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326. Para 31 Page 24 of Audit Report On Commercial Accounts for the year 1971-72.
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327. Para 26 Page 26 of Audit Report On Commercial Accounts for the year 1972-73.
328. Para 27 Page 26 of Audit Report On Commercial Accounts for the year 1972-73.
329. Para 31 Page 26 Audit Report On Commercial Accounts for the year 1973-74.
330. Para 32 Page 26 of Audit Report On Commercial Accounts for the year 1973-74.
331. Para 21 Page 22 of Audit Report On Commercial Accounts for the year 1974-75.
332. Para 198 Page 227 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.
333. Para 199 Page 227 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80.

19-9-87

In view of the recommendations of the Finance Department the loss was not written off.

However the paras were settled.

1971 - 72

334. Para 34 Page 24 of Audit Report On Commercial Accounts for the year 1971-72 - Sundry Debtors,

16-7-86

The para was settled.

1973 - 74

335. Para 5 Page 9 of Audit Report On Commercial Accounts for the year 1973-74 - Infractionous Expenditure of Rs. 60,744 on the Import of Unsuitable Machinery.

24-2-87

The Department stated that the amount of Rs. 28,496/20 had been written off by the Punjab Road Transport Board. The Committee directed that action against the officer who was responsible for the un-planned purchase of machinery without

preparing proper feasibility report should also have been taken before writing off the loss. The Department promised to fix responsibility on the officer concerned and inform the Committee in the next meeting.

The para was kept pending.

19-9-87

The Department explained that the degreasing plant emanated fuel which was injurious to the health of the workers as such its operation was given up. The degreasing plant was ultimately auctioned and the loss was written off. Two officers were held responsible one of them was expired and the other was retired and as such no action could be taken against any one of them. The Public Accounts Committee directed that inquiry in respect of delayed reply of the Department should be made.

The para was kept pending.

336. Para 7 Page 10 of Audit Report On Commercial Accounts for the year 1973-74 - Non-recovery of Advances/Penalties and Loss direct delay in Fabrication of Bodies and Non-return of Chessies.

24-2-87

The Public Accounts Committee formed a Sub Committee of its own consisting of Ch. Abdur Rashid, MPA and Mian Ghulam Farid Chishti, MPA to consider the report provided by the Department to the Assembly Secretariat in compliance with the directive of the Sub Committee of the Adhoc Public Accounts Committee.

The para was kept pending.

19-9-87

This para is under consideration with the Sub Committee. The para is deferred till the report of the Sub Committee is made available.

337. Para 33 Page 26 of Audit Report On Commercial Accounts for the year 1973-74 - Sustained on the Sale Rs. 9,25,698/-.

16-7-88

The Department stated that the Approtionment Committee had not yet taken any decision in the matter. The Department was directed to settle the matter within one year.

The para was kept pending.

24-2-87

The Finance Department stated that Approtionment Committee

was under the Federal Government, and although they had been reminding the Committee to hold its meeting to settle the case, no meeting had so far been held.

The para was kept pending.

19-9-87

The para is deferred as no meeting of the Appropriation Committee has yet been convened and no progress arrived at.

The para was kept pending.

1974 - 75

338. Para 20 Page 22 of Audit Report On Commercial Accounts for the year 1974-75 - Consolidate Accounts of Punjab Road Transport Board, Lahore.

16-7-86

The Department stated that the case of writing off the losses amounting to Rs. 677.27 million was pending consideration by the Finance Department. The Committee directed that the write off should be expedited.

The para was kept pending.

24-2-87

The Finance Department stated that they will submit a complete paper to the Committee in the next meeting in respect of the write-off of losses amounting to Rs. 677.27 million incurred by Punjab Road Transport Board.

The para was kept pending.

19-9-87

The Audit recommended that the loss of the Department may be written off. The Finance Department furnished their working papers in this respect. The Finance Department was not agreeable and recommended that this loss should not be written off as it was not feasible. The Committee considered the working paper of the Finance Department and agree to it.

However the para was settled.

339. Para 22 Page 22 of Audit Report On Commercial Accounts for the year 1974-75 - Shortages and Excesses as a result of Physical verification of Stores.

16-7-86

Out of the balance shortages of Rs. 1,78,416/97, recoveries/

adjustment/write off/sanctions to the tune of Rs. 86,415/21 had been verified by Audit.

Regarding the balance amount of Rs. 92,001/76, the Department stated that an amount of Rs. 46,007/20 was outstanding against GTS, Rawalpindi. The recoveries could not be effected as some of the individuals had died while others had left the service. The balance amount of Rs. 45,994/56 was being debited to PUTC.

The Committee was not satisfied with the explanation of the Department, and directed that the amount of Rs. 92,001/76 should be recovered within three months. It also directed that action should be taken against the officer who did not taken timely action to effect recoveries, and report submitted to it in the form of a fresh working paper for its consideration in the next meeting.

The para was kept pending.

24-2-87

- (i) The adjustment/recovery of Rs. 12,676/90 and Rs. 202/51 had been verified by Audit.
- (ii) The write off sanction amounting to Rs. 3,855/15 had been verified by Audit.
- (iii) As regards the balance recovery of Rs. 75,267/20 the Department stated that the matter for obtaining sanction for its write off was being placed before the Board. Responsibility for the loss will be fixed against the person concerned.

The para was kept pending.

19-9-87

- (i) The adjustment/recovery of Rs. 12,676/90 and Rs. 202/51 had been verified by Audit.
- (ii) The write off sanctioned amounting to Rs. 3,855/15 too had been verified.
- (iii) The shortages for the balance amount of Rs. 75,267/20 which comprise of the accumulated shortages of stores of PRTC (Pindi) and PRTC, Ichhra, Lahore prior to 30-6-1970 had been written off by the Board. The Officers responsible for this irregularity/ommission were no longer in service. The Committee was of the opinion that these cases were of embezzlement and not of shortages. The Department failed to produce even the relevant record. Therefore there was no alternative left for the Committee but to direct that the Department should be careful in future and timely remedial measures be taken so that such situation may not recur.

The para was however settled subject to these remarks.

340. Para 23 Page 22 of Audit Report On Commercial Accounts for the year 1974-75 - Increasing "Sundry Debtors" and "Recoverable in Cash".

16-7-86

This para will be considered with Para 201 for 1977-78 to 1979-80. It was, therefore, deleted from here.

341. Para 25 Page 22 of Audit Report On Commercial Accounts for the year 1974-75 - Non-reconciliation of Bank Statements.

16-7-86

Out of 54 Bank Accounts, 46 had been reconciled verified by Audit. The Department stated that reconciliation of the remaining 8 Bank Accounts had also been made. This should be got verified by Audit.

Subject to verification by Audit, the para was settled.

24-2-87

Reconciliation of the remaining 8 Bank Accounts having been verified, the para was settled.

1977-78 To 1979-80

342. Para 24 Page 20 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Non-recovery/adjustment of Advance of Rs. 81,860/-.

16-7-86

The explanation of the Department was found satisfactory. The recovery of Rs. 415/- had been verified by Audit.

The para was settled, subject to verification of adjustment by Audit.

24-2-87

Verification of adjustment having been made by Audit, the para was settled.

343. Para 25 Page 20 and 21 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Loss of Cash Rs. 1,76,210/-.

24-2-87

The Department explained that the Police had not been able

to trace the culprits and the case had been filed by them. However, departmental inquiry was held by the Board in which the District Manager was held responsible for inefficiency and misconduct. His increment had, therefore, been withheld. The loss of Rs. 1,76,210/- on account of dacoity had been written off by the Board and by Audit.

The Committee, however, was of the view that this case had happened in 1974 and had gone untraced. It would not be useful to reopen this case for criminal action at this stage. But the Committee felt that the officer concerned had taken a lenient view against District Manager for inefficiency. As the District Manager concerned was still on the same post in the same Department and only one increment had been stopped when inefficiency had been proved, the Committee directed that the Managing Director should reconsider the case and take appropriate action. In future it will be a warning against other officials of the Department as this Department was in habit of going into loss due to mismanagement of such culprits.

With the above observation, the para was settled.

19-9-87

In view of the advice of the Law and Parliamentary Affairs Department that the case cannot disciplinary be reopened after a lapse of six months.

The para stood settled.

344. Para 200 Page 227 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Obsolete Stock of Form Rs. 11,24,055/-

16-7-86

The Committee perused the resolution dated 4.7.1984, in which the Board had approved the sale of all the obsolete/surplus spares of the book value of Rs. 54,98,664/85 lying in the Central Stores, PRTB, Lahore to Messrs Kashmir Khan and Co., at a sale price of Rs. 4,25,500/-. It was also stated that the Board had approved the write off of the balance amount of Rs. 50,73,164/85, being the difference of book value of sale price.

Subject to verification of write off by Audit, the para was settled.

24-2-87

The write off having been verified by Audit, the para was settled.

345. Para 201 Page 227 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Abnormal Rise in Financial Charges.

16-7-86

The Department stated that the year wise as well as partywise break up of sundry debtors as on 30.6.1985 alongwith their ages had been prepared. The Sundry Debtors had been reduced from Rs. 3,62,28,942/- to Rs. 1,25,21,045/- as on 30.6.1985. Efforts were being made to recover the outstanding amount.

The Committee directed the Department to supply the list of sundry debtors to Audit, and the recoveries should be expedited.

The para was kept pending.

24-2-87

The adjustment of Rs. 58,03,634/29 had been verified by Audit. The recovery/adjustment of the remaining amount of Rs. 67,17,410/85 should also be expedited. The Committee directed that the sundry debtors should be reduced to the minimum. The prevailing system should be improved and the Committee informed of the steps taken in this respect in the next meeting.

The para was kept pending.

19-9-87

The case of sundry debtors will be dealt with in the next years reports, it was decided to be deleted from here.

346. Para 202 Page 228 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - "Advance and Forward Payment" in the Balance Sheet.

18-7-86

The case being subjudice, the para was kept pending.

24-2-87

The case being subjudice, the para was kept pending.

19-9-87

The case being subjudice, the para was kept pending.

347. Para 203 Page 228 of Audit Report On Commercial Accounts for the year 1977-78 to 1979-80 - Suspense Accounts of Rs. 7,51,57,413/-.

18-7-86

The adjustment of Rs. 1,777 million had been verified by Audit.

The remaining balance of Rs. 0.677 million was stated to have been recovered, which will be verified by Audit.

Subject to verification by Audit, the para was settled.

24-2-87

The recovery having been verified by Audit, the para was settled.

1980 - 81

348. Para 3 Page 5 of Audit Report On Commercial Accounts for the year 1980-81 - In-complete Accounts since 1976-77.

16-7-86

The para was settled having been verified by Audit.

349. Para 14 Page 16 of Audit Report On Commercial Accounts for the year 1980-81 - Shortage of Spare Parts worth of Rs. 93,300/-.

16-7-86

The Department stated that earlier inquiries were not successful as Muhammad Azad, Assistant, Workshop, PRTC, (Inter City), Jhang, did not produce the record. Now, the record had been recovered from him and the Special Magistrate, PRTB, was conducting the inquiry.

The Committee directed that Mr. Muhammad Azad, should be suspended immediately, and the officer concerned, who did not take action against Mr. Muhammad Azad should be placed under suspension for negligence. The inquiry should be completed and action against the defaulters taken within two months.

The para was kept pending.

GENERAL

The Committee directed that all the Department should be asked to submit lists of their officials/officers against whom actions of suspension or dismissal had been taken as a result of the directive of the Public Accounts Committee-II.

24-2-87

The recovery of Rs. 35,267/- had been verified by Audit. The write off sanction of Rs. 17,533/- should be expedited.

As regards the remaining amount of Rs. 40,500/-, the Department stated that Mr. Muhammad Amin, the official concerned, was un-authorizedly absent from duty. He had been asked to show

cause why the recovery should not be made from him. As soon as his reply is received, the case would be finalized.

The para was kept pending.

19-9-87

- (i) The Department explained that write off sanction of Rs. 17,533/- had since been verified by Audit. The Committee directed that inquiry report for the verification of Audit may be made available to Audit.
- (ii) The remaining inquiry may be finalized expeditiously and comments of the Audit be obtained.

350. Para 15 Page 16 and 17 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 63,484/- as a Result of Shortage of Stores.

16-7-86

ITEM NO. 1

- (i) Recovery/adjustment of Rs. 11,530/- in respect of Raja Muhammad Arshad, Junior Clerk had been verified by Audit.

The item was settled.

- (ii) The Department stated that a sum of Rs. 5,504/- was outstanding against Mr. Muhammad Riaz, Foreman, who had absconded. However, recovery of the amount would be made from the payable dues of Mr. Riaz.

(The Committee directed that the recovery should be expedited and got verified by Audit. It further directed that the Department should, in future, require the persons handling the stores to invariably furnish a security, personal surety on a bank guarantee, so that, in cases of embezzlements, shortages or losses, the interest of Government could be safeguarded, and the outstanding dues recovered.

With these observations, the item was kept pending.

- (iii) Rs. 38,765/01 was recoverable from Raja Muhammad Arshad. The recovery was being made @ Rs. 250/- Per month from him. The total amount would be recovered from his pay before his retirement.

Recoveries, when made, should be got verified from Audit.

The item was settled subject to verification by Audit.

ITEM NO. 2

Recovery of Rs. 282/20 from Mr. Abdul Qayyum, Storekeeper, had been effected and verified by Audit.

The item was settled.

ITEM NO. 3

The amount of Rs. 3,964/16 was recoverable from Mr. M. Amin Sadiq, Foreman, who had resigned from service. The Department assured that the recovery would be made from his outstanding dues. The Committee directed that recovery should be expedited and got verified by Audit.

The item was kept pending.

ITEM NO. 4

The amount of Rs. 2,600/- had been recovered from Mr. Muhammad Sadiq, Store Keeper, and verified by Audit. The recovery of the balance amount of Rs. 817/50 is being made @ Rs. 50/- per month. Recovery, when made, should be got verified by Audit.

The item was settled subject to verification by Audit.

ITEM NO. 5

Recovery of Rs. 20/60 had been made from Mr. Muhammad Latif, Store Keeper, and verified by Audit.

The item was settled.

The para was kept pending in respect of Items No. 1 (ii), Item 3 only.

24-2-87

ITEM NO. 1

(i) The adjustment of Rs. 5,504/- having been verified by Audit, the item was settled.

(ii) The recovery of Rs. 4,150/25 had been verified by Audit. Regarding the balance amount of Rs. 34,614/76, it was being recovered @ Rs. 250/- per month, which should be watched by Audit.

ITEM NO. 2

Recovery of Rs. 3,964/16 having been verified by Audit, The item was settled.

ITEM NO. 3

- (i) Recovery of Rs. 750/40 having been verified by Audit, the item was settled.
- (ii) Recovery of Rs. 67/10 stated to have been made from the pay of the official for December, 1986 payable in January, 1987 shall be verified by Audit.

The para was kept pending.

351. Para 16 Page 17 of Audit Report On Commercial Accounts for the year 1980-81 - Loss of Rs. 51,609/- due to Shortage of P. O. L.

16-7-86

As the Audit had verified the issue of P. O. L., the para was settled.

GENERAL

30-12-86

At the very out - set, the meeting was informed that a telephonic message from the Additional Chief Secretary to the Government of the Punjab had been received that he was unable to attend the meeting of the Public Accounts Committee-II on account of his official obligation to attend the Secret Conference. The Committee decided not to proceed with the Working Paper in the absence of the Additional Chief Secretary, who was the administrative head of the Punjab Road Transport Corporation.

However, after the meeting had been adjourned, the Additional Chief Secretary came to attend the meeting and was informed that the meeting had been postponed due to his non-participation.

1981 - 82

352. Para 11 Page 15 and 16 of Audit Report On Commercial Accounts for the year 1981-82 - Unnecessary Stocking of Spare Part Rs. 9. 42, 207/-.

26-2-87

It was explained by the Department that the Board of Directors have been constituted and priority to this matter would be accorded so that no further delay should be caused to get it disposed of. The Committee directed that disposal of the surplus spare parts should be completed within two month's time.

The para was kept pending.

19-9-87

The Department explained that efforts were being made for inviting tenders and trying to dispose it off the surplus spare parts at reasonable price.

The para was kept pending.

353. Para 12 Page 16 of Audit Report On Commercial Accounts for the year 1981-82 - Loss due to Non-recovery of Advances Rs. 1,04,003/-.

25-2-87

The Department stated that the amounts of Rs. 3,935/55, Rs. 42,730/60 and Rs. 50,603/90 have been adjusted and verified by Audit. The Committee directed that the recovery/adjustments of the remaining amounts of Rs. 2,353/25 and Rs. 4,379/34 may be expedited.

The para was kept pending.

19-9-87

The Department explained that outstanding amount of Rs. 1,04,002/64 had been recovered/adjusted and balance amount of Rs. 2,371/25 had been taken on the record of the next year and as such it may be deleted from here.

The Committee directed that the para be settled.

354. Para 13 Page 16 and 17 of Audit Report On Commercial Accounts for the year 1981-82 - Wasteful Expenditure of Rs. 74,370/-.

25-2-87

The Department admitted that the machine could not be installed from 1976 to 83. The responsibility in this respect is being fixed and the defaulting officer will be proceeded against. Now the machine has been installed and is giving proper service. The details of the job executed will be furnished in the fresh working paper.

The para was kept pending.

19-9-87

The Committee was not satisfied with the reply of the Department and was of the view that action regarding fixation of the responsibility had not been made available to the Committee. The Department had undertaken to make detailed inquiry and produce it to the Audit for their verification. Three months' time was allowed to complete this action.

The para was kept pending.

355. Para 14 Page 17 of Audit Report On Commercial Accounts for the year 1981-82- Loss of Rs. 2,11,665/- Due to Negligence of Drivers.

25-2-87

The Department stated that out of 12 cases under inquiries against the drivers, 11 cases have been finalised and one yet remains under process. Besides, three cases are subjudice. The Committee directed the Department that pending cases may be got finalised within next two months. Regarding subjudice cases the Department is directed to remain watchful.

The para was kept pending.

19-9-87

The Committee directed that the case of Mr. Tanveer Hussain, Driver, may be finalized expeditiously. Regarding the three court cases, the Department was directed to be watchful in respect of their proceedings.

Action regarding write off Rs. 40,958/68 in respect of Mr. Naseer-ud-Din may be made available to Audit for its verification.

The para was kept pending.

356. Para 193 Page 210 of Audit Report On Commercial Accounts for the year 1981-82

357. Para 194 Page 210 of Audit Report On Commercial Accounts for the year 1981-82.

358. Para 195 Page 211 of Audit Report On Commercial Accounts for the year 1981-82.

25-2-87

The paras already stand settled.

359. Para 196 Page 211 of Audit Report On Commercial Accounts for the year 1981-82 - Store and Spares.

25-2-87

The Department stated that they have disposed off the surplus stores and have provided the break up to the Audit for its verification.

Subject to verification by Audit, the para stands deferred.

19-9-87

The explanation of the Department was accepted by the Committee and the para was settled.

360. Para 197 Page 211 of Audit Report On Commercial Accounts for the year 1981-82 - Obsolescence Reserve Fund Rs. 26, 28, 312/- and Rs. 33, 07, 451/-.

25-2-87

The Department stated that adjustment of Rs. 33, 07, 451/- has been made and produced to Audit for verification.

Subject to verification the para stands deferred.

19-9-87

The adjustment of Rs. 33, 07, 451/- had been verified by Audit.

The para was settled.

361. Para 198 Page 211 of Audit Report On Commercial Accounts for the year 1981-82 - Permanent Advance Rs. 49, 799/-.

25-2-87

The adjustment has been carried out the para stands settled.

362. Para 199 Page 212 of Audit Report On Commercial Accounts for the year 1981-82 - Shortage worth Rs. 69, 731/- and Excess worth Rs. 38, 542/-.

19-9-87

The Department explained that the balance shortages of Rs. 1, 19, 641/- was being recovered/adjusted and progress in this report will be reported in the next meeting.

The para was kept pending.

25-2-87

The Department stated that the amount of Rs. 1, 53, 229/- has been adjusted and verified by Audit. The remaining amount of Rs. 3, 55, 207/- has been adjusted but it has yet to be verified by Audit in their units.

Subject to verification the para stands deferred.

363. Para 200 Page 212 of Audit Report On Commercial Accounts for the year 1981-82 - Sundry Debtors Rs. 31, 308 Millions.

25-2-87

The Department stated substantial amount of sundry debtors had been recovered and efforts are being made for recovery of remaining sundry debtors. The Committee directed that the

remaining recoveries may be effected within 6 months' time.

The para was kept pending.

19-9-87.

The Department explained that out of the total sundry debtors of Rs. 3,13,08,395/- as on 30-6-1980 a sum of Rs. 2,97,40,179/- had been recovered leaving a balance of Rs. 15,68,216/-. The efforts for recovery of this balance amount were also in progress.

The para was kept pending.

364. Para 201 Page 212 of Audit Report On Commercial Accounts for the year 1981-82 - Non-Clearance of Head "Provisional Prices Adjustable Suspenses".

25-2-87

The adjustment having been verified by Audit the para stands settled.

365. Para 202 Page 212 of Audit Report On Commercial Accounts for the year 1981-82 - Recoverable from PUTC Rs. 13,51,65,475/-.

25-2-87

The progress regarding settlement of the Punjab Road Transport Board Claim against Punjab Urban Transport Corporation will be reported to Audit for verification.

The para was kept pending.

19-9-87

The Department explained that adjustment of Rs. 10,49,97,478/- had been verified by Audit. The clearance of the balance amount of Rs. 3,10,67,997/- will shortly be made.

The para was settled.

366. Para 203 Page 212 of Audit Report On Commercial Accounts for the year 1981-82 - Non Adjustment of Inter Service Accounts.

25-2-87

The para was settled.

1982 - 83

367. Para 26 Page 30 of Audit Report On Commercial Accounts for the year 1982-83 - Unnecessary Expenditure of Rs. 2,425 Million on Surplus Staff.

25-2-87

The para was settled.

368. Para 27 Page 30 and 31 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 1,918 Million on Repair of Defective B.L.M.C. Make Buses.

26-2-87

The Corporation could not answer the queries raised by the Audit that why warranty of one year was not invoked on account of disatisfactory service of 98 defective bus. The Corporation requested for more time to come with specific answer.

The para was kept pending.

19-9-87

The para was pending as action on this remained to be taken.

369. Para 28 Page 31 and 32 of Audit Report On Commercial Accounts for the year 1982-83 - Imported Machinery worth Rs. 1,63 Million Lying Idle.

26-2-87

The Corporation admitted that the furnace plant required for the maintance of Leyland buses arrived very late more over they could not put the furnaces in operation. Now, the buses have since been auctioned as such there is no need of these furnaces. The Corporation is looking for a buyer with suitable offer. The Public Accounts Committee-II directed the Corporation to complete the disposal formalities within six months'.

The para was kept pending.

19-9-87

The Department had requested for three months' time in the completion of the action of the transanction of Furnace Plant as it yet required the approval of the Board.

The para was kept pending.

370. Para 29 Page 32 to 34 of Audit Report On Commercial Accounts for the year 1982-83 - Loss Due to Embezzlement of Cash Rs. 2,04,784/-.

26-2-87

The Managing Director assured that as a remedial measures weekly reconciliation of all the units with the banks is being practised upon. The queries raised by Audit regarding the progress could not satisfactorily be answered by the Department and they were directed to come up with detailed working paper in this regard in the next meeting.

The case being subjudice was kept pending.

19-9-87

The cases were either under inquiry or were sub-judice, in the mean while, the Department had undertaken to provide inquiry report to Audit for its verification.

The para was kept pending.

371. Para 30 Page 34 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Rs. 1,14,117/- due to Premature Failure of Tyres.

26-2-87

The Public Accounts Committee-II directed the Department to complete all formalities of inspection and verification by Audit within 3 months' time.

19-9-87

The Department explained that the 31, 6, 37 and 1 tyres had been recovered/adjusted. The disposal of remaining 27 tyres had yet to be reported.

The para was kept pending.

372. Para 31 Page 34 and 35 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Spare Parts worth Rs. 39,420/- sent for Repair but not Received Back.

26-2-87

All the outstanding accounts have been accounted for and will be got verified by Audit.

Subject to verification by Audit the para was settled.

19-9-87

The para was settled subject to recommendation of the Audit.

373. Para 22 Page 35 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Premature Failure of Tyres Rs. 20,988/-.

26-2-87

The Department stated that the claims of all the tyres with manufacturing defects has been lodged with the supplier. Some of these claims have been accepted and the amount in this respect recovered, while in some others these have been written off. The cases of remaining are being pursued. The Committee directed that the settled claims may be got verified from Audit and remaining claims may be pursued for settlement within three months.

19-8-87

- (i) The Department explained that recovery/adjustment of 27 tyres had been verified by Audit.
- (ii) The write off action of 5 tyres of Jhang unit will be verified by Audit.
- (iii) Settlement of 9 tyres had yet to be expedited.

The para was kept pending.

374. Para 237 Page 309 of Audit Report On Commercial Accounts for the year 1982-83 - Loss of Assets due to Unsatisfactory Operation of P.R.T.C.

26-2-87

The Department assured that they will take all the remedial measures in future.

The para was settled.

375. Para 238 Page 310 of Audit Report On Commercial Accounts for the year 1982-83 - Unsatisfactory Position of "Losses Account".

26-2-87

The Finance Department came up with the proposition that conversion of Government loan into equity may be reviewed by the Public Accounts Committee - II as it will not resolve the issue. They will bring in a comprehensive brief in this respect in the next meeting.

The para was kept pending.

19-9-87

The para was settled in accordance with the advice of the Finance Department.

376. Para 239 Page 310 of Audit Report On Commercial Accounts for the year 1982-83 - Recoverable Amount on Accounts of the Assets of P.R.T.B.

26-2-87

The adjustment having been made and verified by Audit, the para was settled.

377. Para 240 Page 310 of Audit Report On Commercial Accounts for the year 1982-83 - Non-Confirmation of Cash between the Bank Balances and Balance Sheet of Headquarters.

26-2-87

The para was settled.

378. Para 241 Page 311 of Audit Report On Commercial Accounts for the year 1982-83 - Infructuous Expenditure on the Wages of Surplus Field Staff.

26-2-87

The Committee directed that the pending verification in this respect may be expedited.

The para was kept pending.

19-9-87

The explanation of the Department was accepted and the para was settled.

379. Para 242 Page 311 of Audit Report On Commercial Accounts for the year 1982-83 - Improper Formation of Consolidation Accounts.

26-2-87

The para was settled.

LAHORE:

The 24th May, 1988.

(SAF DAE ALI SHAH)

Secretary,

Provincial Assembly of the Punjab.

Report

Typed by

*Hj. mst